

ABB POWER PRODUCTS AND SYSTEMS INDIA LIMITED

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Open offer by ABB Switzerland Ltd (“Acquirer 1”) for the acquisition of up to 1,05,95,419 fully paid up equity shares of the face value of INR 2 each, representing 25.00%* 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 Offer is being 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 the Acquirers

* In terms of Regulation 7 of the SEBI (SAST) Regulations an open offer under Regulations 3 and 4 of the SEBI (SAST) Regulations is required to be for at least 26% of the total share capital of a target company, as of 10th working day from the closure of the tendering period. However, the public shareholding of the Target Company is 25% as on date, and therefore, the Offer Shares represent 25.00% of the Voting Share Capital of the Target Company.

This second corrigendum (“Second Corrigendum”) is being issued by ICICI Securities Limited, the Manager to the Offer (“Manager”), for and on behalf of the Acquirers and the PACs in respect of the Offer to the Public Shareholders of the Target Company, pursuant to receipt of comments on the Draft Letter of Offer (as defined below) from SEBI vide its observation letter dated August 24, 2020 (“Observation Letter”).

This Corrigendum should be read in continuation of and in conjunction with:

- the public announcement in connection with the Offer, made by the Manager on behalf of the Acquirers and the PACs on March 30, 2020 (“Public Announcement”);
- the detailed public statement in connection with the Offer, published on behalf of the Acquirers and the PACs on June 2, 2020 in the following newspapers: Financial Express (English, all editions), Jansatta (Hindi, all editions), Hosa Digantha (Kannada, Bangalore edition) and Navshakti (Marathi, Mumbai edition) (“Detailed Public Statement”);
- the draft letter of offer dated June 9, 2020 filed with the Securities and Exchange Board of India (“SEBI”) in connection with the Offer (“Draft Letter of Offer”); and
- the corrigendum to the detailed public statement in connection with the Offer, published on behalf of the Acquirers and the PACs on July 3, 2020 in the same newspapers as the Detailed Public Statement (“Corrigendum”).

Capitalised terms used but not defined in this Second Corrigendum shall have the meaning assigned to such terms in the Draft Letter of Offer.

SECOND CORRIGENDUM

1. Updates in relation to PAC 1:

- PAC 1 was originally incorporated as ABB Management Holding AG and its name was changed from July 9, 2020 to its present name, Hitachi ABB Power Grids AG, pursuant to the Closing. All references to ABB Management Holding AG in the Detailed Public Statement shall mean Hitachi ABB Power Grids AG from July 9, 2020.
- The registered office of PAC 1 has changed from Affolternstrasse 44, 8050 Zurich Switzerland to Brown Boveri Strasse 5, 8050 Zurich Switzerland. Paragraph 3.2 of Part I A (Acquirers, PACs, Target Company and Offer) of the Detailed Public Statement stands revised accordingly.
- PAC 1 is engaged in the business of acquiring, holding, managing, exploiting and selling interests in participations in Switzerland and abroad, particularly in the development, engineering, manufacturing and sale of products, systems and projects that relate to the businesses of power grid automation, power grid integration, high voltage products and transformers and related areas. Paragraph 3.3 of Part I A (Acquirers, PACs, Target Company and Offer) of the Detailed Public Statement stands revised accordingly.
- The authorised share capital of PAC 1 as of the date of this Second Corrigendum comprises 12,50,000 shares of face value 1 CHF per share. The total number of issued and paid up share capital of PAC 1 comprises 11,71,000 shares. To the extent relevant, Paragraph 3.4 of Part I A (Acquirers, PACs, Target Company and Offer) of the Detailed Public Statement stands revised accordingly.
- The board of directors of PAC 1 was reconstituted on July 01, 2020. Mr. Frank Duggan, who has been appointed as a director on the board of directors of PAC 1 on July 01, 2020, is also a director on the board of directors of the Target Company. To the extent relevant, Paragraph 3.5 of Part I A (Acquirers, PACs, Target Company and Offer) of the Detailed Public Statement stands revised accordingly.

2. Update in relation to the Offer Price:

- The Acquirers and the PACs have decided to revise the Offer Price upwards from INR 865.92 per Offer Share to INR 872.68 per Offer Share, consisting of INR 851 per Offer Share plus interest of INR 21.68 per Offer Share, computed at the rate of 10% per annum, for the period between March 30, 2020 (being the date of making the Public Announcement) and July 1, 2020 (being the date of completion of Closing. The interest component of the Offer Price has been computed inter alia in terms of Regulation 8(12) of the SEBI (SAST) Regulations. The Offer Price is payable in cash.
- The Offer Price, wherever it appears in the Detailed Public Statement shall be construed accordingly.
- For further details relating to the Offer Price, please refer to Paragraph 6.1 (Justification of Offer Price) of the Letter of Offer.

3. Update in relation to the Financial Arrangements:

- As a consequence of the upward revision of the Offer Price as set out in paragraph 2 above, the maximum consideration payable under the Offer (assuming full acceptance) at the Offer Price of INR 872.68 per Offer Share will be INR 9,24,64,42,184.32 (“Maximum Open Offer Consideration”). The Maximum Open Offer Consideration, wherever it appears in the Detailed Public Statement shall be construed accordingly.
- In terms of Regulation 17(2) of the SEBI (SAST) Regulations, in case of upward revision of the offer price, the value of the escrow amount is required to be computed on the revised consideration calculated at such revised offer price, and the additional amount is required to be brought into the escrow account prior to effecting such revision. Accordingly, in light of the upward revision of the Offer Price, Acquirer 1 has deposited additional amount in the Escrow Account – Cash, such that the total amount available in the said Escrow Account – Cash is more than the Maximum Open Offer Consideration.

4. Update in relation to electronic dispatch of the Letter of Offer on account of the COVID-19 pandemic:

- In light of the relaxations granted by SEBI vide SEBI circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 read with SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, on account of impact of the COVID-19 pandemic and the lockdown measures undertaken by the Central Government and State Governments, physical copies of the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will not be dispatched to the Public Shareholders.
- The Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will be dispatched through electronic means to the Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective Depositories as of the close of business on August 26, 2020, i.e. the Identified Date and in each case, who have registered their email ids with the Depositories and/or the Target Company.
- A copy of the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) is expected to be available on the respective websites of SEBI (www.sebi.gov.in), the Target Company (<https://www.hitachiabb-powergrids.com/in/en>) the Registrar to the Offer (www.linkintime.co.in), the Manager (www.icicisecurities.com), BSE (www.bseindia.com) and NSE (www.nseindia.com) during the period the Offer is open and may also be downloaded from any of the aforesaid websites.

5. Update in relation to the schedule of activities:

- On behalf of the Acquirers and the PACs, the Manager has received SEBI's observations on the Draft Letter of Offer vide the Observation Letter. Therefore, the tentative schedule of activities set out in Part VII (Tentative Schedule of Activity) of the Detailed Public Statement stands accordingly revised as follows:

No.	Activity	Original schedule of activities (Day & Date)	Revised schedule of activities (Day & Date)
1.	Date of making the Public Announcement	Monday, March 30, 2020	Monday, March 30, 2020
2.	Date of publication of the Detailed Public Statement	Tuesday, June 02, 2020	Tuesday, June 02, 2020
3.	Last date of filing of Draft Letter of Offer with SEBI	Tuesday, June 09, 2020	Tuesday, June 09, 2020
4.	Last date for public announcement for a competing offer(s)	Tuesday, June 23, 2020	Tuesday, June 23, 2020*
5.	Last date for receipt of SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager)	Tuesday, June 30, 2020	Monday, August 24, 2020 [§]
6.	Identified Date [¶]	Thursday, July 2, 2020	Wednesday, August 26, 2020
7.	Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date and who have registered their email ids with the Depositories and/or the Target Company	Thursday, July 9, 2020	Wednesday, September 02, 2020
8.	Date for uploading the Letter of Offer on the websites of the Target Company, the Manager to the Offer, the Registrar to the Offer, BSE and NSE	-	Wednesday, September 02, 2020
9.	Date of publication of the dispatch advertisement in accordance with the SEBI circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 read with SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020	-	Wednesday, September 03, 2020
10.	Last date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Monday, July 13, 2020	Monday, September 07, 2020
11.	Last date for upward revision of the Offer Price/Offer Size	Tuesday, July 14, 2020	Tuesday, September 07, 2020
12.	Date of publication of Offer Opening Public Announcement in the newspapers in which the Detailed Public Statement has been published	Wednesday, July 15, 2020	Tuesday, September 08, 2020
13.	Date of commencement of the Tendering Period	Thursday, July 16, 2020	Wednesday, September 09, 2020
14.	Date of closure of the Tendering Period (the “Offer Closing Date”)	Wednesday, July 29, 2020	Tuesday, September 22, 2020
15.	Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Offer Shares to the shareholders of the Target Company	Wednesday, August 12, 2020	Wednesday, October 07, 2020
16.	Last date for filing the post-Offer report with SEBI	Wednesday, August 19, 2020	Wednesday, October 14, 2020
17.	Last date for publication of post-Offer public announcement in the newspapers in which the Detailed Public Statement has been published	Wednesday, August 19, 2020	Wednesday, October 14, 2020

*There has been no competing offer as of the date of this Second Corrigendum.

§Actual date of receipt of SEBI's observations in relation to the Draft Letter of Offer.

¶The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that subject to paragraph 3.2.15 of Part 3.2 (Details of the Proposed Offer) and Part 7 (Terms and Conditions of the Offer) of the Draft Letter of Offer, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time on or prior to the Offer Closing Date.

5.2. The above dates wherever they appear in the Detailed Public Statement should be read accordingly.

6. Update in relation to the instructions to the Shareholders:

- In case the Equity Shares are held in physical form: As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release bearing no. 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 01, 2019. However, in accordance with the Frequently Asked Questions issued by SEBI, “FAQs – Tendering of physical shares in buyback offer /open offer/exit offer/delisting” dated February 20, 2020 and the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Documents to be delivered by all Public Shareholders holding Equity Shares in the physical dematerialised form:
 - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein along with the complete set of documents for verification procedures to be carried out including: (a) original share certificate(s), (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.
 - In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- In case the Equity Shares are held in dematerialised form: Documents to be delivered by all Public Shareholders holding Equity Shares in the dematerialised form:
 - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Equity Shares, as per the records of the DP.
 - Photocopy of the delivery instruction in “off-market” mode or counterfoil of the delivery instruction slip in “off-market” mode, duly acknowledged by the DP.
 - Please note the following:
 - For each delivery instruction, the Beneficial Owner should submit a separate Form of Acceptance-cum-Acknowledgment.
 - The Registrar to the Offer is not bound to accept those acceptances, for which corresponding Equity Shares have not been credited to the Escrow Demat Account or for Equity Shares that are credited in the Escrow Demat Account but the corresponding Form of Acceptance-cum-Acknowledgment has not been received as on the date of closure of the Offer. However, if the Equity Shares are credited in the Escrow Demat Account but the Form of Acceptance-cum-Acknowledgment is not received by the Registrar to the Offer, the applicant will not be rejected for non- receipt of the Form of Acceptance-cum-Acknowledgment by the Registrar to the Offer.

7. Other Information:

- Please note the following in relation to the Offer Price:
 - At the time of entering into the SPA on December 17, 2018 with Acquirer 2, the intrinsic valuation of PAC 2's power grids business in India which was one of the business segments of ABB India Limited, was not determined by PAC 2 and Acquirer 2. The SPA attributes a notional value to PAC 2's power grids businesses in various jurisdictions including India, and this was based on historical unconsolidated local revenues available at the time of the signing of the SPA, i.e. for the financial year 2017 and moreover, used solely as a threshold to determine satisfaction of the Closing Condition under the SPA relating to the carve out of 80% of the total revenue attributable to PAC 2's power grids business to PAC 1 at Closing. As per the SPA, the portion of the delayed consideration attributable to the power grids business within ABB India Limited was 3.46% on the basis of the estimated equity value for the global transaction at the time of signing of the SPA. The valuation of PAC 2's power grids business in India based on this metric works out to INR 2,642 crores or INR 623.42 per equity share and including the interest for the period between the date of the SPA and Closing, such amount is INR 719.14 per Equity Share of the Target Company. At the time of actual pay out by Hitachi to ABB at Closing (in July 2020), the total Equity Value of Global PG business was USD 8.552 bn. Based on that, per share price including 10% interest (from period between the date of the SPA and Closing) works out to be about INR 769.05.
 - The Target Company was not in existence at the time of execution of the SPA. It acquired ABB India Limited's power grids business through an NCLT driven demerger process approximately 11 months after signing of the SPA and became listed only on March 30, 2020. Since the SEBI (SAST) Regulations only became applicable to the Target Company from the date of its listing, it was deemed appropriate to make the Public Announcement in relation to the open offer on the same date as listing. Since the Target Company had no trading history as at the date of making the Public Announcement and since there was no separate price negotiated for the Target Company at the time of contracting the primary acquisition (i.e., at the time of signing the SPA), the Offer Price was incapable of being determined under the parameters specified in Regulation 8(3) of the SEBI (SAST) Regulations. Hence the Acquirers and PACs appointed the Banshi S. Mehta & Co. and Ernst & Young Merchant Banking Services LLP (the “Valuers”) (who vide their respective reports dated March 24, 2020 considering valuation of the Target Company as of March 23, 2020 arrived at the fair value of the Target Company. Such valuation was done taking into account the parameters as specified in Regulation 8(4) including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.
 - The timing of the valuation exercise was not dependent on market conditions, but was instead undertaken based on the date of publication of the Public Announcement, which was in turn contingent on completion of various regulatory approval processes including: (i) completion of the demerger of the power grids business from ABB India Limited to the Target Company pursuant to the Scheme, which Scheme became effective on December 01, 2019; and (ii) receipt of listing and trading approval from the Stock Exchanges, which was obtained on March 25, 2020 with notification for trading to commence on March 30, 2020. The Public Announcement was made on the earliest possible date, i.e. March 30, 2020 and the valuation reports required to make the Public Announcement were provided on March 24, 2020, being a proximate date to the Public Announcement.
 - The timing of the valuation exercise was thus dependent on the date of listing of the Target Company, i.e., the date on which the SEBI (SAST) Regulations became applicable to the Target Company and had no correlation with the onset of the COVID-19 pandemic or the depression in the stock markets. The Valuers were appointed in December 2019 prior to the onset of the COVID-19 pandemic and had issued their valuation reports on March 24, 2020 which was prior to the date of listing of the Target Company and publication of the Public Announcement.
 - The Valuers have, in their valuation reports dated March 24, 2020, determined the valuation of the Target Company as at March 23, 2020, i.e., a date proximate to the publication of the Public Announcement. A retrospective valuation of the Target Company, i.e., as of a date proximate to the SPA was not carried out as such valuation would not be an appropriate exercise considering the factors prescribed under Regulation 8(4) of the SEBI (SAST) Regulations on account of the following reasons:
 - The Target Company was not in existence at the time of execution of the SPA and was incorporated only subsequently on February 19, 2019. The power grids business of ABB India Limited was demerged to the Target Company pursuant to the Scheme with effect from the appointed date thereunder, i.e., April 1, 2019 which date was subsequent to the date of execution of the SPA. Accordingly, the assets and liabilities forming part of the power grids business that would have been demerged to the Target Company pursuant to the Scheme could not have been determined in December 2018.
 - In terms of the Scheme, as consideration for the demerger, the shareholders of ABB India Limited as on the Record Date were allotted shares in the Target Company in accordance with the Share Exchange Ratio. Such allotment of shares was made only pursuant to the effectiveness of the Scheme, i.e., after December 01, 2019. As the capital structure of the Target Company post the demerger could not have been fixed in December 2018, the Offer Price could not be determined before having clarity on the number of shares of the Target Company. Conducting a valuation of the Target Company as of a date when it was not in existence and its shares were not allotted to the Public Shareholders would not be appropriate.
 - The drop in market price of ABB India Limited pursuant to the demerger has been considered as one of the methodologies of valuation by Banshi S. Mehta & Co. As the Record Date for the shares to be issued pursuant to the demerger was in December 2019, this methodology could not have been used and the drop could not have been envisaged in December 2018. This method of valuation is the most direct as prior to being ex-demerger, ABB India Limited's share price was a combined value of both the power grids and non-power grids businesses and upon becoming ex-demerger, ABB India Limited's share price only reflected the non-power grids business, and accordingly, the drop in market capitalisation reflected the stock market's consensus of the value of power grids business.
 - The projections for valuation have to be as they existed on the date of such valuation. Projections made as of a date closer to this Letter of Offer for a reference date of December 2018 would have a hindsight bias and would not be appropriate.
- All other terms and conditions of the Offer as set out in the Detailed Public Statement read with the Corrigendum remain unchanged.
- The Acquirers and the PACs and their respective directors accept responsibility for the information contained in this Second Corrigendum (except for the information with respect to the Target Company which has been compiled from information published or provided by the Target Company as the case may be, or publicly available sources and which information has not been independently verified by the Acquirers, the PACs or the Manager).
- The Acquirers and the PACs shall be jointly and severally responsible for the fulfilment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
- This Second Corrigendum to the Detailed Public Statement will also be available on the respective websites of SEBI (<https://www.sebi.gov.in/>), the Target Company (<https://www.hitachiabb-powergrids.com/in/en>), the Manager (www.icicisecurities.com) and the Registrar to the Offer (www.linkintime.co.in), in addition to the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Manager to the Offer:	Registrar to the Offer:
 <p>ICICI SECURITIES LIMITED ICICI Centre, H.T. Parekh Marg, Churchgate Mumbai – 400 020, Maharashtra Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email ID: appsil.openoffer@icicisecurities.com Contact Person: Sameer Purohit / Anurag Byas SEBI Registration No. INM000011179</p>	 <p>LINK INTIME INDIA PRIVATE LIMITED C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 Tel : + 91 22 49186200 Fax : + 91 22 49186195 Website: www.linkintime.co.in Email: appsil.offier@linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration Number: INR000004058</p>

Issued on behalf of the Acquirers and the PACs

ABB Switzerland Ltd	Hitachi, Ltd.	Hitachi ABB Power Grids AG	ABB Ltd
Place: Switzerland	Place: Japan	Place: Switzerland	Place: Switzerland
August 27, 2020	August 27, 2020	August 27, 2020	August 27, 2020