

India

ABB Limited - Annual Report 2005



ABB

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Board of Directors

Dinesh Paliwal, Chairman
Ravi Uppal, Vice Chairman and Managing Director
Biplab Majumder, Executive Director (w.e.f. 24/01/2006)
Nasser Munjee
N S Raghavan
D E Udawadia (w.e.f. 21/07/2005)
K Sridhar (w.e.f. 21/07/2005)
Tom Eric Sjökvist
Bernhard Jucker (w.e.f. 24/01/2006)

Auditors

M/s. S R Batliboi & Company
Chartered Accountants

Company Secretary

B Gururaj

Registered Office

2nd Floor, East Wing
Khanja Bhavan
49, Race Course Road
Bangalore - 560 001

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Corporate Management Committee

Ravi Uppal
Biplab Majumder
I K Sadhu
K Rajagopal
P C Rajiv
Shyam Karmarkar
V Swamy
Madhav M Digraaskar
N Ravi
Prakash Nayak
Prakash Kanagalekar
S Karun

Registrar & Share Transfer Agents

Karvy Computershare Private Limited
No. 51/2, T.K.N.Complex
Vanivilas Road
Opp. National College
Basavanagudi
Bangalore - 560 004

Bankers

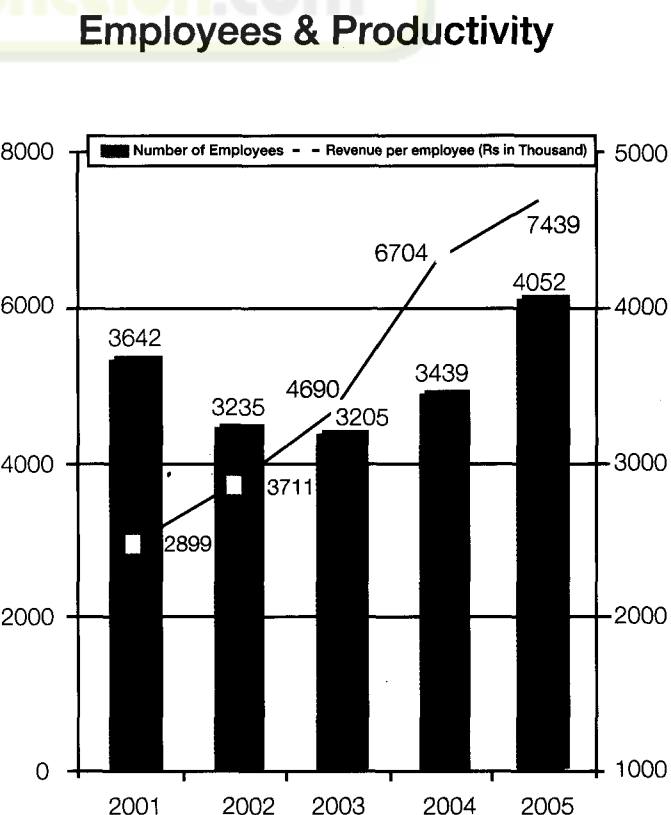
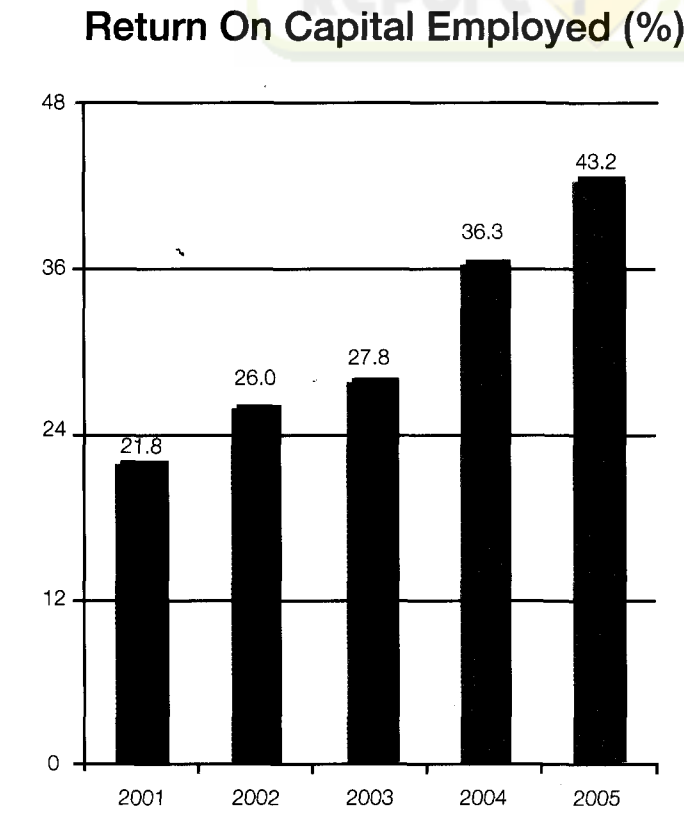
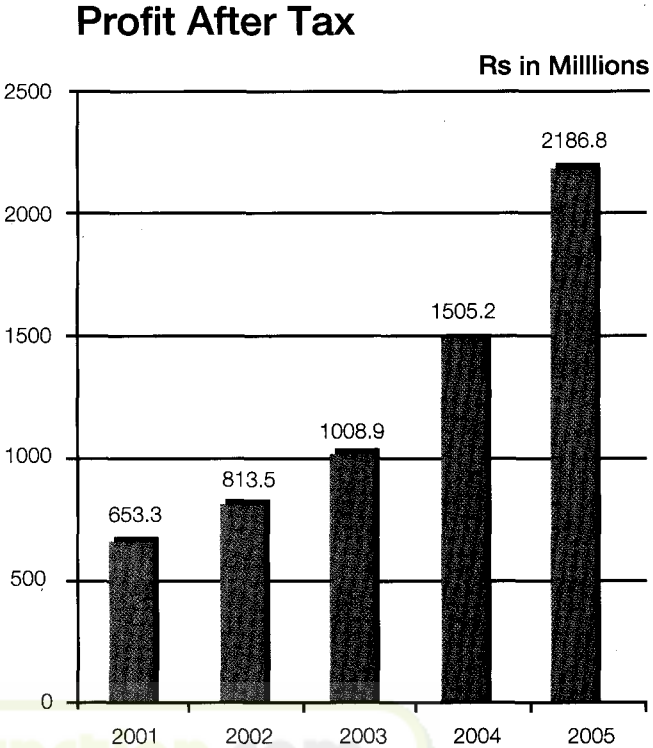
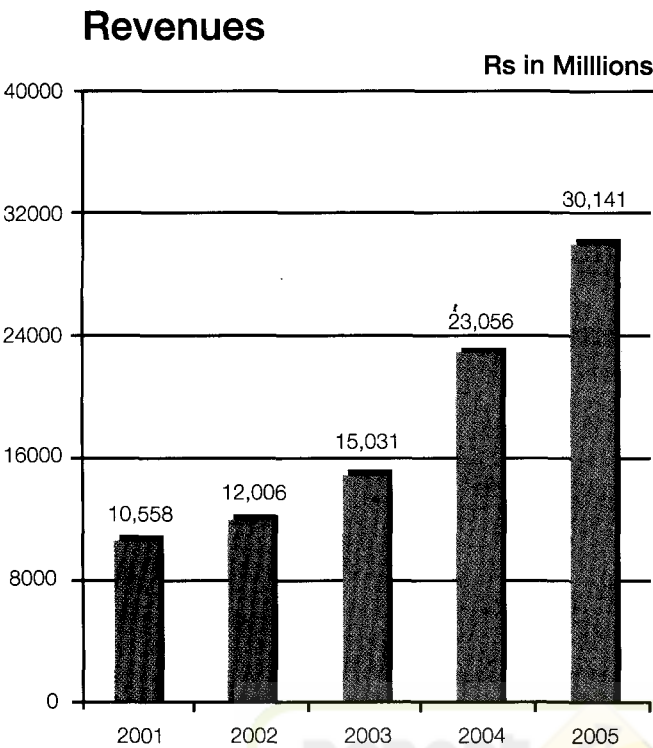
ICICI Bank Limited
Canara Bank
IDBI Bank Limited
HDFC Bank Limited
Hongkong and Shanghai Banking Corporation Limited
Union Bank of India
Standard Chartered Bank

5 Year Highlights

(Rs in Millions)					
Description	2005	2004	2003	2002	2001
Sources of Funds					
Share Capital	423.8	423.8	423.8	423.8	498.8
Reserves	8,466.7	6,669.4	5,461.6	4,539.2	3,805.4
Net Worth	8,890.5	7,093.2	5,885.4	4,963.0	4,304.2
Borrowings	27.3	14.9	101.0	123.7	108.0
Funds Employed	8,917.8	7,108.1	5,986.4	5,086.7	4,412.2
Income and Profits					
Sales & Other Income	30,141.4	23,055.7	15,030.6	12,005.7	10,557.6
Operating Profit Before Interest and Depreciation	3,692.6	2,582.3	1,722.8	1,418.9	1,105.9
Profit Before Tax	3,394.8	2,365.2	1,528.9	1,229.7	850.8
Tax	1,208.0	860.0	520.0	416.2	197.5
Profit After Tax	2,186.8	1,505.2	1,008.9	813.5	653.3
Dividend / Dividend Tax	389.4	335.4	319.5	259.1	228.2
Retained Earnings	1,797.4	1,169.8	689.4	554.4	425.1
Other Data					
Gross Fixed Assets	4,324.4	3,428.1	3,037.9	2,707.0	2,747.9
Debt Equity Ratio	0.01:1	0.01:1	0.02:1	0.02:1	0.03:1
Net Worth Per Equity Share - Rs	209.8	167.4	138.9	117.1	99.8
Earnings Per Equity Share - Rs	51.6	35.5	23.8	19.1	15.5
Dividend Per Equity Share - Rs	8.0	7.0	6.0	6.0	5.0
Profit After Taxes as % to Average Net Worth	27.4	23.2	18.6	17.6	15.9

Excludes revaluation of fixed assets, revaluation reserve and exceptional items.

5 Year Highlights



Excludes revaluation of fixed assets, revaluation reserve and exceptional items.

Corporate Management Committee



Ravi Uppal
Vice Chairman & MD



Biplab Majumder
COO & Head - Automation Products



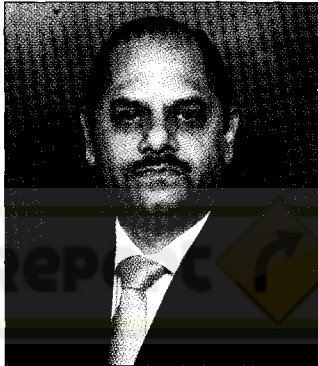
Inder Sadhu
Head - Power Systems



V Swamy
Head - Building Systems



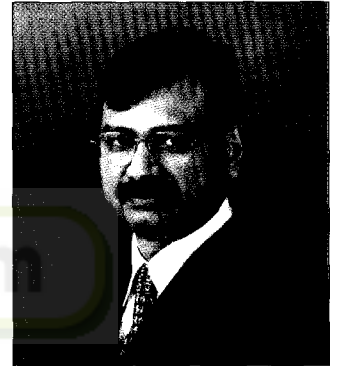
Madhav Digraskar
Head - Power Products



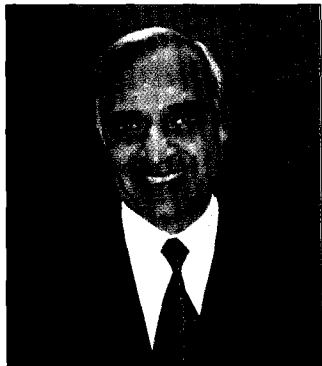
N Ravi
Head - Process Automation



K Rajagopal
Chief Financial Officer



PC Rajiv
Head - Human Resources



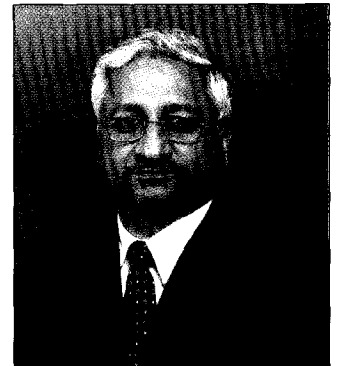
Shyam Karmarkar
Head - Marketing



Prakash Kanagalekar
Head - Operational Excellence



S Karun
Head - Service



Prakash Nayak
Head - Corporate Research

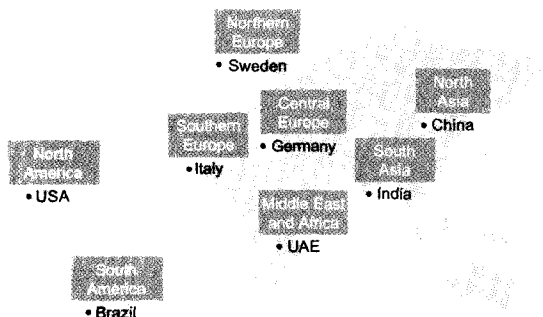
Welcome to ABB

ABB is a global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in over 100 countries and employs about 104,000 people. As one of the world's leading engineering companies, ABB's technology competence, broad application know-how and global presence offers customers easy access to leading electrical engineering and industry automation solutions and systems.

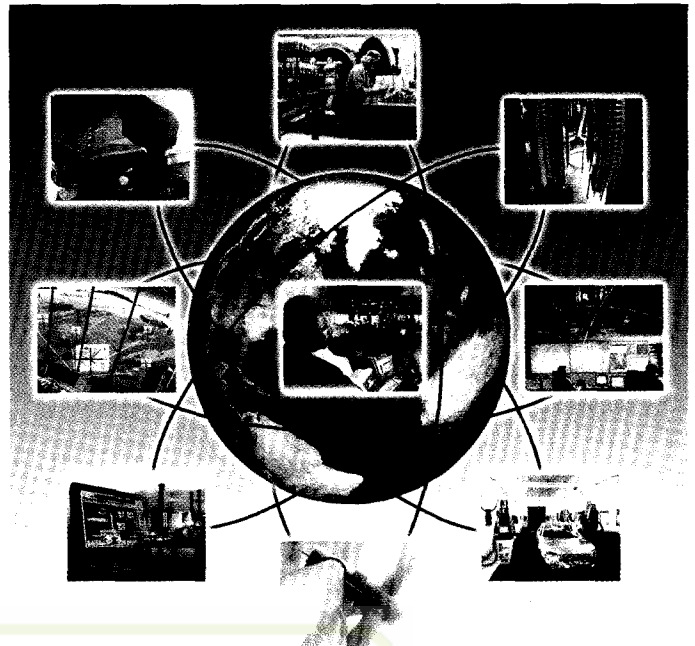
A new focused ABB

ABB recently outlined a strategy that emphasizes improved business execution and a broader approach to value creation, including focus on growth, operating margins, use of capital and cash generation. To support the execution of the strategy, the two core divisions, i.e. power and automation technologies have been replaced by their five respective business areas. The new divisions, with effect from 1st January 2006 are Power Products, Power Systems, Automation Products, Process Automation and Robotics.

As part of the new organizational approach, eight regions have also been created, to manage business line and functional roles effectively across geographies and maximize synergies. These regions alongwith the R&D organization report to the Head, Global Markets and Technology, entrusted to drive execution of the company's strategy across national and regional borders as well as facilitate the integration of marketing and technology across the organization.



120 years of Technology & Innovation



With a technology heritage of over 120 years, ABB recognizes that innovation, supported by strong investment in research and development, is key to maintaining cutting-edge technologies and strengthening market leadership positions, today and in the future.

Technology plays a key role in the company and ABB, spends around USD One billion per annum on research and order related development. ABB has nine research centers, 6,000 scientists and 70 university collaborations across the world - all working to develop unique technologies that enable customers to be more competitive.

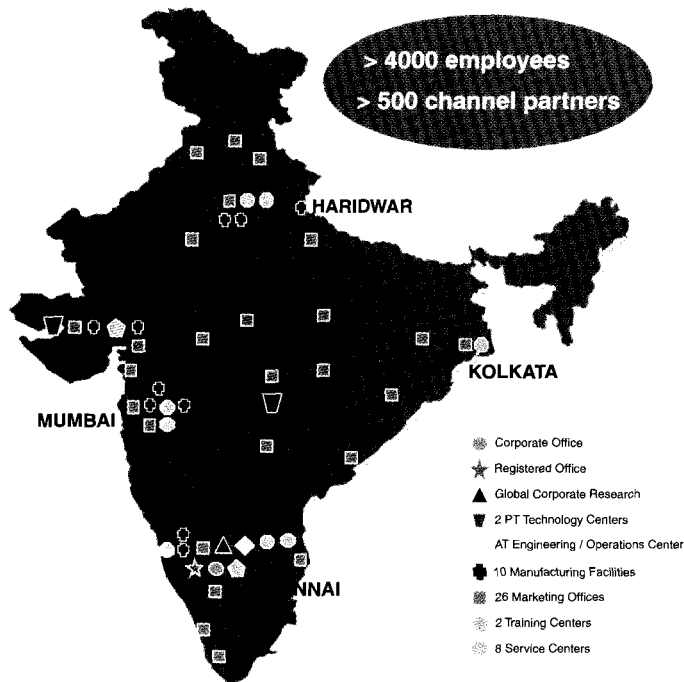
Every day, ABB produces and ships hundreds of thousands of products, ranging from tiny low-voltage switches and drives to huge transformers weighing over 1,000 tons. ABB provides industry and utility customers with high-efficiency, energy-saving products and systems that allow them to get the most from their grids and factories, while at the same time lowering environment impact.

ABB in India

ABB India employs over 4000 people, has 10 manufacturing units, a global Engineering and Operation centre and a Group corporate R&D facility. The company has a countrywide marketing and service presence spanning 27 marketing offices, a network of over 500 channel partners and 8 service centres. The ABB Group is increasingly leveraging India both as a priority market and as an important regional and global resource base.

ABB remains committed to delivering state-of-the-art power and automation technology products, systems and solutions to facilitate the development of the country's power and industrial infrastructure. ABB has pioneered several technologies in India including the introduction of self-blast SF6 technology, first High Voltage Direct Current (HVDC) back-to-back converter station and transmission line, first Static Var Compensation (SVC) solution, first 400 kV switchyard, turnkey substation for first barge mounted power plant and many more.

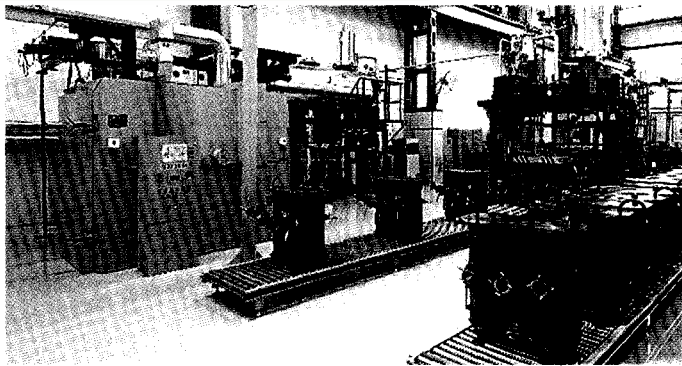
ABB is helping Indian industry become globally competitive by leveraging state-of-the-art automation technologies that enhance productivity, efficiency, quality and consistency.



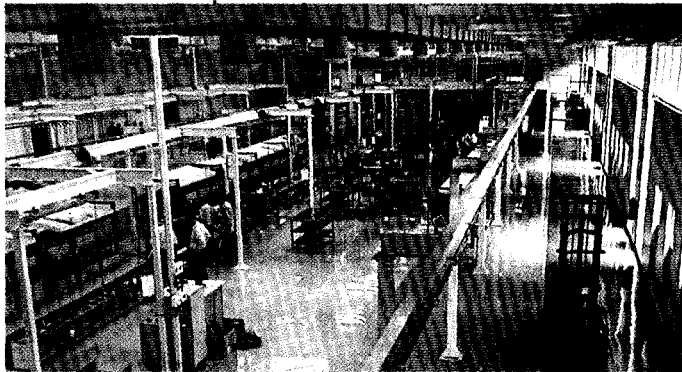
New Drives facility, Bangalore



New HV Machines facility, Vadodara



New Distribution Transformers facility, Vadodara



New Ring Main Units facility, Nashik

Power Systems

The Power Systems business offers turnkey systems and services for power transmission and distribution grids, as well as for power plants. For power generation, the offering includes complete electrification, automation, instrumentation and control of power plants.

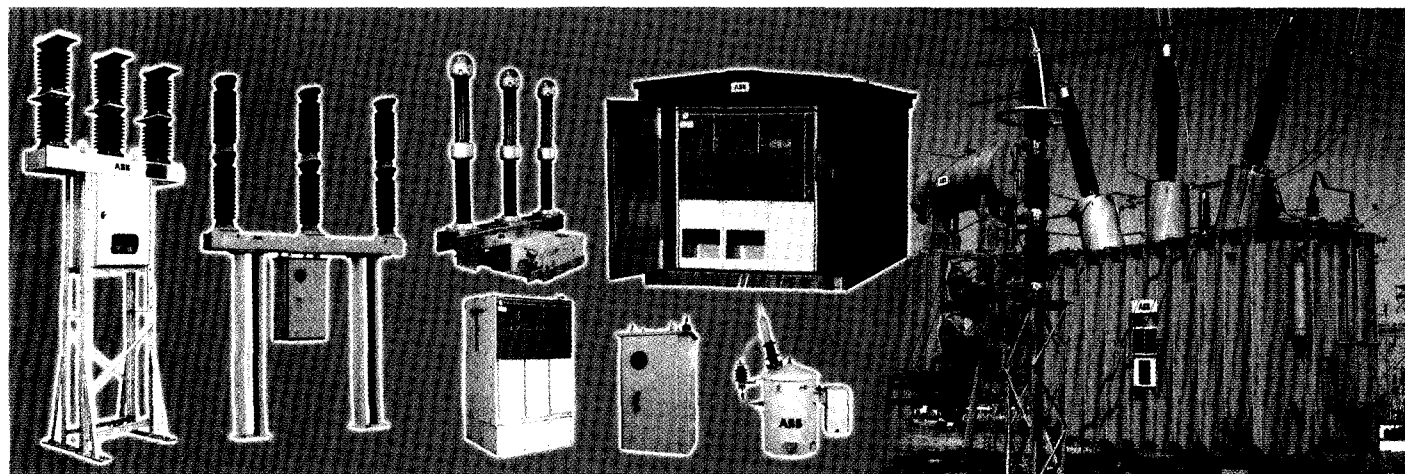
ABB delivers end-to end solutions, playing a key role in electrification and energy projects -, both new and retrofit - for urban and rural utilities as well as industrial and commercial customers.

The offering includes solutions like High-Voltage Direct Current (HVDC) systems and Flexible Alternating Current Transmission Systems (FACTS) that facilitate higher capacity utilization as well as efficient and reliable transmission of quality power. ABB also offers turnkey solutions for substations, distribution automation and network management. This includes Supervisory Control and Data Acquisition (SCADA) systems, Wide Area Monitoring Systems (WAMS) and a host of technologies that help reduce T&D losses, increase uptime and improve the overall reliability of the grid.



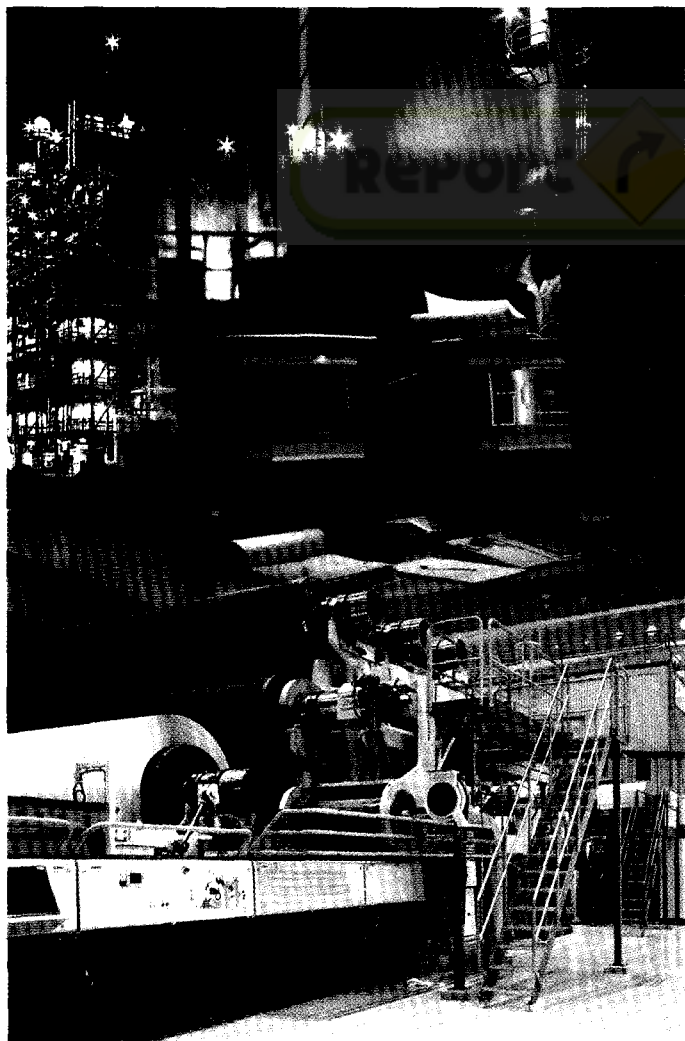
Power Products

World class power products from ABB facilitate reliable and efficient transmission and distribution of electricity. ABB's product offering covers a wide spectrum of technologies across the entire voltage range including indoor and outdoor circuit breakers, air and gas insulated switchgear, disconnectors, capacitor banks and reactive power compensators, power and distribution transformers as well as instrument transformers.



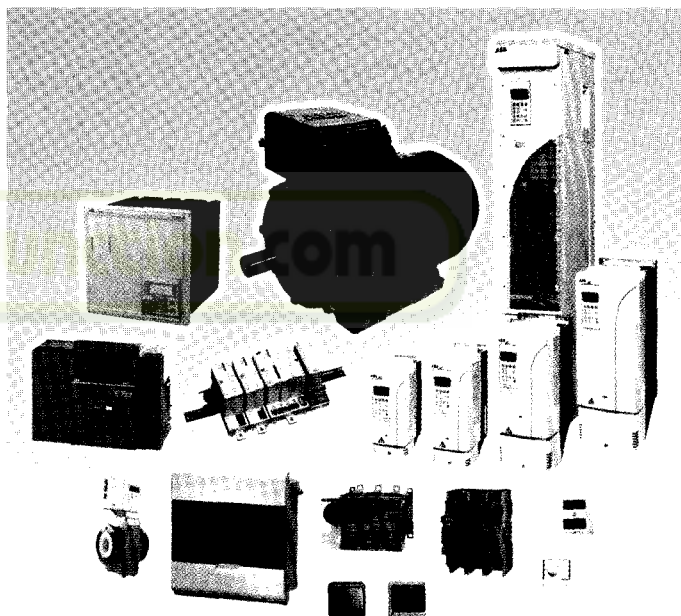
Process Automation

The Process Automation business serves customers across the industry spectrum. This includes process, manufacturing and consumer industries as well as buildings and infrastructure projects. ABB offers turnkey solutions for automation, control, plant optimization, and industry-specific applications. The business serves industries including oil and gas, power, chemicals and pharmaceuticals, pulp and paper, metals and minerals, marine and turbo charging among others. Key customer benefits include improved asset productivity and energy savings. ABB's automation solutions fully integrate industrial processes backed by world-class platforms.



Automation Products

The Automation Products business serves customers with energy efficient and reliable products to improve their productivity. This includes a wide range of standard products like drives, motors, low voltage products, instrumentation and analytical, and power electronics. This business serves customers and channel partners, spanning a wide range of industry and utility operations, as well as commercial and residential buildings. All these are supported by world-class service backup and asset management solutions to help customers gain higher efficiencies and maintain the highest standards of competitiveness.



Robotics

ABB has the world's largest installed base of industrial robots and also provides robot software, peripheral equipment and modular manufacturing cells for tasks such as assembly, painting and finishing, and machine tending. Key markets served, include automotive, foundry, packaging, material handling and consumer industries. A strong solution focus leverages thousands of successful applications for manufacturers worldwide.

