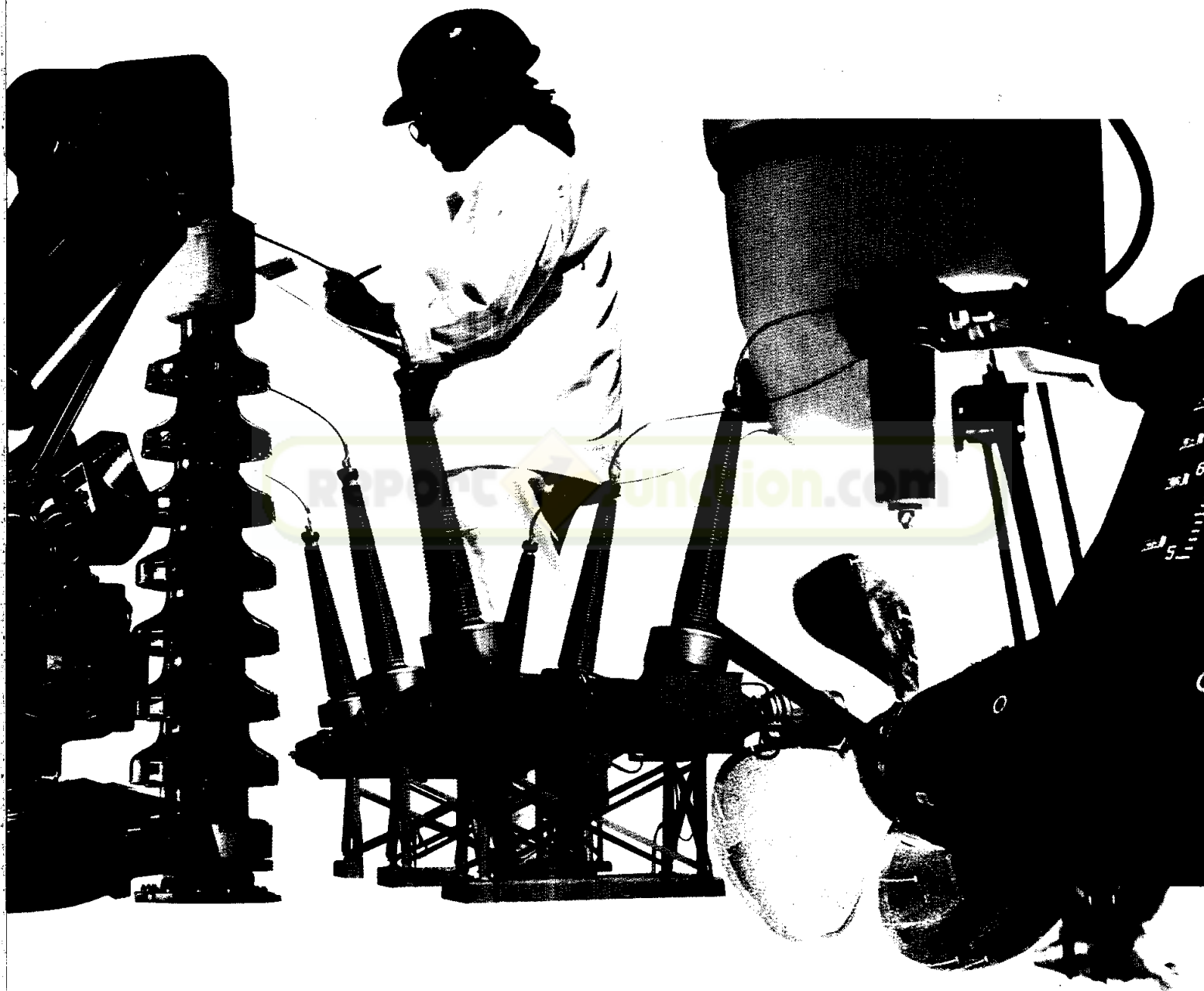


India

Asea Brown Boveri Limited

Annual Report 2001



ABB

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Asea Brown Boveri Limited Report and Accounts – 2001

Board of Directors

K.N. Shenoy, Chairman
Ravi Uppal, Managing Director
Vijay Karan
Eric Drewery
A. Ramamurthy
K.K. Kaura
Peter Smits
N.S. Raghavan
Nasser Munjee
Dinesh Paliwal

Company Secretary

Aashay S. Khandwala

Corporate Management Committee

Ravi Uppal
I.K. Sadhu
Amresh Dhawan
Biplab Majumder
Bazmi Husain
V. Swamy
R.N. Baxi
K. Rajagopal
P.C. Rajiv

Bankers

ABN Amro Bank N.V.
Bank of Baroda
Canara Bank
Central Bank of India
Deutsche Bank
Hongkong & Shanghai Banking Corporation Limited
ICICI Bank Limited
Indian Overseas Bank
Punjab National Bank
Standard Chartered Bank
Standard Chartered Grindlays Bank Limited
Union Bank of India

Solicitors

Crawford Bayley & Co.

Auditors

Bharat S Raut & Co.

Registered Office

Plot No. 22-A, Shah Industrial Estate, 1st Floor
Off Veera Desai Road
Andheri (West)
Mumbai – 400 053

Corporate Office

Khanija Bhavan
2nd Floor, 49, Race Course Road
Bangalore – 560 001

Registrar & Share Transfer Agent

Tata Consultancy Services
Lotus House
6, New Marine Lines
Sir Vithaldas Thackersey Marg
Mumbai – 400 020

5 Year Highlights

(Rs in Millions)					
Description	2001	2000	1999	1998	1997
Sources of Funds					
Share Capital	498.8	414.2	414.2	414.2	414.2
* Reserves	3,805.4	3,478.4	3,192.2	4,099.0	3,949.5
* Net Worth	4,304.2	3,892.6	3,606.4	4,513.2	4,363.7
Borrowings	108.8	165.6	416.3	175.0	456.7
* Funds Employed	4,413.0	4,058.2	4,022.7	4,688.2	4,820.4
Income and Profits					
Sales & Other Income	10,557.6	8,068.5	7,933.5	8,934.1	10,841.6
Operating Profit Before Interest and Depreciation	1,105.9	911.8	751.2	764.9	1,131.3
Profit Before Tax	850.8	705.1	532.0	492.3	863.5
Tax	197.5	165.0	160.0	115.0	215.0
Profit After Tax	653.3	540.1	372.0	377.3	648.5
Dividend / Dividend Tax	228.2	253.9	231.9	227.8	227.8
Retained Earnings	425.1	286.2	140.1	149.5	420.7
Other Data					
* Gross Fixed Assets	2,747.9	2,442.3	2,253.5	2,771.3	2,599.4
* Debt Equity Ratio	0.03:1	0.04:1	0.12:1	0.04:1	0.10:1
* Net Worth Per Equity Share - Rs	99.8	94.0	87.1	109.0	105.4
Earnings Per Equity Share - Rs	15.5	13.0	9.0	9.1	15.7
Dividend Per Equity Share - Rs	5.0	5.0	5.0	5.0	5.0
* Profit After Taxes as % to Average Net Worth	15.9	14.4	9.2	8.5	15.6

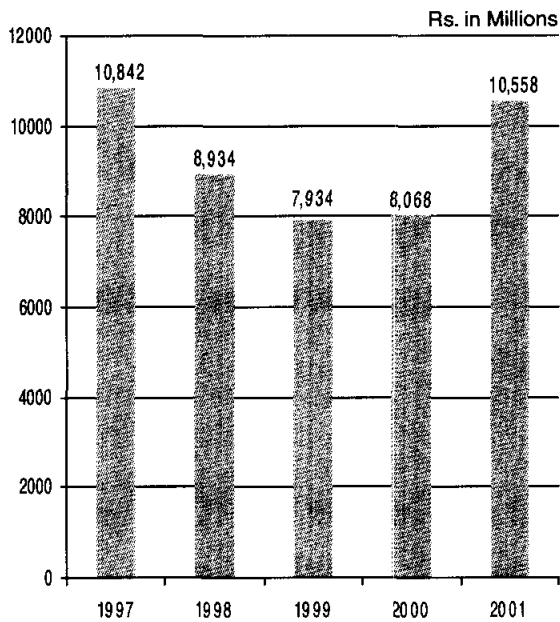
* Excludes revaluation of fixed assets/revaluation reserve

Note :

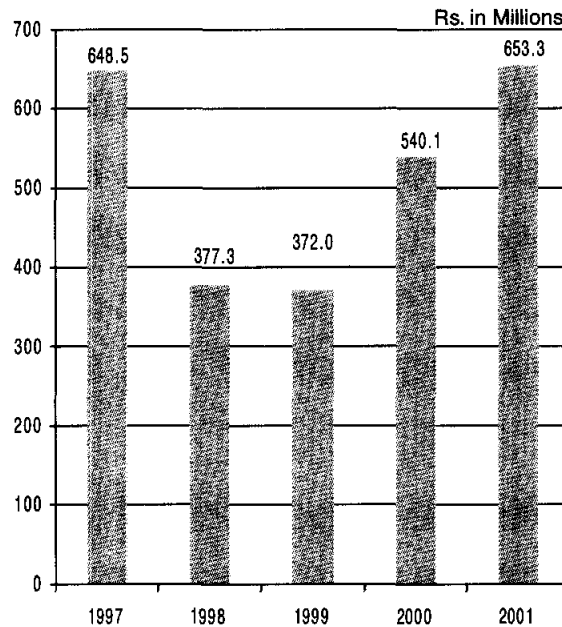
Above highlights includes figures till 31 March, 1999 of the demerged Power Generation business and four entities merged with the Company from 1 April, 2001.

5 Year Highlights

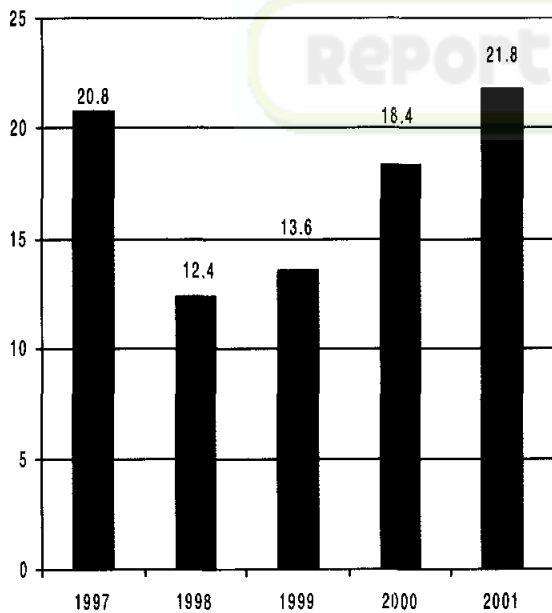
Revenues



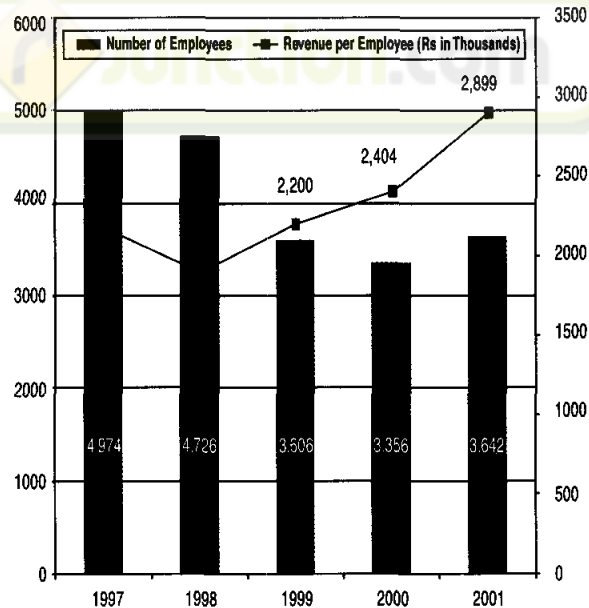
Profit After Tax



Return on Capital Employed (%)



Employees & Productivity



Note:

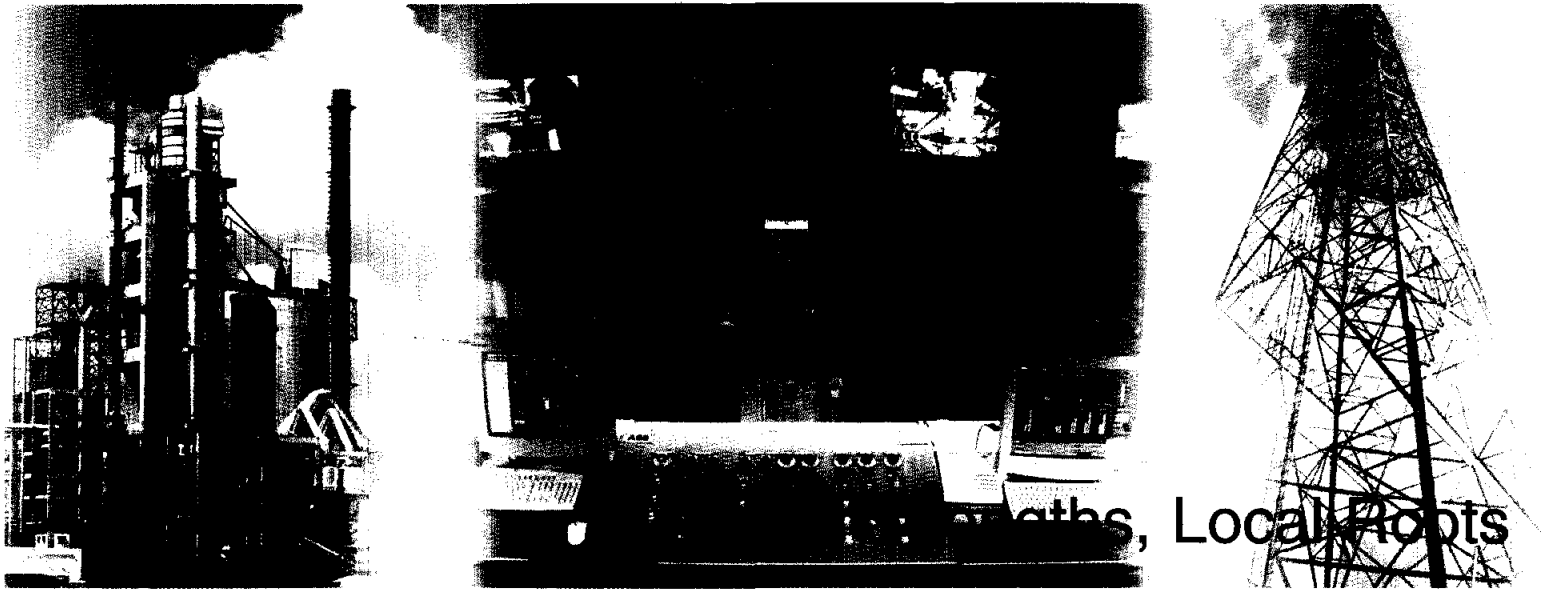
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About ABB

ABB is a global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. ABB is present in more than 100 countries. We rank number one, two or three in almost all of our activities.

We are organized from the outside in to make sure our customers have quick and easy access to everything they need, where and when they need it – whether they buy from us directly or through distributors, wholesalers, system integrators or other partners.

ABB is moving all its offerings to a common systems integration architecture, to deliver Industrial IT-enabled products and services. Industrial IT allows our customers to optimize their operations and link up in real time with their suppliers and customers. The result is a leap in efficiency, quality and competitiveness.



Managing for value

ABB's vision is to be '*The Value Creator*'. Working closely with our customers, understanding their business needs and local market conditions, we are committed to ensuring their success through innovative products, systems, services and complete solutions, combining world class technologies, proven expertise and strong local insight. By ensuring our customers' success we in turn, create value for all our stakeholders i.e. shareholders, employees and the communities in which we operate.

Putting customers at the core of our company

Everybody knows the power of being close to customers. It makes us understand them better, see their needs clearer. It enables us to serve them better and create more value.

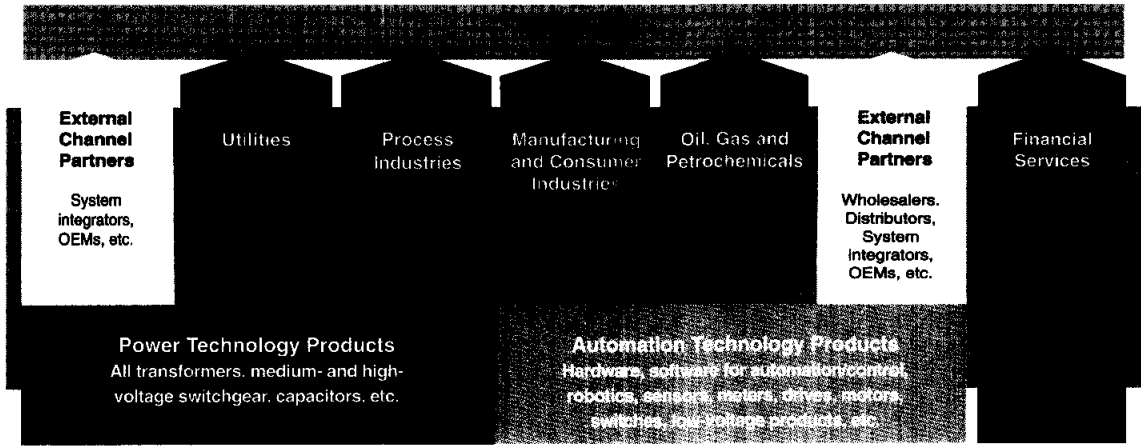
But few, if any, have made this well-known fact the core organizing principle for their companies. We at ABB believe we are the first in our industry

to take this step, transforming our enterprise around our main customer groups :

- Power, gas and water utilities
- Process Industries, like pulp and paper, metal and mining, chemicals and pharmaceuticals
- Manufacturing and consumer industries, like car makers, food and beverage companies
- Oil, gas and petrochemicals
- Channel partners, such as wholesalers, distributors, original equipment manufacturers and system integrators

This realignment makes it easier for customers to find and meet the right people in ABB. It makes it easier, faster and more efficient for them to tap into ABB's domain expertise and spectrum of offering.

By purposefully cutting away most of the need for coordination among product-based business units, the new organization creates an environment in which our people's energies flow naturally into meeting the needs of their customers, delivering more value faster, making them (and us) more competitive.



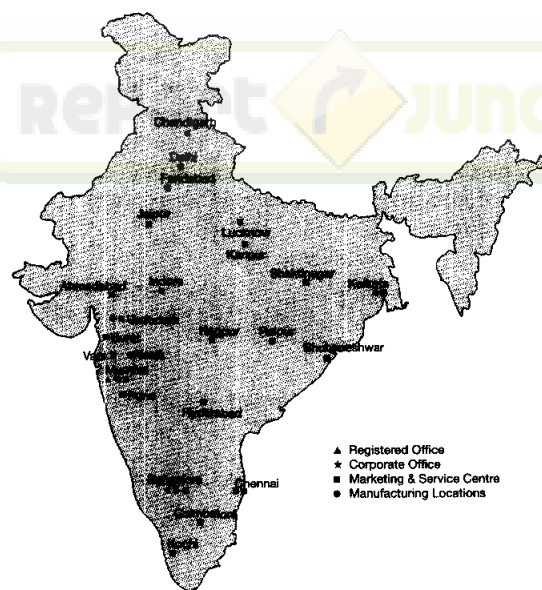


Service

Creating value for customers

The challenge for our customers in today's fast changing, globalised and networked world is not only how to keep pace with advances in technology and the speed of information, but how to leverage those advances to become more competitive. This is where we create value for them. We combine our knowledge of their industry and their business processes – with world class products, systems and services. This domain competence has been gained through years of experience in every industry and all parts of the world.

ABB in India serves customers across the complete offering spectrum of the Group.



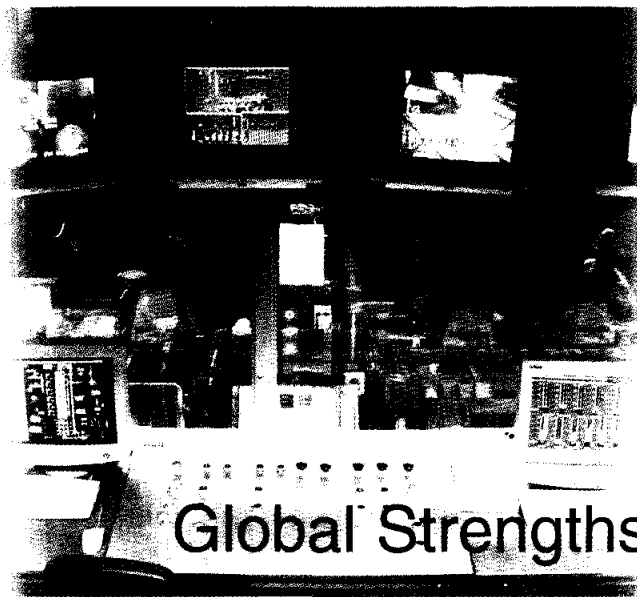
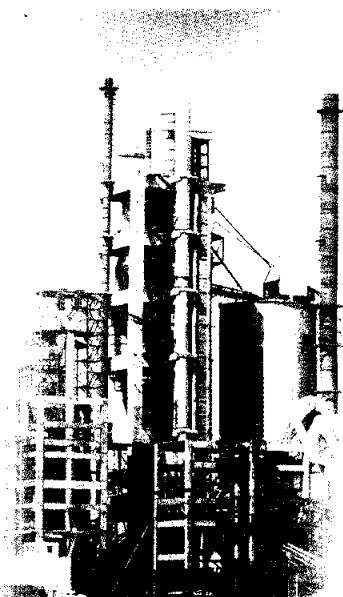
Utilities

Transmission equipment manufactured and supplied by the company over the past several decades has formed an integral part of the power systems spread across the country. ABB's solutions facilitate the flow of electrical power from generating stations, transmitted through cross - country power lines. ABB's distribution systems further help to bring electric power from high-voltage substations to end users. ABB delivers complete solutions and plays a key role in electrification and energy projects - both new and retrofit - for urban and rural utilities as well as industrial and commercial customers.

ABB has pioneered several technologies in India including the introduction of self blast SF6 technology, first HVDC back-to-back converter station, first SVC, first HVDC transmission line, first 400 kV switchyard, India's first IPP, turnkey substation for the first barge mounted IPP and many more.

ABB in India has delivered turnkey substation solutions upto 400 KV for central & state power utilities across the country and beyond. ABB offers a complete range of utility automation systems including substation automation, SCADA, C&I for power plants, communication systems (PLCC, fibre optics etc.) and power systems. We also offer global technologies for HVDC, HVDC light, AC Systems, RPC and SVC solutions.

The entire offering is supported by a strong countrywide after sales & service network.



Global Strengths, Local Roots

Managing for value

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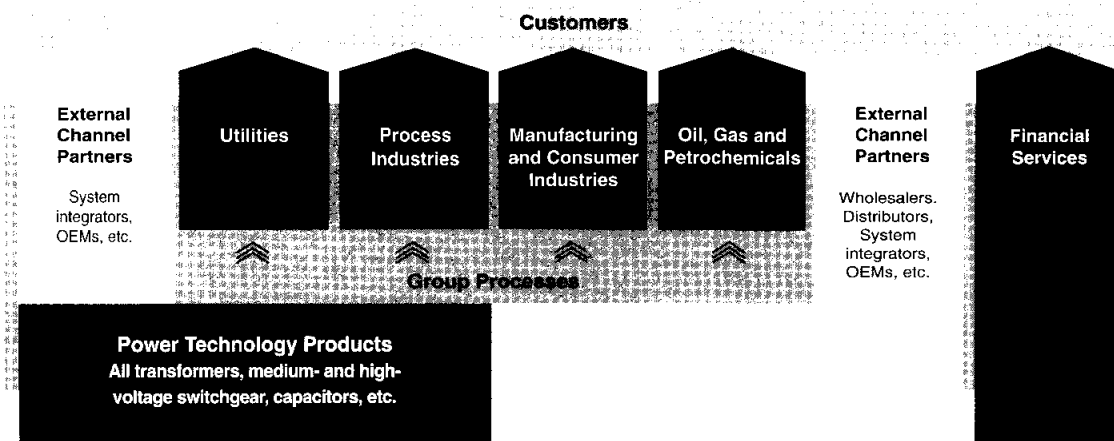
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Serving Utilities and Industry

Creating value for customers

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