



ANNUAL REPORT 2018

Shaping a leader focused in digital industries





ABB at a glance




ABB is a pioneering technology leader with a comprehensive offering for digital industries. With a history of innovation spanning more than 130 years, ABB is today a leader in digital industries with four customer-focused, globally leading businesses: Electrification, Industrial Automation, Motion, and Robotics & Discrete Automation, supported by its common ABB Ability™ digital platform. ABB's market-leading Power Grids business will be divested to Hitachi in 2020. ABB operates in more than 100 countries with about 147,000 employees.

ABB in India

Nurturing the Digital Ecosystem with ABB Ability™

2018 has been a year when ABB India cemented its leadership in digitalization across sectors. ABB played a key role in nurturing the digital eco-system by leveraging ABB Ability™ offerings from partnerships with thinktanks and institutions, thought-leadership at industry associations, and being part of landmark projects for digitalization.



NITI Aayog and ABB sign a statement of Intent to make key sectors of Indian economy ready for a digitalized future and realize the potential of AI, big data and connectivity



ABB President and CEO Dr Ulrich Spiesshofer delivered a keynote speech at the MOVE Summit on technologies for electric mobility



ABB's Chief Digital Officer Guido Jouret received the Global Digital Evangelist Award from NASSCOM, the apex body of software, digital companies in India



ABB partnered with IIT Roorkee to pioneer smart, green campus with digital technology



ABB is a strategic partner of the World Economic Forum Center for 4th Industrial Revolution launched in India



ABB Ability™ digital solutions deployed across Indian cement, steel, tyre and paint companies with three-fold increase in digitalization engagements

Annual Report 2018

Contents

006 – 007 2018: Delivering all-round growth

008 – 009 Key achievements of 2018

010 Country Management Committee

011 Company Information

016 – 085 Statutory Reports

 01

092 – 146 Financial Statements

 02

2018: Delivering all-round growth

Highlights

- Solid step-up of fundamentals - orders, revenue, cash and profits
- Digital leadership of ABB Ability™ resulted in milestone orders from Indian process industries
- Growth led by portfolio offerings in transportation, infrastructure and urbanization

Key figures*

- Orders grew by 16 percent YoY
- Revenue up 10 percent YoY
- Consistent growth in PAT by 13 percent YoY

Board recommends full-year dividend of 240%

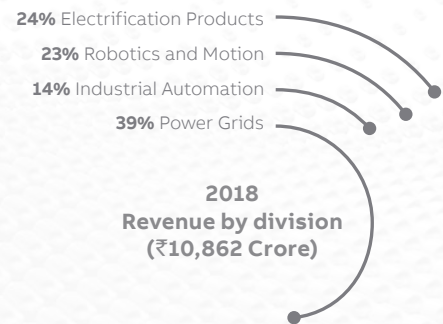
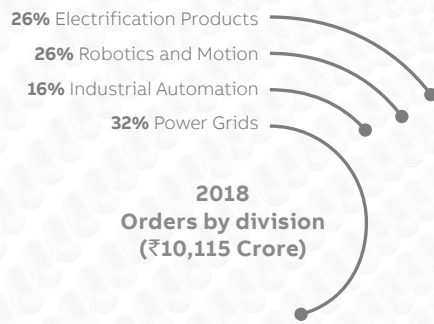
Five-year trajectory

	(₹ in Crores)				
Description	2018	2017	2016	2015	2014
Sources of Funds					
Shares capital	42	42	42	42	42
Reserves	3,965	3,565	3,245	2,966	2,770
Net worth	4,007	3,607	3,287	3,008	2,812
Borrowings	7	608	600	600	371
Funds employed	4,014	4,215	3,887	3,608	3,183
Income and Profits					
Revenue from operations	10,862	9,087	8,642	8,140	7,733
Operating profit before Interest and depreciation	1,017	857	816	713	556
Profit before tax	794	622	573	475	355
Profit after tax	511	420	374	300	229
Dividend/Dividend tax	112	102	94	94	94
Retained earnings	399	318	280	206	135
Other data					
Gross fixed assets	1,669	1,642	1,474	2,071	2,004
Debt equity ratio	0.00:1	0.17:1	0.18:1	0.20 :1	0.13:1
Net worth per equity share-Rs	189	170	155	142	133
Earnings per equity share-Rs	24	20	18	14	11
Dividend per equity share-Rs	4.8**	4.4	4.0	3.7	3.7
Profit after taxes as % to average net worth	13	12	12	10	8
Orders received	10,115	9,490	12,466	8,100	7,908
Orders backlog	10,111	11,534	11,821	7,946	7,926
Number of permanent employees	5,531	5,590	5,603	5,839	6,165

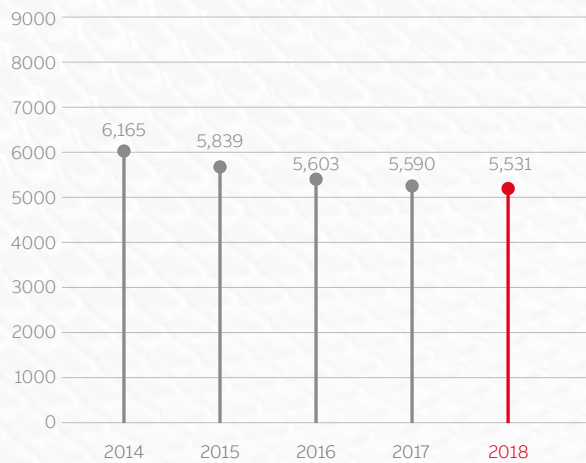
Note:

Figures for 2018 and 2017 are as per IND AS and for earlier periods as per IGAAP and hence not directly comparable. These figures also include performance of Power Grids Business, which has been disclosed as the discontinued operations in the Financials section.

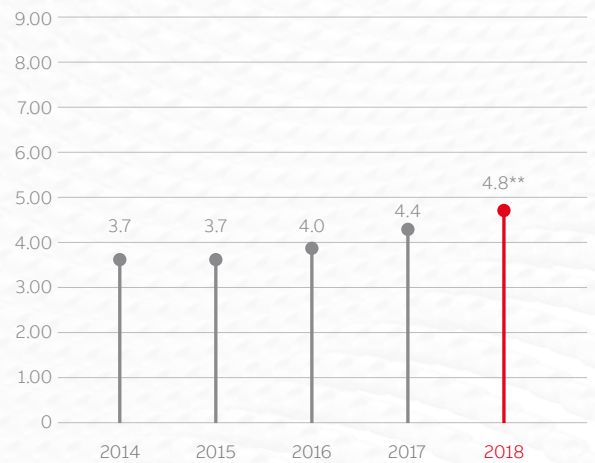
* Numbers exclude Power Grids ** Proposed dividend



Number of employees



Dividend (₹ per share)



** Proposed dividend

Key achievements of 2018



ABB opened the first of its kind smart factories at multiple locations in India with real time KPI monitoring and operator matrix development

01 Driving smart manufacturing in India

Opened smart factories for digitally enabled smart power safety and distribution equipment

02 Best in class global technology in India

Launched world's fastest electric vehicle charger during MOVE Summit

03 ABB Ability™ for Indian cement industries

Commissioned first ever enterprise-wide digitalization project combining people, processes and plants for one of the largest cement companies in India

04 Pioneering digital remote service for Indian industry

Deployed ~400 smart sensors across various industries for predictive maintenance and remote condition monitoring

05 Building the backbone of Indian smart cities

ABB solutions ranging from compact substations, metro technology, digital monitoring of water to data center technologies have powered inclusive and smart cities in the country

06 Enhancing efficiency of landmark infrastructure projects

ABB drives ensuring efficient climate control at the world's tallest Statue of Unity





— ABB with a range of best in class technology solutions is a long-term partner for the electrification and energy efficiency drive of Indian Railways

07

Market expansion in F&B

ABB F&B technologies from India have reached the distant shores of Africa and expanded segments with applications in beverage packaging and aquaculture for the domestic market

08

Reliable technology for all facets of infrastructure development

Reliable power management technology for sports stadiums e.g. hockey, cricket for hosting domestic and international competitions

— ABB's reliable 24x7 power distribution technology powers global sporting events at Lucknow



09

Nurturing the skill sets for the grid of the future

Opening of ABB PowerTEC to shape the future power landscape by building competency in classic and smart digital technologies

10

Sustainable mobility with next generation technology

Supporting the "Make in India" electrification and energy efficiency drive of Indian Railways with a range of traction and propulsion equipment

11

Optimizing use of waterways

First of its kind integrated automation package for Andaman ferries with option to connect to ABB marine remote monitoring and collaboration center

12

Enhancing last mile connectivity for energy

Commissioned microgrids for access to energy in remote Maharashtra villages

Country Management Committee

From left to right

Sanjeev Arora President – Robotics & Motion

Ramankumar Singh Country Human Resources Officer

Madhav Vemuri President – Industrial Automation;
Country Service Manager

Pitamber Shivnani President – Power Grids

CP Vyas President – Electrification Products

Sanjeev Sharma Managing Director

TK Sridhar Chief Financial Officer

Akilur Rahman Chief Technology Officer

B Gururaj General Counsel & Company Secretary

Karthik Krishnamurthi Head of Sales & Marketing

