



Creating the future

ABB India Limited - Annual Report 2015



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This is ABB

ABB is a pioneering technology leader in the fields of power and automation. We help our customers address the challenges of changing markets, technologies and regulations.

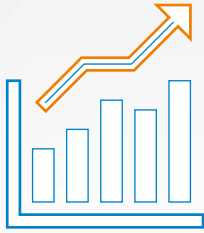
We deliver solutions that raise productivity and reduce environmental impacts for utilities, industry, transport and infrastructure.

Our operations are globally balanced and distinguished by strong positions in all of the world's principal markets.

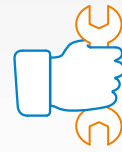
We build long-lasting, value-creating partnerships with customers, suppliers, business partners, employees and the communities in which we operate.

Innovation and quality are the hallmarks of our offering, which ranges from switches to industrial robots to engineering and expert service, from transmission and distribution networks to software that manages entire factories.

With roots in power and automation that go back to the 19th century, our innovations have shaped the world we know today, and are helping to create the future.



₹ 8,140
crores
in revenue
in 2015



Service orders post
double digit growth to
₹ 1,000
crores

Making in India for 60 years across

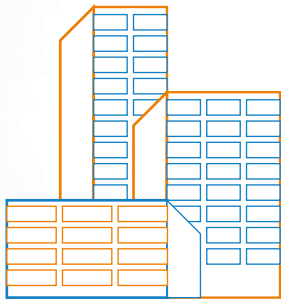
12
manufacturing
locations



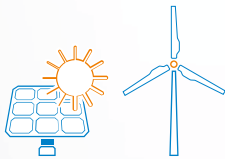
21
marketing
offices

39
factories

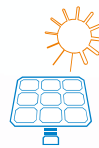
8
service centers



1 company delivering
power and productivity
for a better world



Pilot of first urban multisource
microgrid
in the heart of Delhi



50%
of solar power generated
in India passes through
ABB equipment



52%
of diesel locomotives
in India run on
ABB turbochargers



70%
of India's oil production
is monitored by
ABB solutions

Highlights

Base orders support steady revenue increase in a market awaiting recovery

Customer appreciation reflected in improving Net Promoter Score, with enhanced focus on quality

Sustained focus on operational efficiencies drive profitability expansion

Earnings per share surges year on year

Investments in local production capacities continue

New technologies and emerging markets provide avenues of growth

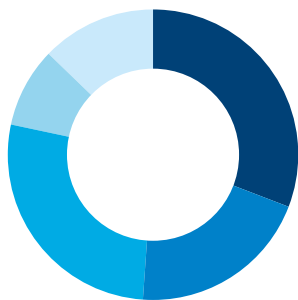
Relentless execution spurs double digit growth in service orders

Five-year highlights

(₹ in Crores)					
Description	2015	2014	2013	2012	2011
Sources of Funds					
Share capital	42.38	42.38	42.38	42.38	42.38
Reserves	2,966.17	2,769.60	2,635.18	2,555.67	2,492.14
Net worth	3,008.55	2,811.98	2,677.56	2,598.05	2,534.52
Borrowings	600.00	371.07	620.11	327.68	0.0
Funds employed	3,608.55	3,183.05	3,297.67	2,925.73	2,534.52
Income and Profits					
Revenue from operations	8,140.27	7,733.27	7,721.99	7,564.99	7,448.97
Operating profit before Interest and depreciation	712.50	555.69	469.92	336.49	361.78
Profit before tax	474.59	355.21	272.47	206.21	267.74
Profit after tax	299.88	228.51	179.31	137.41	184.54
Dividend/Dividend tax	94.37	94.09	74.87	73.88	73.72
Retained earnings	205.51	134.42	102.02	63.53	110.82
Other data					
Gross fixed assets	2,070.99	2,003.77	1,910.22	1,702.63	1,536.38
Debt equity ratio	0.20:1	0.13:1	0.23:1	0.13:1	0.00:1
Net worth per equity share-₹	141.97	132.70	126.36	122.61	119.61
Earnings per equity share-₹	14.15	10.78	8.46	6.48	8.71
Dividend per equity share-₹	3.70	3.70	3.00	3.00	3.00
Profit after taxes as % to average net worth	10.30	8.33	6.80	5.35	7.44
Orders received	8,099.73	7,908.41	6,716.51	6,966.20	8,188.80
Orders backlog	7,945.56	7,925.53	7,709.02	8,672.50	9,128.80
Number of permanent employees	5,839	6,165	6,371	6,752	6,926

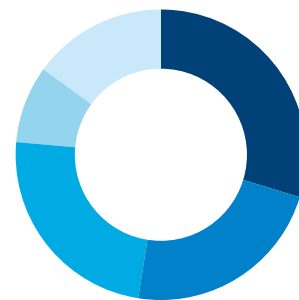
Orders 2015 by division

- Power Products, **31%**
- Power Systems, **20%**
- Discrete Automation and Motion, **27%**
- Low Voltage Products, **9%**
- Process Automation, **13%**

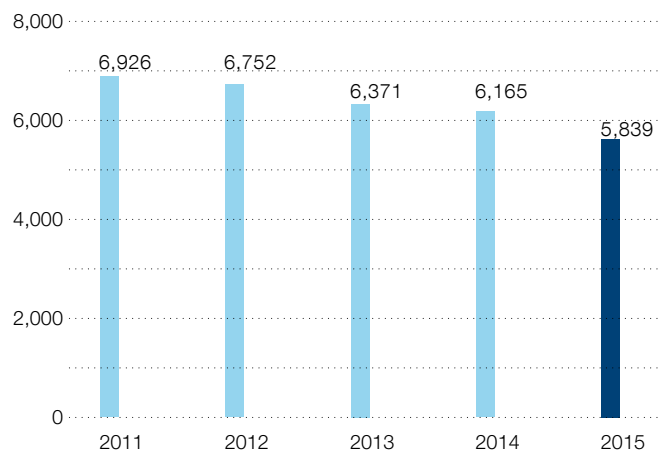


Revenues 2015 by division

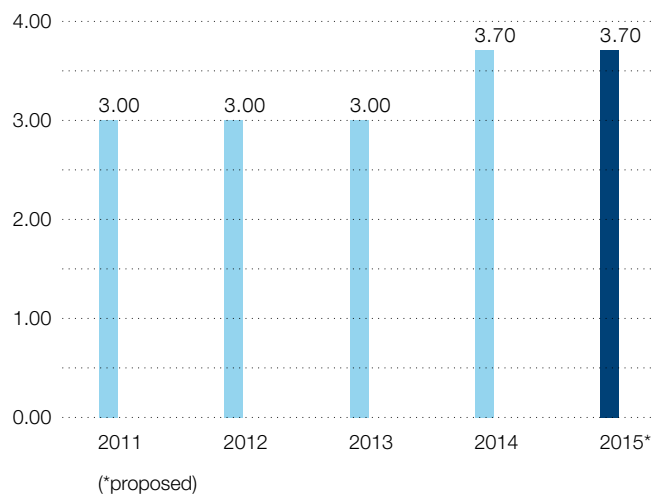
- Power Products, **30%**
- Power Systems, **22%**
- Discrete Automation and Motion, **24%**
- Low Voltage Products, **9%**
- Process Automation, **15%**



Number of employees



Dividend (₹ per share)



Key achievements of 2015

We stand for “Power and productivity for a better world”. Here, we highlight some of our technologies and achievements, which are contributing to the economic success of our customers, the development of society, and the minimization of environmental impact.

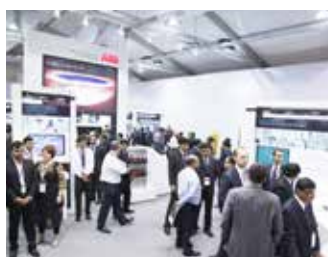
1 The next level of grid infrastructure

Energized the first phase of the world's first multi terminal 6,000 MW ultra high voltage direct current link connecting the north east to Agra, across 1,728 km



2 Creating a safer work environment

Automated the paint line in one of India's largest automotive company increasing efficiency and safety



3 Automation and Power World 2015

ABB India organized its flagship customer engagement exposition in New Delhi, attracting over 4,000 customers, policy makers and partners

4 Powering the core of India's solar vision

Connected 1.2 GW solar inverters in India in 2015 to reach cumulative installed capacity of 2.25 GW



5 Energizing mass transportation

Large order of traction transformers and converters for Indian Railways



6 Strengthening the grid in the subcontinent

ABB awarded a contract to build a 400/220 kilovolt (kV) substation at Bhulta and also commissioned 230 kV AIS switching station at Bibiyana, Bangladesh





7 A healthy future

ABB India conducted awareness campaigns on sanitation and hygiene and constructed over 120 toilets across 42 schools in Bhawanipur, Bihar

8 Running the world without consuming the earth

The solar powered aircraft, Solar Impulse, stopped over at Ahmedabad and Varanasi, during its attempted round the world flight



9 Make in India

Inaugurated the state of the art, large capacitor production lines to tap evolving markets



10 Recognition from industry

ABB India's supply chain management team felicitated by Union Minister for Heavy Industries and Public Enterprises



11 Minimizing losses, reducing costs

Modernized India's first cross country gas pipeline with minimal downtime



12 A culture of safety

12,859 safety observation tours across sites and locations



Country Management Committee

From left to right

GNV Subba Rao Head, India Centre for Global R&D

Raja Radhakrishnan Head, Human Resources

Giandomenico Testi Chief Technology Officer

Raimondo Salandra Division Manager, Electrification Products

Sanjeev Sharma Managing Director

Ralph Schultheiss Head, Legal and Integrity

T. K. Sridhar Chief Financial Officer

Subir K Pal Division Manager, Discrete Automation and Motion

Pitamber Shivnani Division Manager, Power Grids

Madhav Vemuri Division Manager, Process Automation and Country Service Manager



Company Information

Board of Directors

Frank Duggan - Chairman
Sanjeev Sharma - Managing Director
(w.e.f. 01.01.2016)
Bazmi R. Husain - Managing Director
(upto 31.12.2015)
Nasser Munjee
Darius E. Udawadia
Renu Sud Karnad
Tarak Mehta

Auditors

Messrs S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
"UB City", Canberra Block
12th Floor, No.24
Vittal Mallya Road
Bengaluru – 560 001

Registered Office

21st Floor, World Trade Center
Brigade Gateway
No.26/1, Dr. Rajkumar Road
Malleshwaram West
Bengaluru – 560 055

Corporate Identity Number

L32202KA1949PLC032923

Audit Committee

Nasser Munjee - Chairman
Darius E. Udawadia - Member
Renu Sud Karnad - Member
Tarak Mehta - Member

Cost Auditor

Messrs Ashwin Solanki & Associates
Cost Accountant
D/104, Koyna, Shantivan
Near National Park
Borivli (East)
Mumbai 400 066

Bankers

AXIS Bank Limited
Bank of America, N.A.
Bank of Bhutan Limited
Bank of India
Barclays Bank PLC
Canara Bank
Deutsche Bank AG
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
JP Morgan Chase Bank, N.A.
Standard Chartered Bank
State Bank of India
The Bank of Tokyo-Mitsubishi UFJ, Limited
The Hongkong and Shanghai Banking
Corporation Limited
The Royal Bank of Scotland N.V.
UCO Bank
Union Bank of India
YES Bank Limited

Stakeholders Relationship Committee

Darius E. Udawadia - Chairman
Renu Sud Karnad - Member
Sanjeev Sharma - Member
(w.e.f. 01.01.2016)
Bazmi R. Husain - Member
(upto 31.12.2015)

Secretarial Auditors

Messrs HBP & Co
Company Secretaries
No. 926, 20th Main
BSK 2nd Stage
Bengaluru - 560 070

Nomination and Remuneration Committee

Nasser Munjee - Chairman
Renu Sud Karnad - Member
Frank Duggan - Member

Company Secretary and Compliance Officer

B. Gururaj

Corporate Social Responsibility Committee

Renu Sud Karnad - Chairperson
Sanjeev Sharma - Member
(w.e.f. 01.01.2016)
Bazmi R. Husain - Member
(upto 31.12.2015)
Tarak Mehta - Member

Registrar and Share Transfer Agents

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

Risk Management Committee

Nasser Munjee - Chairman
Frank Duggan - Member
Sanjeev Sharma - Member
(w.e.f. 01.01.2016)
Bazmi R. Husain - Member
(upto 31.12.2015)
T. K. Sridhar - Member
Pitamber Shivnani - Member

Debenture Trustees

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
No. 17, R Kamani Marg
Ballard Estate, Fort
Mumbai - 400 001



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Business Responsibility Report

Overview of sustainability at ABB India Limited

Sustainability for the Company is about balancing economic success, environmental stewardship and social progress to benefit all stakeholders. Sustainability is part of ABB's corporate strategy and business success. The Company understands that corporate's sustainability approach towards its business creates long-term consumer and employee value by creating a "green" strategy.

The Company's sustainability objectives covers all domains of operations with emphasis on energy and resource efficient products, systems and services, ways of lowering its own energy intensity and waste, occupational health safety, environment and community development. The Company is committed to maintaining high ethical and governance standards, along with its firm commitment towards social, environmental and human rights aspects. It has several policies and standards in place to underpin these core values, namely the Code of Conduct¹, and policies such as the ABB Group Social² and Human Rights policies³, the Supplier Code of Conduct, the Company's Health Environment and Safety Policy (HSE)⁴ and Corporate Social Responsibility (CSR)⁵ policies respectively. These are supported by various internal Group directives and instructions, which are mandated within its operations, manufacturing sites and project sites and also on its vendors to address a whole set of its sustainability objectives.

The Company has always focused on sustainable business practices. Considerations are made in the businesses towards the aim of contributing towards a sustainable society. The Company is committed to support sustainable solutions for a better world and it continues to play a vital role in the development of sustainable mobility solutions in terms of technology and infrastructure. Sustainability considerations are taken into account at every stage from R&D to design, manufacturing and also in third party supplier qualifications. Sustainability aspects are interwoven at the planning stage itself. For e.g. the multi-source microgrid was planned and this supplied power to ABB's flagship customer engagement event, Automation and Power World (APW) 2015, in New Delhi during the year. APW 2015 presented smart solutions for sustainable growth, showcasing the drivers of the next level of development in India across utilities, industries, transport and infrastructure. The event was powered by solar and wind energy that could generate up to 125 kilovolt ampere (kVA) - enough clean energy for around 4,000 rural households. This avoided production of more than 1,300 kilograms of CO₂ emissions during the three-day APW event of the Company. The microgrid was equipped with a state-of-the-art battery bank for power storage and balancing, and could function independently and supplement the main grid.

One area where the Company has exhibited leadership role has been in increasing the footprint of solar and renewable energy in the country. Except for solar panels, the Company provides portfolio of products, systems, solutions and services along the solar power value chain that enable the generation, transmission and distribution of solar power for grid-connected and micro grid applications. Extending its commitment to sustainability, and in an effort to augment and aid the country's solar mission, the Company became the first in India to surpass an installed base of 2 GW of solar inverter capacity, doubling the 1 GW installed base it had in February 2015 - which was also a country first. During the year the Company received multiple orders from leading solar power developers and provided components to solar EPCs (engineering, procurement and construction firms). Continuing with its efforts in the efficient transmission and distribution solutions of electricity, ABB along with a consortium, is building one of the world's longest and the first multi-terminal ultrahigh-voltage direct current (UHVDC) transmission link.

The 800 kV North-East Agra UHVDC link will have a record 8,000 MW converter capacity, including a 2,000 MW redundancy, and transmit clean hydroelectric power from India's northeast region to the city of Agra, a distance of 1,728 km. This has the potential of providing electricity to almost 90 million Indian citizens.

In alignment with the Government's initiative of 'Make in India', ABB has taken a step further by innovating in India. Solar pump drives for efficient and clean power to the water pumps for Indian farmers, was the result of such an endeavor. These drives enable farmers to move from polluting and expensive diesel option to clean solar power. ABB solar pumps have been an answer for many that do not have connectivity to grid electricity, or where the availability of electricity is uncertain. Typical applications have been for irrigation, community water supply, fish farming and agriculture. Over 6,000 solar pumps with ABB drives have paved the way for an environmentally friendly, long lifetime, low maintenance costs and zero operation costs irrigation solution in the country.

As a part of its CSR activities, the Company has taken forward the 'access to electricity' programme to rural and remote regions in the country through providing solar based individual home lighting systems. It is further planning to take more such initiatives for the benefit of poor rural communities who still do not have access to electricity.

The Company recognizes the importance of wide-ranging stakeholder engagement to help it achieve best practices and sustainable benefit for all its key stakeholders. The Company also strives for excellence in health and safety performance.

The sustainability organigram of the Company has a large number of sustainability experts each specifically focusing on aspects of occupational health, safety, environment and CSR activities. The central corporate team, along with business division sustainability members, work to raise awareness and best practice to combat potential HSE risks and to improve performance across key sustainability performance indicators and perform beyond compliance on all these aspects.

ABB has developed a series of business-relevant sustainability objectives, in consultation with leaders in the business, countries and functions and external stakeholders. These objectives reflect ABB's ambition and show how it intends to contribute to a more sustainable world. As a part of this work, individual targets and key performance indicators are being developed and rolled out in the Company. In line with the ABB Group's sustainability strategy, the Company has set sustainability objectives and targets that are continuously monitored and along which action is taken. Progress is reported in the annual Group Sustainability Report.

¹<http://www.abb.co.in/cawp/abbzh252/45f145dc6cfc01cac12579b500315ed3.aspx>

²<http://new.abb.com/sustainability/social-policy>

³<http://new.abb.com/sustainability/human-rights-policy-and-statement>

⁴The Company has an HSE policy in line with the Group's OHS policy and Environmental policy to include Environmental aspects as well: <http://www.abb.co.in/cawp/abbzh258/2b29259f7d32970dc1256f6b004f8842.aspx>

⁵<http://new.abb.com/indian-subcontinent/investors/corporate-governance/india-corporate-social-responsibility>

Healthy and safe working environment

The Company recognizes that all of its workers are entitled to work in environments where risks to their health and safety are properly controlled. The Company's Management Systems are designed to maintain HSE excellence and facilitate continual improvement by creating standard procedures, systems, protocols and extensive awareness creation activities.

The Company's HSE policy, along with HSE plan and various other Group guidelines and protocols, set the guidance to address and act on key performance indicators of the Company. Apart from its own employees, HSE practices are mandated to the Company's third party contractors as well. The Company has procedures to select contractors and service providers based on their competence and capability to undertake tasks in compliance with the Company's health and safety measures. As a guiding principle, the Company prefers and wants to do business with suppliers who have implemented health and safety management systems that comply with OHSAS 18001: 2007 standards.

Some of the other key activities of the Company in the year have been promoting the 'Don't look the other way' campaign stressing on safety aspects, linking of HSE goals with individual employee scorecards, increased performance measurements, self-assessments, audits and safety observation tours. The Company specific drive was to improve HSE culture through safety trainings and various other awareness campaigns. It resulted in increased reporting among all categories of employees, evinced in the surge in leading indicators such as Near misses (up by 28 percent) and hazards (up by 157 percent) compared to the previous year. Increased reporting has resulted in taking action to close observed issues successfully making the work environment further a safe place for all employees.

During the year, out of total of 13.87 million employee man-hours worked, there were 1 fatality, 1 serious injury, 3 high potential incidents, 8 loss time injuries, 45 medical treatment injuries and 910 first aid cases⁶.

In line with the ABB Group Safety campaign on 'Don't look the other way' the Company observed the same across its operations and project sites in the country. The Company observed the Health Safety Security Environment (HSSE) week from October 12 to 16, 2015 and several activities were planned and implemented such as screening of safety movies, rewards and recognition of employees contributing towards safety, announcement of the India HSE award, inviting nominations for the next year, mock drills, various safety competitions, safety observation tours, awareness sessions on road safety, occupational health and security. Apart from this, the Company also observed the National Safety Day with the same vigor; varied safety awareness/ training activities were conducted across the Company and project sites.

Environmental compliance

The Company recognizes that environmental responsibility is integral to producing world-class products. In manufacturing operations, project sites and also within its vendors and suppliers, the Company aims to minimize adverse effects of its activities on the community, environment and natural resources, while safeguarding the health and safety of people.

The Company is compliant with all statutory requirements related to environment, and specific environment related challenges are

addressed under direct supervision of plant heads. To ensure statutory compliance, periodic monitoring is carried out and necessary mitigation actions are undertaken. A complete mapping of all consent conditions and review of compliance across ABB India locations carried out previously has been followed this year. In line with the requirement as per consent to operate under Air Act, Water Act and Hazardous Waste (Management & Handling) Rules, a monthly compliance report is sent to respective regional Pollution Control Boards (PCBs). There are no pending show cause/ legal notices from Central Pollution Control Board / State Pollution Control Board for the year.

Beyond compliance, the Company's focus has been on minimizing and mitigating negative environmental impact due to its activities and operations. 90 percent of the Company's facilities have been certified to ISO management systems namely ISO 14001:2004 and OHSAS 18001:2007. In addition, management's commitment was communicated to all stakeholders and key EHS personnel underwent awareness training on environmental issues. Through its management systems and other internal directives and mandates, the Company has been consistently targeting critical areas and is showing improvements in its environmental performances.

Energy and climate change

Various activities have been undertaken to lower the environmental impact of the Company and that has resulted in lower energy costs. Diesel consumption has been significantly reduced this year. The total electricity consumption for 2015 is 63.65 GWh, of which 67.86 MWh was from solar. The Company is in the planning stages of increasing the share of renewables in the energy mix. The Company has undertaken a number of initiatives on clean technology, energy efficiency and renewable energy.

The Company's core offerings lower emissions, both through energy efficiency and harnessing renewable sources of energy and also reduce man-made emissions of CO₂. ABB's vision, 'Power and Productivity for a Better World' aligns its day-to-day business with an ambition to create a better world - in this context - which includes reducing the impact of climate change.

ABB actively participates in the United Nations-driven 'Sustainable Energy for All' initiative to help promote energy efficient products globally. ABB's greatest contribution to the reduction of greenhouse gas (GHG) emissions has been and will be through its energy efficient and renewable energy products, systems and services that increase productivity while lowering environmental impact. These technologies are core to combatting climate change and also to the heart of the Company's business.

ABB has set a target to cut its energy intensity by 20 percent per dollar sales by 2020 from a 2013 baseline. This includes both direct fuel consumption and the use of electricity and district heating for manufacturing processes and to operate buildings.

ABB also aims to cut greenhouse gas (GHG) emissions from direct use of fuels, from purchased electricity and heating and from improved handling of the potent GHG, SF₆. The Company measures its GHG emissions - Scope 1 and Scope 2 emissions⁷. In the year a total of 46,018 tonnes CO₂ were generated from the Company's operations. By virtue of its manufacturing process, the Company uses the GHG gas namely SF₆. There have been efforts over the year to reduce SF₆ gas consumption, through better reporting, continuous leak monitoring systems and improved storage procedures. Recently the ABB group

⁶Categories as defined by the Company

⁷Categories of Scope 1 & 2 as defined by the WBCSD GHG protocol

through collaborative research has achieved significant breakthrough in gas insulated switchgear (GIS) technology by commissioning the world's first high and medium voltage GIS bays with a new eco-efficient gas mixture as an alternative to SF₆ gas.

Water

Being an industry leader for providing water conservation technologies and automation systems for various other industries, the Company is determined to conserve fresh water use and ensure optimum usage of water in-house as well. A tool to map water usage developed by the Group was rolled out for implementation across the Company's facilities. Extensive training and general awareness sessions on the importance of water conservation and the ABB water mapping exercise with its in house tool has led to continuous monitoring on its water parameters. In the year, 0.60 million m³ of water was consumed - from utilities and from ground water sources and the percentage of water recycled has increased from 1.3 percent in 2014 to 9.5 percent in 2015.

Waste

The Company in the past years has shown significant focus and progress in waste management. Responsible and sustainable business practices became a key focus for all manufacturing facilities – paying attention to waste generation, segregation, reuse and disposal. Within the Company main streams of wastes include: Non Hazardous waste (scrap metal, ferrous waste, paper and paper board, wood, plastics and foil and mixed waste) and Hazardous wastes (used oil, waste and residue containing oil, spent solvents, paints and varnishes, discarded containers and barrels for chemicals and hazardous waste, spent ion exchange resins, chemical sludge and metals). These are generated based on the nature of processes at each of the manufacturing locations. The approach taken by the Company in its waste management is to effectively segregate at source and to continuously monitor generation and disposal. Waste segregation and monitoring standard operating procedures are outlined for all manufacturing sites. Waste reduction targets are set that are monitored measured and continually improved upon.

The Company disposed, close to 511 tonnes of hazardous waste. Non-hazardous waste which includes ferrous and non-ferrous wastes and other recyclables paper, plastic, wood and cardboard) was to tune of 5,080 tonnes. Disposed non-hazardous waste quantum for the year was 4,251 tonnes. Disposal is through authorized third party vendors or state owned waste management agencies. Waste mapping was intensified during the year to further fine tune and identify more opportunities for waste reduction under each of the categories.

Chemicals and ABB list of prohibited and restricted substances

One of the key sustainable objectives focuses on right materials. The Company is determined to achieve compliance with the ABB Group directive on the list of prohibited and restricted substances. This directive by the Group is to ensure compliance with legislation and the scope is applicable to goods supplied to ABB, product development, production processes, products, packaging materials, service activities and construction sites. Substances that are in the prohibited category are to be no longer used and ones in the restricted category, need internal action for phase out and replacement with less hazardous materials.

A comprehensive compliance review exercise of ABB products was undertaken in the last year to evaluate adherence to the list of ABB prohibited and restricted substances. Activities to sustain efforts initiated in past years were continued in 2015. Personnel from various departments as nominated by divisions and business units attended the training program which was organized by the Company and rendered by the ABB Group expert on the subject.

ABB's customers are increasingly interested in the environmental impact of the products and systems they purchase: a factor driving a great deal of new technology in companies striving towards sustainable development. To meet this interest, ABB is using life cycle assessments (LCAs) to assess the impact of a product or system over the course of its entire life. ABB's LCA software tool tracks data on the product or system and quantifies the environmental impacts arising from the extraction of raw materials; manufacturing; transportation of the finished product to the user; use of the product during its operational life; and its eventual disposal or recycling. The LCA relies on a software tool called Ecolab and its comprehensive database, adapted for ABB, to describe and quantify the environmental impact of each of these phases. LCA studies help ABB improve the design of products, sharpen competitive edge and improve environmental and overall performance - all important factors in the minds of customers, employees and other stakeholders. Many ABB products are made up of components which produce, transmit or transform energy, incurring energy losses in the process. This, coupled with products having long lifetimes, makes it imperative for the Company to develop products with high efficiencies and low environmental impact. Product labels are also provided as required and these also take into account any compliance requirements with respect to applicable, relevant applicable laws.

Over 70 ABB products such as power transformers, low voltage circuit breakers, gas insulated switchgears, current relays, etc. have environmental product declarations (EPD). The EPDs provide quantitative information on all concerned aspects in comparable terms, for example global warming effects and use of non-renewable resources in each of the product phases. EPDs are based on detailed LCAs carried out over the whole life cycle of the products.

Sustainability parameters are recorded and are also consolidated yearly for various reporting purposes. ABB Group has prepared online reporting formats for location level local sustainability officers' report across the company. The country sustainability controller reports on all key sustainability parameters on an annual basis across the Company's sustainability performance. For public consumption, the ABB Group prepares the Group Sustainability Report⁸ annually based on the Global Reporting Initiative (GRI) guidelines. The Company publishes the Business Responsibility Report⁹ every year as per SEBI's requirement and this is part of the Company's annual report circulated to all key external stakeholders.

⁸ABB Group Sustainability report 2014: http://new.abb.com/docs/default-source/investor-center-docs/sustainability-performance-reports/2014_abb-group-sustainability-performance-report.pdf

⁹http://new.abb.com/docs/librariesprovider19/default-document-library/brr-2014_abb-india-limited.pdf?sfvrsn=2

Supply chain sustainability

As a responsible corporation, ABB extends its influence to ensure a responsible working environment to the ecosystem of direct and indirect stakeholders. This includes partners in the supply chain who share considerable footprint in the product value stream.

The ABB Supplier Code of Conduct is the core document on which the Company builds its efforts to source responsibly. The Supplier Code of Conduct¹⁰ defines requirements for ABB suppliers and is integrated with the General Terms & Conditions. The Company considers its suppliers to be part of the 'Extended Enterprise' and demand that they conduct their business consistent with the standards and principles of the Company. Complying with the applicable health, safety and environmental regulations, internationally proclaimed human rights standards and ensuring equality of opportunity are expected as the minimum level of commitment.

Some of the specific supplier requirements are:

- Suppliers should respect human rights, ensure fair labor conditions and no child labor
- Suppliers must provide a safe and healthy workplace for all of its employees
- Suppliers must commit to environmental protection and conduct their business in an environmentally sensitive way
- Suppliers should conduct their business in an ethical manner
- Suppliers should not use banned or restricted substances in their processes
- Suppliers should engage their supply chains to raise awareness about sustainability

The Company has implemented a Supplier Sustainability Development Program (SSDP) as part of a comprehensive sustainable sourcing initiative. The goal of the SSDP is to ensure compliance with the Supplier Code of Conduct, to support continual improvement of the sustainability performance of suppliers and to provide customers with a highly competitive and sustainable supply chain. Under the program, the Company trains suppliers and Company employees, and carries out independent third party supplier audits to identify areas of improvement in the following areas:

- General management
- Working hours
- Remuneration
- Social benefits
- Health and safety
- Environmental protection

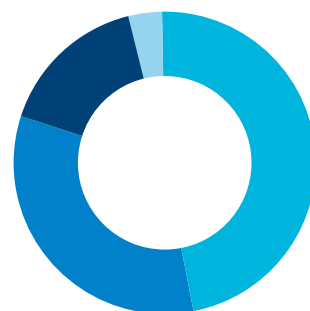
Besides the training offered under the SSDP, the suppliers have access to the ABB Supplier Sustainability Implementation Guide which provides practical advice on how to meet the requirements of the Supplier Code of Conduct.

In India in 2015, 43 suppliers have been trained on sustainability requirements and 39 of them were assessed for such requirements. With these, the total number of suppliers trained under the program since 2009 stands at 416 (may include suppliers who have undergone repeat trainings) and the total number of suppliers assessed stands at 201. During 2015, 20 employees were trained in the program and internal teams made over 73 visits to the suppliers to assess their systems.

This program helped the participating suppliers identify and mitigate risks and strengthen their systems. Through this program, the risk profiles of the selected suppliers have shown steady improvement, as depicted in the charts below (the charts represent the risk profiles of suppliers selected from 2009 to 2015, before and after corrective actions under the SSDP). At the end Q4 of 2015, 11 suppliers who did not show commitment to fulfill the requirements of the Supplier Code of Conduct were blocked. Business with these suppliers can only resume after they have demonstrated compliance with the ABB Supplier Code of Conduct.

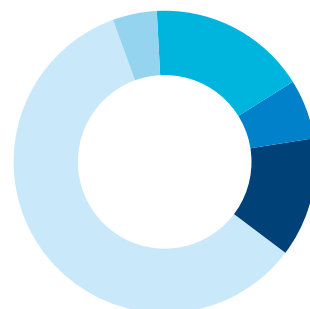
Initial risk profile of suppliers

- Extremely High Risk, **95, 47%**
- High Risk, **64, 32%**
- Medium Risk, **33, 16%**
- Low Risk, **9, 5%**



Current risk profile of suppliers

- Extremely High Risk, **33, 16%**
- High Risk, **12, 6%**
- Medium Risk, **20, 10%**
- Low Risk, **125, 62%**
- Blocked, **11, 6%**



¹⁰ABB supplier code of conduct

¹¹Trainings-Q4 IN SSDP KPI Report

¹²Ibid

¹³Supplier Assessments- Q4 IN SSDP KPI Report

¹⁴Trainings-Global KPI Report as on 14 Jan 2015

¹⁵Ibid- summation of assessments & reassessments in 2015 (Q1-Q4: 39+22+12=73)

¹⁶Ibid- summation of blocked suppliers

In order to further strengthen its responsible sourcing strategies, the Company is revisiting its sourcing process and is adopting additional controls. ABB re-launched the second batch of the Lead Assessor Certification Program for Supply Chain Sustainability, under which six employees got certified by a third party certification agency, after clearing a rigorous four module process. Having employees who can conduct and evaluate sustainability performance of the suppliers will further embed the sustainability practices in sourcing activities.

The Company has set procedures in place for sustainable sourcing including transportation. Before a vendor becomes a registered vendor of the Company, he must check all boxes in a prequalification evaluation checklist which spreads across the sustainability matrix. The Company also has significant expenditures on transport services as a share of its overall costs. Therefore, a coordinated and streamlined approach to the procurement of these services, such as a reduced supply base, quality of services, improved internal transparency, adherence to sustainability parameters as defined by the Company, cost reduction as well as avoidance of duplicate efforts and waste in the procurement process.

The ABB Group directive specifically for Sourcing for Transport & Logistics service is a guidance document that the Company follows. Among many other stringent criteria that the supplier is evaluated on, key sustainability aspects reviewed for selection include: HSE policy and training program of the vendor, compliance to internal and external certification of the operations staff of the vendor for training to ensure their HSE competencies prior to commencement of work, follow of personal protective equipment requirement, certification of all safety tools, equipment by third party and to check if the vendor is in compliance with all the governmental environmental regulations, energy conservation and carbon footprint initiatives. There are also stringent qualifications across ABB's human rights policy, training and adherence to ABB list of Restricted and Prohibited Substances for supplier qualification.

Stakeholder engagement

The Company remains focused and committed to stakeholder satisfaction and strives to demonstrate excellence in sustainability performance and in corporate governance aspects. The Company has a wide variety of stakeholders and engaging with them helps the Company understand their needs and supports its business. In recent years many of the Company's key stakeholders – customers, investors, suppliers, representatives of civil society and its employees – have been increasingly asking the Company about different aspects of its sustainability performance. This has helped the Company to understand their priorities and sustainability areas that are material to business success.

Customers, for example, request information on many issues, from its health and safety record to its sourcing policies and compliance processes. Socially responsible investors and some mainstream investors regularly ask about social and environmental issues, and Company's ability to manage risks. Representatives of civil society and the media also scrutinize ABB, monitoring how well it meets the high standards that are set by the Company itself.

In recent years ABB has been carrying out surveys with stakeholders who impact its sustainability strategy and priorities as we go forward. These consultations with both external and internal stakeholders were instrumental in developing the ABB Group Sustainability Objectives for 2014 - 2020.

Stakeholder mapping and profiling has identified the following set of key stakeholders for the Company:

Stakeholder group	Key identified stakeholders	Details of stakeholder interactions
Internal stakeholders	Permanent employees	Various employee welfare programs, ongoing HSE and sustainability programs, and awareness cum training sessions
	Contract employees	
Business stakeholders	Customers	Various customer focused seminar/ events and programs
	Suppliers	The SSDP and continuous ongoing interactions with vendors
	Investors	Annual general body meeting, quarterly analyst call, one to one meetings (need basis), factory visits (on request)
	Distributors/Channel Partners	For providing services / selling of the Company's products or as a managed service provider
	Contractors	For providing materials, labor, service, job work wherever required
External stakeholders	Regulators	Meetings and interactions for compliance requirements, permits etc.
	Trade bodies	Seminars, conferences and sharing good practices
	Peer companies	Through industry bodies, associations, seminars, exhibitions and events
	International organizations	Partnerships for R&D and CSR activities
	Local communities	Ongoing interactions for CSR activities with the communities
	Academia and scientific community	Ongoing R&D and educational partnerships, seminars, meetings, campus connect programs, and one on one interactions
	Media	Seminars, meetings, and one on one interactions for communication and branding
	NGOs and civil society organizations	Partnerships and interactions for implementation of CSR agenda
	Trade unions	Right of all personnel to form and join trade unions of their choice and bargain collectively
	Consultants and Certification bodies	External advisory, assurance, certification services on various management process and systems for performance improvements of the Company through separate projects and assignments

ABB Group has also issued guidelines for conducting systematic and effective sustainability stakeholder dialogue. These define the aims and scope of a stakeholder dialogue and provides tips on how to maximize the benefits of such a meeting. A Microsoft Excel-based tool has also been created to help record the details of the meeting, the main areas for discussion and potential follow-up measures. During the year the Company received 444 complaints and all have been resolved by the management.

People well-being

Learning and development, and training

The Company's learning and development function focuses on leadership development programs. However this function also provides project management programs like Project Planning, Analysis and Control (PPAC) and Project Management Application (PMA) training on need basis. In 2015 three batches of the Management Development Programs were held covering 75 members. All divisions have a technical training department which provides technical training programs to their respective employees. The Company clocked around 2.11 hours of training per employee in the year which included behaviour based and leadership trainings.

ABB is committed to provide a safe and productive work environment that promotes the confidence to work, to innovate and to perform without fear of any type of harassment. ABB has a 'zero-tolerance' approach to any instance of sexual harassment.

The Corporate Principles and 'Code of Conduct', formulated at the Group level, set the standard for employee conduct. The Company expects all its employees to commit and adhere to the Code of Conduct. As a part of its Code of Conduct, the Company has a formal redressal mechanism in place that helps to deal with any violations that may cause employee grievance or compromise personal or corporate integrity. In addition to the Group level redressal mechanism, the Company has a customized grievance handling procedure down to the facility level, where employees can lodge their grievances in prescribed 'grievance redressal forms', which are then addressed / resolved by the Human Resources function. The idea is to solve employee's grievances through a systematic method. The grievance mechanism has been functioning very smoothly at each facility. During the year there were no pending cases and no complaints relating to child labor, forced labor, involuntary labor, or on discriminatory employment.

ABB India's policy on sexual harassment of women at the workplace provides an effective resolution for any instance of sexual harassment and to aims to prevent / deter the commission of acts of such harassment. In line with this policy the Company has an internal complaints committee which acts as a redressal mechanism and addresses any complaints of sexual harassment, and for matters connected therewith or incidentals thereto in the Company. The committee has been active since 2013 and in the current year this committee received one complaint; action was taken promptly and the case was disposed.

Career development and opportunities

ABB encourages employees to progress within the organization as opportunities arise. Employees take responsibility for exploring and planning their future. Employees use career guide in their own career planning. The Human Resources function of the Company provides strong support to employees and managers in creating long term career plans.

The overall structure of career guide is clear and transparent. It helps the Company's employees to get a better understanding of their career possibilities and the development activities. The development needs will be reviewed on a regular basis to determine what additional action is required to perform and develop in the current role in a satisfactory manner and to prepare for future roles within the Company.

The Company's Higher Education Sponsorship Policy supports the organization in building-up technical competencies in interested employees by giving them an opportunity to enhance their academic qualification for engineering and related courses in areas relevant to ABB. This policy also aims to establish a benchmark policy of supporting employees in pursuing higher studies in line with the industry practice.

Diversity and inclusion

ABB recognizes that a diverse and talented workforce, recruited globally, provides the quality and skills that create competitive advantage. Such diversity promotes both innovation and business success if allowed to flourish in an atmosphere of inclusiveness.

An inclusive workplace is one in which diversity is welcomed, respected and valued. At ABB, diversity encompasses all aspects of difference, including different ways of thinking and acting.

ABB's goal is to build structures, implement strategies and create initiatives in its work environments to develop a corporate culture that appreciates diversity and encourages inclusiveness.

As part of its commitment to valuing difference, ABB reference principles outlined in the Organization for Economic Cooperation and Development's Guidelines for Multinational Enterprises, the International Labor Organization's Declaration on Fundamental Principles and the United Nations Universal Declaration of Human Rights. ABB Group strategy is underpinned by its Social Policy, Code of Conduct, Human Rights Policy and Recruitment Policy.

The Company strongly believes and works towards creating an environment free from any type of harassment. Sexual harassment or harassment based on race, gender, color, religion, national origin, age, sexual orientation, gender identity or expression, disability, or veteran status or any other status protected by law is prohibited.

Some highlight activities of the Company focus on diversity in the year have been:

- Ensuring higher diversity across all levels - the Company has increased the number of universities for campus hiring to include five women engineering colleges
- Strengthening of succession planning with more diverse leaders. There is a leadership development program underway to provide focused development for women managers

S.N	Key Human Resource statistics for the year	2015
1	Total number of permanent employees	5,839
2	New employees added to the Company in 2015	286
3	Apprentice / Interns / Trainees	1,017
4	Total number of employees hired on contractual basis	220
5	Of these how many were women	353
6	Number of permanent employees with disabilities	23
7	Recognized employee association	Yes
8	Percentage of permanent employees who are members of the recognized association	19.66%

Customer engagement

The Company values and respects its customers, and strives to meet and exceed their expectations. True to the motto of 'Power and productivity for a better world', the Company offers its customers products and solutions that improve operational and resource efficiencies and performance.

During the year, the Company hosted several events, customer meets and seminars to proactively engage with the customers. The Company held its flagship customer engagement event Automation and Power World (APW) 2015 in New Delhi India. The exposition with the theme "Smart solutions for sustainable growth" provided an enriching platform for different stakeholders from the power and automation industry to exchange ideas and best practices that will power an emerging India. The APW had over 4,500 attendees from across the globe, was placed in 2,000 square meters of exhibition space and brought together the latest global power and automation technologies for the first time for ABB's customer, in India, all at one place. APW had over 100 workshops, presentations and training sessions, panel discussions with industry leaders, influencers and policy makers. The Company also engages with customers through training – at customer sites or in the Company's dedicated training facilities.

Feedback received from customers is used to improve the Company's processes, products and services. The Company seeks formal feedback from customers through the Net Promoter Score (NPS) survey to help better understand the customers' experience with the Company and to identify areas for improvement. Since 2010, the Company has adopted the Net Promoter Score (NPS) Survey on an annual basis in order to understand how the Company is perceived by its customers. The customers' response to the questions asked in the survey conveys their experience with ABB and tells the Company how it measures up to customers' expectations, highlighting areas where it has performed well and those where it needs to do better. In the survey carried out in 2015, over 5,600 customer responses were received, representing a response rate of 58 percent. The NPS score for the country rose to 59 percent, an improvement of about 4 percentage points as compared to the previous year.

In terms of addressing customer complaints there is a set process called the Customer Complaint Resolution Process (CCRP), an ABB initiative to capture and resolve customer dissatisfaction with its processes, products and services, in the most expedient way. The system is designed to address issues in the shortest time, and the issue is handled within a maximum of 72 working hours. These are resolved on-time, more consistently, according to agreed targets. Customers are also given the opportunity to confirm if they were satisfied with the solution provided and the way it was handled. There were a total of 4,609 customer complaints received for the year. 95 percent of all customer complaints received during the year have been resolved on time.

Community engagement

The ABB's Group's Social Policy was adopted in February 2001. It draws on five sources: the United Nations' Universal Declaration of Human Rights, the International Labor Organization's fundamental principles on rights at work, the OECD Guidelines for Multinational Enterprises, the Global Sullivan Principles and the Social Accountability 8000 (SA 8000) standard, an auditable standard for the protection of workers' rights developed by the Council on Economic Priorities Accreditation Agency. The Social Policy focuses on ABB in society, human rights, children and young workers, freedom of engagement, health and safety, employee consultation and communication, equality of opportunity, harassment and disciplinary practices, working hours, compensation, suppliers, community involvement and business ethics.

Community engagement assumed increased vigor in 2015. With the increased impetus on CSR activities of the Company since April 2014, the Company made efforts to create a streamlined approach towards identifying, approving, implementing and managing CSR projects. CSR activities were pursued in line with the drafted Company's framework and policy and focused on five key areas viz. access to electricity, education and skills enhancement, health care, differently-abled, environment and local safeguard. Partnerships for long term sustainable CSR projects are identified under the Company's CSR focal areas and for communities where the Company operates and for projects that have maximum impact on disadvantaged. Company consults and identifies projects based on stakeholder requirements so that there is sustainability and acceptability of the program by the community. Since the projects are in the early stages of life cycle / have been recently implemented, the Company plans to have detailed impact assessment on project maturity for its continued required interventions.

CSR spending is through the Company's registered trust namely the ABB India Foundation and is a mix of direct spending as well as through partnerships with verified NGO partners. During the year, several new partnerships were identified and approved by the Company's CSR Committee and these projects are in various stages of implementation. Some of them will be taken up in the forthcoming year for implementation. The total spend across various projects/ activities is detailed in Annexure to the Directors' report 2015 on Corporate Social Responsibilities (CSR) activities

During the year, the Company has spent ₹ 170 Lakh on CSR activities as stipulated under Schedule VII of the Companies Act, 2013. Further around ₹ 85 Lakh worth of commitments have already been given for various social development programs. Additionally, the Company spent ₹ 50 Lakh for relief operations for Nepal earthquake disaster.

The Company recognizes the need, and being the first year for the Company to account its CSR spend as per mandate, it took action to identify new partnerships and proposal for its CSR spending. However it could not fulfill the complete CSR spend as budgeted for the year. In a short span the Company identified needy beneficiary/ communities along with partnering agencies for its project implementation. Activities were taken up to the extent possible so that we achieve maximum contributions towards social development. A number of new partnerships and proposals identified in the year will follow in the forthcoming year.

Advocacy, aid and corporate responsibility bodies

The Company is a member of a number of industry associations namely:

- Confederation of Indian Industries (CII)
- Indian Electrical and Electronics Manufacturers' Association (IEEMA)
- Swiss Chamber of Commerce
- Federation of Karnataka Chambers of Commerce and Industry
- Bangalore Chamber of Industry and Commerce

As an active member of CII the Company participated in various forums on topics relevant to its business such as smart cities, sustainability, renewable energy etc. It also participated in a number of exhibitions organized by various other industry bodies.

Respecting and promoting human rights

One of the core areas of corporate responsibility at the Company is Human Rights. A Human Rights policy and public statement was approved by the Group in 2007, complementing its existing policies for raising social, environmental, health and safety and business ethics performance and draws on the Universal Declaration of Human Rights, the ILO Core Conventions on Labor Standards, UN Global Compact, the OECD Guidelines for Multinational Enterprises and the Social Accountability 8000 standard. The ABB Human Rights and Social Policies specifically refer to the ILO Core Conventions as the minimum to be achieved, with respect to non-discrimination, prohibition of child and enforced labor, freedom of association and the right to engage in collective bargaining. The Company, in line with the Group policy, seeks to raise its standards, and increase its understanding, and mitigation of human rights risk. In this reporting period, there have not been any grievances related to Human rights in the Company.

Integrity, transparency and accountability

Integrity is non-negotiable at ABB. The Company demonstrates the highest level of ethical behavior and upholds integrity at all times. In the Company, integrity covers aspects of employee behavior with respect to upholding laws on competition, products sold, labor and employment, health, safety and environmental protection, corruption and bribery. The Company upholds fairness and integrity in all its dealings - with customers, vendors and all its stakeholders. All at the Company are expected to adhere to strict ethical behavior at all times. The Company has zero tolerance to active or passive corruption.

ABB is well respected for its compliant behavior and policies. It has been named by the Ethisphere Institute, an independent research center promoting best practices in corporate ethics and governance, to its 2015 list of the world's most ethical companies. This is the third consecutive year that ABB has been recognized by the Institute. The World's Most Ethical Companies designation recognizes organizations that have had a material impact on the way business is conducted by fostering a culture of ethics and transparency at every level of the Company.

The Company maintains a deep and comprehensive set of policies and procedures which govern conduct under the ABB Code of Conduct. Further, there are specialized sections on specific policies, such as Gifts, Entertainment and Expenses, Transactions in High Risk Countries, and Intermediary and Agent Processes, Data Privacy and Export Credit Authority, etc.

The Code of Conduct is a guide to the general business principles that permeate the Company's relationships with customers and other business partners, with the financial markets, in the communities and countries where the Company does business with and, last but not least, with each other. It also details on a set of practical instructions to help employees in their day-to-day work. It explains, for example, how to manage potential conflicts of interest and how to report suspected violations of the rules. The Code of Conduct defines the Company's wider social responsibilities as a corporate citizen and is shared with every employee in the Company is translated into multiple languages to make sure it is understood by everybody.

All employees of the Company are required to acknowledge their adherence to the Code of Conduct. Also temporary employees as well as subcontractors and consultants that "look and feel" like ABB employees i.e. they are acting operationally and representing ABB, are also required to confirm adherence to the Code of Conduct.

The Company's Anti-corruption Policy is stated explicitly in the ABB Group directive on bribery and anti-corruption and emphasizes key components which are essential to ensuring a strict compliance to anti-bribery laws but also refraining from corruption. Bribery can also take the shape of paying facilitation payments, which have been banned in ABB for several years now. The Company enforces a rigorous zero-tolerance policy against any involvement in bribery or corruption and has put in place robust policies to prevent bribery such as on gifts, entertainment and expenses, charitable contributions and representatives, and measures to ensure ethical supply chains. In addition, the Company's policies mirror the principles set out in Transparency International's publication, Business Principles for Countering Bribery, a multi-stakeholder framework for companies to benchmark their integrity and compliance programs.

The Company has strong program to detect and prevent non-compliant behavior and other integrity concerns. There are also frequent internal audits, anti-bribery reviews to detect, identify possible cases of non-compliance on the Code of Conduct. The Company also runs an employee survey exercise to further understand attitudes, awareness and perceptions of integrity within the Company. The Company has also established different reporting channels internally on integrity issues and ABB runs a business ethics hotline for any employee concerns on the subject.

The Company encourages all its employees and other stakeholders to speak up and report integrity non-compliances and concerns. The Company's Whistle Blower Protection Policy protects employees who report behavior and practices that are suspected to be inconsistent with the Code of Conduct.

Links to the Company Policies and Programs

Sustainability:

<http://new.abb.com/sustainability>

OHS Policy:

<http://new.abb.com/sustainability/occupational-health-and-safety-policy>

Environmental Policy:

<http://new.abb.com/sustainability/environment-policy>

Social Policy:

<http://new.abb.com/sustainability/social-policy>

Human Rights Policy:

<http://new.abb.com/sustainability/human-rights-policy-and-statement>

Corporate Social Responsibility Policy:

<http://new.abb.com/indian-subcontinent/investors/corporate-governance/india-corporate-social-responsibility>

Sexual harassment of women at the workplace Policy:

<http://new.abb.com/indian-subcontinent/careers/working-at-abb/diversity-and-inclusiveness>

Code of Conduct:

<http://www.abb.co.in/cawp/abbzh252/45f145dc6cfc01cac12579b500315ed3.aspx>

Supplier Code of Conduct:

<http://www.abb.co.in/cawp/seitp161/1c85f0f085e972e4c12577680059b934.aspx>

Corporate Governance

<http://new.abb.com/indian-subcontinent/investors/corporate-governance>

Integrity Program (ABB Group):

<http://www.abb.com/integrity>

Whistle Blower Protection Policy

<http://www.abb.com/cawp/abbzh252/21845729c59f494ec12579b50031d6f5.aspx>

Energy Efficiency (ABB Group):

<http://www.abb.com/energyefficiency>

Supplier Sustainability Development Program

<http://new.abb.com/about/supplying/sustainability>

Note:

The Business Responsibility Report (BRR) in format as specified by the Securities and Exchange Board of India (SEBI), pursuant to Regulation 34 (2) (f) of SEBI's Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 is attached to this report.

Business Responsibility Report

[As per Regulation 34 (2) (f) of the Listing Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity (CIN) of the Company	L32202K1949PLC032923
2.	Name of the Company	ABB India Limited
3.	Registered address	21 st Floor, World Trade Center, Brigade Gateway, No 26/1, Dr. Rajkumar Road, Malleshwaram West, Bengaluru 560 055
4.	Website	www.abb.co.in
5.	E-mail id	investor.helpdesk@in.abb.com
6.	Financial Year reported	2015
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	1. Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus - 271 2. Manufacture of other electrical equipment - 279 3. Manufacture of electronic components - 261 4. Manufacture of measuring, testing, navigating and control equipment; watches and clocks - 265
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	1. Switch gear of all types 2. Transformers 3. Electronic control and supply units for variable speed drives for other applications 4. Motors and other machines
9.	Total number of locations where business activity is undertaken by the Company	34
	a. Number of International Locations (provide details of major 5):	2. Bangladesh and Sri Lanka
	b. Number of national locations:	32
10.	Markets served by the Company-Local/State/National/ International	India, Nepal, Bangladesh, Sri Lanka, Middle East and Africa, South-East Asia, Europe and Americas

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up capital (₹)	42,38,16,750
2.	Total turnover (₹)	81,40,27,00,000
3.	Total profit after taxes (₹)	2,99,88,00,000
4.	Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	0.57%
5.	List of activities in which expenditure in 4 above has been incurred:	Refer annexure attached to the CSR report

SECTION C: OTHER DETAILS

1.	Does the Company have any subsidiary company/ companies?	No
2.	Do the subsidiary company/companies participate in the business responsibility initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Yes. More than 60%

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of Director/Directors responsible for implementation of the BR policy/policies

1.	Director Identification Number	00965992
2.	Name	Bazmi R. Husain (upto 31.12.2015)
3.	Designation	Managing Director

(b) Details of the BR Head

No.	Particulars	Details
1.	Director Identification Number (if applicable)	NA
2.	Name	Vipin Upadhyay
3.	Designation	Country Sustainability Manager
4.	Telephone number	080-22949144
5.	e-mail id	vipin.upadhyay@in.abb.com

2. Principle – wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for.... P1. Environment, Health and Safety Policy P2. Corporate Social Responsibility Policy P3. Sexual Harassment of Women at the Workplace Policy P4. Anti Corruption Policy P5. Whistle Blower Protection Policy P6. ABB Group Social Policy P7. ABB Group Human Rights Policy P8. ABB's Code of Conduct P9. ABB Supplier Code of Conduct	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	A few of the policies have been approved by the Board and other policies which are ABB Group policies are adopted by the Company								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Company is having a committee for CSR, Sexual Harassment of Women at the Workplace. For the other policies, the Company is having adequate internal control on its implementation								
6.	Indicate the link for the policy to be viewed online?	Please refer to the section on 'Links to the Company Policies and Programs' section of the detailed BRR document								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the company have in-house structure to implement the policy/ policies	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	3-6 months
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes http://new.abb.com/docs/librariesprovider19/default-document-library/annual-report-2014_abb-india-limited.pdf?sfvrsn=2

SECTION E: PRINCIPLE-WISE PERFORMANCE

	Principle 1	
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	No. It extends to the Group/Joint Ventures, Suppliers, Contractors, NGOs and Others
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so	The Company received 54 complaints against which 94% of them have been resolved satisfactorily
	Principle 2	
1.	1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	(a) Gas insulated switch gear (b) Low voltage circuit breakers (c) Large Distribution Transformer
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	Not available
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not available
3.	Does the company have procedures in place for sustainable sourcing (including transportation)?	Yes
	(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so	Wherever feasible. The Company has implemented a Supplier Sustainability Development Program (SSDP) as part of a comprehensive sustainable sourcing initiative. Also the ABB group directive specifically for Sourcing for Transport & Logistics service is a guidance document that the Company follows for its transportation and logistics vendors

4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes. Wherever feasible
	(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company's SSDP is to ensure compliance with the Supplier Code of Conduct, to support continual improvement of the sustainability performance of suppliers and to provide customers with a highly competitive and sustainable supply chain. Under the program, the Company trained both suppliers and Company employees, and carried out independent third party supplier audits to identify areas improvements and improve their capacity and capabilities
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so	Yes >10%. The Company has stringent waste management practices for internally generated wastes; covered in the Company's HSE policy
	Principle 3	
1.	Please indicate the total number of employees	Permanent employees: 5839
2.	Please indicate the total number of employees hired on temporary/contractual/casual basis	Apprentices / Interns / Trainees: 1017 Contract employees: 220
3.	Please indicate the number of permanent women employees	353
4.	Please indicate the number of permanent employees with disabilities	23
5.	Do you have an employee association that is recognized by management	Yes
6.	What percentage of your permanent employees is members of this recognized employee association?	19.66
7.	Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and pending, as on the end of the financial year	

No.	Category	No of complaints filed during the financial year	No of complaints filed pending on end of the financial year
1.	Child labor/forced labor/involuntary labor	Nil	Nil
2.	Sexual harassment	1	Nil
3.	Discriminatory employment	Nil	Nil

8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
	(a) Permanent Employees	
	(b) Permanent Women Employees	
	(c) Casual/Temporary/Contractual Employees	Yes. On a periodical basis
	(d) Employees with Disabilities	
	Principle 4	
1.	Has the company mapped its internal and external stakeholders?	Yes
	Yes/No	
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	No
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	No
	Principle 5	
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	No. It is applicable to all – Group, Joint Ventures, Suppliers, Contractors, NGOs and Others
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil
	Principle 6	
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	No. It is applicable to all – Group, Joint Ventures, Suppliers, Contractors, NGOs and Others
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes. http://new.abb.com/betterworld/how-abb-technology-mitigates-climate-change

3.	Does the company identify and assess potential environmental risks? Y/N	Yes
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes http://new.abb.com/energy-efficiency
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	Nil
Principle 7		
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes
	(a) Confederation of Indian Industries (CII)	
	(b) Manufacturers' Association (IEMA)	
	(c) Federation of Karnataka Chambers of Commerce and Industry	
	(d) Swiss Chamber of Commerce	
	(e) Bangalore Chamber of Industry and Commerce	
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No
Principle 8		
1.	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. The Company has a CSR policy and activities are on the 5 focal areas for its social development projects/activities.
2.	Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?	The CSR programmes of the Company are through its registered Trust and activities include both direct spending through in house team as well as through partnerships with verified external NGO partners/ implementing agencies
3.	Have you done any impact assessment of your initiative?	Not Yet
4.	What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken	During the year, the total spent on CSR activities by the Company was ₹170 Lakh as stipulated under Schedule VII of the Companies Act, 2013. Details are in annexure attached in the CSR report
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	CSR activities were pursued in line with the Company's policy and framework. The first step in the process is to identify communities that require our intervention through a stakeholder engagement. The Company has continual interactions with the relevant stakeholders so that its interventions are sustainable and is accepted and adopted by the key stakeholders
Principle 9		
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year	5%
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)	No
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so	No
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes

Notice to the Members

NOTICE is hereby given that the SIXTY SIXTH ANNUAL GENERAL MEETING of the Members of ABB India Limited will be held at “**Grand Ball Room**”, **Second Floor, Sheraton Bangalore Hotel at Brigade Gateway**, 26/1, Dr. Rajkumar Road, Malleshwaram-Rajajinagar, Bengaluru – 560 055, on **Tuesday, April 26, 2016 at 11.00 A.M. (IST)** to transact the following businesses:

Ordinary Business:

Item No. 1 – Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon

To receive, consider and adopt the financial statements, namely, (i) the Audited Balance Sheet as at December 31, 2015, (ii) the Audited Profit & Loss Account for the year ended on that date, (iii) the Cash Flow Statement for the financial year ended on that date, (iv) statement of changes in Equity, if any, (v) an Explanatory Note annexed to, or forming part of, the documents referred to in (i) to (iv) above and the Reports of Board of Directors and the Auditors thereon.

Item No. 2 – Declaration of Dividend

To declare a dividend.

Item No. 3 – Ratification of appointment of Auditors

To consider and, if thought fit, to give your assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3 (7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of Messrs S R BATLIBOI & ASSOCIATES LLP, Chartered Accountants (Firm Registration No. 101049W), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 67th Annual General Meeting to be held for the financial year 2017 and to authorize the Board of Directors (“the Board”) to fix their remuneration.

Special Business:

Item No. 4 – Appointment of Mr. Frank Duggan as a Director

To consider and, if thought fit, to give your assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT Mr. Frank Duggan (DIN: 02937233), who was appointed as a Director by the Board at its meeting held on October 28, 2014 pursuant to Section 161(4) of the Companies Act, 2013 and other applicable provisions if any thereof (including any statutory modification or re-enactment thereof for the time being in force) read with Article 151 of the Company's Articles of Association to fill in the casual vacancy caused by the resignation of Mr. Gary Steel and who holds office upto the date of this Annual General Meeting being the date up to which Mr. Gary Steel would have held office if he had not resigned, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Item No. 5 – Appointment of Mr. Sanjeev Sharma as a Director

To consider and if thought fit to give your assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT Mr. Sanjeev Sharma (DIN: 07362344), who was, pursuant to Article 152 of the Company's Articles of Association appointed as an Additional Director of the Company by the Board at its meeting held on December 11, 2015 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Mr. Sanjeev Sharma as a candidate for the office of Director, be and is hereby appointed as a Director of the Company.”

Item No. 6 – Appointment of Mr. Sanjeev Sharma as Managing Director

To consider and, if thought fit, to give your assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to and in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, (“the said Act”), read with Schedule V thereto, and subject to the approval of the Central Government, consent of the Company be and is hereby accorded to the appointment of Mr. Sanjeev Sharma (DIN: 07362344) (“Mr. Sharma”) as the Managing Director of the Company for a period of 3 (three) years from January 1, 2016 to December 31, 2018 (both days inclusive), at the remuneration and on the terms and conditions set out in the Agreement dated December 14, 2015 between the Company and Mr. Sharma, AND the Board be and is hereby authorized to alter, vary or modify his terms of appointment (including remuneration) as may be agreed upon with Mr. Sharma, subject however to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force.

AND RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and other applicable provisions, if any, of the said Act, the remuneration payable or granted to Mr. Sharma as the Managing Director by way of salary, perquisites, commission and other allowances, shall not exceed 5% of the net profits of the Company and if there is more than one Whole-time Director, Director remuneration shall not exceed 10% of the net profit to all such Directors taken together.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Sharma, as Managing Director, his remuneration, perquisites and other allowances shall be governed and regulated by the limits prescribed in Section II of Part II of Schedule V to the said Act.

AND RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and/or any of the key managerial personnel of the Company for the time being, be and are hereby jointly or severally authorized to do all such acts, deeds, matters and things and take such steps which are necessary, expedient or desirable in this regard.”

Item No. 7 – Ratification of remuneration to the Cost Auditor of the Company for Financial Year 2016

To consider and if thought fit, to give your assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to and in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 or re-enactment(s) thereof for the time being in force, the payment of remuneration of ₹ 33,00,000/- (Rupees Thirty Three Lakh only) per annum plus applicable service tax and out of pocket expenses that may be incurred during the course of audit to Messrs Ashwin Solanki & Associates, Cost Accountant (Registration No: 100392) appointed as Cost Auditor, by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the year ending December 31, 2016, be and is hereby confirmed, approved and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For ABB India Limited

B. Gururaj
Company Secretary
FCS-2631

Place: Bengaluru
Date : February 4, 2016

Registered Office:
21st Floor, World Trade Center
Brigade Gateway, No.26/1
Dr. Rajkumar Road, Malleshwaram West
Bengaluru – 560 055

CIN: L32202KA1949PLC032923

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE APPOINTING ORGANISATION. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.

2. The Statement pursuant to **Section 102** of the Companies Act, 2013, setting out the material facts in respect of special business under Item Nos. 4 to 7 is annexed hereto.
3. Members / Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, April 20, 2016 to Tuesday, April 26, 2016** (both days inclusive) for the purpose of payment of dividend.
5. The dividend, as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid on and from **Thursday, April 28, 2016**, to those Members whose names stand registered on the Company's Register of Members:-
 - a) as Beneficial Owners as at the end of business hours on **Tuesday, April 19, 2016** as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
 - b) as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before **Tuesday, April 19, 2016**.
6. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 205A of the Companies Act, 1956, to the Investor Education and Protection Fund, established under corresponding to Section 205C of the Companies Act, 1956.
7. Members who have not yet encashed the dividend warrant(s) from the financial year ended December 31, 2008 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amounts which were lying with the Company upto the year ended on December 31, 2007, have been transferred to the Investor Education and Protection Fund. The details of the unclaimed dividends are available on the Company's website at www.abb.co.in and Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact Karvy Computershare Private Limited, Unit: ABB India Limited, Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, the Registrar and Share Transfer Agents of the Company to claim the unclaimed / unpaid dividends.
8. Members are requested to intimate, indicating their folio number, the changes, if any, in their registered address, either to the Company's Registrar and Share Transfer Agents, viz. Karvy Computershare Private Limited, Unit: ABB India Limited, Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, or to their respective Depository Participant ("DP") in case the shares are held in dematerialized form.

9. Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) they should submit their NECS / ECS details to the Company's Registrar and Share Transfer Agents. The requisite NECS /ECS application form can be obtained from the Company's Registrar and Share Transfer Agents. Alternatively, Members may provide details of their bank account quoting their folio numbers, to the Company's Registrar and Share Transfer Agents to enable them to print such details on the dividend warrants.
10. As required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the relevant details of Directors retiring by rotation and seeking appointment / re-appointment at the ensuing Annual General Meeting are given in the annexure to the notice of the Annual General Meeting.
11. Shareholders, intending to require information about the Financial Accounts to be approved at the Meeting, are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
12. Members are requested to attend the meeting along with the copy of the Annual Report, already sent to them.
13. The Company has designated an exclusive e-mail id viz., investor.helpdesk@in.abb.com to enable investors to register their complaints/ queries, if any.
14. The Securities Exchange Board of India (SEBI) vide its earlier circulars have made the Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holding in dematerialized form or the Company's Registrar and Share Transfer Agents in case of holdings in physical form, mentioning the correct folio number.
15. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
16. Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. Members who are desirous to convert their physical holdings into dematerialized form shall contact the Company's Registrar and Share Transfer Agents KARVY Computershare Private Ltd at the address mentioned in item no. 7 of this note.
17. The Annual Report of the Company circulated to the Members of the Company will be made available on the Company's website at www.abb.co.in and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com
18. All documents referred in the accompanying Notice and Statement setting out material facts are open for inspection at the Registered office of the Company on all working days between 10.00 a.m. and 12.00 p.m. upto **Tuesday, April 26, 2016** i.e. upto the date of the Annual General Meeting.
19. The Annual Report of the Company for the year ended December 31, 2015 along with Notice, process and manner of remote e-voting, Attendance Slip and Proxy form are being sent by e-mail to those members who have registered their e-mail address with the Company or with their Depository Participant or Registrar and Share Transfer Agents of the Company. Members who are desirous to have a physical copy of the Annual Report should send a request to the company e-mail id viz., investor.helpdesk@in.abb.com clearly mentioning their Folio number / DP and Client ID.
20. Updation of Members' Details: The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended in the Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
21. **Information and other instructions relating to remote e-voting are as under:**

The instructions for remote e-voting are as under:
 - (1) Remote E-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Karvy Computershare Private Limited (KCPL) on all resolutions set forth in this Notice.
 - A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company / Depository Participants (s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. user ID and password). In case of physical folio, user ID will be **EVEN number 2265** followed by folio number. In case of Demat account, user ID will be your DP ID and Client ID. However, if you are already registered with Karvy for remote e-voting, you can use your existing user ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric

value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., ABB India Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email **cs.skannan@gmail.com** with a copy marked to **evoting@karvy.com**. The scanned image of the above mentioned documents should be in the naming format "ABB India Limited 66th Annual General Meeting."

B. In case of Members receiving physical copy of Notice [for members whose email IDs are not registered with the Company / Depository Participants (s)]

- (i) Remote E-Voting **Event Number 2265** (EVEN), user ID and password is provided in the Ballot Form.
- (ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

(2) In case of voting by using Ballot Forms:

- (i) In terms of Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Listing Regulations, the Company, in order to enable its Members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with Annual Report.
 - (ii) A Member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (FOR) or dissent (AGAINST) and send it to the Scrutinizer, Mr. S. Kannan, Practicing Company Secretary, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted at the Registered Office of the Company.
 - (iii) Please convey your assent in Column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
 - (iv) Duly completed and signed Ballot Forms shall reach the Scrutinizer on or before **Monday, April 25, 2016 (5.00 p.m. IST)**. The Ballot Forms received after the said date / time shall be strictly treated as if the reply from the Member has not been received.
 - (v) Unsigned / incomplete Ballot Forms will be rejected. Scrutinizer's decision on validity of the Ballot Form shall be final.
 - (vi) A Member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an email on **investor.helpdesk@in.abb.com** by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the scrutinizer not later than **Monday, April 25, 2016 (5.00 p.m. IST)**.
 - (vii) A Member can opt for only single mode of voting i.e. either through remote e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through remote e-voting shall prevail and vote by Ballot shall be treated as invalid. Members who have cast their votes by remote e-voting prior to the meeting may also attend the general meeting, however those members are not entitled to cast their vote again in the general meeting.
- (3) Voting at AGM: The Members who have not cast their vote either electronically or through Ballot Form, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue.

Other Instructions:

- i. In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> (Karvy Website) or call KCPL on 040-67162222 & Toll Free No.1800 3454 001.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. The remote e-voting period commences on **Friday, April 22, 2016 (9.00 a.m. IST)** and ends on **Monday, April 25, 2016 (5.00 p.m. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Tuesday, April 19, 2016**, may cast their vote electronically in the manner and process set out hereinabove. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iv. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Tuesday, April 19, 2016**, may obtain the login ID and password by sending a request at **evoting@karvy.com**.
- v. However, if you are already registered with KCPL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on <https://evoting.karvy.com> or call KCPL at the following toll free no.: 1800 3454 001 / 040-67162222.
- vi. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date **Tuesday, April 19, 2016**.
- vii. The Board of Directors has appointed Mr. S. Kannan (Membership No. F6261 and PCS No. 13016), Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- viii. The scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
- ix. The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- x. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website at www.abb.co.in and on the KARVY's website at <https://evoting.karvy.com> and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

Statement setting out Material Facts under Section 102 of the Companies Act, 2013 (the Act)

Item No. 4

The Board of Directors at its meeting held on October 28, 2014, appointed Mr. Frank Duggan (DIN: 02937233) as a Director pursuant to Section 161(4) of the Act and other applicable provisions (including any modification or re-enactment thereof), if any, of the Act and Article 151 of the Articles of Association of the Company, to fill in the casual vacancy caused by the resignation of Mr. Gary Steel. Since Mr. Gary Steel would have retired by rotation at this Annual General Meeting, had he not resigned, Mr. Frank Duggan would also cease to hold the office of Director at this Annual General Meeting, pursuant to Section 161 of the Act and is eligible for re-appointment as Director. In terms of Section 160 of the said Act, a notice in writing has been received from a Member of the Company signifying his intention to propose Mr. Frank Duggan as a candidate for the office of Director, along with the requisite deposit of Rupees One Lakh.

Mr. Frank Duggan is the Regional Manager of Asia, Middle East and Africa (AMEA) region and also a Member of Executive Committee of ABB Group, Zurich, Switzerland. He is holding the position of Chairman of the Company.

The Board considers that the association of Mr. Frank Duggan as a Director of the Company will be beneficial to and in the interest of the Company.

Brief profile of Mr. Frank Duggan is provided at the end of this Notice.

The Directors recommend the passing of the resolution set out at Item No.4 of the accompanying Notice.

Mr. Frank Duggan is concerned or interested in the resolution since it relates to his appointment. None of the other Directors or key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

Item Nos. 5 & 6

The Board of Directors at its meeting held on December 11, 2015, appointed Mr. Sanjeev Sharma (DIN: 07362344) as an Additional Director. In accordance with Section 161 of the Act, read with Article 152 of the Company's Articles of Association, Mr. Sharma holds office upto the date of this Annual General Meeting. In terms of Section 160 of the said Act, a notice in writing has been received from a Member of the Company signifying his intention to propose Mr. Sharma as a candidate for the office of Director, along with the requisite deposit of Rupees One Lakh.

Pursuant to Section 161 of the Act Mr. Sharma will hold office only upto the date of this Annual General Meeting and being eligible offers himself for appointment as a Director. Hence, the Resolution at Item No.5 of the Notice.

At the meeting of the Board of Directors held on December 11, 2015, Mr. Sharma was also appointed, subject to the approval of the Members in general meeting and of the Central Government, as the Managing Director of the Company for 3 (three) years from January 1, 2016 to December 31, 2018 (both days inclusive) at the remuneration and on the terms and conditions set out in the Agreement dated December 14, 2015 between the Company and Mr. Sharma referred to in the Resolution at Item No.6 of the Notice.

The principal terms and conditions of his appointment as Managing Director as contained in the above Agreement are as under:

1. **Tenure of appointment:** Mr. Sharma be appointed as the Managing Director for a period of 3 (three) years from January 1, 2016 to December 31, 2018 (both days inclusive) on a total remuneration not exceeding ₹ 48,630,960/- (Rupees forty eight million six hundred thirty thousand and nine hundred sixty only) per annum as over-all Cost to the Company including retiral benefits and bonus but excluding other perquisites and benefits. Mr. Sharma not to retire by rotation so long as he holds the office as Managing Director.
2. Subject to the orders and directions given to him by the Board from time to time and subject to such restrictions as the Board may impose at its discretion from time to time, Mr. Sharma shall have the management of the whole of the affairs of the Company with power to appoint and dismiss employees of the Company and to enter into contracts on behalf of the Company in the ordinary course of its business.
3. During the period of his employment, Mr. Sharma to undertake such travel in India and abroad as the Board may from time to time direct in connection with or in relation to the business of the Company.
4. **Remuneration and Perquisites:**

Mr. Sharma to be entitled to the following remuneration and perquisites:

(a) Basic Pay:

₹ 21,600,000/- (Rupees twenty one million six hundred thousand only) per annum.

(b) Other Allowances:

Mr. Sharma to be entitled for other allowances including leave travel concession, as agreed between Mr. Sharma and the Board from time to time. However, the aggregate monetary value of all allowances of whatsoever nature, in a financial year, shall not exceed ₹ 8,400,000/- (Rupees eight million four hundred thousand only) per annum.

(c) Social Security:

Mr. Sharma to be entitled to social security including contributions to Provident Fund and Gratuity Fund, as agreed between Mr. Sharma and the Board from time to time. However, the aggregate monetary value of the above in a financial year, shall not exceed ₹ 3,630,960/- (Rupees three million six hundred thirty thousand and nine hundred sixty only) per annum.

(d) Bonus:

Mr. Sharma to be entitled to annual bonus not exceeding ₹ 15,000,000/- (Rupees fifteen million only) per annum.

(e) Other Perquisites:

In addition to the above Mr. Sharma to be also eligible for free furnished accommodation or House Rent allowance subject to a maximum ceiling of ₹ 2,500,000/- (Rupees two million five hundred thousand only) per annum, one Company car with reimbursement of Chauffeur's salary, expenses towards children schooling, payment of membership / subscription fee for two clubs, reimbursement of salary for domestic help, security guard at residence, expenses towards mobile, telephone, internet and other suitable communication facilities at his residence.

Mr. Sharma will be covered under Company's Mediciam Policy, Personal Accident Insurance, Mutual Family Assistance, International Health Insurance - Bupa & Term Life Insurance Scheme as per the Rules of the Company from the time being in force.

Mr. Sharma to be entitled to continue participation in International Pension fund.

Mr. Sharma to be entitled for shifting his house hold goods to India.

(f) Leave:

Leave with full pay or encashment as per the rules of the Company for the time being in force.

(g) Overall Remuneration:

The aggregate of salary, bonus and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 197 and other applicable provisions of the Act read with Schedule V to the said Act, for the time being in force.

(h) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service, the payment of salary, commission and perquisites shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act.

(i) Revision in Remuneration:

The remuneration payable to Mr. Sharma as Managing Director to be subject to revision from time to time (annually and/or otherwise), by the Board at their discretion.

(j) Mr. Sharma to be entitled to:

- (a) The reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors, and
- (b) The reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.

5. Mr. Sharma not to be entitled to any sitting fee for attending the Meetings of the Board of Directors or Committee thereof, as long as he functions as the Managing Director.
6. During the term of this Agreement, Mr. Sharma not to engage himself, either directly or indirectly or be interested in any capacity whatsoever or render assistance to any firm, company or persons whatsoever whether as a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
7. During the continuance of his employment with the Company or at any time thereafter, Mr. Sharma not to divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secret processes of the Company. Mr. Sharma shall during the continuance of this employment hereunder also use his best endeavors to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by Mr. Sharma to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be a contravention to this Clause.
8. Either party to be entitled to terminate the Agreement at any time by giving to the other party 90 days' notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice, this Agreement to stand determined and Mr. Sharma to cease to be a Director of the Company.
9. The terms and conditions of Mr. Sharma's appointment including remuneration may be altered, varied, or modified from time to time by the Board, as may be permissible and if deemed fit, subject to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force.

Mr. Sharma, an Indian citizen, aged 50 years, holds a Degree in Electronics and Telecommunication Engineering and Executive Master Degree in Business Administration had joined ABB in the year 1990 and managed various local business units and divisions in India, Switzerland, Germany and Malaysia. Mr. Sharma was, prior to his appointment as Managing Director of the Company, held the position of Global Managing Director for the Low Voltage Systems business unit at Malaysia.

Even though Mr. Sharma is an Indian Citizen, he has not been a resident of India as stipulated under Part 1 (e) of Schedule V to the Act and hence the Company has made an application to the Central Government for its approval to his appointment as Managing Director as required under law.

Mr. Sharma is interested in the resolution at item No.5 of the Notice since it relates to his appointment as a Director and in the resolution at item no. 6 of the Notice since it relates to his appointment as the Managing Director of the Company and to the remuneration payable to him as Managing Director. No other Director or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution at items 5 and 6.

Mr. Sharma is not a Director in any other Company in India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Directors recommend the passing of the resolutions set out at Item Nos.5 and 6 of the accompanying Notice.

Item No. 7

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Messrs Ashwin Solanki & Associates, Cost Accountant (Registration No: 100392) as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending December 31, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor requires to be ratified by the Members of the Company. Accordingly, ratification of the Members is sought as referred to in the Resolution at Item No.7 of the Notice of the payment of the remuneration amounting to ₹ 33,00,000/- Lakh for Cost Audit plus applicable service tax and out of pocket expenses payable to the Cost Auditor for the Financial Year ending December 31, 2016.

By Order of the Board
For ABB India Limited

B. Gururaj
Company Secretary
FCS-2631

Place: Bengaluru
Date : February 4, 2016

Registered Office:
21st Floor, World Trade Center
Brigade Gateway, No.26/1
Dr. Rajkumar Road, Malleshwaram West
Bengaluru – 560 055

CIN: L32202KA1949PLC032923

ANNEXURE TO AGM NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015)

Name of the Director	Frank Duggan	Sanjeev Sharma
Date of Birth / Age	19.10.1959 56 years	10.11.1965 50 years
Date of Appointment on the Board	28.10.2014	01.01.2016
Qualification	Diploma in Electrical Engineering	Graduate in Electronics and Telecommunications Engineering and Executive Master Degree in Business Administration.
Brief profile and nature of their expertise in specific functional areas	Mr. Duggan has been working with ABB for the past 32 years. Mr. Duggan has held various high-profile positions across the Group, including Transmission & Distribution Manager in Poland, Country Manager of the Czech Republic, Global Business Area Manager for Oil, Gas and Petrochemicals, as well as Head of Group Account Management. Currently he is the Region Manager for Asia, Middle East and Africa (AMEA) region and also a Member of Executive Committee of ABB Group, Zurich, Switzerland.	Mr. Sharma joined ABB in the year 1990 and managed various local business units and divisions in India, Switzerland, Germany and Malaysia. Prior to his appointment as Managing Director of the Company, Mr. Sharma held the position of Global Managing Director for the Low Voltage Systems business unit at Malaysia.
Directorships held in other companies.	Nil	Nil
Memberships / Chairmanships of committees across all other companies	Nil	Nil
Shareholding of Non-Executive Directors in the Company	Nil	Nil

As per amended Regulation 26 of the Listing Regulations, details of Chairmanship / Membership of Audit Committee and Stakeholders' Relationship Committee are provided. Directorships in foreign companies, membership in governing councils, chambers and other bodies, Partnership in firms etc., are not provided.

None of the aforesaid Directors is related to each other.

Directors' Report

Your Directors have pleasure in presenting their Sixty Sixth Annual Report and Audited Accounts for the year ended December 31, 2015.

1. Financial Results

(₹ in Crores)

Particulars	For the year ended	
	December 31, 2015	December 31, 2014
Profit Before Taxation	474.59	355.21
Less: Provision for Tax		
– Current Tax	203.71	114.00
– Deferred Tax	(29.00)	12.70
Profit after Tax	299.88	228.51
Balance Brought Forward from last year	103.90	89.48
Amount available for Appropriation	403.78	317.99
Appropriations:		
General Reserve	150.00	120.00
Debenture Redemption Reserve	50.00	-
Proposed Dividend	78.41	78.41
Corporate Dividend Tax	15.96	15.68
Balance Carried Forward	109.41	103.90
	403.78	317.99

2. Dividend:

Your Directors recommend payment of a dividend at the rate of ₹ 3.70 (Rupees three and paise seventy only) per share for the year ended December 31, 2015 on 211,908,375 equity shares of ₹ 2/- each.

3. Performance Review:

The Company secured orders valued ₹ 8,100 crore in 2015 as against ₹ 7,908 crore in the previous year. Base orders from wider spectrum of customers formed a large portion with few large projects. Service led sales resulted in more comprehensive customer engagement. The order backlog at the end of the year stood at ₹ 7,946 crore providing visibility to the future revenue streams. The revenue from operations for the Company for the year 2015 stood at ₹ 8,140 crore as against ₹ 7,733 crore in the previous year, reflecting stability of operations in an uncertain market. Profit before tax was up by 34% at ₹ 475 crore in 2015 as compared to ₹ 355 crore in the previous year mainly due to efforts towards internal operational excellence, entering new market, lower material cost and extensively participating in the shift to renewable energy. Net profit after tax was up by 31% at ₹ 300 crore for the current year as compared to ₹ 229 crore in the previous year. Consequently the earnings per share for the year 2015 stood at ₹ 14.15 per share as compared to ₹ 10.78 per share in the year 2014.

For detailed analysis of the performance, please refer to the Management's Discussion and Analysis given in **Annexure – A**, forming part of this Report.

4. Extract of Annual Return:

As per provisions of Section 92 (3) of the Companies Act, 2013 (the Act) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the Form MGT-9 is given in **Annexure – B**, forming part of this report.

5. Board Meetings held during the year:

During the year, 8 meetings of the Board of Directors were held, which includes a meeting of Independent Directors as required under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). The details of the meetings are furnished in the Corporate Governance Report.

6. Issue of Debentures:

As approved by the Members through Postal Ballot during August 2015, the Company has issued 600 unsecured, rated, listed, redeemable, non-convertible debentures having face value of ₹ 1,00,00,000/- (Rupees One Crore only) aggregating to ₹ 600 Crore on private placement basis under Foreign Portfolio Investment route to an identified investor, which are listed with BSE Limited. The proceeds of these debentures were used for refinancing the Company's debt.

7. Compliance on criteria of Independence by the Independent Directors:

All Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Act that, they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Act and also under the Listing Regulations.

8. Remuneration Policy of the Company:

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company along with other related matters have been provided in the Corporate Governance Report.

As and when need arises to appoint Director, the Nomination and Remuneration Committee (NRC) of the Company will determine the criteria based on the specific requirements. NRC while recommending candidature to the Board, will take into consideration the qualification, attributes, experience and Independence of the Candidate. Director(s) appointment and remuneration will be as per NRC Policy of the Company.

A Statement of Disclosure of Remuneration pursuant to Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **Annexure – C**, forming part of this report.

9. Particulars of loans, guarantees or investments under Section 186 of the Act:

During the year under review, your Company has not granted any Loan, Guarantees or made Investments within the meaning of Section 186 of the Act.

10. Amount, if any, proposed to be transferred to Reserves:

The Company transferred a sum of ₹ 150 Crore towards General Reserve and ₹ 50 Crore towards Debenture Redemption Reserve during the Financial Year 2015.

11. Material changes and commitment, if any, affecting financial position of the Company from the end of Financial Year and till the date of this Report

There has been no material change and commitment, affecting the financial performance of the Company occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

12. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The particulars as prescribed under Section 134 of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure – D**, forming part of this report.

13. Listing Agreements:

Your Company has entered into new Listing Agreements with BSE Limited and National Stock Exchange of India Limited, in compliance with Regulation 109 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended by SEBI.

14. Risk Management Policy:

The Board of Directors has adopted a Risk Management Policy and constituted a Risk Management Committee. The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The details and the process of Risk Management as implemented in the Company are provided as part of Management's Discussion and Analysis which forms part of this Report.

15. Corporate Social Responsibility (CSR) initiatives:

In accordance with the provisions of Section 135 of the Act and Rules framed thereunder your Company has adopted a policy for CSR and the Board has constituted a Committee for implementing the CSR activities. Composition of the Committee and other details are provided in Corporate Governance Report. Education, Access to Electricity, Health Care, Environment, skills enhancement for creating employable opportunities for the differently abled personnel, etc., are the focal area under the CSR Policy.

The Company has implemented various CSR projects directly and / or through implementing partners and the projects undertaken by the Company are in accordance with Schedule VII of the Act. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure – E**, forming part of this report.

16. Annual evaluation of Board, its Committees and Individual Directors:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

17. Audit Committee:

The details pertaining to composition of the Audit Committee and terms of reference are included in the Corporate Governance Report, which forms part of this Report.

18. Related Party Transactions:

The Board of Directors has adopted a policy on Related Party Transactions. The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All contracts or arrangements with related parties, entered into or modified during the financial year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualified under Omnibus approval as permitted under law. No material contract or arrangement with related parties were entered into during the year under review. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements. Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website at www.abb.co.in.

19. Reporting of frauds:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Act and Rules framed thereunder.

20. Transfer to Investor Education and Protection Fund:

As required under Section 205C of the Companies Act, 1956, the unclaimed dividend amount aggregating to ₹ 18.09 lakh lying with the Company for a period of seven years pertaining to year ended on December 31, 2007, was transferred during the year 2015, to the Investor Education and Protection Fund established by the Central Government.

21. Particulars of Employees:

The statement under Rule 5 (2) and Rule 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and particulars required under Section 197 (12) of the Act are given in **Annexure – F**, forming part of this report.

The said Annexure shall be provided to Members on a specific request made in writing to the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 66th Annual General Meeting.

22. Directors' Responsibility Statement:

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) and 134 (5) of the Act, that:

- a) in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable Accounting Standards have been followed along with proper explanation relating to material departures if applicable;
- b) for the financial year ended December 31, 2015, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended December 31, 2015;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) proper internal financial controls are in place and such internal financial controls are adequate and were operating effectively;
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

23. Corporate Governance Report and Certificate:

As required under Regulation 34 (3) read with Schedule V (C) of the Listing Regulations a report on Corporate Governance and the certificate as required under Schedule V (E) of the Listing Regulations from Messrs V. Sreedharan & Associates, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance are given in **Annexure – G** and **Annexure – H** respectively, forming part of this report.

24. Secretarial Audit:

Pursuant to provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, your Company engaged the services of Messrs HBP & Co., Company Secretaries, Bengaluru, to conduct the Secretarial Audit of the Company for the financial year ended December 31, 2015. The Secretarial Audit Report in Form MR-3 is given in **Annexure – I**, forming part of this report.

25. Business Responsibility Report:

As required under Regulation 34 of the Listing Regulations, the Business Responsibility Report forms part of the Annual Report.

26. Whistle Blower Policy:

The Company has a Vigil Mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism.

The Whistle Blower Policy is available on Company's website.

27. Directors and Key Managerial Personnel:

Mr. Bazmi R. Husain (DIN: 00965992) resigned as Director and the Managing Director of the Company on September 2, 2015 and as per the Company's policy, he has been relieved from the services of the Company effective close of office hours on December 31, 2015. Your Directors place on record their appreciation of the valuable service rendered by Mr. Husain during his tenure as the Managing Director of the Company.

Further your Directors at their meeting held on December 11, 2015, appointed, Mr. Sanjeev Sharma (DIN: 07362344) as Director and Managing Director of the Company effective January 1, 2016.

The Board at its meeting held on October 28, 2014 appointed Mr. Frank Duggan (DIN: 02937233) as a Director in the casual vacancy caused due to the resignation of Mr. Gary Steel (DIN: 02500073). Since Mr. Gary Steel was to retire by rotation at the ensuing Annual General Meeting, Mr. Frank Duggan would also cease to hold the office of Director at ensuing Annual General Meeting, pursuant to Section 161(4) of the Act, and is eligible for reappointment as Director.

Pursuant to the Act, and Regulation 25 of the Listing Regulations, all the three Independent Directors, viz., Mr. Nasser Munjee, Mr. Darius E Udawadia and Mrs. Renu Sud Karnad were appointed at the 65th Annual General Meeting held on May 6, 2015 for a period of 5 years effective conclusion of the said meeting. Hence none of the Independent Directors is liable to retire by rotation.

Necessary resolutions relating to Directors who are seeking appointment / reappointment are included in the Notice of Annual General Meeting. The relevant details of the said Directors are given in the annexure to the Notice of the Annual General Meeting.

During the year, Mr. Amlan Datta Majumdar resigned as Chief Financial Officer of the Company and was relieved from the services effective close of office hours on March 10, 2015. Mr. T. K. Sridhar, was appointed as Chief Financial Officer of the Company effective July 23, 2015.

As on date, Mr. Sanjeev Sharma, Managing Director, Mr. B. Gururaj, Company Secretary and Mr. T.K. Sridhar, Chief Financial Officer, are the Key Managerial Personnel of the Company.

28. Deposits:

During the year under review, your Company did not accept any deposit within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

29. Financial Year:

The Act requires every company to have the period April to March as its Financial Year mandatorily. Exception is however permitted to have a different period as financial year provided the Company obtains permission from the Ministry of Corporate Affairs.

Your Company is one of the key subsidiaries of ABB Group, which follows calendar year as its financial year. To support consolidation of group financial statements and audit thereof as per overall group process and timeline, it was necessary for the Company to follow the financial year as January – December. Therefore your Company intended to continue the calendar year i.e., January – December as its financial year and made an application to the Hon'ble Company Law Board, Southern Region Bench, Chennai, to retain its current financial year period instead of changing it to April – March period. The Hon'ble Company Law Board allowed the Company's application and permitted the Company to continue to have calendar year, i.e., January – December as its financial year.

30. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the Going Concern status of the Company:

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations. All orders received by the Company during the year are of routine in nature which have no significant / material impact.

31. Internal Control Systems and their adequacy:

The details on Internal Control Systems and their adequacy are provided in the Management's Discussion and Analysis which forms part of this Report.

32. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Compliance Committee has been constituted for reporting and conducting inquiry in to the complaints made by the victim on the harassments at the work place. During the year 2015, the Company has received one complaint of sexual harassment, and the same has been duly inquired and concluded by taking appropriate action.

33. Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Messrs S R BATLIBOI & ASSOCIATES LLP, Chartered Accountants (Firm Registration No. 101049W), were appointed as Statutory Auditors of the Company for a term of 2 years, to hold office from the conclusion of 65th Annual General Meeting held on May 6, 2015 until the conclusion of 67th Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting.

Consent and certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if ratified at ensuing Annual General Meeting, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed thereunder.

A resolution seeking ratification of their appointment forms part of the notice convening the 66th Annual General Meeting and the same is recommended for your consideration and approval.

34. Cost Auditor:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have appointed Messrs Ashwin Solanki & Associates, Cost Accountant (Registration No: 100392) as Cost Auditor of the Company, for the financial year ending December 31, 2016, on a remuneration as mentioned in the Notice convening the 66th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from Messrs Ashwin Solanki & Associates, Cost Accountant has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Member's ratification for the remuneration payable to Cost Auditor forms part of the Notice of the 66th Annual General Meeting of the Company and same is recommended for your consideration and approval.

Cost Audit and Compliance report for the year 2014 were filed on May 27, 2015, which is within the time limit as prescribed in Companies (Cost Audit Report) Rules, 2011.

35. Acknowledgements:

The Board of Directors take this opportunity to thank the Company's parent company, customers, members, suppliers, bankers, associates, Central and State Governments and employees at all levels for their support and co-operation extended to the Company during the year.

For and on behalf of the Board

Frank Duggan
Chairman
DIN: 02937233

Place: Bengaluru
Date : February 4, 2016

Annexure - A to Directors' Report

Management's Discussion and Analysis

Economy and market overview

A volatile and difficult global environment proved to be benign for India in certain ways. It provided the much required momentum to the key macro indicators of Indian economy in 2015. A decade low slump in oil prices, a major drain on India's import bill, gave the desired boost to the government reserves. Inflation and current account deficit levels were maintained below the guidance targets.

Most of the year was spent in the shadow of an impending rate hike by the US Federal Reserve and awaiting the rate cut measures by the Reserve Bank of India. The jerky movements of the Indian Rupee were largely contained in a range bound manner. The Rupee proved to be one of the better performing currencies among emerging markets. However the drag of the global economy significantly impacted world-wide trade as well as Indian exports. The re-evaluation of the Yuan and the uncertainty prevailing in China, a major fulcrum of growth in the world, also added to the gloomy global environment.

The overcapacity in certain emerging markets cast a shadow on the Indian process industries. The performance of core industries was also depressed leading to capacity underutilization. The stressed balance sheets of companies and the accumulation of non-performing assets in banks continued the downslide in the growth of credit to industries. The improvement in macros didn't result in the expected industrial pick-up in the country. Certain key reforms passed by the government pertaining to FDI, disinvestment as well as the coal mining, telecom, exports and the scheme to improve the health of power distribution companies and the infrastructure had some limited positive impact. The outcome of a few key reforms awaiting a passage in the parliament will be the key to sustaining global investor confidence. Certain bright spots in the industrial horizon included some movement in stalled projects, traction in the renewable energy market, make in India policy initiatives, and the investment to revamp and upgrade the railways by the Indian government. The foreign investors demonstrated their confidence in the country as India emerged as one of the key destinations for foreign direct investment.

Operational overview

In a market where positive sentiment in the first half gave way to unfulfilled expectations in the second, the Company's steady revenue and performance improvements were a result of rigorous streamlining and efforts towards internal operational excellence. Implementing the five year "Next Level Strategy", the Company entered new markets, forged global partnerships and extensively participated in the shift to renewable energy. Through relentless execution, the Company actively addressed its throughput efficiency; key attention areas for this were lowering material costs and increasing white collar productivity.

Growing profits in a shrinking industrial market was the result of increased contribution from power segment. This was catalyzed by utilities seeking to update technologies to enhance performance and reduce losses. Large orders in the year included substations for private and public utilities, along with products like transformers and gas insulated switchgear. The Company also delivered end to end solutions for solar power projects and contribution from renewable energy grew significantly. Following the mantra of penetration, innovation and expansion, the Company made headway with different and technologically advanced solutions in existing sectors like marine,

textiles, identifying growth spots in a challenging market. Today, half the solar power generated in India passes through ABB inverters.

Investments in the rail segment – national and metro – added to business across divisions. Projects to deliver automation solutions to ports and automotive factories were won despite facing stiff competition from cost-driven Asian counterparts.

The Government announced Make in India, Smart cities and Power to all, initiatives in 2015. The solutions to enable and achieve the vision of these initiatives formed the cornerstone of ABB's global flagship event, Automation and Power World, organized in India after five years. This thought-leadership and customer focused event demonstrated that the Company is well positioned to partner India's next level of growth and garnered the attention of government and industry decision makers.

In a subdued market, orders remained steady at ₹ 8,100 crore as against ₹ 7,908 crore in the previous year. Base orders from a wide spectrum of customers formed a large portion with a few large projects. Services led sales resulted in more comprehensive customer engagements.

The revenue for 2015 improved to ₹ 8,140 crore as against ₹ 7,733 crore in 2014, reflecting stability of operations in an uncertain market.

The order backlog at the end of the year was at ₹ 7,946 crore, providing visibility to the future revenue streams.

Profit before tax grew substantially to ₹ 475 crores in 2015 as compared to ₹ 355 crore in the previous year. Profit after tax posted a growth of 31 percent at ₹ 300 crore for the current year as compared to ₹ 229 crore in the previous year. Consequently the earnings per share for 2015 stood at ₹ 14.15 per share as compared to ₹ 10.78 in 2014.

Service

In a market characterized by unutilized capacities, trickling credit to industries and evolving dynamics and customer expectations, the service business posted a double digit growth in revenue and orders for the period under review. By effectively mining opportunities through an existing installed base, service provided the oxygen to the business in contracting markets. Tailoring solutions to address both value and volume based issues of customers, from debottlenecking to production optimization, the service business facilitated operational flexibility and innovative asset management. Bundled offerings, integrated solutions combined with conventional portfolio offerings were deployed across multiple industries. The market for servicing of PASS and bay upgrade solutions expanded to newer sectors locations in India. The business not only served as the bridge for sustained customer engagement in a tight market but also addressed changing customer priorities in areas like safety, reliability and quality. Programs like Make in India have put the spotlight back on these areas. The focus on quality and safety driven applications helped transitions like minimum oil to vacuum circuit breakers with substantial contribution from solutions in energy efficiency and power quality, equipment performance management (EPM), and personnel training providing end to end solutions to the customers.

During the year, major customers including PGCIL, NTPC, Tata Group, SAIL, Reliance Industries, Vedanta, International Paper and Zuari Cement (Italcementi Group) and Rajasthan Textile Mills also strengthened their service engagement with the Company.

Exports

Base orders constituted more than 85 percent of exports in 2015. An important breakthrough was the product acceptance of the Company's medium voltage secondary switchgear in Saudi Arabia after a few years of investment and receipt of the first order. This is a significant step in penetrating the Middle East market. The 400 kV substation order from Bangladesh was the first ever export project from India of that rating. On the product side, the business started exporting low voltage IEC Motors. There was good traction from the African market with orders for 420, 245 and 132 kV breakers for a project in Kenya. This was in addition to orders for transformers from Senegal and Uruguay and SafeLink CB from Jordan and Zambia. Systematic efforts by the Company resulted in expansion to untapped markets in Mexico, Azerbaijan, Liberia, Madagascar, Chile, Afghanistan, Ethiopia and DR Congo.

Operational excellence

ABB's Next Level strategy strives to make an organization which better caters to markets and customers – simplified, accountable and collaborative. Operational excellence initiatives across people and processes was a key driver for sustainable value creation for all stakeholders. These initiatives enabled improved profitability and stabilized revenue in uncertain markets. Relentless efforts in product management, localization and indigenization initiatives and cost take out rendered greater efficiency to the Company.

Outlook

The global environment is likely to remain challenging and is expected to cast a drag on emerging market economies. These economies will have to work harder to counter the flight of capital, to readjust growth in a new economy and regain investor confidence. In India, the multiple government initiatives are in the right direction and augur well from the medium to long term perspective. A faster pace of implementation of reforms from rationalization of taxes to labor and the slated activities on smart cities is likely to provide a horizon of optimism and boost demand. Large infrastructure projects are imperative to bring about an industrial revival in the core sectors. On ground impact of make in India, digital India, power for all and the smart cities project will go a long way in boosting private sector confidence to kick-start the investment cycle.

The Company has continually advanced its abilities and implemented initiatives for operational excellence. This has ensured that the Company is well prepared to deliver on expanding demand following any market turn around. Operational excellence initiatives have created value for customers and demonstrated benefits such as cost take outs in material expenses and improved profitability. The impact of such initiatives will be even more notable with any improvement in volume. Metro projects, rail infrastructure and rolling stock investments coupled with building, food and beverage, automotive and the expansion and modernization of ports and the power generation projects of state utilities could provide the much needed avenues of growth. The Company is well positioned to partner the next level of growth in India.

Business segment analysis

Relative distribution of revenue among business segments

Particulars	2015	2014
Power Systems	22%	26%
Power Products	30%	27%
Discrete Automation and Motion	24%	23%
Low Voltage Products	9%	9%
Process Automation	15%	15%

Power Systems

Summarized performance:

(₹ in Crores)		
Particulars	2015	2014
Orders	1,740	2,075
Order backlog	3,227	3,358
Revenue	1,871	2,155
Results	121	115

Growth in capital expenditure was lower than expected despite growth in GDP and the overall economic environment in the country. Sustained focus on profitable initiatives and emerging areas compensated for the slowdown across core sectors. Notable projects include large orders from private utilities in transmission business as well as significant export orders. Building solar power infrastructure - from generation to evacuation - helped boost overall orders. The segment demonstrated its technical prowess through the erection of the first multi-source microgrid in the heart of Delhi that powered ABB's global flagship customer engagement event – Automation and Power World. Relentless execution ensured smooth commissioning of several major projects, including the first phase of the North-East Agra HVDC link.

Major project orders booked during 2015:

- 765/400 kV Air Insulated Substation at Rajnandgaon from Adani Transmission Ltd.
- 400/220 kV Air Insulated Substation at Morena from Adani Transmission Ltd.
- 400/220 kV extension at Vadodara, Maneswar and Mallerkotla from Power Grid Corporation of India Ltd.
- 400/220 kV Air Insulated Substation in Bulta, Bangladesh for Power Grid Company Bangladesh Ltd.
- 220/110 kV Air Insulated Substation at Kamuti, Tamil Nadu for Adani Infra India Ltd.
- 66 kV & 132 kV Air Insulated Substation at Punjab and Telangana for Solairedirect Energy India Pvt. Ltd.
- 220/11 kV AIS Substation for a textile plant at Pipau, Gujarat for Sintex Industries Ltd.
- 1x600 MW e-BoP for APGENCO, Raialseema from VA TECH WABAG Ltd.
- Instrumentation, Control and Electrification for pumping station at Puchibableswhar from BRN Infrastructures, Hubli
- 30 MW Solar PV project from Acme Cleantech Solutions Ltd.

Major systems successfully commissioned during 2015 included:

- 800 kV North-East-Agra Ultra High Voltage Direct Current transmission link (part commissioning) for Power Grid Corporation Of India Ltd.
- 400 kV Gas-insulated Switchgear (GIS) substation at Kolhapur for Power Grid Corporation of India Ltd.
- 765/400 kV Champa (part commissioning) for Power Grid Corporation Of India Ltd.
- 765/400 kV Air Insulated Substation at Koradi for Adani
- 400/132 kV Solapur (part commissioning) for NTPC Ltd.
- 400 kV GIS substation at Rewa Road, Uttar Pradesh for Isolux Corsan
- 5x20MW Solar PV Project at Rajasthan for Acme Cleantech Solutions Ltd.
- 2x800 MW Krishnapatnam e-BoP for APPDCL through Tata Projects Ltd.
- 2x600 MW thermal power plant e-BoP at Tuticorin, Tamil Nadu for Coastal Energen Pvt Ltd.

Segment outlook

The government's ambitious plans for renewables and providing power to all, along with initiatives, like UDAY, to improve the financial conditions of the sector have the potential for large impact. Grid stability solutions like FACTS and HVDC continue to be the focus areas for the transmission and distribution sector and provide major opportunities. The potential of distributed generation technology like microgrids, if aggressively promoted by the government, could be embraced in the urban sector. The approval of the National Smart Grid Mission can trigger the adoption of smart grids in the country and enable us to further expand our horizons. Opportunities from smart cities – such as co-generation, water and sewage treatment, substation automation, instrumentation control and engineering (ICE) packages for solar and water, and expansion in urban transportation are well aligned with the segment's offerings.

Power Products:

Summarized performance:

(₹ in Crores)		
Particulars	2015	2014
Orders	2,609	2,386
Order backlog	2,164	2,104
Revenue	2,599	2,325
Results	237	184

The power products segment continued on the growth path and posted a progression in orders and revenue. In a market hesitant about capital investments and plagued by cost driven imports, the base or short cycle orders continued the order momentum. As a significant achievement, the segment successfully manufactured, tested and dispatched 800 kV HVDC transformer for the North East Agra HVDC project. Adoption of the next generation of switchgears by private and public utilities led to orders for the most recently established factory in Savli. The segment sustained and enhanced its leadership position in 2015.

Significant orders received:

- 765 kV transformer and shunt reactors for Power Grid Corporation of India Ltd.
- Traction transformers for Chittranjan Locomotive Works
- PASS high voltage switchgear for Gujarat Energy Transmission Corporation Limited and UP Power Transmission Corporation Ltd.
- HV Capacitors for Alstom T&D India Ltd. HVDC project

Major products and systems commissioned in 2015:

- Commissioning 765 kV transformers in Vindhyachal, Pune & Vadodara Projects, Power Grid Corporation of India Ltd.
- Commissioning 36 MVA, 33 kV the first arc furnace transformer at JSW Steel Ltd, Dolvi
- Commissioning of 400/245 kV GIS bays in Kolhapur project for Power Grid Corporation of India Ltd.
- 800 kV converter transformer manufactured in Vadodara for North East Agra project

Segment outlook

Growth in power sector will be driven by government investment in transmission, renewables and infrastructure projects. Implementation of UDAY scheme likely to improve demand from the state electricity boards. Capital expenditure cycle of the industry could witness some upliftment due to cascading impact of lower interest rates. Passing of crucial reforms pertaining to land and harmonizing the taxation structure will also help drive growth. However the pressure on pricing at a time of diminishing global trade as well as aggressive competition focusing on dispersed pockets of growth will continue to be two key features in 2016.

Discrete Automation and Motion

Summarized performance:

(₹ in Crores)		
Particulars	2015	2014
Orders	2,306	1,924
Order backlog	1,805	1,560
Revenue	2,062	1,899
Results	170	128

The segment adapted swiftly to the new ground realities and focused on new sectors, such as renewables, transportation and food and beverage to forge ahead. Increased customer engagement, stronger and integrated segment focus contributed to the 20 percent growth in orders in 2015. Increase in revenue, supply chain initiatives, strategic marketing moves, favorable exchange rates and operational efficiencies resulted in improving the profitability of the segment.

Efforts to retain its strong market position across offerings bore fruit and the division garnered leadership position in the emerging business of solar power along with good visibility in wind and transportation, which resulted in significant orders from these areas. The channel partner network was further expanded during the year, with significant contribution to revenue. Commissioning of large systems during the year included high current rectifiers at Indonesia Aluminum Ltd, Indonesia, 4x55 kA rectifiers at Hindalco Industries Ltd, Hirakud and body side project at Ford India Pvt Ltd, Sanand. New technology, product range and capacity expansion activities during the year included:

- Solar Inverters 1500 VDC -PVS 980I
- Upscale UPS ST Frames New version
- NXR 355 – 450 range motors
- 2.1 MW Wind Generator for Gamesa Wind Turbines Ltd
- ACS2000 Diode Front End MV Drive

Significant orders received:

- Traction converters for Chittaranjan Locomotive Works
- Solar inverters for Adani Infra India Ltd., Acme Cleantech Solutions Pvt Ltd., Tata Power Solar
- Wind generators for Gamesa Renewables Pvt Ltd and Inox Wind Ltd.
- Mechanical Power Transmission for Larsen & Toubro Ltd.
- Medium voltage drives for DRN Infrastructure and ThyssenKrupp Industries India Pvt. Ltd
- Robotics for Fiat India, Maruti Suzuki India Ltd, Mahindra & Mahindra Ltd and Ford India Pvt Ltd

Segment outlook

Competitors developing new domestic capacities are likely to pressure volume and price realizations. The tight liquidity in the market, especially faced by the small and medium size customers, and delay in project execution due to lack of cash or high cost of funds will continue to impact orders. However, the ongoing strategic thrust on market penetration, channel partner initiatives, customer engagement coupled with addition in capacity and range expansion will support growth momentum.

Low Voltage Products

Summarized performance:

(₹ in Crores)		
Particulars	2015	2014
Orders	769	764
Order backlog	219	247
Revenue	801	737
Results	73	40

Concerted efforts in developing market share through extending product lines and effective sales channel management, especially in distribution, reinforced the segment's orders in 2015. Overall sales figures reflect a continuous growth in all channels across all product lines. Focus on indigenization and local manufacturing ensured increased utilization of installed capacity. T6 MCCB (molded case circuit breakers), large contactors, pilot devices of DC MCB (direct current miniature circuit breakers) and distribution terminal blocks are examples of products engineered and produced in India for the local and export market. Building Automation's offering has been expanded with the addition of a new product range - "Free@Home", a competitive solution for residential buildings segment.

In a bid of continuous improvement of the service level and overall customer satisfaction, several initiatives of "ease of doing business/ process" have been launched by the segment during the year covering logistic, on-time delivery, customer quality perception, customer focused IT, after sales warranty service and sales process improvement.

Segment outlook

Boost in infrastructure, including energy efficiency solutions, premium commercial and residential buildings and renewable energy generation, is likely to have a positive impact on the demand for low voltage products. Change in the market trend towards the type-tested (tested for changing standards) boards will support our engagement with system integrators especially pertaining to ArTu K switchgear panels.

The thrust for the segment continues to be on increased market coverage, localization initiatives, product range expansion and exports. A positive impact is expected from recent project clearances and the demand dynamics in housing sector. The segment will also focus more on sectors like datacenters, pharmaceuticals and food & beverages.

Process Automation

Summarized performance:

(₹ in Crores)		
Particulars	2015	2014
Orders	1,110	1,214
Order backlog	926	1,074
Revenue	1,250	1,245
Results	126	100

A slowdown and muted demand in industrial sector resulted in slower than expected growth. Export opportunities in the SAARC and far-east countries helped orders for 2015. Continuous focus in internal activities and working closely with customers aided faster closure of projects and leveraging the installed base contributed to profitability. The major push on developing a lean organization with a focus on cost take-out has increased operational efficiency and improved results for the segment.

Significant orders received in 2015 included:

- Electrics and automation for the steel plant in Abul Khair Steel Mills Ltd, Bangladesh
- Supply of new and rehabilitation of turbochargers for Diesel Locomotive Works of Indian Railways
- Electrics and safety automation products for ONGC sites through Swiber Offshore Construction PTE Ltd.
- Supply and installation of DCS for new paint factory for Asian Paints Ltd.

Major systems that were successfully commissioned in 2015:

- Orient Cements Ltd. - Cement plant electrics, instrumentation and automation
- Hongsa Mines, Laos a/c Sandvik Mining and Construction Materials Handling GmbH & Co - Conveyor electrics, instrumentation and automation
- Abul Khair Steel Mills Ltd, Bangladesh - Electrics for the Steel Melt Shop
- BSRM, Bangladesh – 33 kV GIS for Steel Melt Shop
- Ultratech Cement Ltd, Jhajjar & Dankuni - Cement plant grinding unit electrics, instrumentation and automation
- Steel Authority of India Ltd., Rourkela Steel Plant - New plate mill electrics, instrumentation and automation

Segment outlook

The government program of make in India and increased focus on infrastructure and transportation is expected to push demand and the growth trajectory on an upward incline. Efforts underway to resuscitate the mining industry could yield positive outcomes in a limited manner. However the global climate and the commodities landscape will have a deep bearing on the fate of process industries in the domestic market. Concentrated initiatives on emerging geographies and other export markets are expected to bring higher market commitments and subsequent growth in the automation sector.

Finance

Despite the significant cut in interest rates by the central bank, liquidity in the market remained tight. In addition to limited funding, existing capacity glut translated to even less investment by industries in greenfield and brownfield projects. During the year, the Company issued unsecured, rated, listed, redeemable, non-convertible debentures of ₹ 600 crore on private placement basis. This, along with general reduction in interest rate in the economy helped in reducing interest expenses to ₹ 91 crore, compared to ₹ 105 crore in the previous year. As of December 31, 2015, the Company's net borrowing was ₹ 26 crore compared to a net borrowing of ₹ 137 crore in the previous years. In terms of foreign currency exposure – for imports and exports – the Company continued to hedge at the point of commitment to protect the contract margins.

Human resources

The people strategy was aligned with the Company's global and local focus during the year. This required continuing to provide a stable work environment in an uncertain market and maximizing the potential of the workforce. Through its evolving employee-friendly policies and processes, the Company's human resources encouraged, and demonstrated, dynamism and being open to change.

In addition, persistent attention to providing an inclusive environment to promote diversity in gender, age and culture, including opportunities for global mobility, also form a part of the proactive plan to manage talent in key function areas. During the year, ABB has consistently set a clear path to learn and adapt to perform better in the volatile market situation amidst global competition with its workforce initiatives and systems in place to strengthen its position as preferred employer.

Industrial relations remained cordial and harmonious across all manufacturing locations. At the close of the year, the company had 5,839 permanent employees, as against 6,165 in the previous year.

Internal Control Systems

Internal Controls in the Company have been designed to further the interest of all its stakeholders by providing an environment which is facilitative to conduct its operations. In doing so, the Company's Internal Control environment has evolved over a decade to take care of, inter alia, financial and operational risks. The Company has a holistic Internal Control framework comprising of elements like Country Management Committee, Group Directives and Instructions, Local Management Instructions, Process and Entity Level controls, Enterprise Risk Management, Management Testing Programs and a strong emphasis on integrity and ethics as a part of work culture. A well-organized Group level tool (GRCM) is available to handle testing, Internal Audit Issues, deficiency tracking, etc. Further, the in-house independent Internal Audit team acts as a pillar to support the control objectives. The Company also has a well-functioning Whistle Blower Policy in place to report any misdoing. The Company is aligned with one of the most mature IC framework – COSO 1992, then transitioning to COSO 2013. Based on management's assessment and testing of controls, it is concluded that the Company has proper internal financial controls which are considered adequate and operating effectively.

Risk management

The Company has a Risk Management Charter and Policy, which provides overall framework for Risk Management (RM) in the Company. The Risk Management Committee assists the Board in risk assessment, formulation and implementation of guidelines, managing of key risks, risk minimization procedures and periodical review. Following the amended Clause 49 of the listing agreement, the Risk Management Committee met on July 23, 2015.

The key elements of the company's risk management framework have been captured in the risk management policy which details the process for identifying, escalating, prioritizing, mitigating and monitoring key risk events and action plans. The assessment of the risks covers areas of Strategy, Technology, Finance, Operations & Systems, Legal & Regulatory and Human Resources Risks. There are appropriate assurance and monitoring mechanisms in place to monitor the effectiveness of the risk management framework including the mitigation plans identified by the management for key risks identified through the risk management exercise. The effectiveness of the risk management framework and systems is also periodically evaluated by the risk management committee.

The Company's existing framework provides for risk reviews at various levels based on company's organizational structure matrix. Periodic assessment of risks, potential impact relating to business growth, profitability, talent engagement, market position are conducted. Response on key operational risks, based on inputs received from the internal and external assessment, internal audit, performance review etc. are done on a regular basis. The outcome of business review meetings regarding processes and their compliance, as well as observations of the Risk Management Committee and the Board of Directors are continuously incorporated in to Risk Management Framework.

Division realignment

On January 1, 2016, the Company commenced operating in a streamlined set-up of four divisions: Power Grids, Electrification Products, Discrete Automation and Motion, and Process Automation. The evolving requirements of the utility customers are reflected in the new Power Grids division focusing on power and automation offerings for transmission and distribution delivered from a single source - "power & automation for the grid". The other three divisions will cater to industry and transport & infrastructure - "power & automation for the site" with a comprehensive ABB portfolio. The Company's leading low- and medium-voltage businesses have been combined to form the new Electrification Products division. In order to better address customer requirements and enhance operational efficiency, the Discrete Automation and Motion and Process Automation divisions are being further aligned.

Except where the context otherwise requires or where otherwise indicated, the information in the report is presented to reflect our business prior to this realignment to be consistent with the basis used in preparing our Consolidated Financial Statements.

Annexure - B to Directors' Report

Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Extract of Annual Return

As on the financial year ended on 31.12.2015

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
i.	CIN	L32202KA1949PLC032923
ii.	Registration Date	24.12.1949
iii.	Name of the Company	ABB India Limited
iv.	Category / Sub-Category of the Company	Public Company, Limited by Shares
v.	Address of the Registered office and contact details	21 st Floor, Word Trade Center, Brigade Gateway, No.26/1, Dr. Rajkumar Road, Malleshwaram West, Bengaluru 560 055 Phone: +91 80-22949150 to 22949153 Fax: +91 80-22949148 Email: investor.helpdesk@in.abb.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agents, if any	Karvy Computershare Private Limited 46, Avenue, 4 th Street, No.1, Banjara Hills, Hyderabad – 500 034. Tel: 1800 3454 001 / 040 6716 2222 Fax: 040 – 2342 0814 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	271	77
2	Manufacture of other electrical equipment	279	15

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	ABB Asea Brown Boveri Limited Affolternstrasse 44 P.O. Box 8131 Ch-8050, Zurich Switzerland	NA	Holding	69.08	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of total Equity):

i. Category-wise Share Holding:

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter and Promoter Group									
(1)	Indian									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Foreign									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	158931281	0	158931281	75.00	158931281	0	158931281	75.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	158931281	0	158931281	75.00	158931281	0	158931281	75.00	0.00
	Total A=A(1)+A(2)	158931281	0	158931281	75.00	158931281	0	158931281	75.00	0.00
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds /UTI	3817816	0	3817816	1.80	4948678	0	4948678	2.34	0.53
(b)	Financial Institutions /Banks	22096098	7200	22103298	10.43	21220712	7200	21227912	10.02	(0.41)
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	10166208	1305	10167513	4.80	9253366	1305	9254671	4.37	(0.43)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	36080122	8505	36088627	17.03	35422756	8505	35431261	16.72	(0.31)
(2)	Non-Institutions									
(a)	Bodies Corporate	1124371	23074	1147445	0.54	2063129	21294	2084423	0.98	0.44
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 1 lakh	12259031	2920074	15179105	7.16	12185182	2774800	14959982	7.06	(0.10)
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	190720	0	190720	0.09	165720	0	165720	0.08	(0.01)
(c)	Others									
	Clearing Members	64897	0	64897	0.03	13560	0	13560	0.01	(0.02)
	Foreign Nationals	0	705	705	0.00	0	705	705	0.00	0.00
	Non Resident Indians	246874	440	247314	0.12	281697	440	282137	0.13	0.02
	NRI Non-Repatriation	36625	0	36625	0.02	18735	0	18735	0.01	(0.01)
	NRI Repatriation	8642	3415	12057	0.01	8369	3415	11784	0.01	0.00
	Trusts	3719	5880	9599	0.00	2907	5880	8787	0.00	0.00

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	13934879	2953588	16888467	7.97	14739299	2806534	17545833	8.28	0.31
	Total B=B(1)+B(2) :	50015001	2962093	52977094	25.00	50162055	2815039	52977094	25.00	0.00
	Total (A+B) :	208946282	2962093	211908375	100.00	209093336	2815039	211908375	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C) :	208946282	2962093	211908375	100.00	209093336	2815039	211908375	100.00	0.00

ii. Shareholding of Promoters:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ABB Asea Brown Boveri Ltd	146390951	69.08	0	146390951	69.08	0	0
2.	ABB Norden Holding AB	12540330	5.92	0	12540330	5.92	0	0
	Total	158931281	75.00	0	158931281	75.00	0	0

iii. Change in Promoters' Shareholding (please specify, if there is no change):

There was no change in the Promoter's shareholding during the Financial Year 2015.

iv. Shareholding pattern of top ten shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No	Date	Type	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Name: Life Insurance Corporation of India					
	01/01/2015	Opening Balance	18007799	8.50	18007799	8.50
	09/01/2015	Sale	11052	0.01	17996747	8.49
	16/01/2015	Sale	29696	0.01	17967051	8.48
	23/01/2015	Sale	7772	0.00	17959279	8.48
	30/01/2015	Sale	44412	0.02	17914867	8.45
	06/02/2015	Sale	624	0.00	17914243	8.45
	27/02/2015	Sale	62687	0.03	17851556	8.42
	06/03/2015	Sale	289812	0.14	17561744	8.29
	13/03/2015	Sale	1387	0.00	17560357	8.29
	31/12/2015	Closing Balance		0.00	17560357	8.29
2	Name: Aberdeen Global Indian Equity (Mauritius) Limited					
	01/01/2015	Opening Balance	4500000	2.12	4500000	2.12
	13/03/2015	Sale	300000	0.14	4200000	1.98
	20/03/2015	Sale	193866	0.09	4006134	1.89
	27/03/2015	Sale	217448	0.10	3788686	1.79
	31/03/2015	Sale	88686	0.04	3700000	1.75
	31/12/2015	Closing Balance		0.00	3700000	1.75

Sl. No	Date	Type	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
3	Name: Life Insurance Corporation of India P & GS Fund					
	01/01/2015	Opening Balance	1444148	0.68	1444148	0.68
	23/01/2015	Sale	5168	0.00	1438980	0.68
	30/01/2015	Sale	6000	0.00	1432980	0.68
	06/02/2015	Sale	4173	0.00	1428807	0.67
	13/02/2015	Sale	42873	0.02	1385934	0.65
	20/02/2015	Sale	50000	0.02	1335934	0.63
	06/03/2015	Sale	26728	0.01	1309206	0.62
	17/07/2015	Sale	51163	0.02	1258043	0.59
	24/07/2015	Sale	13554	0.01	1244489	0.59
	31/07/2015	Sale	20	0.00	1244469	0.59
	07/08/2015	Sale	13283	0.01	1231186	0.58
	14/08/2015	Sale	5994	0.00	1225192	0.58
	31/12/2015	Closing Balance		0.00	1225192	0.58
4	Name: General Insurance Corporation of India					
	01/01/2015	Opening Balance	1220156	0.58	1220156	0.58
	30/10/2015	Sale	60000	0.03	1160156	0.55
	18/12/2015	Sale	2769	0.00	1157387	0.55
	31/12/2015	Closing Balance		0.00	1157387	0.55
5	Name: Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Fund					
	01/01/2015	Opening Balance	1001566	0.47	1001566	0.47
	09/01/2015	Sale	8282	0.00	993284	0.47
	16/01/2015	Sale	3636	0.00	989648	0.47
	23/01/2015	Sale	3434	0.00	986214	0.47
	06/02/2015	Sale	1010	0.00	985204	0.46
	13/02/2015	Sale	4040	0.00	981164	0.46
	31/03/2015	Sale	3750	0.00	977414	0.46
	01/05/2015	Purchase	5522	0.00	982936	0.46
	08/05/2015	Purchase	6275	0.00	989211	0.47
	26/06/2015	Sale	8113	0.00	981098	0.46
	14/08/2015	Sale	5250	0.00	975848	0.46
	21/08/2015	Sale	12600	0.01	963248	0.45
	28/08/2015	Sale	24570	0.01	938678	0.44
	04/09/2015	Sale	33600	0.02	905078	0.43
	11/09/2015	Sale	17640	0.01	887438	0.42
	30/09/2015	Sale	13860	0.01	873578	0.41
	18/12/2015	Sale	4500	0.00	869078	0.41
	25/12/2015	Sale	2142	0.00	866936	0.41
	31/12/2015	Closing Balance		0.00	862316	0.41

Sl. No	Date	Type	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
6	Name: National Insurance Company Ltd					
	01/01/2015	Opening Balance	763476	0.36	763476	0.36
	13/02/2015	Sale	5325	0.00	758151	0.36
	13/03/2015	Sale	18000	0.01	740151	0.35
	20/03/2015	Sale	16000	0.01	724151	0.34
	27/03/2015	Sale	10000	0.00	714151	0.34
	29/05/2015	Sale	15000	0.01	699151	0.33
	26/06/2015	Sale	23451	0.01	675700	0.32
	10/07/2015	Sale	5184	0.00	670516	0.32
	17/07/2015	Sale	1365	0.00	669151	0.32
	11/09/2015	Sale	81	0.00	669070	0.32
	06/11/2015	Sale	5000	0.00	664070	0.31
	31/12/2015	Closing Balance		0.00	664070	0.31
7	Name: Reliance Capital Trustee Co. Ltd. - A/c Reliance Tax Saver (ELSS) Fund					
	01/01/2015	Opening Balance	630000	0.30	630000	0.30
	09/01/2015	Purchase	9000	0.00	639000	0.30
	31/03/2015	Purchase	27000	0.01	666000	0.31
	08/05/2015	Purchase	18000	0.01	684000	0.32
	12/06/2015	Purchase	1285	0.00	685285	0.32
	10/07/2015	Purchase	125715	0.06	811000	0.38
	17/07/2015	Purchase	17000	0.01	828000	0.39
	14/08/2015	Sale	2879	0.00	825121	0.39
	21/08/2015	Sale	11641	0.01	813480	0.38
	06/11/2015	Sale	100435	0.05	713045	0.34
	31/12/2015	Sale	11045	0.01	702000	0.33
	31/12/2015	Closing Balance		0.00	702000	0.33
8	Name: Reliance Capital Trustee Company Limited A/c Reliance Vision Fund					
	01/01/2015	Opening Balance	549000	0.26	549000	0.26
	13/02/2015	Purchase	125550	0.06	674550	0.32
	10/04/2015	Purchase	18000	0.01	692550	0.33
	28/08/2015	Purchase	16000	0.01	708550	0.33
	27/11/2015	Sale	45000	0.02	663550	0.31
	31/12/2015	Sale	18761	0.01	644789	0.30
	31/12/2015	Closing Balance		0.00	644789	0.30
9	Name: IDFC Sterling Equity Fund					
	01/01/2015	Opening Balance	511833	0.24	511833	0.24
	06/02/2015	Sale	98996	0.05	412837	0.19
	27/02/2015	Sale	12837	0.01	400000	0.19
	24/04/2015	Sale	1796	0.00	398204	0.19
	29/05/2015	Sale	34153	0.02	364051	0.17
	05/06/2015	Sale	131	0.00	363920	0.17
	30/06/2015	Sale	3558	0.00	360362	0.17
	03/07/2015	Sale	14245	0.01	346117	0.16
	07/08/2015	Sale	25198	0.01	320919	0.15
	11/09/2015	Sale	37677	0.02	283242	0.13
	18/09/2015	Sale	18581	0.01	264661	0.12
	30/09/2015	Sale	2417	0.00	262244	0.12
	31/12/2015	Closing Balance		0.00	253329	0.12
10	Name: The India Fund Inc					
	01/01/2015	Opening Balance	499224	0.24	499224	0.24
	31/03/2015	Sale	499224	0.24	0	0.00
	31/12/2015	Closing Balance		0.00	0	0.00

v. Shareholding of Directors and Key Managerial Personnel:

SI No	Name of the Director/ Key Managerial Personnel	Date	Remarks	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Darius E Udawadia	01.01.2015	At the beginning of the year	3500	0.002	3500	0.002
		31.12.2015	At the end of the year	3500	0.002		

Note: None of other Directors and Key Managerial Personnel of the Company hold equity shares of the Company in Financial Year 2015.

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in ₹ Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	371.07	NIL	371.07
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	371.07	NIL	371.07
Change in Indebtedness during the financial year				
- Addition	NIL	600.00	NIL	600.00
- Reduction	NIL	371.07	NIL	371.07
Net Change	NIL	228.93	NIL	228.93
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	600.00	NIL	600.00
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	3.56	NIL	3.56
Total (i+ii+iii)	NIL	603.56	NIL	603.56

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

SI No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total
1.	Name:	Mr. Bazmi R. Husain	
2.	Gross salary:		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,28,95,188	3,28,95,188
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2,64,875	2,64,875
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
3.	Stock Option	-	-
4.	Sweat Equity	-	-
5.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
6.	Others (premium for Group Term Life Insurance, Group Personnel Accident Insurance, Mediclaim PF Company contribution and Meal voucher)	20,12,977	20,12,977
7.	Total (A)	3,51,73,040	3,51,73,040
	Ceiling as per the Act	23,99,00,000	23,99,00,000

B. Remuneration to other Directors:

(Amount in ₹)

Sl No	Particulars of Remuneration	Name of Independent Directors			Total
1.	Name	Mr. Nasser Munjee	Mr. Darius E Udawadia	Mrs. Renu Sud Karnad	
2.	Fee for attending Board / Committee meetings	1,90,000	3,00,000	3,40,000	85,63,333
3.	Commission*	17,83,333	23,50,000	36,00,000	
4.	Others, please specify	-	-	-	
	Total(1)	19,73,333	26,50,000	39,40,000	
Name of Other Non-Executive Directors					
1.	Name	Mr. Frank Duggan	Mr. Tarak Mehta	-	
2.	Fee for attending Board / Committee meetings	-	-	-	-
3.	Commission*	-	-	-	-
4.	Others, please specify	-	-	-	-
	Total(2)	-	-	-	-
	Total (B)=(1+2)	19,73,333	26,50,000	39,40,000	85,63,333
	Total Managerial Remuneration (A + B) **				4,29,06,373
	Overall Ceiling as per the Act				52,78,00,000

* Commission for the year 2014 paid in the year 2015 ** Exclusive of sitting fee paid to Independent Directors

C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD:

(Amount in ₹)

Sl No	Particulars of Remuneration	Key Managerial Personnel			Total
1.	Name and Designation	Mr. B. Gururaj (Company Secretary)	Mr. Amlan Datta Majumdar (up to March 10, 2015)	Mr. T K Sridhar (from July 24, 2015)	
			(CFO)		
2.	Gross salary:				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	85,88,451	41,01,545	30,24,181	1,57,14,177
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	3,54,815	7,664	1,12,330	4,74,809
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
3.	Stock Option	-	-	-	-
4.	Sweat Equity	-	-	-	-
5.	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
6.	Others (premium for Group Term Life Insurance, Group Personnel Accident Insurance, Mediclaim PF Company contribution and Meal voucher)	4,98,493	5,63,383	2,92,233	13,54,109
	Total (C)	94,41,759	46,72,592	34,28,744	1,75,43,095

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year under review, no Penalty was levied against the Company, its Directors or any of its Officers under the Companies Act, 2013 and also there was no Punishment or Compounding of offences against the Company, its Directors or any of its Officers.

For and on behalf of the Board

Frank Duggan
Chairman
DIN: 02937233

Place: Bengaluru
Date: February 4, 2016

Annexure - C to Directors' Report

Statement of Disclosure of Remuneration

The information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2015, the percentage increase in remuneration of Chief Executive Officer (MD), Chief Financial Officer and Company Secretary during the Financial Year 2015.

Sl No	Name of the Director / Key Managerial Personnel	Designation	Ratio of Remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1.	Mr. Bazmi R. Husain (refer note d)	Managing Director	45:1	15%
2.	Mr. Amlan Datta Majumdar	Chief Financial Officer (upto March 10, 2015)	15:1	NA
3.	Mr. T. K. Sridhar	Chief Financial Officer (w.e.f. July 23, 2015)	12:1	29.38%
4.	Mr. B. Gururaj	Company Secretary	12:1	7%

Notes:

- Percentage of increase in remuneration is effective March 1, 2015.
- Details provided as of August 1, 2015 for the present CFO.
- Independent Directors of the Company are entitled for sitting fees and Commission as per the Statutory Provisions and within the limits approved by the Shareholders. As a Policy, the Non-Executive - Non-Independent Directors are neither paid sitting fee nor paid any commission. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-executive Directors Remuneration is therefore not considered for the above purpose.
- Ceased to be Managing Director effective close of office hours on December 31, 2015.

- Percentage increase in the median remuneration of employees for the financial year:

9%.

- Number of permanent employees on rolls of the Company as on December 31, 2015:

5839

- Explanation on the relationship between average increase in remuneration and company performance:

The remuneration payable to Managing Director and Senior Management personnel including KMP's are structured as fixed and variable components. The fixed remuneration comprises salaries, perquisites and retirement benefits and the variable component comprise annual performance bonus which is linked to the achievement of the score card fixed at beginning of the year.

- Comparison of the remuneration of Key Managerial Personnel against performance of the Company:

Remuneration of KMP was based on the company increment guidelines.

6. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Sl No	Particulars	As at December 31, 2015	As at December 31, 2014
1.	Market Capitalization	At BSE ₹ 23,693 Crore At NSE ₹ 23,617 Crore	At BSE ₹ 27,256 Crore At NSE ₹ 27,300 Crore
2.	Price Earnings ratio	77.93	119.31
3.	Closing Market Price of the Equity Shares of the Company – BSE	₹ 1118.10	₹ 1286.20
	Closing Market Price of the Equity Shares of the Company – NSE	₹ 1114.50	₹ 1288.30
4.	The Company's last Public Offer (Rights Issue) was made in the year 1993 at a price of ₹ 12 per equity share of ₹ 2/- each (₹ 10 was the face value at that time and later during 2007 the face value has been converted into ₹ 2 per equity share) The closing share price of the equity shares of the Company at BSE and NSE on December 31, 2015 have grown 9317.50% and 9287.50% respectively, since the last Public Offer as mentioned above.		

7. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and to point out if there are any exceptional circumstances for increase in the managerial remuneration :

As per Companies increment guidelines.

8. Comparison of the each remuneration of Key Managerial Personnel against performance of the Company:

Remuneration of KMP was based on the company increment guidelines

9. Key Parameters for any variable component of remuneration:

Variable compensation is an integral part of Company's total reward package for all employees including Whole-time Directors. Annual Bonus is directly linked to an individual performance rating and business performance. At the start of the year, every Employee (including Whole-time Directors), have key targets assigned for the year in addition to their job fundamentals. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch.

10. Ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

N.A.

11. Affirmation that the remuneration is as per remuneration policy of the Company:

Yes

For and on behalf of the Board

Frank Duggan
Chairman
DIN: 02937233

Place: Bengaluru
Date: February 4, 2016

Annexure - D to Directors' Report

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy

1. Steps taken or impact on conservation of energy:

- Design modification for usage of fresh air in HVAC system which minimized the running hours of chillers and resulted in energy saving at Vadodara facility.
- Optimized running hours of Air Handling Unit (AHU) blowers by identifying non-working areas and closing of distribution ducts wherever not required.
- Improved power factor for the year 2015 from 0.991 to 0.994 by replacement of fix capacitor panels with Automatic Power factor correction (APFC) panel at Vadodara facility.
- Proper communication and planning of Air handling unit and HVAC system (switching off during lunch hours) resulted in energy savings.
- Reduction in Rice Husk (Fuel for the Boiler) by installing two units of "Condensate Recovery System" at Mysore facility.
- The testing transformers is switched ON only during product testing, so that idle time losses of transformers is reduced.
- Few plants are operated with power factor between 0.97 to 0.99, Load has been balanced in three phases.
- For Testing process in Drives unit, the DG power is supplied for other blocks until the testing gets stabilized, after which there will be a change over to EB supply at Nelamangala facility
- AC & AV System settings done as per the Ambient Temp & Load Factor at Nelamangala facility.
- Adopted 3R Technique for the day to day maintenance activity items (Recycle-Reuse-Renovate) for the unused/scrap made in the production at Nelamanagala Factory
- Converting 40% Shop Floor Lighting to UPS Power to avoid the interruption at Nelamanagala factory

2. The steps taken by the company for utilising alternate sources of energy:

- Maximum usage of natural day light by introducing Transparent Polycarbonate sheets and Rock/Mineral Puff sheet for roof for the heat Insulation in roofs of our various locations.
- Shop floor selected fixed glass windows converted to openable for fresh ventilation, it's reduce the power consumption at Nelamangala facility
- Use of solar water heaters in canteens at various locations of the Company

3. The Capital Investment on energy conservation equipments:

- Installation of ABB Make KNX motion sensor technology and inverter based Variable Refrigerant Flow (VRF) HVAC system for energy conservation in offices and administration building and LED based lighting at parking and street lights at Vadodara facility
- Pneumatic System has been interlinked for various buildings to minimize the compressor operation at Nelamangala facility
- The Mysore unit has setup a 66 KV line and captive sub-station to ensure uninterrupted power for its facility.
- Utility Water Service Hydro-pneumatic system New Pumps & Pressure vessel tank installed has been replaced for the better efficiency at Nelamangala facility

B. Technology absorption

1. The efforts made towards technology absorption:

- New localizations under licenses transfer from global product responsible units: Emax E4 (Air Circuit Breakers size 4 moving part), Tmax T6, Tmax XT range – phase1 (Molded Case Circuit Breakers).
- New product development – DBL range of distribution Terminal blocks.
- New localizations under license transfer from global product responsible unit: AF contactor size 6, 7, 8 for solar and wind mill segments.
- New localization under license transfer from global product responsible unit: DC MCB range –S200DC (Miniature circuit breakers in direct current).
- Power range extension of wind generators, IE1 & IE3 series of LV motors from 71 – 250 frame sizes, power range extension for solar pump drives, smoke extraction motors.
- Design modifications and component localization in motors & generators and LV drives, Solar inverters, Traction converters to suit local market needs.
- High voltage rib cooled motors, additional features to "solar pump drive". Propulsion converters for Indian railways.
- Integration of IEDs with HVDC and solar projects automation systems through IEC61850.
- IEC 61850 based substation automation technology is fully absorbed and all projects are executed locally.

- Developed cable assemblies for universal multiplexer / OLTE FOX 615 & FOX 505 and tele-protection coupler NSD570.
- Enhanced feature for SDH connectivity is adopted in new OLTE module Samo3 for FOX 615.
- Northbound interface concept with 3rd party server adopted for ABB NMS (FOXMAN-UN).
- In communication systems, DC/ DC converter improved through vendor for meeting level 4 EMI / EMC compliance.
- ABB NSD570 tele-protection coupler integrated with 3rd party NMS at customer site.
- System 800xA SV6.0: sixth generation of ABB's flagship 800xA control system.
- Decathlon software services in 2015: Decathlon software offers one unified information infrastructure hosting different industrial productivity software applications.
- Practical applications based on the concept of Internet of things, service and people. These are based on standard products like ServicePort™, Energy Monitoring System on Decathlon services.
- Pressure transmitters with SIL 2 for safety systems. The device is used for ESD systems in Chemical, Oil & Gas sectors.
- Pressure transmitter adaptation to 420 bar for power plant applications.
- Hard rubber lined version for electromagnetic flowmeters.
- Productization of continuous emission monitoring system for most common applications.
- Local chamber for level transmitters.
- Compact secondary substation launched with Safe Link CB ring main unit solution.
- 800kV, HVDC convertor transformer.
- 110MVAR, 800kV shunt reactor
- 12 pulse convertor duty 6.6 MVA, 33 / 2.9 – 2.9 kV, aluminum wound, VCC Dry type transformer
- Accurate estimation of stray losses
- Implementation of compact insulation and low permittivity pressboard
- SPT-Multilayer windings
- 72.5 kV, 800 kV new generation CVT
- 72.5 kV PASS
- 245 kV new design LTB
- 72.5 kV, 40 kA LTB
- Incoming / outgoing along with the control metering panel for Safe Link CB ring main unit
- Seismic qualification of primary Air insulated switchgear.
- VD4 – 12.12.25 Vacuum circuit breaker with improved feature
- 30.24MVA, Traction feeder supply transformer
- Modified Ring switch cable box for compact substation
- Design of HV assembly for recloser
- Innovative mechanical interlock to prevent closing after manual tripping on vacuum auto recloser
- New arc duct for UniPack compact substation
- Surge capacitors modified and adapted for special applications ZORC.
- Cost reduction project for nMCB's with reduction of 10% of direct material costs.
- Automation of transformer design tools to reduce design time
- Feature enhancement like earth switch provision, Bushing CT solution added to UniGear ZS1 and LeanGear ZN1 to address more solution to the market.
- Improved version of STATCON for higher power and optimized cost.

2. The benefits derived as a result of technology absorption:

Benefits have been reflected in terms of improvement of product reliability and quality, standardization of various products, improved product variants, introduction of new product lines, better aesthetics, meeting specific customer requirements, improved measurement range and accuracy level, cost reduction, reduction in carbon emission and increased acceptability products in local and global markets.

3. Technologies imported during the last three years

– Single coil actuator (magnetic actuator)	2012
– Process master (flow meter)	2012
– SM500 recorder	2012
– Temperature transmitter TTF 300	2012
– MoCon drive for crane applications	2012
– Combiflex auxiliary relays and accessories	2012
– ArTu Kay and RCCB products	2012
– E4 fixed part breaker	2013
– Modular HV machines for AMI 560 / 630 (8MW / 13.8KV)	2013
– 420 kV GIS	2013
– 800 kV capacity voltage transformer	2013
– Laminated flux shields for power transformers	2013
– 800 kV shunt reactors	2013
– Relion 650 series	2013
– Combiflex, range of measurement relays	2014
– Combiflex Test switch RTXP	2014
– Adaptation of IE1,2 and IE3 design & Wind Generators.	2014
– TTF200 a temperature transmitter.	2014
– HART based Pressure transmitter PT266-L9	2014

All technologies are fully absorbed.

4. The expenditure incurred on Research and Development:

Considering the nature of research and development, complexity, competency required, time frame, amount and also to optimize overall cost, all major R&D efforts are pooled centrally at the Group level. Certain development activities were carried out by the Company and have been billed to the central technology center. The expenditure has been mainly in the nature of payment of license fee for use of technology knowhow reported as royalty and technology fees under other expenses. Local R&D activities undertaken by the Company were mainly in localizing the products, adoption of global products to local environment, carrying out cost saving actions and other improvements.

C. Foreign exchange earnings and outgo

Total foreign exchange used and earned

	(₹ in Crores)	
	2015	2014
(i) Foreign exchange earned	1,066.2	1,319.7
(ii) Foreign exchange used	2,675.8	2,563.7

For and on behalf of the Board

Frank Duggan
Chairman
DIN: 02937233

Place: Bengaluru
Date: February 4, 2016

Annexure - E to Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

1. **Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

CSR policy:

'ABB India views Corporate Social Responsibility as another channel to further its cause of 'Power and productivity for a better world'. The Company is committed to sustainable and inclusive development of the community's social capital through active engagement'.

The main focal areas of ABB India's CSR contribution and activities are:

- Education and Skill development: To provide facilities and assist promotion of primary education among children and impart skills training to the youth.
- Access to Electricity: Collaborating to provide innovative off-grid solutions to provide and improve access to electricity in the country
- Health Care: To support and augment ongoing national initiatives on health, hygiene and health care systems
- Environment and Local Safeguard: To undertake greening and environmental initiatives in the community
- Differently abled: To catalyze skills training and employment opportunities for the differently abled

ABB India Corporate Social Responsibility Policy:

<http://www.abb.com/cawp/inabb509/e1e3753d179bae6065257db2003be38c.aspx>

2. **Composition of the CSR Committee**

Renu Sud Karnad – Chairman- Independent Director
Bazmi R. Husain – Member- Managing Director (upto 31.12.2015)
Sanjeev Sharma – Member- Managing Director (w.e.f. 01.01.2016)
Tarak Mehta – Member- Non-executive Director

3. **Average net profit of the Company for the last three financial years**

Average net profit: ₹ 279.96 Crore (as per Section 198 Companies Act, 2013)

4. **Prescribed CSR expenditure (2% of the average net profit of the last three financial years)**

₹ 5.60 Crore.

5. Details of CSR spent during the financial year:

- a) Total amount spent for the financial year; ₹ 1.70 Crore
b) Amount unspent, if any; ₹ 3.90 Crore

(Amount in ₹ lakh)

SI No	CSR project or activity identified	Sector in which the project is covered	Project or programs	Amount Spent on the project or programs	Cumulative Expenditure Upto Reporting period	Amount spent: Direct or through implementing Agency
			(1) Local area or other	(1) Direct expenditure on Project or programs		
			(2) State and District where Project or programs	(2) Overheads		
			Implemented			
1	Purchase of shoes for school children at Nashik Govardhan School	Promoting Education	Nashik, Maharastra	0.43	0.43	Direct Spending
2	Text books distribution. Purchase of maintenance items for 'Swachh Bharat' cleaning mission at the Government High School Tandavapura, Mysore	Promoting Education	Tandavapura, Mysore, Karnataka	0.44	0.44	Direct Spending
3	Infrastructure and civil works of the school building at Primary School, Govardhan School Nashik	Promoting Education	Nashik, Maharastra	16.47	16.47	Direct Spending
4	Painting work at Government Higher Primary School, Laggere Cluster, Bengaluru	Promoting Education	Peenya, Bengaluru, Karnataka	3.34	3.34	Direct Spending
5	Purchase of text books for Government High School Faridabad	Promoting Education	Faridabad, Haryana	1.69	1.69	Direct Spending
6	Civil works at Government Girls High School Faridabad	Promoting Education	Faridabad, Haryana	34.47	34.47	Direct Spending
7	Supply of Papad making machine to the NGO Prabhodhini Trust, Nashik.	Differently abled and livelihood enhancement	Nashik, Maharashtra	1.01	1.01	Direct Spending
8	Water proofing work at terrace - Government Higher Primary School Laggere Cluster, Bengaluru.	Promoting Education	Peenya, Bengaluru, Karnataka	0.41	0.41	Direct Spending
9	Sponsoring mid-day meals for the humanitarian programme for the children of identified schools through The Akshaya Patra Foundation	Eradicating hunger and promoting education	Maneja, Gujarat	12.24	12.24	Through Implementing Agency
10	Supply of prefabricate portolet toilet block to 42 schools in Bhawanipur block, Purnea, Bihar	Promoting Sanitation & 'Swachh Bharat Vidyalay'	Bhawanipur, Purnea, Bihar	64.27	64.27	Direct Spending
11	Supply of Stationery items and Instruments boxes for 15 select Government schools, Nelamangala Rural district	Promoting Education	Nelamangala, Karnataka	1.85	1.85	Direct Spending
12	Alteration of rest room at Government Primary School Nelagadarnahalli	Promoting Education	Peenya, Bengaluru, Karnataka	7.58	7.58	Direct Spending
13	Weekly community health camp for local community in Peenya	Promoting Preventive Health Care	Peenya, Bengaluru, Karnataka	1.20	1.20	Through Implementing Agency
14	'United Way of Baroda' - local art & cultural festival	Promotion of Art and Culture	Maneja, Gujarat	0.50	0.50	Direct Spending
15	Contributions of essential items to Tamil Nadu flood relief operation	Natural Disaster Relief	Tamil Nadu	24.57	24.57	Through Implementing Agency

6. Reasons for not spending 2% of the average net profit of the last three financial years

As members are aware, the Company has always taken up various social development initiatives in the past several years which includes providing education and infrastructure to Government schools, midday meal scheme, access to electricity in remote villages, community health camp, skill development activities for differently abled, etc.

Though the Company recognizes the need, however it could not fulfill the CSR spent as budgeted, as this was the first year of the Company to account its spend. In a short span, the Company identified needy beneficiary/ communities and also partnering agencies for its project implementation. Activities were taken up to the extent possible so that the Company achieves maximum contributions towards social development.

During the year, the Company has spent ₹ 170 Lakh on CSR activities as stipulated under Schedule VII of the Companies Act, 2013. Commitments worth ₹ 85 Lakh has already been given for various social development programmes as per schedule VII of the Company's Act 2013. In addition to this, the Company spent ₹ 50 Lakh for earthquake relief assistance in Nepal.

The Company has plans in scaling up the CSR activities in a structured and controlled manner to ensure maximum positive impact to the communities in the future.

7. Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Renu Sud Karnad
(DIN: 00008064)
Chairperson – CSR Committee

Sanjeev Sharma
(DIN: 07362344)
Managing Director

Place: Bengaluru

Date: February 4, 2016

Annexure - G to Directors' Report

Report on Corporate Governance

1. Corporate Governance Philosophy

The Company is committed to good Corporate Governance. The Company fully realises the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

2. Board of Directors

The Board consists 6 Directors viz., three Independent and three Non-Independent, out of which, one Independent Director is a woman Director. Out of three Non-Independent Directors, one is a Managing Director, which is in conformity with the requirement of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Chairman of the Board is a Non-executive and Non-Independent Director.

Except the Managing Director two other Non-Executive non-independent Directors are liable to retire by rotation. In the ensuing Annual General Meeting, Managing Director and a non-Executive Non-Independent Director (who is appointed in the casual vacancy) are getting appointed/ re-appointed. There is no relationship between the Directors inter-se.

(i) Composition/ Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other companies as on December 31, 2015

Name	Category of Director	Attendance			Directorships / Mandatory Committee Memberships in Other Companies			
		No. of Board meetings held during 2015	No. of Board Meetings attended	Last AGM attendance	Directorship in Public Companies	Directorship in Private Companies	Mandatory Committee Memberships	Mandatory Committee Chairmanships
Mr. Frank Duggan	Non-executive Chairman	7**	7	Yes	Nil	Nil	Nil	Nil
Mr. Bazmi R. Husain *	Managing Director		7	Yes	Nil	Nil	Nil	Nil
Mr. Nasser Munjee #	Non-executive & Independent		3	Yes	9	1	7	6
Mr. Darius E. Udawadia #	Non-executive & Independent		6	Yes	9	6	10	1
Mrs. Renu Sud Karnad #	Non-executive & Independent		6	Yes	9	2	4	1
Mr. Tarak Mehta	Non-executive Non-Independent		5	Yes	Nil	Nil	Nil	Nil

* Ceased to be Director and Managing Director effective close of office hours on December 31, 2015 consequent to his resignation.

Full particulars of directorship in Public Companies, Membership and Chairmanship have been given. The Independent Directors fulfill the requirements stipulated in Regulation 25 (1) of the Listing Regulations.

** In addition, one meeting of Independent Directors was held during the year.

(ii) No. of Board Meetings held in the Financial Year 2015 and dates on which held

The Board has held seven meetings during the Financial Year 2015 i.e., on February 10, May 5, July 2, July 24, September 2, November 3 and December 11, 2015. In addition one meeting of Independent Directors was held on August 21, 2015.

(iii) Except Mr. Darius E. Udawadia, who is holding 3,500 equity shares, no other Director holds equity shares in the Company.

(iv) The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc., Since these being an information about the enactment / updates in the laws/regulation, no separate material has been uploaded in the website.

Further it is informed that the familiarization programmes for Independent Directors as required under the Listing Regulations will be undertaken from time to time. Details of such programmes will be updated on the Company's website at www.abb.co.in.

- (v) The terms and conditions of appointment of the Independent Directors are disclosed in the Company's website at www.abb.co.in
- (vi) During the year, a separate meeting of the Independent Directors was held on August 21, 2015, without the presence of Non-Executive Directors / Managing Director / Management to discuss the matter as required / agreed amongst them.
- (vii) Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

3. Audit Committee

(i) Terms of Reference

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations.

The terms of reference are briefly described below:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors and / or any other auditors including fixation of remuneration;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (5) of Section 134 of the Act;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) qualifications in the draft audit report.
- Reviewing, with the management:
 - the quarterly financial statements before submission to the Board for approval;
 - performance of Auditors, Internal Auditors, adequacy of the internal control systems;
- review and monitor the auditor's independence and performance and effectiveness of audit process;
- review the adequacy of Internal Audit function including the structure of the internal audit department, staffing and seniority of the head of the department, reporting structure coverage and frequency of internal audit;
- approval or any subsequent modification of transactions of the Company with the related parties;
- approval on appointment of Chief Financial Officer including the Whole time Director- Finance or any other person heading the finance function or discharging that function after assessing the qualification, experience and background etc., of such incumbent;
- reviewing the proposal for discontinuation / closure of any of the business operations of the Company;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- monitoring the end use of funds raised through public offers and related matters;
- review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business and its valuation report and fairness opinion, if any, thereof;
- evaluation of internal financial controls and risk management systems;
- discussing with internal auditors any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- review the functioning of the Whistle Blower mechanism.
- carry out such other function as may be delegated by the Board from time to time.
- review various investment proposals before the same is submitted to the Board of Directors and also to review the guidelines for investing surplus funds of the Company;
- to appoint valuers for the valuation of the undertakings or assets of the Company, wherever it is necessary including stocks, shares, securities, goodwill or any other assets or net worth of a Company or liability of the Company under the provisions of the Act.

In addition to the above, the following items will be reviewed by the Audit Committee:-

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions, (as defined by the Audit Committee) submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- appointment, removal and terms of remuneration of the chief internal auditor.

The Audit Committee is vested with the necessary powers to achieve its objectives.

The Committee has discharged such other role/function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act.

The Chairman of the Audit Committee was present at the last (65th) Annual General Meeting held on May 6, 2015.

(ii) Composition, name of members & Chairperson, meetings held during the year and attendance at meetings

The Audit Committee presently consists of four Non-executive Directors, out of which three are independent directors. The Committee has held seven meetings during the Financial Year 2015 i.e., on February 9, March 24, May 5, July 2, July 23, August 21 and November 3, 2015. The composition of the Audit Committee as on December 31, 2015 and the attendance of members at the meetings held during the Financial Year 2015 were as follows:

Members of the Committee	No. of meetings attended
Mr. Nasser Munjee (Chairman)	5
Mr. Darius E. Udwadia (Independent Director)	7
Mrs. Renu Sud Karnad (Independent Director)	5
Mr. Tarak Mehta	4

Mr. B. Gururaj, Company Secretary is the Secretary to the Audit Committee.

4. Nomination and Remuneration Committee

(i) Terms of Reference

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations which includes formulating the criteria to:

- Determine qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommending to the Board on remuneration, Performance Bonus etc., payable to the Executive Director(s) / Managing Director, Commission payable to Independent Directors.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions of appointment are disclosed in the website of the Company at www.abb.co.in.

(ii) Composition, name of members & Chairperson, meetings held during the year and attendance at meetings

The Nomination and Remuneration Committee presently consists of three Non-executive Directors, two being independent. The Chairman is a Non-executive and Independent Director. The Committee has held four meetings during the Financial Year 2015 i.e., February 9, May 5, July 23 and December 11, 2015. The composition of the Nomination and Remuneration Committee as on December 31, 2015 and the attendance of members at the meetings held during the Financial Year 2015 were as follows:

Members of the Committee	No. of meetings attended
Mr. Nasser Munjee (Chairman)	3
(Independent Director)	
Mrs. Renu Sud Karnad (Independent Director)	4
Mr. Frank Duggan	4

(iii) Remuneration Policy/Criteria for payments to Directors / Senior Management Employees

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive/Non-executive Independent Directors. Independent Directors' remuneration is governed by the external competitive environment, track record of the individuals, effective participation in the meetings, comparable industry standards and performance of the Company. The remuneration determined for the Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Board and the Nomination and Remuneration Committee also reviewed the performance of the Board on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The Non-executive Independent Directors are compensated by way of a profit-sharing commission and the criteria being their attendance in the Board/Committee Meetings.

As a policy, the Non-Executive - Non-Independent Directors are neither paid sitting fee nor paid any commission.

The Independent Directors are entitled to sitting fees for attending the Board / Committee Meetings. Sitting fees for Board and Audit Committee Meetings is ₹ 20,000/- per Director per meeting and for other Committees, viz., Corporate Social Responsibility, Stakeholders Relationship, Nomination and Remuneration and Risk Management the sitting fees is ₹ 10,000/- per Director per meeting.

The remuneration payable to the Managing Director and Senior Management personnel including KMP are structured as fixed and variable components. The fixed remuneration comprises salaries, perquisites and retirement benefits and the variable component comprises annual performance bonus which is linked to the achievement of the score card fixed at beginning of the year.

5. Details of remuneration to all the Directors paid during the Financial Year 2015

(₹ in Lakh)					
Name	Sitting Fees	Salary & Perquisites	Commission / Bonus (*)	Stock Option	Pension
Mr. Bazmi R. Husain	Nil	271.83	79.90	Nil	Nil
Mr. Nasser Munjee	1.90	Nil	17.83	Nil	Nil
Mr. Darius E. Udawadia	3.00	Nil	23.50	Nil	Nil
Mrs. Renu Sud Karnad	3.40	Nil	36.00	Nil	Nil
Mr. Frank Duggan	Nil	Nil	Nil	Nil	Nil
Mr. Tarak Mehta	Nil	Nil	Nil	Nil	Nil

* Commission / Bonus for the year 2014 paid during the year 2015.

Commission to Independent Directors:

1. For Board Meetings: a fixed amount of ₹ 25 lakh per Independent Director based on 100% participation by way of attendance in the meetings.
2. For Committee Meetings: a fixed amount of ₹ 3 lakh per Independent Director based on 100% participation by way of attendance in the meetings.
3. For Chairman of the Audit Committee: a fixed amount of ₹ 8 lakh for 100% participation by way of attendance in the meetings.

The above commission payable to Independent Directors of the Company shall however will not exceed in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in the Act. The Board authorizes the Chairman to determine the amount payable to the eligible Independent Director based on the profits earned by the Company for the respective year.

Fixed Component / Performance Linked Incentive / Criteria

Performance related Bonus is payable to the Managing Director only, as per the terms of Contract entered into between the Company and the Managing Director.

Service Contract / Notice Period / Severance Fees

- a) The Contract of Service entered into by the Company with Mr. Bazmi R. Husain, the then Managing Director, provides that the Company and the Managing Director shall be entitled to terminate the agreement by giving 90 days' notice in writing on either side.
- b) No severance fee is payable by the Company to the Managing Director on termination of the agreement/s.

Stock Option

The Company is not having stock option scheme therefore the same is not applicable.

Except Mr. Darius E. Udwadia, who is holding 3,500 equity shares, no other Director holds equity shares in the Company. There are no convertible instruments issued by the Company.

None of the Non-executive Directors has any pecuniary relationship or transactions with the Company except with the law firm where Mr. Darius E Udwadia is a partner and (b) Company where Mrs. Renu Sud Karnad is Director.

- (a) The Company has paid ₹ 5,63,950/- to the law firms, as fees for professional services that were provided by the firms to the Company on specific legal matters entrusted by the Company to it for legal advice where Mr. Udwadia, Director was /is a Senior Partner/Proprietor. The Board does not consider the law firm's association with the Company to be of a material nature so as to affect independence of judgment of Mr. Udwadia as a Director of the Company.
- (b) Mrs. Renu Sud Karnad, who is also a Director on the Board of Lafarge India Pvt. Ltd., with which the Company is having a business relationship viz., purchase and sale of goods/ equipment, turnkey projects, license of software etc., as normal business transactions, for more than a decade. The Purchases and Sales including the orders released and received during year is ₹ 4,03,20,092/-. All the transactions have been carried out purely based on market conditions at prevailing market price / conditions. The Board does not consider the business association between Lafarge and the Company to be of a material nature so as to affect independence of judgment of Mrs. Karnad as a Director of the Company.

6. Stakeholders Relationship Committee

The said Committee has been authorized to approve the transfer/transmission/ transposition of shares and issue of duplicate share certificates.

In order to expedite the process, the Board of Directors has also delegated the authority severally to the Managing Director and the Company Secretary to approve the share transfers/transmissions and accordingly, the Managing Director or the Company Secretary approve the transfer/transmission of shares as and when required from time to time.

Four meetings of Committee were held during the Financial Year 2015 i.e., on February 10, May 5, July 24 and November 3, 2015.

The Committee is chaired by Mr. Darius E Udwadia – Independent Director. Mr. B. Gururaj – Company Secretary is the Compliance Officer.

The composition of Stakeholders Relationship Committee as at December 31, 2015 and attendance of members at the meetings held during the Financial Year 2015 were as follows:

Members of the Committee	No. of meetings attended
Mr. Darius E. Udwadia (Chairman)	4
Mrs. Renu Sud Karnad (Independent Director)	4
Mr. Bazmi R. Husain (upto 31.12.2015)	4

Except certain cases pending in Courts / Consumer Forums relating to disputes over the title of Shares, in which either the Company has been made a party or necessary intimation thereof has been received by the Company, all the investor grievances / correspondences have been promptly attended to from the date of their receipt. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

The details of investors' complaints received and resolved during the Financial Year 2015 are as under:

No. of investors' complaints received during 2015	No. of investors' complaints resolved during 2015	Investors' complaints pending at the end of 2015
444	444	NIL

7. Risk Management

The Company has in place a mechanism to inform Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risks by means of a properly defined frame work. The Company has formulated a Policy on Risk Management and constituted a Risk Management Committee.

One meeting of the Committee was held during the Financial Year 2015 i.e., on July 23, 2015.

The Committee is chaired by Mr. Nasser Munjee – Independent Director. Mr. B. Gururaj, Company Secretary is the Secretary to the Risk Management Committee.

The composition of the Risk Management Committee as on December 31, 2015 and the attendance of members at the meeting held during the Financial Year 2015 were as follows:

Members of the Committee	No. of meetings attended
Mr. Nasser Munjee (Chairman)	1
Mr. Frank Duggan	1
Mr. Bazmi R. Husain (upto 31.12.2015)	1
Mr. N Venu (upto 31.12.2015)	1
Mr. T. K. Sridhar (w.e.f. 24.07.2015)	NA

8. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Act a Corporate Social Responsibility (CSR) Committee of the Board has been constituted.

Four meetings of Committee were held during the Financial Year 2015 i.e., on February 9, May 5, July 24 and November 3, 2015.

The Committee is chaired by Mrs. Renu Sud Karnad – Independent Director. The composition of Committee as at December 31, 2015 and attendance of members at the meetings held during the Financial Year 2015 were as follows:

Members of the Committee	No. of meetings attended
Mrs. Renu Sud Karnad (Chairperson)	4
Mr. Bazmi R. Husain (upto 31.12.2015)	4
Mr. Tarak Mehta	4

The Company has formulated a Policy for its CSR and also identified the following key areas for undertaking CSR activities:-

- Education and skills enhancement: To provide facilities and assist promotion of primary education among children and impart skills training to the youth;
- Health care: To support and augment ongoing national initiatives in health, hygiene and health care systems;
- Environment and local safeguard: To undertake greening and environmental initiatives in the community;
- Differently-abled: To catalyze skills training and employment opportunities for the differently abled;
- Access to electricity: Collaborating to provide innovative off-grid solutions to improve access to electricity in the country.

The Company's CSR policy may be viewed in the Company's website at www.abb.co.in

9. Subsidiary Company

As the Company has no Subsidiary as on date, the requirement of formulating a specific policy on dealing with material subsidiaries does not arise.

10. Managing Director (MD) and Chief Financial Officer (CFO) certification

As required under Regulation 17 read with Part B of Schedule II of the Listing Regulations, the MD and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Sanjeev Sharma - Managing Director and Mr. T. K. Sridhar – Chief Financial Officer. The said certificate is part of the Annual Report.

11. General Body Meetings

(i) Location and time where last three Annual General Meetings (AGMs) held

For the Year	Venue	Day & Date	Time
2014	"Grand Ball Room", Second floor, Sheraton Bangalore Hotel at Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleshwaram-Rajajinagar, Bengaluru – 560 055	Monday May 6, 2015	11.00 a.m. (IST)
2013	"Grand Ball Room", Second floor, Sheraton Bangalore Hotel at Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleshwaram-Rajajinagar, Bengaluru – 560 055	Monday May 5, 2014	11:00 a.m. (IST)
2012	'Trinity Hall' Vivanta by Taj - M G Road, 41/3 Mahatma Gandhi Road, Bengaluru – 560 001	Thursday May 9, 2013	11:00 a.m. (IST)

(ii) Special Resolution passed in the previous three Annual General Meetings

Except passing one Special Resolution for changing the Company's name from "ABB Limited" to "ABB India Limited" in the 63rd Annual General Meeting held on May 9, 2013, no special Resolution was passed in the 64th and 65th Annual General Meetings held on May 5, 2014 and on May 6, 2015 respectively.

(iii) Postal Ballot

Postal ballot was conducted in the year 2015, to obtain shareholders' prior approval by way of a Special Resolution to issue unsecured, rated, listed, redeemable, non-convertible debentures of an aggregate amount not exceeding ₹ 600 Crore on private placement basis to investors including foreign portfolio investors. The Special Resolution was approved by the Members with the requisite majority and based on the approval the Company issued 600 unsecured, rated, listed, redeemable, non-convertible debentures having face value of ₹ 1,00,00,000/- (Rupees One Crore only) on private placement basis under Foreign Portfolio Investment route to an identified investor, which were listed with BSE Limited. The proceeds of these debentures were used for refinancing the Company's debt. Redeemable debentures are in dematerialised form.

Voting pattern:

Sl No.	Description	No. of members participated	No. of votes	Votes %
1.	Votes cast in favour of the resolution (Physical & e-votes)	890	19,17,42,324	99.96
2.	Votes cast against the resolution (physical and e-votes)	64	51,120	0.04
	Total	954	19,17,93,444	100.00

As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

12. Disclosures

(i) Disclosures on materially significant related party transactions.

There was no materially significant related party transaction during the year having potential conflict with the interests of the Company. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the notes to accounts annexed to the financial statements. Further the Company has not entered into any transaction of a material nature with the Promoters, subsidiaries of Promoters, Directors or their relatives etc. that may have potential conflict with the interests of the Company.

All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23 of Listing Regulations the Company started obtaining prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus approval for certain transactions to be entered into with the related parties, during the year.

Policy on dealing with Related Party Transactions can be viewed in the Company's website at www.abb.co.in

(ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years.

a) During January 2013, Company received a Show Cause notice from Securities and Exchange Board of India (SEBI) pointing out certain delays made by the Company in making disclosures required under Regulation 8 (3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, in the years 2001, 2002 and 2006.

As the said delays were due to oversight, the Company made an Application to SEBI for amicable settlement by way of a Consent order. SEBI accepted the Company's application for Consent provided the Company paid a sum of ₹ 3,69,750/- towards settlement charges.

The Company paid the aforesaid sum to the SEBI and the SEBI has passed a Consent order vide its No.CFD-DCR II/ABB/AO/DRK-AKS/EAD-3/CO-70/5-13 dated November 21, 2013 and the matter has accordingly been concluded.

b) As advised by Reserve Bank of India (RBI), the Company filed an application for compounding the alleged contravention in following the pricing guidelines issued under FEMA, when it transferred 2,80,500 equity shares of Integra Hindustan Controls Limited to the other Promoter viz., Integra Holdings, Switzerland, as promoters' inter se transfer. Accepting the Company's Compounding Application, the RBI directed the Company to pay a sum of ₹ 2,87,500/- towards compounding fee to conclude the issue. Accordingly, the Company paid the said compounding fee and the issue has since been resolved.

Except the above neither any penalty nor any stricture has been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years.

(iii) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has adopted Whistle Blower Policy where it has a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct/Business Ethics. No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations.

During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations.

The Company has adopted C, D & E of the Non-Mandatory requirements as provided in Part E of Schedule II to the Listing Regulations and not adopted A & B since they are discretionary requirements.

13. Means of Communication

Quarterly Financial Results / Official News Releases

The quarterly / half-yearly / annual financial results are published in Business Standard / Financial Express / Business Line (English Daily) and Vijayavani / Vijaya Karnataka (Kannada Daily).

The financial results and the official news releases are also placed on the Company's website at www.abb.co.in. The Company has a dedicated help desk with e-mail ID: investor.helpdesk@in.abb.com in the Secretarial Department for providing necessary information to the investors.

In addition to the above, after announcement of results, the Company holds conference call with financial analysts. The transcript of the said concall is uploaded on the Company's website at www.abb.co.in.

14. General Shareholder Information

(i) Annual General Meeting

Day, Date, Time and Venue:

The Company will be holding its 66th Annual General Meeting on **Tuesday, April 26, 2016 at 11.00 a.m. (IST)** at **"Grand Ball Room", Second Floor, Sheraton Bangalore Hotel at Brigade Gateway**, 26/1, Dr. Rajkumar Road, Malleshwaram - Rajajinagar, Bengaluru – 560 055.

Agenda:

- a) To receive, consider and adopt the financial statements, namely, (i) the Audited Balance Sheet as at December 31, 2015, (ii) the Audited Profit & Loss Account for the year ended on that date, (iii) the Cash Flow Statement for the financial year ended on that date, (iv) statement of changes in Equity, if any, (v) an Explanatory Note annexed to, or forming part of, the documents referred to in (i) to (iv) above and the Reports of Board of Directors and the Auditors thereon.
- b) Declaration of Dividend.
- c) Ratification on Appointment of Messrs S. R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, having ICAI Firm registration number 101049W, Bengaluru as Statutory Auditors.
- d) Appointment/Re-appointment of a Directors.
- e) Appointment of Managing Director and
- f) Ratification of remuneration to the Cost Auditor of the Company for the Financial Year 2016.

(ii) Profile of Directors seeking re-appointment

The profile of Directors retiring by rotation and seeking appointment / re-appointment at the ensuing Annual General Meeting are given in the annexure to the notice of the Annual General Meeting.

None of the aforesaid Directors is related to each other or to any other Director on the Board of the Company. None of the Directors is related to the Promoters of the Company.

(iii) Financial Year

Company's financial year is January – December. The Indicative calendar of events for the year 2016 (January - December) excluding Extra Ordinary General Meeting(s), if any, are as under:

Fourth Quarter Financial Results (Year 2015)	February 2016
First Quarter Financial Results	April 2016
Annual General Meeting	April 2016
Second Quarter Financial Results	July 2016
Third Quarter Financial Results	October 2016

In terms of the circular issued by Ministry of Corporate Affairs, as a Green Initiative and subsequent amendment to the Listing Regulations, soft copy of the notice and the annual report for the year 2015 have been circulated to the respective e-mail IDs registered and available in Company's records.

(iv) **Date of Book Closure**

The Company's Register of Members and Share Transfer Books will remain closed for the purpose of payment of dividend from **April 20, 2016 to April 26, 2016** (both days inclusive).

(v) **Dividend Payment Date**

The dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid on and from **April 28, 2016**, to those shareholders whose names appear on the Company's Register of Members as on **April 19, 2016**.

(vi) **Listing on Stock Exchanges**

The equity shares of the Company are currently listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid till date, appropriate listing fee to both the stock exchanges. Non-Convertible Debentures of the Company are listed with BSE Limited (BSE).

Pursuant to the Regulation 39 (4) read with Schedule VI of the Listing Regulations, the Company's Registrar & Transfer Agents have already sent three reminders to those shareholders whose share certificates were returned undelivered and remain unclaimed so far. Further, as required, the Company has transferred the said unclaimed shares to one folio in the name of "ABB India Limited-Unclaimed Suspense Account", and the voting rights thereon have been frozen till the shares are claimed by the rightful owners. Details are given below:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	6 shareholders and 3,996 equity shares
Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil
Number of shareholders to whom shares were transferred from suspense account during the year.	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	6 shareholders and 3,996 equity shares

(vii) **Stock Code**

Equity Shares:

NSE	ABB
BSE	500002
ISIN	INE117A01022

Debentures:

BSE	952706
ISIN	INE117A08019

(viii) **Market Price Data**

The market price data and volume of the Company's shares traded in the BSE Limited and the National Stock Exchange of India Limited, during the year 2015 were as follows:

Year 2015	BSE (₹)		BSE Sensex		NSE (₹)		NSE Nifty	
	High	Low	High	Low	High	Low	High	Low
January	1,350.00	1,250.00	29,844.16	26,776.12	1,352.00	1,251.30	8,996.60	8,065.45
February	1,525.00	1,250.00	29,560.32	28,044.49	1,526.30	1,245.20	8,941.10	8,470.50
March	1,423.25	1,184.00	30,024.74	27,248.45	1,425.00	1,181.70	9,119.20	8,269.15
April	1,431.85	1,264.50	29,094.61	26,897.54	1,432.50	1,266.00	8,844.80	8,144.75
May	1,423.00	1,283.55	28,071.16	26,423.99	1,421.70	1,284.00	8,489.55	7,997.15
June	1,370.00	1,245.00	27,968.75	26,307.07	1,379.00	1,240.10	8,467.15	7,940.30
July	1,444.40	1,284.00	28,578.33	27,416.39	1,445.00	1,305.20	8,654.75	8,315.40
August	1,405.00	1,146.30	28,417.59	25,298.42	1,408.90	1,124.00	8,621.55	7,667.25
September	1,232.30	1,021.05	26,471.82	24,833.54	1,250.00	1,018.60	8,055.00	7,539.50
October	1,290.15	1,045.00	27,618.14	26,168.71	1,290.00	1,046.05	8,336.30	7,930.65
November	1,299.05	1,150.00	26,824.30	25,451.42	1,295.50	1,146.90	8,116.10	7,714.15
December	1,232.00	1,092.00	26,256.42	24,867.73	1,233.30	1,093.90	7,979.30	7,551.05

(ix) Performance in comparison to broad-based indices viz., BSE Sensex and NSE Nifty

ABB Share Price Movement v/s BSE Sensex

January – December 2015

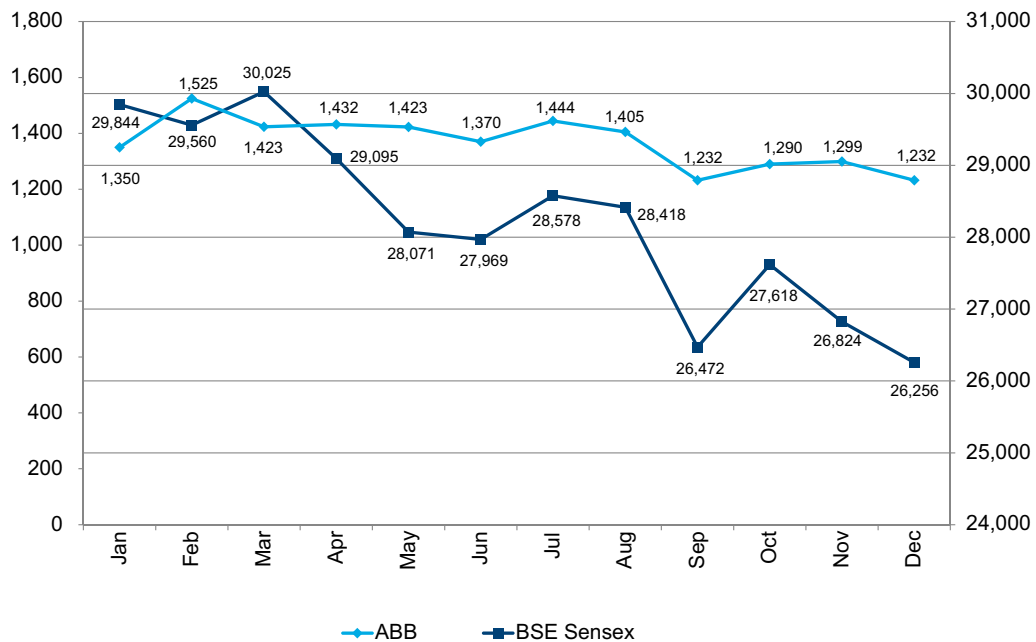
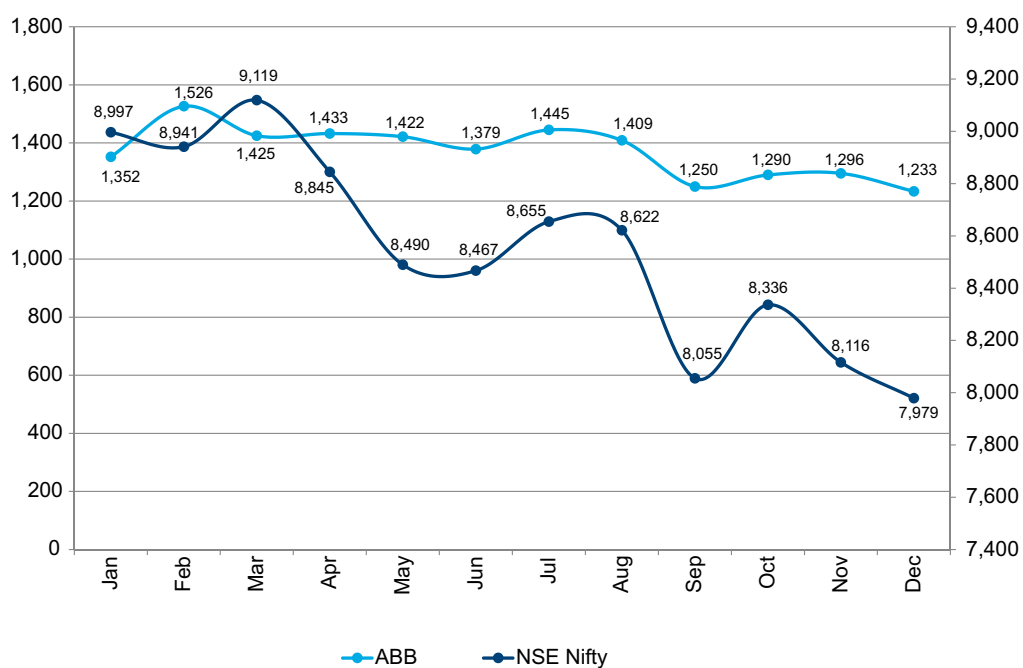


ABB Share Price Movement v/s NSE Nifty

January – December 2015



(x) Registrar and Share Transfer Agents

Karvy Computershare Private Limited
(Unit: ABB India Limited)
No.51/2, T K N Complex, Vanivilas Road
Opp. National College, Basavanagudi
Bengaluru – 560 004
Phone No. 080-67453237
Fax No. 080-26600786
E-mail: einward.ris@karvy.com

Karvy Computershare Private Limited
(Unit: ABB India Limited)
Karvy Selenium Tower B
Plot 31-32, Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032, Telangana
Phone No. 1800 3454 001 / 040 6716 2222
Fax No. 040 – 2342 0814
E-mail: einward.ris@karvy.com

(xi) Share Transfer System

The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agents, and approved by the Stakeholders Relationship Committee. In order to expedite the process, the Board of Directors has also delegated the authority severally to the Managing Director (MD) and the Company Secretary to approve the share transfers and accordingly, the MD or the Company Secretary approve the transfer/transmission of shares generally on a weekly basis. The share transfer process is reviewed by the Committee.

(xii) Shareholding Pattern

Shareholders	As on 31.12.2015		As on 31.12.2014	
	No. of shares	%	No. of shares	%
ABB Asea Brown Boveri Limited Zurich & ABB Norden Holding AB, Sweden	158,931,281	75.000	158,931,281	75.000
Non-Resident Individuals/OCBs	313,361	0.148	296,701	0.140
Directors and their relatives	3,500	0.002	3,500	0.002
LIC/UTI/Other Insurance Cos.	21,061,745	9.939	21,906,773	10.338
Nationalised Banks/Other Banks	428,764	0.202	196,525	0.093
Mutual Funds	4,948,678	2.335	3,817,816	1.802
Foreign Institutional Investors	7,986,508	3.769	9,832,813	4.640
Bodies Corporate/Trust	1,844,173	0.870	1,221,941	0.577
Foreign Portfolio Investors	1,268,163	0.598	334,700	0.158
General Public	15,122,202	7.136	15,366,325	7.251
Total	211,908,375	100.00	211,908,375	100.00

(xiii) Distribution of Shareholding as on December 31, 2015

Category	No. of Shareholders	No. of Shares held	% of equity capital
1 – 5000	62,997	12,954,689	6.113
5001 – 10000	235	1,603,471	0.757
10001 – 50000	126	2,425,241	1.144
50001 – 100000	11	728,081	0.344
100001 and above	39	194,196,893	91.642
Total	63,408	211,908,375	100.00

(xiv) Dematerialisation of Shares and liquidity

The equity shares of the Company are available under dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL). The Company's equity shares are compulsorily traded in the dematerialised form.

As on December 31, 2015, out of 211,908,375 equity shares of the Company, 209,093,336 equity shares have been dematerialised representing 98.67%.

Your company confirms that the promoters' holdings were converted into electronic form and the same is in line with the circulars issued by SEBI.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest, this will be more advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

(xv) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

(xvi) Code of Conduct

As required under Listing Regulations, the Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as on December 31, 2015.

During the Financial Year under review, SEBI revised the regulations pertaining to Prohibition of Insider Trading and notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015. In accordance with the revised regulations, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code) duly approved by the Board of Directors of the Company at their meeting held on May 5, 2015.

As per the above Code, Mr. B. Gururaj is the Compliance Officer and Mr. T. K. Sridhar is the Chief Investor Relations Officer.

(xvii) During the Financial Year under review, SEBI issued new Listing Regulations viz., Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 which is effective from December 1, 2015. As required under the said Regulations, the Company has complied the following requirements:

a. Adopted, Policies on Preservation of Documents, Archival Policy, Policy on Materiality, amended the Code of Conduct to fulfill the requirements on Obligations of Directors and Senior Management.

b. Executed fresh Listing Agreements with BSE Limited and National Stock Exchange of India Limited.

Further the Company affirms that all the requirements applicable under the Listing Agreement (valid upto November 30, 2015) and Listing Regulations (effective December 1, 2015) are complied with.

(xviii) Plant Locations

The Company's plants are located at Peenya and Nelamangala in Bengaluru, Halol, Savali and Maneja in Vadodara, Faridabad, Haridwar, Mumbai, Mysore and Nashik.

(xix) Commodity Price Risk / Foreign Exchange Risk and Hedging activities

Company is exposed to foreign exchange risk on account of import and export transactions entered. Also it is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines and group risk management instructions.

(xx) Address for Correspondence

ABB India Limited
21st Floor, World Trade Center
Brigade Gateway, No.26/1
Dr. Rajkumar Road, Malleshwaram West
Bengaluru – 560 055
Phone No: 080 22949150 - 22949153
Fax No: 080 22949148
Corporate Secretarial E-mail ID: investor.helpdesk@in.abb.com
Corporate Website: www.abb.co.in

(xxi) Corporate Identity Number

The Corporate Identity Number (CIN), of the Company is L32202KA1949PLC032923.

(xxii) Compliance Officer

Mr. B. Gururaj, Company Secretary is the Compliance Officer of the Company and Secretary to all the Committees of the Board.

(xxiii) Debenture Trustees

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
No. 17, R Kamani Marg
Ballard Estate, Fort
Mumbai - 400 001

Contact Person: Mr. Ajit S Guruji
E-mail: ajit.guruji@idbitrustee.com
Phone No: 022 40807001
Fax No: 022 66311776 / 40807080

15. Discretionary Requirements

- The position of the Chairman and Managing Director are separate.
- The Company does not maintain a separate office for the Non – executive Chairman.
- The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Further the financial results are available on the website of the Company and of Stock Exchanges where the shares of the Company are listed i.e. BSE Ltd and National Stock Exchange of India Limited.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditor reports directly to the Audit Committee.

For and on behalf of the Board

Frank Duggan
Chairman
(DIN: 02937233)

Place: Bengaluru
Date: February 4, 2016

Declaration by the Managing Director under Listing Regulations regarding compliance with Business Conduct Guidelines (Code of Conduct)

In accordance with the Listing Regulations, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended December 31, 2015.

For ABB India Limited

Sanjeev Sharma
Managing Director
(DIN: 07362344)

Place: Bengaluru
Date: February 4, 2016

Annexure – H to Directors' Report

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: L32202KA1949PLC032923

Nominal Capital : ₹ 50 Crore

To

The Members of ABB India Limited,

We have examined all the relevant records of ABB India Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from January 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period December 01, 2015 to December 31, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Agreement / Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has complied with items C, D and E.

For V. Sreedharan & Associates

Company Secretaries

(Pradeep B. Kulkarni)

Partner

FCS 7260; CP No.7835

Bengaluru, February 4, 2016

Annexure – I to Directors' Report

Secretarial Audit Report For the Financial Year ended 31st December 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
21st Floor, World Trade Center, Brigade Gateway,
No. 26/1, Dr. Rajkumar Road, Malleshwaram West,
Bengaluru - 560 055

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ABB India Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2015 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder and the relevant provisions of The Companies Act, 1956 ;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October, 2014)- Not applicable as the Company does not have ESOP Scheme/shares;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted /proposed to delist its equity shares from any stock exchange during the financial year under review;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back / proposed to buyback any of its securities during the financial year under review.
- vi. The Company has identified the following laws as specifically applicable to the Company:
 1. Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder
 2. Boilers Act, 1923 & Rules made thereunder
 3. Electricity Act, 2003
 4. Indian Explosives Act, 1884
 5. Gas Cylinder Rules, 1981 (under Indian Explosives Act)
 6. Static and Mobile Pressure Vessels (Unfired) Rules, 1981 (under Indian Explosives Act)
 7. Environment (Protection) Act, 1986
 8. The Water (Prevention and Control of Pollution) Act, 1974 & Central Rules/ concerned State Rules.
 9. The Air (Prevention and Control of Pollution) Act, 1981 & Central Rules/ concerned State Rules
 10. Hazardous Wastes (Management and Handling) Rules, 1989
 11. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
 12. The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.
 13. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
 14. The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
 15. The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade.

16. The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
17. The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
18. The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
19. The Maternity Benefit Act, 1961 & its Rules.
20. The Equal Remuneration Act, 1976.
21. The Industrial Employment (Standing Orders) Act, 1946 & its Rules.
22. The Apprentices Act, 1961 & its Rules.
23. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.
24. The Workmen's Compensation Act, 1923
25. The Industrial Dispute Act, 1947
26. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
27. The Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; - w.e.f 1st December 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the audit period, the Company has issued 600 listed unsecured redeemable Non-Convertible Debentures of ₹ 1,00,00,000/- (Rupees one crore only) on private placement basis aggregating to ₹ 600,00,00,000/- (Rupees Six Hundred Crore only) to the identified investor.

For HBP & Co
Company Secretaries

Pramod S. M.
Partner
FCS 7834/ CP No.: 13784

Place: Bengaluru

Date: February 4, 2016

This report to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure A to the Secretarial Audit Report For the Financial Year ended 31st December 2015

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
21st Floor, World Trade Center, Brigade Gateway,
No. 26/1, Dr. Rajkumar Road, Malleshwaram West,
Bengaluru - 560 055

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
8. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For HBP & Co
Company Secretaries

Pramod S. M.
Partner
FCS 7834/ CP No.: 13784

Place: Bengaluru
Date: February 4, 2016

MD / CFO Certificate

To
The Board of Directors
ABB India Limited

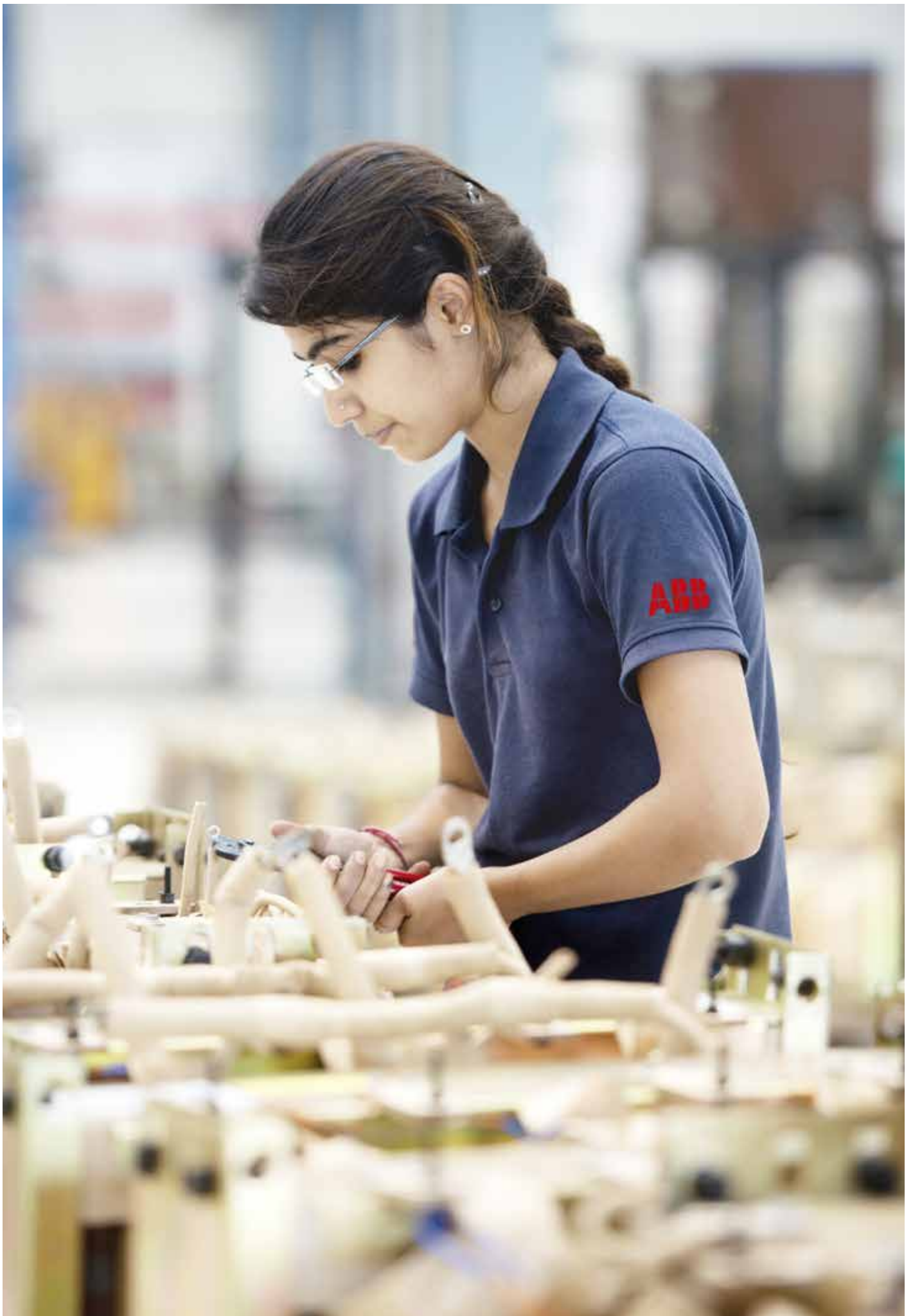
We certify that;

- A. We have reviewed financial statements and the cash flow statement of ABB India Limited for the year ended December 31, 2015 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the code of conduct of the Company.
- C. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- D. We have indicated to the auditors and the Audit Committee that there are:
1. no significant changes in internal control over financial reporting during the year;
 2. no significant changes in accounting policies during the year; and
 3. no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Sanjeev Sharma
Managing Director

T. K. Sridhar
Chief Financial Officer

Place: Bengaluru
Date: February 4, 2016



Financial Statements

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Independent Auditor's Report

To the Members of ABB India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ABB India Limited ("the Company"), which comprise the balance sheet as at December 31, 2015, the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information

required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at December 31, 2015 and its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, statement of profit and loss, and cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on December 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Navin Agrawal
Partner
Membership Number: 56102

Place of Signature: Bengaluru
Date: February 4, 2016

Annexure referred to in paragraph 1 of our report of even date

Re: ABB India Limited ('the Company')

- | | |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.</p> | <p>(v) The Company has not accepted any deposits from the public.</p> <p>(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.</p> |
| <p>(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> | <p>(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.</p> |
| <p>(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.</p> | |
| <p>(iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special or propriety nature for which suitable alternate sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.</p> | |

(c) According to the records of the Company, the dues outstanding of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (₹ in Crores)*	Period to which it relates	Forum where dispute is pending
Faridabad Development Act (Octroi)	Product Classification	3.04	1986-1994	High Court
Sales Tax Act	Tax, interest and penalty	204.09	1996-2014	Additional Commissioner (Appeals) / Assistant Commissioner of Commercial Taxes / Commissioner of Commercial Taxes / Deputy Commissioner of Commercial Taxes (Appeals) / Deputy Commissioner (Appeals) / Joint Commissioner of Commercial Taxes (Appeals) / Taxation Board
		97.06	1994-2013	High Court
		56.87	1994-2014	Sales Tax Appellate Tribunal
		0.26	2005-2008	Supreme Court
Customs Act, 1962	Tax, interest and penalty	0.35	2009-2014	Commissioner of Customs (Appeals)
		1.16	2008-2014	CESTAT
		0.14	2013-2014	High Court
Central Excise Act, 1944	Tax, interest and penalty	49.34	1996-2014	Commissioner (Appeals) / Commissioner (LTU) / Ministry of Finance (Department of Revenue)
		21.44	2004-2015	CESTAT
		0.34	2006-2007	Supreme Court
Finance Act, 1994	Service Tax, interest and penalty	0.41	2011-2014	Commissioner (Appeals)
		78.05	2006-2014	CESTAT
		0.40	2006-2007	Supreme Court
Income Tax Act, 1961	Tax, interest and penalty	71.53	2011-2013	Commissioner of Income Tax (Appeals)

* ₹ 264.75 Crores paid under protest.

(d) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- | | |
|--|---|
| <p>(viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses during the current and immediately preceding financial year.</p> <p>(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.</p> <p>(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.</p> <p>(xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.</p> | <p>(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.</p> <p>For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W</p> <p>per Navin Agrawal
Partner
Membership Number: 56102</p> <p>Place of Signature: Bengaluru
Date: February 4, 2016</p> |
|--|---|

Balance Sheet

(₹ in Crores)

Balance sheet as at December 31, 2015	Notes	2015	2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	42.38	42.38
Reserves and surplus	4	2,966.17	2,769.60
		3,008.55	2,811.98
Non-current liabilities			
Long-term borrowings	32	600.00	-
Other long-term liabilities	6	4.30	4.51
Long-term provisions	7	47.92	37.44
		652.22	41.95
Current liabilities			
Short-term borrowings	33	-	371.07
Trade payables	5		
Total outstanding dues to micro enterprises and small enterprises		119.10	150.42
Total outstanding dues to creditors other than micro enterprises and small enterprises		1,982.86	1,778.00
Other current liabilities	6	1,267.70	1,297.70
Short-term provisions	7	378.40	370.53
		3,748.06	3,967.72
Total		7,408.83	6,821.65
Assets			
Non-current assets			
Fixed assets			
Tangible assets	8	1,199.36	1,284.02
Intangible assets	9	99.06	115.52
Capital work-in-progress		44.28	31.93
Non-current investments	10	16.31	16.39
Deferred tax assets (net)	11	48.96	15.23
Long-term loans and advances	12	422.20	401.53
Other non-current assets	13	6.69	7.48
		1,836.86	1,872.10
Current assets			
Current investments	10	0.08	0.08
Inventories	14	939.57	893.82
Trade receivables	15	3,390.93	3,157.52
Cash and bank balances	16	573.59	225.96
Short-term loans and advances	12	278.08	277.45
Other current assets	13	389.72	394.72
		5,571.97	4,949.55
Total		7,408.83	6,821.65

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Per Navin Agrawal
Partner
Membership No: 56102

Bengaluru, February 4, 2016

For and on behalf of the Board

Frank Duggan	Chairman
Sanjeev Sharma	Managing Director
Nasser Munjee	Director
T. K. Sridhar	Chief Financial Officer
B. Gururaj	Company Secretary

Bengaluru, February 4, 2016

Statement of Profit and Loss

		(₹ in Crores)	
For the year ended December 31, 2015	Notes	2015	2014
Revenue			
Revenue from operations (gross)		8,670.70	8,156.91
Less : Excise duty		530.43	423.64
Revenue from operations (net)	17	8,140.27	7,733.27
Other income	18	13.04	17.28
Total revenue		8,153.31	7,750.55
Expenses			
Cost of raw materials and components consumed and project bought outs	19	4,560.51	4,487.19
Purchases of traded goods	20	321.64	305.88
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	21	(48.56)	43.98
Subcontracting charges		466.42	405.85
Employee benefit expenses	22	749.87	705.20
Finance costs	23	91.16	104.95
Depreciation, amortisation and impairment expense	24	159.79	112.81
Other expenses	25	1,377.89	1,229.48
Total expenses		7,678.72	7,395.34
Profit before tax		474.59	355.21
Tax Expenses			
Current tax [Including for earlier years - ₹ Nil (Previous year - ₹ 4.66 crores)]		203.71	114.00
Deferred tax charge / (credit)		(29.00)	12.70
Total tax expenses		174.71	126.70
Profit for the year		299.88	228.51
Earnings per equity share face value of ₹ 2 each, (December 31, 2014 : ₹ 2 each)	26		
Basic		14.15	10.78
Diluted		14.15	10.78

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Per Navin Agrawal
Partner
Membership No: 56102

Bengaluru, February 4, 2016

For and on behalf of the Board

Frank Duggan	Chairman
Sanjeev Sharma	Managing Director
Nasser Munjee	Director
T. K. Sridhar	Chief Financial Officer
B. Gururaj	Company Secretary

Bengaluru, February 4, 2016

Cash Flow Statement

(₹ in Crores)

For the year ended December 31, 2015	2015	2014
A. Cash flow from operating activities		
Profit before tax	474.59	355.21
Adjustments to reconcile profit before tax to net cash flows		
Depreciation, amortisation and impairment expense	159.79	112.81
Unrealised exchange loss / (gains) (net)	30.03	11.61
Loss / (profit) on sale of fixed assets (net)	6.72	3.49
Provision for doubtful debts and advances	46.21	35.52
Interest income	(13.04)	(14.25)
Interest expense	91.16	104.95
Operating profit before working capital changes	795.46	609.34
Movement in working capital		
Increase / (decrease) in trade payables and other current liabilities	114.65	(168.57)
Increase / (decrease) in provisions	18.07	63.50
Decrease / (increase) in trade receivables	(279.72)	57.70
Decrease / (increase) in inventories	(45.75)	95.03
Decrease / (increase) in loans and advances	(29.38)	(70.88)
Decrease / (increase) in other current assets	5.17	14.17
Cash generated from operations	578.50	600.29
Direct taxes paid (net of refunds)	(196.83)	(121.29)
Net cash flow from operating activities	381.67	479.00
B. Cash flow from investing activities		
Purchase of fixed assets	(109.61)	(110.50)
Proceeds from sale of fixed assets	19.48	3.57
Payment towards acquisition of businesses	-	(55.93)
Proceeds from maturity of investments	0.08	0.08
Interest received	12.87	14.30
Redemption of deposits (with maturity more than three months)	0.79	0.82
Net cash flow used in investing activities	(76.39)	(147.66)
C. Cash flow from financing activities		
Proceeds from short-term borrowings	11,162.95	15,682.79
Proceeds from long-term borrowings	600.00	-
Repayment of short-term borrowings	(11,534.02)	(15,931.83)
Interest paid	(92.68)	(98.69)
Dividend (including dividend distribution tax) paid	(94.09)	(74.38)
Net cash flow from / (used in) financing activities	42.16	(422.11)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	347.44	(90.77)
Cash and cash equivalents (opening balance)	224.11	314.88
Cash and cash equivalents (closing balance)	571.55	224.11
Components of cash and cash equivalents		
Cash and bank balances	573.59	225.96
Less: Unpaid dividend account	2.04	1.85
(Also refer note no. 16)	571.55	224.11

Note:

- 1) Cash and cash equivalents at the end of the year represent cash and cheques on hand and cash and deposits with banks.
- 2) The figures of the previous year have been regrouped / reclassified, where necessary, to conform with the classification of the current year.
- 3) Cash flow statement is made using the indirect method.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Per Navin Agrawal
Partner
Membership No: 56102

Bengaluru, February 4, 2016

For and on behalf of the Board

Frank Duggan	Chairman
Sanjeev Sharma	Managing Director
Nasser Munjee	Director
T. K. Sridhar	Chief Financial Officer
B. Gururaj	Company Secretary

Bengaluru, February 4, 2016

Notes to the Financial Statements

1. Corporate information

ABB India Limited ('the Company') has served utility and industry customers for over six decades with the complete range of engineering, products, solutions and services in areas of Automation and Power technology. The Company has extensive installed base for manufacturing and a countrywide marketing and service presence. Besides catering to Indian domestic market, the Company is also playing an increasing role in the global market.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention except certain derivative financial instruments which have been measured at fair value.

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Change in useful lives of assets

Pursuant to the requirements of Schedule II of the Companies Act, 2013 ("the Act"), the management has reassessed and changed, wherever necessary the useful lives to compute depreciation from January 1, 2015, which is the effective date for application of Schedule II for the Company. Accordingly, the carrying amount as at January 1, 2015 is being depreciated over the revised remaining useful life of the assets. The carrying value of ₹ 8.94 crores (net of deferred tax of ₹ 4.73 crores), in case of assets with nil revised remaining useful life as at January 1, 2015 is reduced from the retained earnings. Further, had the Company continued with the previously assessed useful lives, charge for depreciation for the year would have been lower and the profit for the year would have been higher by ₹ 37.96 crores.

2.4 Tangible and intangible assets

Fixed assets are stated at the cost of acquisition, less accumulated depreciation / amortisation and accumulated impairment losses, if any. Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Own manufactured assets are capitalized at cost including an appropriate share of overheads. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are capitalized, if capitalization criteria are met. Cost of fixed assets not ready for their intended use before balance sheet date are disclosed under capital work in progress.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Capitalized software includes costs on Enterprise Resource Planning (ERP) Project and other costs relating to software, which provide significant future economic benefits. ERP Project costs comprise license fees and cost of system integration services. All costs relating to upgradations / enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature.

2.5 Depreciation / amortization

Depreciation on assets (except those described below) is provided on the straight-line method at the rates and in the manner given in Schedule II of the Companies Act, 2013, which management considers as being representative of the useful economic lives of such assets. Depreciation is provided from the date of capitalisation till the date of sale of assets.

The following assets are depreciated / amortized on the straight line method over a period of their estimated useful lives:

- Leasehold land and leasehold improvements over the period of the lease.
- Technical know-how fees over the period of three to six years.
- Capitalized software costs over a period of five years.

Goodwill on business acquisition is not amortized but tested for impairment.

2.6 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

2.7 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of various categories of inventories is arrived at as follows:

- Stores, spares, raw materials, components and traded goods - at rates determined on the moving weighted average method.
- Goods in Transit – at actual cost.
- Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method. Excise duty is included in the value of finished goods inventory.

Provision for obsolescence is made wherever necessary.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.9 Retirement and other employee benefits

Contribution to Superannuation Fund, a defined contribution scheme, is made at pre-determined rates to the Superannuation Fund Trust and is charged to the statement of profit and loss during the period in which the employee renders the related services. There are no other obligations other than the contribution payable to the Superannuation Fund Trust.

Contributions to the recognized Provident Fund / Gratuity Fund, defined benefits scheme, and provision for other long term employee benefits - leave are made on the basis of actuarial valuations using the projected unit credit method made at the end of each financial year and are charged to the statement of profit and loss during the year.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company presents the entire accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

2.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- Sales of products and services are recognized when significant risks and rewards of ownership of products are passed on to customers or when the service has been provided. In case of large transformers, revenue is recognized on achievement of contractual milestone. Revenue recognized in excess of billing has been reflected under “Other current assets” as unbilled revenue. Net sales are stated at contractual realisable values, net of excise duty, sales tax, service tax, value added tax and trade discounts.
- Revenues from long-term contracts are recognized on the percentage of completion method, in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Contract revenue earned in excess of billing has been reflected under “Other current assets” and billing in excess of contract revenue has been reflected under “Other current liabilities” in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen.
- Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company.
- Commission income is recognized as per contract terms and when accrued.
- Income from development services are recognized on rendering of service as per contract terms.
- Dividend income is recognized when the right to receive dividend is established.
- Interest income is recognized on a time proportion method.

2.11 Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Disclosures for contingent liability are made when there is a possible or present obligation for which it is not probable that there will be an outflow of resources. When there is a possible or present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.12 Foreign currency transactions

Foreign currency transactions are recorded by applying the daily exchange rates. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss for the year.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss for the year. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date of transaction.

The Company uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations.

Gain or loss on restatement of forward exchange contracts for hedging underlying outstandings at the balance sheet date are recognized in the statement of profit and loss for the year in which it occurs. The premium or discount on such contracts is recognized in the statement of profit and loss over the period of the contract.

Gain or loss on fair valuation of forward exchange contracts for hedging highly probable forecasted transactions not covered under Accounting Standard (AS) 11 "The effect of changes in foreign exchange rates" are recognized in the statement of profit and loss for the year in which it occurs.

The Company does not follow hedge accounting.

2.13 Taxation

Tax expense comprises current tax and deferred tax.

The current charge for income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act including probable adjustments, if any, for international transactions with associated enterprises.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that the assets can be realised in future. Deferred tax assets are reviewed at each balance sheet date for its realisability. The Company writes-down the carrying amount of deferred tax assets to the extent it is no longer reasonably certain of its realisation.

2.14 Operating leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.15 Operating cycle

A portion of the Company's activities (primarily long-term construction activities) has an operating cycle that exceeds one year. Accordingly, assets and liabilities related to these long-term contracts, which will not be realized/paid within one year, have been classified as current. For all other activities, the operating cycle is twelve months.

	2015		2014	
	Number	₹ in Crores	Number	₹ in Crores
3 Share capital				
Authorised share capital				
Equity shares of ₹ 2/- each	21,25,00,000	42.50	21,25,00,000	42.50
11% Redeemable 10 years, cumulative preference shares of ₹ 100/- each	7,50,000	7.50	7,50,000	7.50
		50.00		50.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 2/- each	21,19,08,375	42.38	21,19,08,375	42.38
		42.38		42.38

a) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended December 31, 2015, the amount of per share dividend recommended and provided for distributions to equity shareholders is ₹ 3.70/- (December 31, 2014 : ₹ 3.70/-)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	Number	₹ in Crores	Number	₹ in Crores
Equity shares of ₹ 2/- each				
ABB Asea Brown Boveri Limited - the holding company	14,63,90,951	29.28	14,63,90,951	29.28
ABB Norden Holding AB - a fellow subsidiary	1,25,40,330	2.51	1,25,40,330	2.51
	15,89,31,281	31.79	15,89,31,281	31.79

c) Details of shareholders holding more than 5% of the shares in the Company

	Number	% of holding	Number	% of holding
Equity shares of ₹ 2/- each				
ABB Asea Brown Boveri Limited - the holding company	14,63,90,951	69.08	14,63,90,951	69.08
ABB Norden Holding AB - a fellow subsidiary	1,25,40,330	5.92	1,25,40,330	5.92
Life Insurance Corporation of India	1,75,60,357	8.29	1,80,07,799	8.50

As per records of the Company and other declarations received from shareholders, the above shareholding represents both legal and beneficial ownerships of shares.

d) There is no movement in the share capital during the current and previous year.

	(₹ in Crores)	
	2015	2014
4 Reserves and surplus		
Capital reserve	1.10	1.10
Capital redemption reserve	7.50	7.50
Securities premium account	60.00	60.00
Debenture redemption reserve		
Balance as per last financial statements	-	-
Add : Transferred during the year	50.00	-
Balance at the end of the year	50.00	-
General reserve		
Balance as per last financial statements	2,597.10	2477.10
Add: Transferred during the year	150.00	120.00
Less: Transitional adjustment towards depreciation on tangible fixed assets (refer note 2.3)	8.94	-
Balance at the end of the year	2,738.16	2,597.10
Surplus in the statement of profit and loss		
Balance as per last financial statements	103.90	89.48
Profit for the year	299.88	228.51
Less: Appropriations		
Proposed equity dividend	78.41	78.41
Tax on proposed equity dividend	15.96	15.68
Transfer to debenture redemption reserve	50.00	-
Transfer to general reserve	150.00	120.00
Total appropriations	294.37	214.09
Net surplus in the statement of profit and loss	109.41	103.90
Total reserves and surplus	2,966.17	2,769.60

	(₹ in Crores)	
	Current	
	2015	2014
5 Trade Payables		
Acceptances	523.70	498.52
Other trade payables	1,459.16	1,279.48
	1,982.86	1,778.00
The Company has amounts dues to Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at December 31, 2015		
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at December 31, 2015		
Principal amount	115.67	141.91
Interest	0.58	0.22
ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending December 31, 2015		
Principal amount	390.51	-
Interest	9.76	-
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	2.85	6.10
iv) The amount of interest accrued and remaining unpaid for the year ending December 31, 2015	3.43	6.32
v) The amount of further interest remaining due and payable for the earlier years.	-	2.19

(₹ in Crores)

	Non-current		Current	
	2015	2014	2015	2014
6 Other liabilities				
Investor education and protection fund shall be credited for unclaimed dividends amount when due	-	-	2.04	1.85
Billing in excess of contract revenue	-	-	211.44	246.09
Mark to market loss on derivatives	-	-	9.66	12.12
Advances from customers	-	-	605.83	690.30
Employee related payables	-	-	114.99	96.50
Security deposits received	4.30	4.51	0.08	0.08
Statutory dues payable	-	-	16.84	20.66
Interest accrued but not due on long-term borrowings	-	-	3.56	-
Other liabilities	-	-	303.26	230.10
	4.30	4.51	1,267.70	1,297.70

	Long-term		Short-term	
	2015	2014	2015	2014
7 Provisions				
Provisions for employee benefits				
Gratuity (refer note 46)	-	-	1.35	8.71
Leave benefits	-	-	38.51	31.38
Other provisions				
Proposed dividend to equity shareholders	-	-	78.41	78.41
Tax on proposed equity dividend	-	-	15.96	15.68
Warranties (refer note 42)	-	-	144.15	125.33
Loss orders (refer note 42)	-	-	49.58	55.60
Litigations (refer note 42)	11.98	11.98	-	-
Sales tax (refer note 42)	35.94	25.46	50.44	55.42
	47.92	37.44	378.40	370.53

8 Tangible assets

(₹ in Crores)

Gross block	Freehold Land	Leasehold Land	Leasehold Improvements	Factory Buildings	Other Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Vehicles	Total
Balance as at January 01, 2014	67.29	23.43	28.60	336.23	64.52	1,091.32	30.83	54.23	1.44	1,697.89
Additions	-	-	10.50	13.55	3.10	83.18	3.17	6.16	0.02	119.68
Disposals	-	-	(2.55)	(1.74)	(0.07)	(10.25)	(1.10)	(1.46)	-	(17.17)
Balance as at December 31, 2014	67.29	23.43	36.55	348.04	67.55	1,164.25	32.90	58.93	1.46	1,800.40
Additions	-	-	1.51	6.67	4.60	66.93	3.47	9.66	0.21	93.05
Disposals	-	-	(0.84)	-	(0.07)	(40.60)	(0.55)	(1.59)	(0.02)	(43.67)
Balance as at December 31, 2015	67.29	23.43	37.22	354.71	72.08	1,190.58	35.82	67.00	1.65	1,849.78
Accumulated depreciation										
Balance as at January 01, 2014	-	1.53	12.52	54.14	8.94	320.33	12.03	19.13	1.25	429.87
Charge for the year	-	0.33	3.58	11.46	1.14	73.74	1.76	4.53	0.08	96.62
Reversal on disposal of assets	-	-	(2.05)	(0.66)	(0.01)	(6.01)	(0.64)	(0.74)	-	(10.11)
Balance as at December 31, 2014	-	1.86	14.05	64.94	10.07	388.06	13.15	22.92	1.33	516.38
Charge for the year	-	0.33	3.16	11.67	4.16	104.57	4.82	9.06	0.07	137.84
Depreciation transferred to general reserve (refer note 2.3)	-	-	-	0.15	0.02	2.50	8.92	2.08	-	13.67
Reversal on disposal of assets	-	-	(0.42)	-	(0.04)	(15.27)	(0.55)	(1.17)	(0.02)	(17.47)
Balance as at December 31, 2015	-	2.19	16.79	76.76	14.21	479.86	26.34	32.89	1.38	650.42
Net block										
Balance as at December 31, 2014	67.29	21.57	22.50	283.10	57.48	776.19	19.75	36.01	0.13	1,284.02
Balance as at December 31, 2015	67.29	21.24	20.43	277.95	57.87	710.72	9.48	34.11	0.27	1,199.36

Notes:

- a) Other buildings include cost of shares in Lotus Court Private Limited ₹ 0.01 crores (December 31, 2014 - ₹ 0.01 crores).
b) Certain land and building amounting to ₹ 6.66 crores (December 31, 2014 - ₹ 6.66 crores) in the process of being registered in the name of the Company.
c) There are no tangible assets given on operating lease/taken on finance lease.

9 Intangible assets

(₹ in Crores)				
Gross block	Goodwill	Technical Know-how fees	Capitalised Software	Total
Balance as at January 01, 2014	52.26	105.54	7.04	164.84
Additions	-	6.57	1.65	8.22
Disposals	-	(0.18)	(1.44)	(1.62)
Balance as at December 31, 2014	52.26	111.93	7.25	171.44
Additions	-	2.75	2.74	5.49
Disposals	-	-	-	-
Balance as at December 31, 2015	52.26	114.68	9.99	176.93
Accumulated amortisation				
Balance as at January 01, 2014	0.29	37.44	3.62	41.35
Charge for the year	-	14.96	1.23	16.19
Reversal on disposal of assets	-	(0.18)	(1.44)	(1.62)
Balance as at December 31, 2014	0.29	52.22	3.41	55.92
Charge for the year	-	14.91	1.49	16.40
Reversal on disposal of assets	-	-	-	-
Balance as at December 31, 2015	0.29	67.13	4.90	72.32
Impairment of Intangible assets	5.55	-	-	5.55
Net block				
Balance as at December 31, 2014	51.97	59.71	3.84	115.52
Balance as at December 31, 2015	46.42	47.55	5.09	99.06

Notes:

a) The impairment loss, for specified assets, has been recognized based on management's evaluation of associated future economic benefit.

(₹ in Crores)				
	Non-current		Current	
	2015	2014	2015	2014
10 Investments				
Non-trade investments (valued at cost)				
Quoted:-				
15,00,000 (December 31, 2014: 15,00,000) 6.25%, 2018 Government of India Bonds of ₹ 100 each.	15.96	15.96	-	-
Unquoted:-				
1,000 (December 31, 2014: 1,000) Equity shares of ₹ 25 each fully paid up in Co-operative Bank of Baroda	0.01	0.01	-	-
10 (December 31, 2014: 10) 5.95%, 15 years Non-cumulative bonds of Karnataka Water & Sanitation Pooled Fund Trust of ₹ 416,667 (December 31, 2014: ₹ 500,000) each.	0.34	0.42	0.08	0.08
	16.31	16.39	0.08	0.08
Aggregate amount of				
Quoted investments (Market Value: ₹ 14.67 Crores, (December 31, 2014: ₹ 14.34 Crores))	15.96	15.96	-	-
Unquoted investments	0.35	0.43	0.08	0.08

	(₹ in Crores)	
	2015	2014
11. Deferred tax assets (net)		
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	148.00	152.32
Gross deferred tax liability	148.00	152.32
Deferred tax assets		
Provision for doubtful debts and advances	162.08	145.68
Expenditure debited to the statement of profit and loss but allowable for tax purpose in following years	23.37	19.01
Others	11.51	2.86
Gross deferred tax assets	196.96	167.55
Deferred tax assets (net)	48.96	15.23

	(₹ in Crores)			
	Non-current		Current	
	2015	2014	2015	2014
12. Loans and advances				
Capital advances				
Unsecured, considered good	5.05	6.33	-	-
Security deposits				
Unsecured, considered good	31.74	26.97	7.60	7.98
Advances to related parties (refer note 40)				
Unsecured, considered good	-	-	6.48	4.17
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	52.86	46.71
Considered doubtful	4.77	4.39	-	-
	4.77	4.39	52.86	46.71
Less: Provision for doubtful advances	4.77	4.39	-	-
	-	-	52.86	46.71
Other loans and advances				
Unsecured, considered good				
Advance income-tax (net of provision for tax ₹ 1,748.85 crores, December 31, 2014 : ₹ 1,788.25 crores)	190.37	197.25	-	-
Prepaid expenses	-	-	12.11	7.83
Loans to employees	-	-	6.01	5.47
Balances with statutory/government authorities	-	-	77.41	75.03
Taxes and duties recoverable				
Considered good	195.04	170.98	115.61	130.26
Considered doubtful	-	5.00	-	-
	195.04	175.98	115.61	130.26
Less: Provision for doubtful advances	-	5.00	-	-
	195.04	170.98	115.61	130.26
	385.41	368.23	211.14	218.59
Total loans and advances	422.20	401.53	278.08	277.45

Taxes and duties recoverable includes amount paid under protest.

(₹ in Crores)

	Non-current		Current	
	2015	2014	2015	2014
13 Other assets				
Unsecured, considered good				
Non current bank balances (refer note 16)	6.69	7.48	-	-
Contract revenue in excess of billing / unbilled revenue	-	-	348.21	368.26
Interest accrued on fixed deposits	-	-	0.45	0.28
Interest accrued on investments	-	-	0.48	0.48
Assets held for sale*	-	-	6.10	-
Other receivables	-	-	34.48	25.70
	6.69	7.48	389.72	394.72

*Assets held for sale relates to plant and equipment having gross block ₹ 19.45 crores and accumulated depreciation ₹ 7.46 crores.

(₹ in Crores)

	2015	2014
14 Inventories (valued at lower of cost and net realisable value)		
Raw materials and components (Including goods-in-transit of ₹ 83.08 crores, December 31, 2014: ₹ 55.83 crores) (refer note 19)	519.57	522.56
Work-in-progress (refer note 21)	348.61	289.68
Finished goods (refer note 21)	57.03	65.22
Traded goods (refer note 21)	11.79	13.97
Stores and spares	2.57	2.39
	939.57	893.82

(₹ in Crores)

	Non-current		Current	
	2015	2014	2015	2014
15 Trade receivables				
Unsecured				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	250.72	234.37
Considered doubtful	289.61	283.76	-	-
	289.61	283.76	250.72	234.37
Less: Provision for doubtful receivables	289.61	283.76	-	-
(A)	-	-	250.72	234.37
Other receivables				
Unsecured, considered good	-	-	3,140.21	2,923.15
Considered doubtful	-	-	180.42	135.44
	-	-	3,320.63	3,058.59
Less: Provision for doubtful receivables	-	-	180.42	135.44
(B)	-	-	3,140.21	2,923.15
Total (A + B)	-	-	3,390.93	3,157.52
Trade receivables include:				
Dues from ABB Global Industries and Services Private Limited, in which the Company's Managing Director is a director.	-	-	11.12	5.07
Dues from Lafarge India Private Limited in which one of the Company's Director is a Director.	-	-	1.34	0.13

(₹ in Crores)

	Non-current		Current	
	2015	2014	2015	2014
16 Cash and bank balances				
Cash and cash equivalents				
Balances with banks				
- On current accounts	-	-	131.23	51.93
- Deposit accounts (Original maturity upto 3 months)	-	-	240.00	-
Cheques / drafts on hand	-	-	200.31	172.13
Cash on hand	-	-	0.01	-
	-	-	571.55	224.06
Other bank balances				
Unpaid dividend account	-	-	2.04	1.85
Deposit accounts (Original maturity more than 12 months)	-	0.14	-	0.05
Margin money deposit	6.69	7.34	-	-
	6.69	7.48	2.04	1.90
Less: Disclosed under other assets (refer note 13)	6.69	7.48	-	-
Total cash and bank balance	-	-	573.59	225.96

(₹ in Crores)

	2015	2014
17 Revenue from operations (net)		
Sale of products and services		
Sale of products	7,469.31	7,133.33
Sale of services	545.84	497.32
	8,015.15	7,630.65
Other operating revenues		
Scrap sales	22.93	22.85
Commission income	2.38	2.99
Income from development services	52.35	46.71
Miscellaneous income	47.46	30.07
	125.12	102.62
Revenue from operations (net)	8,140.27	7,733.27
Detail of sale of products and services		
(i) Sale of products		
Switchgear of all types	2,116.73	1,929.35
Transformers	755.55	456.50
Electronic control and supply units for variable speed drives and other applications	1,050.81	900.77
Motors and other machines	704.62	673.67
Others	2,841.60	3,173.04
	7,469.31	7,133.33
(ii) Sale of services		
Erection, commissioning and other engineering services	545.84	497.32
	545.84	497.32
	8,015.15	7,630.65

The above includes revenue from construction contracts (refer note 39).

(₹ in Crores)

	2015	2014
18 Other income		
Interest income from deposits with bank	0.85	0.86
Interest income from long-term investments	0.97	0.97
Interest income - on tax refunds etc. (net)	11.22	12.42
Liability no longer required written back	-	3.03
	13.04	17.28
19 Cost of raw materials and components consumed and project bought outs		
Opening stock	522.56	573.72
Add : Purchases during the year	4,557.52	4,436.03
Less : Closing stock	519.57	522.56
	4,560.51	4,487.19
Details of raw materials and components consumed and project bought outs		
Electrical motors, generators, drives, components and equipments	729.23	614.88
Protecting and control elements	327.28	265.63
Sheet metal components, casting and forging	305.64	193.52
Non ferrous metal and alloys	291.94	216.51
Power converters	323.27	261.41
Electronic components and equipments	308.80	259.67
Wires, cables and conductors	242.30	202.59
Ferrous metals and alloys	172.28	101.07
Others	1,859.77	2,371.91
	4,560.51	4,487.19
The above amount includes project bought outs of ₹ 796.07 crores (December 31, 2014 - ₹ 1,224.38 crores)		
Details of inventory		
Raw materials and components		
Protecting and control elements	105.59	74.69
Electrical motors, generators, drives, components and equipments	99.39	64.35
Electronic components and equipments	56.13	54.96
Mechanical components	43.72	36.36
Power converters	29.62	35.55
Non ferrous metal and alloys	27.69	17.77
Others	157.43	238.88
	519.57	522.56
20 Purchases of traded goods		
Motors and other machines	75.69	57.74
Transformers	7.64	14.85
Switchgears	5.45	6.11
Power invertors	3.44	16.46
Others	229.42	210.72
	321.64	305.88

(₹ in Crores)

	2015	2014
21 (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods		
Opening stock		
- Finished goods	65.22	100.83
- Work-in-progress	289.68	295.67
- Traded goods	13.97	16.35
	368.87	412.85
Closing stock		
- Finished goods	57.03	65.22
- Work-in-progress	348.61	289.68
- Traded goods	11.79	13.97
	417.43	368.87
	(48.56)	43.98
Details of inventory of finished goods, work-in-progress and traded goods		
Finished Goods		
Motors and other machines	6.68	8.59
LV switchgear products	15.11	17.49
Transformers	0.66	2.96
MV switchgears	3.42	2.47
Others	31.16	33.71
	57.03	65.22
Work - in - progress		
Transformers	100.06	82.86
MV switchgears	9.12	12.71
Motors and other machines	31.83	28.24
Variable speed AC/DC Drive system and other applications	32.78	25.86
LV switchgear products	18.96	16.98
Others	155.86	123.03
	348.61	289.68
Traded goods		
Motors and other machines	11.43	13.91
Others	0.36	0.06
	11.79	13.97
22 Employee benefit expenses		
Salaries, wages and bonus	645.77	602.41
Gratuity (refer note 46)	11.65	18.32
Provident fund (refer note 46)	16.71	18.49
Contribution to superannuation and other funds	24.07	20.91
Staff welfare expenses	37.66	35.14
Training, recruitment and transfer expenses	14.01	9.93
	749.87	705.20
23 Finance costs		
Interest expenses	80.69	96.04
Bill discounting and other charges	10.47	8.91
	91.16	104.95

(₹ in Crores)

	2015	2014
24 Depreciation, amortisation and impairment expense		
Depreciation of tangible assets	137.84	96.62
Amortisation of intangible assets	16.40	16.19
Impairment of intangible assets	5.55	-
	159.79	112.81
25 Other expenses		
Consumption of stores and spares	26.66	28.67
Packing expenses	28.86	27.09
Royalty and technology fees	248.89	215.37
Freight and forwarding	90.06	86.08
Postage and telephone	9.71	9.79
Commission (other than sole selling agent)	11.62	8.78
Discount	4.15	3.28
Power and fuel	58.20	57.93
Travelling and conveyance	123.90	113.25
Insurance	14.23	10.65
Rates and taxes	17.00	44.15
Rent	52.93	44.80
Repairs:		
Buildings	4.80	4.37
Plant and machinery	25.96	22.88
Others	7.15	6.48
Provision for doubtful debts and advances	46.21	35.52
Bad debts / advances written off	23.82	10.72
Loss on sale of fixed assets (net)	6.72	3.49
Printing and stationery	5.96	6.90
Bank charges	15.07	17.09
CSR expenditure (refer note no. 47)	1.70	-
Legal and professional	29.34	29.59
Auditor's remuneration (refer note below)	2.43	2.50
Trade-mark fees	63.76	60.80
Information technology expenses	123.92	97.73
Exchange rate difference - loss (net)	34.13	43.46
Director's fees and commission	0.90	0.68
Services from third parties	77.84	73.32
Testing and inspection charges	17.62	19.80
Seminar and publicity expenses	21.21	5.32
Group management fees etc	84.82	111.98
Miscellaneous	98.32	27.01
	1,377.89	1,229.48
Auditor's remuneration (excluding service tax)		
As auditor:		
Audit fee	1.02	1.02
Tax audit fee	0.26	0.26
Limited review	0.39	0.39
In other capacity:		
Sox and group reporting fees	0.50	0.50
Certifications	0.15	0.24
Others	0.06	0.06
Reimbursement of expenses	0.05	0.03
	2.43	2.50
26 Earning per share (EPS)		
a) Net profit for calculation of basic and diluted EPS	299.88	228.51
b) Weighted average number of shares for calculation of EPS	21,19,08,375	21,19,08,375
c) Nominal value of shares (in ₹)	2.00	2.00
d) Earnings per share- Basic and diluted (in ₹)	14.15	10.78

27. Segment reporting

A) Primary segment reporting (by business segments)

i) Composition of business segments

The Company's business segments are organized around products and system solutions provided to its customers, which include utilities, industries, channel partners and original equipment manufacturers.

Power Systems segment (PS) offers turnkey systems and services for transmission and distributions for power grid and power plants. The segment offers the instrumentation, control and the entire balance of power plants, which improve performance and energy efficiency through flexible alternating current transmission systems, high voltage direct current systems, network management systems and utility communications.

Power Products segment (PP) manufactures, engineers, supplies key components to transmit and distribute electricity, improving power supply and energy efficiency. The segment produces transformers, high and medium voltage switchgears, circuit breakers, capacitors, distribution relays, insulation paper and paper board components etc.

Process Automation segment (PA) provides customers with integrated solutions for control, plant optimization and industry specific application knowledge. The industries served include oil and gas, power, chemicals and pharmaceuticals, pulps and paper, metals and minerals, marine and turbo charging.

Discrete Automation and Motion segment (DM) provides products, with related services, that are used as components in machinery and automation systems. The segment covers a wide range of products and services including power electronics systems, motors and generators, drives, robots etc.

Low Voltage Products segment (LP) manufactures products and systems that provide protection, control and measurement for electrical installations, enclosures, switchboards, electronics and electromechanical devices for industrial machines, plants and related service.

- ii) The accounting policies used in the preparation of the financial statements of the Company are also applied for segment reporting.
- iii) Segment revenues, expenses, assets and liabilities are those, which are directly attributable to the segment or are allocated on an appropriate basis. Corporate and other revenues, expenses, assets and liabilities to the extent not allocable to segments are disclosed in the reconciliation of reportable segments with the financial statements.

iv) Inter segment transfer pricing

Inter segment prices are normally negotiated amongst the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the Company.

- v) Figures in brackets are in respect of the previous year.

vi) Segment revenues, results and other information

(₹ in Crores)

	Power Systems	Power Products	Process Automation	Discrete Automation and Motion	Low Voltage Products	Total
External sales (net of excise duty)	1,844.87 (2,139.20)	2,263.74 (1,780.97)	1,209.60 (1,213.54)	1,948.45 (1,818.93)	723.58 (651.27)	7,990.24 (7,603.91)
Inter segment sales	9.75 (10.29)	275.14 (488.61)	34.42 (29.88)	104.51 (71.64)	69.79 (79.07)	493.61 (679.49)
Other operating revenue	16.11 (5.91)	60.35 (55.88)	6.28 (1.55)	9.46 (8.05)	7.18 (6.95)	99.38 (78.34)
Segment revenues	1,870.73 (2,155.40)	2,599.23 (2,325.46)	1,250.30 (1,244.97)	2,062.42 (1,898.62)	800.55 (737.29)	8,583.23 (8,361.74)
Segment results	121.48 (115.25)	236.79 (183.79)	125.74 (99.61)	169.69 (128.42)	72.60 (39.89)	726.30 (566.96)
Segment assets	2,200.57 (2,027.33)	1,688.54 (1,625.77)	849.62 (841.39)	1,066.50 (1,066.53)	489.49 (477.35)	6,294.72 (6,038.37)
Segment liabilities	1,105.86 (1,195.74)	973.54 (818.93)	514.71 (533.90)	733.91 (712.09)	233.90 (203.90)	3,561.92 (3,464.56)
Capital expenditure	1.54 (1.81)	40.36 (38.23)	6.12 (3.13)	17.53 (15.28)	20.46 (20.87)	86.01 (79.32)
Depreciation / amortisation	2.79 (2.02)	73.90 (51.92)	4.06 (2.81)	22.60 (15.53)	21.33 (17.00)	124.68 (89.28)
Impairment loss	- (-)	- (-)	5.55 (-)	- (-)	- (-)	5.55 (-)
Other non-cash expenses	19.03 (6.21)	2.25 (1.69)	19.32 (9.40)	2.44 (12.58)	2.18 (0.65)	45.22 (30.53)

vii) Reconciliation of reportable segments with the financial statements

(₹ in Crores)

	Revenues	Results / Net profit	Capital expenditure	Assets	Liabilities
Total segments	8,583.23 (8,361.74)	726.30 (566.96)	86.01 (79.32)	6,294.72 (6,038.37)	3,561.92 (3,464.56)
Corporate - unallocated (net)	63.69 (68.30)	-160.55 (-106.80)	23.60 (31.18)	1,114.11 (783.28)	838.36 (545.11)
Inter segment sales	-493.61 (-679.49)	- (-)	- (-)	- (-)	- (-)
Interest expense	- (-)	-91.16 (-104.95)	- (-)	- (-)	- (-)
Provision for tax	- (-)	-174.71 (-126.70)	- (-)	- (-)	- (-)
As per financial statements	8,153.31 (7,750.55)	299.88 (228.51)	109.61 (110.50)	7,408.83 (6,821.65)	4,400.28 (4,009.67)

B) Secondary segment reporting (by geographical segments)

Secondary segment disclosures are reported on the basis of geographical location of customers. Segment assets and capital expenditure are based on location of assets.

	(₹ in Crores)		
	India	Rest of world	Total
Segment revenues	7,220.76	932.55	8,153.31
	(6,445.07)	(1,305.48)	(7,750.55)
Segment assets	7,037.69	371.14	7,408.83
	(6,448.45)	(373.20)	(6,821.65)
Segment capital expenditure	109.61	-	109.61
	(110.50)	-	(110.50)

	(₹ in Crores)	
As at December 31,	2015	2014
28. Contingent liabilities		
i) Excise duty / service tax and sales tax liabilities in dispute	590.72	674.12
ii) Custom duty liabilities in dispute	2.54	2.07
iii) Claims against the Company not acknowledged as debts	14.05	8.85
iv) Income tax matters in dispute	26.53	44.27

The Company is contesting the demands and the management believes that its position will likely be upheld in the various appellate authorities / courts. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position.

In respect of the above contingent liabilities, the future cash outflows are determinable only on receipt of judgement pending at various forums / authorities.

	(₹ in Crores)	
	2015	2014
29. Estimated amount of contracts remaining to be executed on account of capital and other commitments and not provided for (net of advances)	56.42	36.37

30. The Company has taken several premises and vehicles under cancelable and non-cancelable operating leases. These lease agreements are normally for one to ten years and have option of renewal on expiry of lease period based on mutual agreement. Rental expenses towards cancelable and non-cancelable operating lease charged to the statement of profit and loss amounts to ₹ 52.93 crores (Previous Year ₹ 44.80 crores).

Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreement. There are no assets given on operating lease.

Future minimum rentals payable under non-cancelable operating leases are as follows:

	(₹ in Crores)	
	2015	2014
Within one year	11.82	13.44
After one year but not more than five years	18.36	33.66
More than five years	-	-
	30.18	47.10

31. Excise duty on sales amounting to ₹ 530.43 crores (Previous year ₹ 423.64 crores) has been reduced from sales in the statement of profit and loss. Excise duty reversal on decrease in inventory of finished goods amounting to ₹ 0.90 crores (December 31, 2014: ₹ 3.10 crores) has been accounted in the statement of profit and loss under the head "(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods".

32. Long term borrowings represent 600, unsecured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1.0 crore each aggregating to ₹ 600.00 crores on private placement basis. The debentures are repayable after 3 years from the date of allotment being September 4, 2015. The debentures carry interest rate of **MIBOR plus 80 basis points**. The proceeds have been utilized towards working capital and other corporate purposes including refinancing the Company's debt.

33. Short term borrowings represent unsecured short term loan and overdraft facility from banks. The same is repayable on demand and carries interest @ 9% to 11% p.a.

(₹ in Crores)		
For the year ended December 31,	2015	2014
34. Earnings in foreign currency		
(on accrual basis)		
i) Export of goods on FOB basis	874.68	1,118.17
ii) Goods supplied/services rendered locally against foreign exchange remittances	34.39	56.91
iii) Erection & other services	87.37	84.79
iv) Other income:		
a) Commission	2.38	2.99
b) Development services and others	67.38	56.86
	1,066.20	1,319.72

35. Consumption of raw materials, components and stores and spares

(₹ in Crores)				
	2015		2014	
	%	Amount	%	Amount
Imported	51.39	1,948.34	51.24	1,686.45
Indigenously acquired	48.61	1,842.76	48.76	1,605.03
	100.00	3,791.10	100.00	3,291.48

(₹ in Crores)		
For the year ended December 31,	2015	2014
36. Value of imports on CIF basis		
(on accrual basis)		
Raw materials	233.43	267.57
Components and spares	1,537.79	1,265.57
Finished goods	11.13	56.27
Capital goods including technical know-how	16.17	15.03
Project items	303.08	449.55
	2,101.60	2,053.99
37. Expenditure in foreign currency		
(on accrual basis)		
Royalty and technology fees	237.44	205.53
Trade-mark fees	63.81	60.80
Professional / project consultancy	5.13	10.22
Travelling and conveyance	13.00	13.67
Information technology expenses	74.61	52.85
Others	121.43	118.94
	515.42	462.01
38. Amount remitted during the year in foreign currency, on account of dividend		
i) Number of non-resident shareholders	3	3
ii) Number of equity shares held by them on which dividend was paid	15,89,31,986	15,89,31,986
iii) Year ended to which the dividend related December 31,	2014	2013
iv) Amount remitted	58.80	47.68
39. Construction Contracts		
Contract revenue recognised for the financial year	2,859.37	2,643.29
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all the contracts in progress up to the reporting date	9,520.54	10,917.48
Amount of customer advances outstanding for contracts in progress	342.23	399.97
Amount of retentions due from customers for contracts in progress	870.14	1,124.85
Amount due from customers for contracts in progress	1,272.70	710.72

40. Related party disclosures

a) List of related parties

Party where control exists:

ABB Limited, Zurich, Switzerland (Ultimate Holding Company)

ABB Asea Brown Boveri Limited, Zurich, Switzerland (Holding Company)

Other Related parties with whom transactions have taken place during the year:

Fellow subsidiaries:

ABB (Asea Brown Boveri), S.A.,Paco de Arcos,Portugal

ABB (China) Ltd.,Beijing,China

ABB (Hong Kong) Ltd.,Hong Kong, Hong Kong

ABB (Private) Ltd. ,Harare ,Zimbabwe.,

ABB (Pty) Ltd.,Gaborone,Botswana

ABB (Pvt) Ltd.,Lahore,Pakistan

ABB A/S.,Skovlunde,Denmark

ABB AB.,Västerås,Sweden

ABB AG.,Mannheim,Germany

ABB AG.,Vienna,Austria

ABB AS.,Billingstad,Norway

ABB AS.,Jüri,Estonia

ABB Australia Pty Limited.,Sydney,Australia

ABB Automation Co. Ltd.,Riyadh,Saudi Arabia

ABB Automation GmbH, Mannheim, Germany.

ABB Automation L.L.C.,Abu Dhabi,United Arab Emirates

ABB Automation Products GmbH.,Ladenburg,Germany

ABB Bailey Beijing Engineering Co. Ltd.,Beijing,China

ABB Bailey Japan Limited.,Shizuoka-Ken,Japan

ABB Beijing Drive Systems Co. Ltd.,Beijing,China

ABB Beteiligungs-Management GmbH, Germany

ABB Bulgaria EOOD.,Sofia,Bulgaria

ABB BV, Rotterdam, Netherlands

ABB Capital, B.V.,Amsterdam,Netherlands

ABB Chongqing Transformer Company Ltd.,Chongqing,China

ABB CL Logistic S.A., Montevideo, Uruguay

ABB Contracting Company Ltd.,Riyadh,Saudi Arabia

ABB D.o.o., Ljubljana, Slovenia

ABB d.o.o.,Belgrade,Serbia

ABB Ecuador S.A.,Quito,Ecuador

ABB Electrical Industries Ltd.,Riyadh,Saudi Arabia

ABB Electrical Machines Ltd.,Shanghai,China

ABB Elektrik Sanayi A.S.,Istanbul,Turkey

ABB Engg. Technologies Co. (KSCC),,Safat,Kuwait

ABB Engineering (Shanghai) Ltd.,Shanghai,China

ABB Engineering Trading and Service Ltd.,Budapest,Hungary

ABB Equity Limited.,St. Peter's Port,Guernsey

ABB ESAP Limited.,St. Peter's Port,Guernsey

ABB Finance B.V.,Amsterdam,Netherlands

ABB for Electrical Industries (ABB ARAB) S.A.E.,Cairo,Egypt

ABB France.,Les Ulis,France

ABB FZ-LLC.,Dubai,United Arab Emirates

ABB Generators Ltd, Nanchang, China.

ABB Genway Xiamen Electrical Equipment Co. Ltd.,Xiamen,China

ABB Global Industries and Services Private Limited.,Bengaluru,India

ABB Global Marketing FZ LLC.,Dubai,United Arab Emirates

ABB Group Accounting Services B.V.,Rotterdam,Netherlands

ABB Hefei Transformer Co. Ltd.,Hefei,China

ABB High Voltage Switchgear (Xiamen) Company Ltd.,Xiamen,China

ABB High Voltage Switchgear Co. Ltd.,Beijing,China

ABB Holdings Sdn. Bhd.,Subang Jaya,Malaysia

ABB Import & Export Services Ltd., Oranjestad/Aruba (NA), Aruba (NI)

ABB Inc., Saint-Laurent Quebec, Canada.

ABB Inc.,Cary, NC,United States

ABB Industries (L.L.C.),,Dubai,United Arab Emirates

ABB Industries FZ.,Dubai,United Arab Emirates

ABB Information Systems Ltd.,Zurich,Switzerland

ABB International Marketing Ltd., Zurich, Switzerland

ABB Intra AG, Zurich, Switzerland

ABB Investments (Pty) Ltd,Modderfontein,South Africa

ABB Jiangjin Turbo Systems Company Limited.,Chongqing,China

ABB Jiangsu Jingke Instrument Transformer Co., Ltd.,Suqian, Jiangsu,China

ABB K.K.,Tokyo,Japan

ABB Limited.,Auckland,New Zealand

ABB Limited.,Bangkok,Thailand

ABB Limited.,Dar Es Salaam,United Republic of Tanzania

ABB Limited.,Dhaka,Bangladesh

ABB Limited.,Nairobi,Kenya

ABB Limited.,Warrington,United Kingdom

ABB Limited/Jordan LLC.,Amman,Jordan

ABB LLC.,Muscat,Oman

ABB LLP.,Almaty,Kazakhstan

ABB Logistics Center Europe GmbH.,Menden,Germany

ABB Ltd. ,Hanoi ,Vietnam.

ABB Ltd., Zagreb, Croatia.

ABB Ltd.,Dublin,Ireland

ABB Ltd.,Kampala,Uganda

ABB Ltd.,Kyiv,Ukraine

ABB Ltd.,Lusaka,Zambia

ABB Ltd.,Lusaka,Zambia

ABB Ltd.,Moscow,Russian Federation

ABB Ltd.,Seoul,Korea, Republic of

ABB Ltd.,Taipei,Taiwan, Province of China

ABB Ltd.,Zagreb,Croatia

ABB Ltda.,Osasco,Brazil

ABB LV Installation Materials Co. Ltd.,Beijing,China

ABB Malaysia Sdn Bhd.,Subang Jaya,Malaysia

ABB Management Services Ltd.,Zurich,Switzerland

ABB Manufacturing Sdn. Bhd.,Subang Jaya,Malaysia

ABB Mexico S.A. de C.V.,San Luis Potosi SLP,Mexico

ABB N.V.,Zaventem,Belgium

ABB Near East Trading Ltd.,Amman,Jordan

ABB Norden Holding AB, Västerås, Sweden

ABB Oryx Motors and Generator Service LLC, Doha, Qatar

ABB Oy.,Helsinki,Finland

ABB Power Equipment (Xiamen) Co., Ltd.,Xiamen,China

ABB Pte. Ltd.,Singapore,Singapore

ABB Qatar LLC., Doha, Qatar

ABB Research Ltd.,Zurich,Switzerland

ABB S.A., Les Ulis, France

ABB S.A.,Buenos Aires,Argentina

ABB S.A.,Casablanca,Morocco

ABB S.A.,Lima,Peru

ABB S.A.,Panama,Panama

ABB S.A., Santiago, Chile
 ABB S.p.A., Milan, Italy
 ABB s.p.r.l., Kinshasa Gombe, The Democratic Republic of Congo
 ABB s.r.o., Prague, Czech Republic
 ABB Schweiz AG., Baden, Switzerland
 ABB Sécheron S.A., Satigny, Switzerland
 ABB Service Co. Ltd., Al Khobar, Saudi Arabia
 ABB Shanghai Motors Co. Ltd., Shanghai, China
 ABB Shanghai Transformer Co. Ltd., Shanghai, China
 ABB SIA., Riga, Latvia
 ABB South Africa (Pty) Ltd., Longmeadow, South Africa
 ABB Sp. z o.o., Warsaw, Poland
 ABB Stotz-Kontakt GmbH., Heidelberg, Germany
 ABB Technologies Ltd., Tirat Carmel, Israel
 ABB Technologies S.A., Dakar, Senegal
 ABB Technologies W.L.L., Bahrain, Bahrain
 ABB Technology Ltd., Zurich, Switzerland
 ABB Technology Oy, Helsinki, Finland
 ABB Technology SA., Abidjan, Cote d'Ivoire
 ABB Transformers S.A.E., El-Nozha El-Gedida, Egypt
 ABB Transmission & Distribution Ltd., Abu Dhabi, United Arab Emirates
 ABB Turbo Systems (Hong Kong) Limited., Hong Kong, Hong Kong
 ABB Turbo Systems AG., Baden, Switzerland
 ABB Turbo Systems Holding Ltd, Baden, Switzerland.
 ABB Turbochargers S.A.E., Suez, Egypt
 ABB UAB, Vilnius, Lithuania
 ABB Verwaltungs AG., Zurich, Switzerland
 ABB Xiamen Electrical Controlgear Co. Ltd., Xiamen, China
 ABB Xiamen Low Voltage Equipment Co. Ltd., Xiamen, China
 ABB Xiamen Switchgear Co. Ltd., Xiamen, China
 ABB Xi'an High Power Rectifier Company Limited., Xi'an, China
 ABB Xi'an Power Capacitor Company Limited., Xi'an, China
 ABB Xinhui Low Voltage Switchgear Co. Ltd., Xinhui, China
 ABB Zhongshan Transformer Company Ltd., Zhongshan, China
 ABB, Inc., Paranaque, Metro Manila, Philippines
 ABB, s.r.o., Bratislava, Slovakia
 ABBNG Limited., Lagos, Nigeria
 Asea Brown Boveri (Pty) Ltd., Windhoek, Namibia
 Asea Brown Boveri Electrica SGPS (Angola) Limitada., Luanda, Angola

Asea Brown Boveri Lanka (Private) Limited
 Asea Brown Boveri Ltd., Port Louis, Mauritius
 Asea Brown Boveri Ltda., Bogotá, Colombia
 Asea Brown Boveri Ltda., La Paz, Plurinational State of Bolivia
 Asea Brown Boveri S.A., Caracas, Venezuela
 Asea Brown Boveri S.A., Douala, Cameroon
 Asea Brown Boveri S.A., Madrid, Spain
 Asea Brown Boveri S.A., Metamorphosis Attica, Greece
 Asea Brown Boveri S.A.E., Cairo, Egypt
 Baldor Electric (Asia) PTE Ltd., Singapore, Singapore
 Baldor Electric (Shanghai) Company Ltd., Shanghai, China
 Baldor Electric Company, Fort Smith, AR, United States
 Baldor UK Ltd., Bristol, England, United Kingdom
 Busch-Jaeger Elektro GmbH., Mannheim/Lüdenscheid, Germany
 Electrical Materials Center., Riyadh, Saudi Arabia
 K-Tek Level Engineering Pvt. Ltd., Navi Mumbai, India
 Maska Power Transmission (Changzhou) Co.Ltd., Changzhou, China
 Newave Energy AG., Neuenhof, Switzerland
 Newave SA., Quartino, Switzerland
 Power-One Italy S.p.A., Siena, Italy
 Power-One Renewable Energy (China) Co. Ltd., Shenzhen, China.
 Power-One Renewable Energy Solutions India Private Ltd., Mumbai, India
 Power-One Renewable Energy Solutions LLC., Delaware, United States
 PT ABB Sakti Industri., Jakarta, Indonesia
 Pucaro Elektro-Isolierstoffe GmbH., Roigheim, Germany
 Shantou Winride Switchgear Co., Ltd., Longhu District Shantou, China
 Spirit IT B.V., Eindhoven, Netherlands.
 Striebel & John GmbH & Co. KG., Mannheim, Germany
 Sucursal Panama de ABB SA., Panama, Panama
 Thomas & Betts Asia (Singapore) Pte. Ltd, Singapore
 Thomas & Betts Corporation., Knoxville, TN, United States
 Thomas & Betts India Private Ltd., Andhra Pradesh, India
 Thomas & Betts Limited, Saint-Jean-sur-Richelieu, Quebec, Canada.,
 Thomas & Betts Power Solutions LLC., Delaware, United States
 Trasfor SA., Monteggio, Switzerland
 Tropos Networks, Inc., Wilmington, Delaware, United States
 Turbo Systems United Co. Ltd., Tokyo, Japan
 Ventyx (UK) Ltd., Surrey, United Kingdom
 Ventyx Inc., Atlanta, United States

Key managerial personnel:

Managing director:

Company secretary

Chief financial officer:

Mr. Bazmi R. Husain (upto December 31, 2015)

Mr. B. Gururaj

Mr. T. K. Sridhar (Effective July 24, 2015)

Mr. Amlan Datta Majumdar (upto March 10, 2015)

As at December 31,	(₹ in Crores)	
	2015	2014
b) Transactions with related parties		
Transaction value in excess of 10% with a fellow subsidiary has been individually disclosed below. All other cases have been grouped and disclosed as 'other fellow subsidiaries'.		
i) Revenue from operations		
Holding Company	4.90	2.87
Fellow Subsidiaries		
- ABB Pte. Ltd., Singapore, Singapore	105.56	23.59
- Other fellow subsidiaries	688.60	802.61
	794.16	826.20
	799.06	829.07

(₹ in Crores)

As at December 31,	2015	2014
ii) Purchases of raw materials, components, project items and traded goods		
Fellow Subsidiaries		
- ABB Oy., Helsinki, Finland	325.57	248.87
- ABB AB., Västerås, Sweden	162.62	176.96
- ABB Schweiz AG., Baden, Switzerland	122.90	188.66
- Other fellow subsidiaries	866.51	782.13
	1,477.60	1,396.62
iii) Expenditure on ESAP charges		
Fellow Subsidiaries		
- ABB ESAP Limited., St. Peters' Port, Guernsey	-	0.08
iv) Expenditure on royalty, technology and trade-mark fees		
Holding Company	63.76	60.80
Fellow Subsidiaries		
- ABB Technology Ltd., Zurich, Switzerland	218.23	187.05
- Other fellow subsidiaries	19.23	17.91
	237.46	204.96
	301.22	265.76
v) Expenditure on information technology, engineering, management and other services *		
Holding Company	30.41	20.28
Fellow Subsidiaries		
- ABB Information Systems Ltd., Zurich, Switzerland	54.75	52.71
- ABB Global Industries and Services Private Limited., Bengaluru, India	32.87	33.57
- ABB Management Services Limited., Zurich, Switzerland	32.83	42.90
- ABB Oy., Helsinki, Finland	27.49	23.63
- Other fellow subsidiaries	17.81	43.17
	165.75	195.98
* net of reimbursements	196.16	216.26
vi) Capital expenditure for technical know-how		
Fellow Subsidiaries		
- ABB S.p.A., Milan, Italy	1.32	1.06
- ABB AB., Västerås, Sweden	-	2.48
- ABB Stotz-Kontakt GmbH., Heidelberg, Germany	-	0.81
- Other fellow subsidiaries	0.18	-
	1.50	4.35
vii) Other capital expenditure		
Fellow Subsidiaries		
- ABB Power Equipment (Xiamen) Co., Ltd., Xiamen, China	0.83	-
- ABB S.p.A., Milan, Italy	0.81	-
- Newave SA., Gambarogno, Switzerland	0.44	-
- ABB Stotz-Kontakt GmbH., Heidelberg, Germany	-	0.96
- ABB Oy., Helsinki, Finland	0.23	0.58
- ABB AB., Västerås, Sweden	0.18	0.53
- ABB Schweiz AG., Baden, Switzerland	-	2.25
- Other fellow subsidiaries	1.25	0.50
	3.74	4.82
viii) Sale of assets (net)		
Fellow Subsidiaries		
- ABB Bulgaria EOO., Sofi, Bulgaria.	12.34	-
- ABB Limited., Auckland, New Zealand.	0.63	-
- Asea Brown Boveri Lanka (Private) Limited., Colombo, Srilanka	-	0.88
- ABB Global Industries and Services Private Limited., Bengaluru, India	-	0.35
	12.97	1.23

As at December 31,	2015	2014
ix) Long term borrowings received during the year		
Fellow Subsidiaries		
- ABB Capital B.V., Rotterdam, Netherlands.	600.00	-
x) Interest Expenses		
Fellow Subsidiaries		
- ABB Capital B.V., Rotterdam, Netherlands.	15.31	-
xi) Dividend paid during the year		
Holding Company	54.16	43.92
Fellow Subsidiaries	4.64	3.76
	58.80	47.68
xii) Remuneration to managing director	3.52	2.99
xiii) Remuneration to company secretary	0.94	-
xiv) Remuneration to chief financial officer	0.81	1.13
Remuneration to key managerial personnel does not include provision for leave encashment and gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole.		
c) Amount due to / from related parties		
Balances in excess of 10% with a fellow subsidiary has been individually disclosed below. All other cases have been grouped and disclosed as 'other fellow subsidiaries'.		
i) Trade receivables		
Fellow Subsidiaries		
- PT ABB Sakti Industri., Jakarta, Indonesia	8.61	34.02
- Other fellow subsidiaries	178.68	151.66
	187.29	185.68
ii) Loans and advances		
Fellow Subsidiaries		
- ABB High Voltage Switchgear (Xiamen) Company Ltd., Xiamen, China	1.87	-
- ABB AB., Västerås, Sweden	1.67	2.06
- ABB Oy., Helsinki, Finland	1.41	1.59
- ABB Schweiz AG., Baden, Switzerland	0.98	0.26
- Other fellow subsidiaries	0.55	0.26
	6.48	4.17
iii) Other current assets		
Holding Company	2.84	1.32
Fellow Subsidiaries		
- ABB Global Industries and Services Private Limited., Bengaluru, India	16.34	4.79
- ABB Technology Ltd., Zurich, Switzerland	7.91	9.70
- Other fellow subsidiaries	5.68	7.12
	29.93	21.61
	32.77	22.93
iv) Trade payables		
Fellow Subsidiaries		
- ABB Oy., Helsinki, Finland	122.38	84.48
- ABB Schweiz AG., Baden, Switzerland	63.19	66.57
- ABB AB., Västerås, Sweden	50.08	56.05
- Other fellow subsidiaries	341.56	300.54
	577.21	507.64

(₹ in Crores)		
As at December 31,	2015	2014
v) Other liabilities		
Holding Company	20.79	15.90
Fellow Subsidiaries		
- PT ABB Sakti Industri., Jakarta, Indonesia	5.70	12.44
- ABB Pte. Ltd., Singapore, Singapore	0.26	8.27
- Other fellow subsidiaries	21.14	35.94
	27.10	56.65
	47.89	72.55
vi) Interest accrued but not due		
Fellow Subsidiaries		
- ABB Capital B.V., Rotterdam, Netherlands.	3.56	-
vii) Long term borrowings outstanding		
Fellow Subsidiaries		
- ABB Capital B.V., Rotterdam, Netherlands.	600.00	-

41. Exchange rate variation - (gain) / loss (net) for the year includes gain on account of fair valuation of foreign exchange forward contracts for firm trade commitments amounting to ₹ 0.74 crores (Previous Year gain of ₹ 1.03 crores).

42. Provisions

a) Movement in provisions: (Figures in brackets are in respect of the previous year)

(₹ in Crores)					
Class of provisions	As at January 1, 2015	Additions	Amounts used	Unused Amounts reversed	As at December 31, 2015
Warranties	125.33 (123.21)	157.58 (104.35)	53.97 (43.41)	84.79 (58.82)	144.15 (125.33)
Loss orders	55.60 (92.84)	47.45 (30.18)	53.47 (67.42)	- -	49.58 (55.60)
Litigations	11.98 (5.71)	- (10.88)	- -	- (4.61)	11.98 (11.98)
Sales tax	80.88 (42.49)	29.73 (44.11)	0.57 (1.51)	23.66 (4.21)	86.38 (80.88)

b) Nature of provisions:

- Warranties: The Company provides warranties for its products, systems and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at December 31, 2015 represents the amount of the expected cost based on technical evaluation and past experience of meeting such obligations. It is expected that this expenditure will be incurred over the contractual warranty period.
- Loss orders: A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.
- Provision for litigation represents claims against the Company not acknowledged as debts that are expected to materialise in respect of matters in litigation. The outflow would depend on the cessation of the respective events.
- Provision for sales tax represents mainly the differential sales tax liability on account of non – collection of declaration forms. The outflow would depend on the cessation of the respective events.

43. The employees of the Company are entitled to purchase shares of ABB Limited., Zurich (the ultimate holding company) on the settlement date, at a price fixed based on the fair market price on the grant date under ABB employee share acquisition plan. During the year, the Company has been cross charged ₹ Nil (Previous Year ₹ 0.08 crores) towards the above including administrative charges and this has been charged in the statement of profit and loss under the head salaries, wages and bonus.

The Institute of Chartered Accountants of India has issued a guidance note on accounting for 'employee share-based payments', which is applicable to employee share based payment plans. The scheme detailed above is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the ultimate holding company, except for the obligation towards expenses cross charged as above. Accordingly, the Company is of the opinion that there is no further accounting treatment/ disclosure required under the said guidance note.

44. Derivative Instruments

- i) Forward cover for foreign currency trade receivables outstanding as of balance sheet date is ₹ **271.45 crores** (Previous Year ₹ 349.05 crores).
- ii) Forward cover for expected future sales or highly probable forecast transaction as of balance sheet date is ₹ **433.12 crores** (Previous Year ₹ 384.91 crores).
- iii) Forward cover for foreign currency trade payables outstanding as of balance sheet date is ₹ **716.56 crores** (Previous Year ₹ 577.89 crores).
- iv) Forward cover for expected future purchases or highly probable forecast transaction as of balance sheet date is ₹ **440.94 crores** (Previous Year ₹ 116.55 crores).
- v) Foreign currency exposure (net) that are not hedged by derivative instruments or otherwise is payable ₹ **187.33 crores** (Previous year payable was ₹ 267.31 crores).

45. Commodity Contracts

The Company uses commodity future contracts to hedge risk against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Company as on December 31, 2015.

Year	Commodity	Number of contracts	Contractual quantity	Buy / Sell
2015	Copper	52	1,033 MTs	Buy
2015	Silver	21	50,312 Ounce	Buy
2014	Copper	10	174 MTs	Buy

46. The Company has defined benefit gratuity plan and provident fund plan managed by trusts. The following table summarises the component of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet.

(₹ in Crores)				
	2015		2014	
	Gratuity	Provident Fund	Gratuity	Provident Fund
i) Change in benefit obligations				
Projected benefit obligations at beginning of the period	106.68	427.66	90.50	361.88
Current service cost	9.18	16.63	7.85	18.35
Contribution by plan participants (employees)	-	48.71	-	49.88
Interest cost	7.99	37.46	7.52	32.63
Benefits paid	(13.64)	(44.55)	(10.09)	(34.02)
Actuarial loss / (gain)	3.71	(0.96)	10.90	(1.06)
Projected benefit obligations at the end of the period	113.92	484.95	106.68	427.66
ii) Change in plan assets				
Plan assets at the beginning of the period, at fair value	97.97	430.62	89.18	364.98
Contributions	19.01	65.06	10.93	68.23
Expected return on plan assets	8.86	36.42	8.06	31.43
Actuarial (loss) / gain	0.37	-	(0.11)	-
Benefits paid	(13.64)	(44.55)	(10.09)	(34.02)
Plan assets at the end of the period, at fair value	112.57	487.55	97.97	430.62
iii) Actual return on plan assets				
Expected return on plan assets	8.86	36.42	8.06	31.43
Actuarial (loss) / gain on plan assets	0.37	-	(0.11)	-
Actual return on plan assets	9.23	36.42	7.95	31.43
iv) Present value of the defined benefit obligation				
Plan assets at the end of the period, at fair value	112.57	487.55	97.97	430.62
Liability recognised in the balance sheet	1.35	-	8.71	-
v) Expense recognised in the statement of profit & loss				
Current service cost	9.18	16.63	7.85	18.35
Interest cost	7.99	37.46	7.52	32.63
Expected return on plan assets	(8.86)	(36.42)	(8.06)	(31.43)
Actuarial loss / (gain)	3.34	(0.96)	11.01	(1.06)
Total *	11.65	16.71	18.32	18.49
* Excludes contribution to recognised provident fund				
vi) Investment Details (% invested)				
GOI securities	13.6	21.5	17.1	22.8
State government securities	13.4	20.0	15.7	20.4
PSU securities	14.0	40.0	16.4	39.1
Special deposit scheme / Funds with LIC	53.3	4.1	45.2	4.9
Others (including bank balances)	5.7	14.4	5.6	12.8
	100.0	100.0	100.0	100.0
vii) Assumptions				
Interest rate for discount - per annum	8.00%	8.00%	8.00%	8.00%
Estimated rate of return on plan assets - per annum	8.80%	8.75%	8.80%	8.75%

	(₹ in Crores)				
viii) Experience Adjustment	2015	2014	2013	2012	2011
Gratuity					
Defined benefit obligation	113.92	106.68	90.50	87.49	76.10
Plan assets	112.57	97.97	89.18	81.17	70.05
Surplus / (deficit)	(1.35)	(8.71)	(1.32)	(6.32)	(6.05)
Experience adjustments on plan liabilities	(3.71)	(1.18)	1.56	2.38	5.38
Experience adjustments on plan assets	0.37	(0.11)	(0.11)	0.41	0.30
Provident Fund					
Defined benefit obligation	484.95	427.66	361.88	324.73	290.69
Plan assets	487.55	430.62	364.98	323.48	285.98
Surplus / (deficit)	2.60	2.96	3.10	(1.25)	(4.71)
Experience adjustments on plan liabilities	(0.91)	(1.41)	9.32	(8.05)	(3.76)
Experience adjustments on plan assets	0.55	-	0.10	1.33	2.85

Notes:

- Gratuity Plan**
Gratuity is payable to all eligible employees of the Company as per the provisions of the Payment of Gratuity Act, 1972 or as per the Company's scheme, whichever is higher.
 - Provident Fund Plan**
The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The Contribution by employee and employer together with interest are payable at the time of separation from service or retirement whichever is earlier.
 - Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
 - The Company expects to contribute ₹ 13.00 crores (Previous Year ₹ 20.00 crores) to gratuity fund and ₹ 18.00 crores (Previous Year ₹ 20.00 crores) to provident fund in 2016.
 - The attrition rate for gratuity varies from 1% to 8% for various age groups.
47. In accordance with the provisions of Companies Act, 2013, the Company is required to contribute ₹ 5.60 crores towards CSR expenditure for the year against which actual capital expenditure is ₹ 1.24 crores and revenue expenditure is ₹ 0.46 crores. The said provision is first time applicable for the company from January 1, 2015.
48. The previous year figures have been regrouped/ reclassified, where necessary, to conform with the current year's classifications.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Per Navin Agrawal
Partner
Membership No: 56102

Bengaluru, February 4, 2016

For and on behalf of the Board

Frank Duggan	Chairman
Sanjeev Sharma	Managing Director
Nasser Munjee	Director
T. K. Sridhar	Chief Financial Officer
B. Gururaj	Company Secretary

Bengaluru, February 4, 2016

Notes

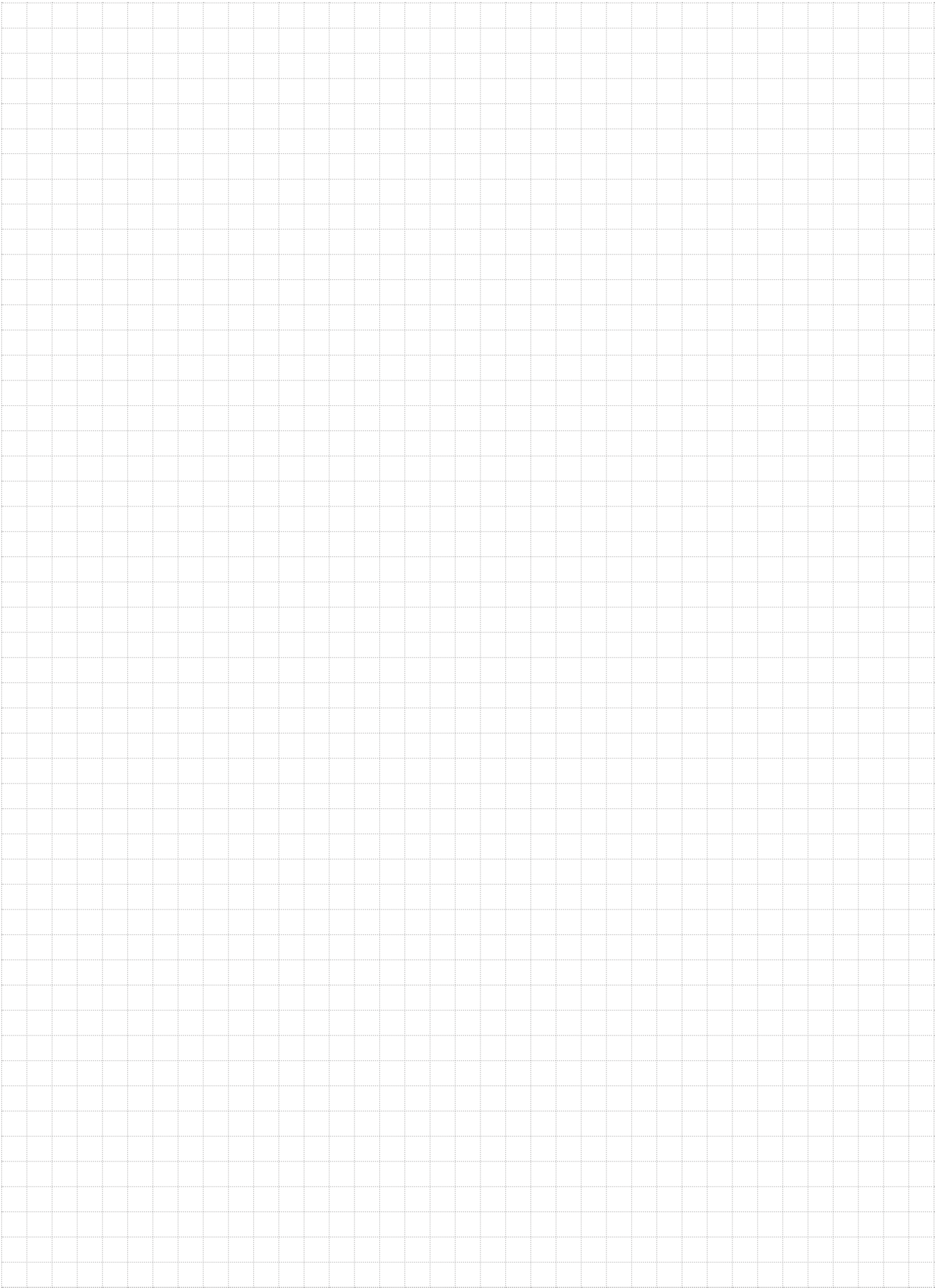


ABB India Limited

21st Floor, World Trade Center

Brigade Gateway

No.26/1, Dr. Rajkumar Road

Malleswaram West

Bengaluru – 560 055

Phone: +91 80-22949150 to 22949153

Fax: +91 80-22949148

www.abb.co.in

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66th Annual General Meeting BALLOT FORM

(In lieu of remote e-voting)

DP. Id	
--------	--

Client Id / Folio No.	
-----------------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF THE REGISTERED MEMBER

Dear Shareholder(s):

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the businesses stated in the Notice dated February 4, 2016 convening the 66th Annual General Meeting of the Company to be held on **Tuesday, April 26, 2016 at 11.00 am (IST)**, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	Type of resolution	No. of equity shares	FOR	AGAINST
1.	Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon.	Ordinary resolution			
2.	Declaration of Dividend.	Ordinary resolution			
3.	Ratification of appointment of Auditors Messrs S. R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, having ICAI Firm registration number 101049W, as Statutory Auditors.	Ordinary resolution			
4.	Re-appointment of Mr. Frank Duggan (DIN: 02937233) who was appointed to fill the casual vacancy.	Ordinary resolution			
5.	Appointment of Mr. Sanjeev Sharma (DIN: 07362344) as Director.	Ordinary resolution			
6.	Appointment of Mr. Sanjeev Sharma (DIN: 07362344) as Managing Director of the Company for a period of 3 years.	Ordinary resolution			
7.	Ratification of remuneration to Cost Auditor for the Financial Year 2016.	Ordinary resolution			

Place:

Date :

Signature of the Shareholder

NOTE: Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the scrutinizer by 5:00 p.m. (IST) on Monday, April 25, 2016 shall only be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to Mr. S. Kannan, Practicing Company Secretary, The Scrutinizer, C/o Karvy Computershare Pvt. Ltd., Unit: ABB India Limited, Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana or to his email id **cs.skannan@gmail.com** so as to reach by **5.00 pm (IST) on Monday, April 25, 2016**. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. remote e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the ShareTransfer Agents of the Company (i.e. M/s Karvy Computershare Pvt. Ltd.). Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID/Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the Body Corporate/Trust/Society etc., a certified copy of the Board resolution / Authority letter etc., to vote should accompany the Ballot Form.
10. Instructions for remote e-voting procedure are available in the Notice of 66th Annual General Meeting and are also placed on the Company's website: www.abb.co.in and <https://evoting.karvy.com>. For further details members are requested to refer the same.
11. In case of any query, you may refer Help & FAQ section of <https://evoting.karvy.com> (Karvy Website) or call KCPL on 040 6716 2222 & Toll Free No.1800 3454 001.
12. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date **Tuesday, April 19, 2016**.
13. The remote e-voting period commences on **Friday, April 22, 2016 (9.00 a.m. IST)** and ends on **Monday, April 25, 2016 (5.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on **Tuesday, April 19, 2016**, may cast their vote electronically.
14. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he / she / it shall not be allowed to change it subsequently.
15. Mr. S. Kannan Practicing Company Secretary, (Membership No. F6261 and PCS No. 13016), has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
16. The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution(s) will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
17. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website www.abb.co.in and on the website of KARVY <https://evoting.karvy.com>, and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

Remote e-voting

Users who wish to opt for remote e-voting may use the following login credentials.

EVEN (Remote e-voting Event Number)	User ID	Password
2265		

ABB India Limited

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Website: www.abb.co.in **E-mail:** investor.helpdesk@in.abb.com



ATTENDANCE SLIP

PLEASE HAND OVER THE ATTENDANCE SLIP AT THE ENTRANCE OF THE AGM HALL

DP. Id		NAME AND ADDRESS OF THE REGISTERED MEMBER
Client Id / Folio No.		
No. of Shares		

I hereby record my presence at the 66th Annual General Meeting of the Company held at “**Grand Ball Room**”, **Second Floor, Sheraton Bangalore Hotel at Brigade Gateway**, No. 26/1, Dr. Rajkumar Road, Malleshwaram-Rajajinagar, Bengaluru – 560 055, on **Tuesday, April 26, 2016 at 11.00 A.M. (IST)**.

Full name of the Proxy, if attending the Meeting:

Signature of the Member / Joint Member / Proxy attending the Meeting:

Note:

Persons attending the Meeting are requested to bring this Attendance Slip and Annual Report with them.



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Website: www.abb.co.in **E-mail:** investor.helpdesk@in.abb.com



66th Annual General Meeting on April 26, 2016 at 11.00 A.M. (IST)

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / DP ID - Client ID	

I / We being the Member(s) holding _____ shares of above named Company, hereby appoint:

(1) Name: _____ Address: _____

Email ID: _____ Signature: _____ Or failing him / her

(2) Name: _____ Address: _____

Email ID: _____ Signature: _____ Or failing him / her

(3) Name: _____ Address: _____

Email ID: _____ Signature: _____



as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 66th Annual General Meeting of the Company to be held on **Tuesday, April 26, 2016 at 11.00 A.M. (IST)**, at "Grand Ball Room", Second Floor, Sheraton Bangalore Hotel at Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleshwaram-Rajajinagar, Bengaluru – 560 055 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon.
2. Declaration of Dividend.
3. Ratification of appointment of Auditors Messrs S. R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, having ICAI Firm registration number 101049W, as Statutory Auditors.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Frank Duggan (DIN: 02937233) who was appointed to fill the casual vacancy.
5. Appointment of Mr. Sanjeev Sharma (DIN: 07362344) as Director.
6. Appointment of Mr. Sanjeev Sharma (DIN: 07362344) as Managing Director of the Company for a period of 3 years.
7. Ratification of remuneration to Cost Auditor for the Financial Year 2016.

Signed this _____ day of _____ 2016

Signature of Member(s): _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 66th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

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Website: www.abb.co.in **E-mail:** investor.helpdesk@in.abb.com



Dear Member(s)

Sub: Electronic mode of service of documents

As a part of Green initiative by the Ministry of Corporate Affairs (MCA), now members can receive various communications and correspondence including Annual Report through electronic mode i.e. e-mail. In this connection, we request the members to support the green initiative by registering their e-mail id's in the below format to receive various communications to be sent by the Company, electronically.

1. Members holding the shares in physical form may send the communication to the Registrar and Share Transfer Agents (RTA) Karvy Computershare Private Limited either physically or thro e-mail at: (a) einward.ris@karvy.com (or) (b) investor.helpdesk@in.abb.com
2. Members holding the shares in demat form may furnish the details to the respective Depository Participants.

The E-communication registration form should be signed by the sole/first named Member as per the specimen signature recorded with the RTA. Upon a specific request, even after registering the e-communication, members are entitled to receive such communications in physical form.

Thanking You

Yours faithfully
For ABB India Limited
Sd/-
B. Gururaj
Company Secretary



E-COMMUNICATION REGISTRATION FORM



Karvy Computershare Private Limited
(Unit: ABB India Limited)
Karvy Selenium Tower B
Plot 31-32, Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032, Telangana

Folio No. / DP ID & Client ID :
Name of the sole / first named Member :
Name of joint holder(s) :
E Mail ID to be registered :
Phone No (with STD Code) / Mobile No. :
(in case the shares are held in physical form) :

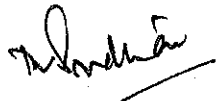
Date:

Signature of the Member:

Note: Members holding shares in demat form are requested to address and send the E-communication registration form to their depository participant (DP). Members are requested to keep DP/RTA/Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company:	ABB India Limited
2.	Annual financial statements for the year ended	December 31, 2015
3.	Type of Audit observation	Un-qualified/ Matter of Emphasis
4.	Frequency of observation	Not Applicable.
5.	Signed by- ☐ CEO/Managing Director Sanjeev Sharma ☐ CFO T K Sridhar ☐ Auditor of the company Navin Agrawal, Partner S.R. Batliboi & Associates LLP ☐ Audit Committee Chairman Nasser Munjee	   

Place: Bengaluru

Date: February 4, 2016