

Annual report **2020**



ABB AT A GLANCE

ABB is a leading global technology company that energizes the transformation of society and industry to achieve a more productive, sustainable future. By connecting software to its electrification, robotics, automation and motion portfolio, ABB pushes the boundaries of technology to drive performance to new levels. With a history of excellence stretching back more than 130 years, ABB's success is driven by about 105,000 talented employees in over 100 countries.

Contents

Annual report

- 6-7 The ABB Way
- **8**-9 Our Purpose and values
- 10 11 2020: Resilient performance despite the COVID-19 crisis
- 12 13 2020 Milestones
- Country Management Committee
- Company Information
- Statutory Reports
- Financial Statements

The ABB Way

The "glue" that unites our decentralized company

In June 2020, we introduced a new operating model, the ABB Way. Designed to further improve our performance in a rapidly changing, unpredictable world, the ABB Way represents an evolution from our previous operating system.

Under ABB Way, we discontinued our matrix structure and shifted greater responsibility and accountability to our businesses. The ABB Way builds on that progress by empowering our businesses, now called "Divisions", with full ownership and accountability for their respective strategies, performance and resources.

By shifting operational responsibility to the Divisions – of which there are currently 20 – the ABB Way enables decisions to be made quickly and close to the customer. Speed and agility are critical in our competitive, fast-changing environment. With their greater empowerment, our Divisions are free and encouraged to collaborate with each other as required for success.

Our four Business Areas evolve their portfolios and steer the performance of their respective Divisions. They also manage selected shared resources on behalf of the Divisions such as parts of R&D and our ABB Ability™ digital platform. Under the ABB Way, the corporate center has been further streamlined to focus on portfolio evolution, capital allocation, common policies and our brand.

Creating value

As the common and mandatory framework in which our Divisions, Business Areas and lean corporate center operate, the ABB Way serves as the "glue" in our decentralized Group.

The ABB Way consists of two parts. At its core is our company Purpose – the "why" we are in business. Our Purpose is to create success for all our stakeholders. We do so through our leading technologies, which address the world's energy challenges, transform industries and, along with our responsible business practices, embed sustainability in everything we do (see page 14).

The ABB Way also covers "how" we create value: how we drive performance, how we ensure that we have the right people in the right place at the right time, how we create a strong culture of governance and integrity, and how we build and protect our brand and reputation.

Decentralized business model

With the ABB Way, we drive performance through a decentralized business model in which our Divisions create value with the clear aim of being no. 1 or 2 in their respective market segments. Their performance is managed through a scorecard system, which provides full transparency on key metrics, including orders, operational EBITA, capital expenditures and return on capital employed. Our Divisions operate under different strategic mandates: they need to reach stability and profitability before investing into organic and acquisitive growth.

By shifting operational responsibility to the Divisions, the ABB Way enables decisions to be made quickly and close to the customer.

A key aspect of the ABB Way is active portfolio management, also based on a clear and transparent framework. In 2020, we assessed each Division on its strategic attractiveness, future value-creation potential, and fit within ABB. We concluded that there were three Divisions we needed to exit as ABB was not the best owner for these businesses going forward. The Divisions in question are Turbocharging, Mechanical Power Transmission, and Power Conversion. All three are high-quality businesses that are performing well,

and we will consider all options for these businesses with the clear objective of maximizing value for all concerned.

Excellence in people

The ABB Way emphasizes excellence in our people as the key to value creation. To become an even better company, we are fostering a performance culture through our values, good leadership, and strong performance and review processes.

A culture of diversity, inclusion and equal opportunity is critical to our business success and makes us stronger. To help our people succeed, we provide opportunities for learning and personal development, while our open job market empowers our employees to manage their own careers.

Governance based on integrity and transparency

To safeguard our company from financial and reputational harm, we have a comprehensive governance framework underpinned by our Code of Conduct, which was revised and simplified in 2020, making it more accessible and easier to use. The Code now contains five integrity principles and 16 integrity focus areas to guide and support us in our everyday work. By always following our Code, we will ensure that ABB is an exemplary corporate citizen and a champion of ethical behavior and human rights.

Strengthening the ABB brand

Our ABB brand is essential to building trust in our company. When we are trusted, customers rely on us, people feel empowered, and all our stakeholders reap the benefits. With a strong ABB brand, we can occupy a far stronger position in the market and with that support our businesses to succeed. Whatever we say, do, write and publish is part of our reputation and we manage it carefully for example by speaking consistently with "one voice" and ensuring that what we say matches what we do.

Proceeding towards a sustainable future

The ABB Way is an operating model designed for a global company in a rapidly changing world. By empowering our Divisions to be entrepreneurs that prioritize stability, profitability and growth – in that order – we create sustainable value, based on a culture of continuous improvement, and in doing so we contribute to a more sustainable society.

Our Purpose and values

ABB has gone through a series of profound changes in recent years, among them the divestment of our Power Grids business, our transformation into a decentralized organization, and our shift toward digital solutions. These and other changes have raised questions about what we stand for as a company, what we should aspire to be in the future and what role we should play in society.

In late 2019, we initiated a project to articulate a clear Purpose for ABB. In doing so, we were also acting on significant empirical evidence from other companies that a strong, lived purpose has a positive impact on business performance and value creation. Over a six-month period, we conducted extensive interviews and listening sessions with all stakeholder groups, including employees, customers, investors, suppliers and multilateral organizations. Our aim was to build up a holistic picture of how ABB is perceived by its stakeholders and to articulate an overall strategic direction for the company.

In total, we interviewed more than 300 employees from front-line personnel to executive management as well as 30 customers and 30 other external stakeholders, ranging from NGOs and academic institutions to international organizations.

By the end of that process, we had identified and articulated five clear Purpose "themes" that described our identity and the impact we make. In capturing the themes, we made sure questions for our key stakeholders were answered. For customers, our Purpose needed to answer the question: How does ABB help us win? For employees: Why should we dedicate our passion and skills to ABB? For investors: Why should we invest in ABB? For society and the planet: How does ABB make the world a better place? For partners and suppliers: Why should we join forces with ABB?

Our five Purpose themes are:

1. Creating success

At ABB, we are passionate about creating success. This starts with our customers – we enable them to reach new levels of performance. Their success translates into success for all our stakeholders: employees, partners and shareholders. Our people make the

- difference. Their domain knowledge and experience are why customers come to us with their biggest challenges.
- Addressing the world's energy challenges
 As pioneers in electricity and automation, we
 help to address the world's energy challenges.
 We are enabling the world's data growth,
 mobility expansion and urbanization while
 preserving the environment. Our solutions
 make homes, offices, factories and transport
 more energy-efficient and safer, and energy
 more affordable.
- 3. Transforming industries
 We envision a future where the physical
 and digital worlds merge. Together with our
 customers, we are turning this vision into
 reality. We provide automation, electrification
 and motion solutions that fulfil today's needs
 while bringing the physical and digital worlds
 together. We make operations safer,
 more intelligent and more productive,
 and work towards a more prosperous and
 sustainable future.
- 4. Embedding sustainability
 For us, sustainability is both the right thing
 to do and a business opportunity. We lead by
 example by embedding sustainability in
 everything we do. Our solutions reduce harmful
 emissions and preserve natural resources.
 We champion ethical behavior and human
 rights to contribute to better lives for people
 across the globe.
- 5. Leading with technology
 If there is one thing that ABB is recognized for,
 it's leading with technology. Innovation has
 been in our DNA since we were founded more
 than 130 years ago to take advantage of a new
 technology called electricity. This is one of the
 main reasons why customers and others turn
 to us for help with their biggest challenges.
 Together, we continuously push the frontiers of
 technology to make things possible that were
 not possible before.

From these Purpose themes, we crafted a clear statement of Purpose:

- We succeed by creating superior value.
- We push the boundaries of technology to drive performance to new levels.

 And we energize the transformation of society and industry to achieve a more productive, sustainable future and to create superior value for our stakeholders.

Today, we can say that our Purpose is at the core of everything we do – our operating model, our strategy, our governance and our values.

Our values

Along with our Purpose, which is "why" we are in business, we developed a set of four values that reflect "how" we behave to be successful and to realize our Purpose: Courage, Care, Curiosity and Collaboration. Developed in much the same way as our Purpose – through listening to our leaders and people and using their ideas and input to capture the essence of our culture – our

values are the cornerstone of our culture.
They guide and shape our behavior and interactions with each other, our customers, partners and society as a whole.

Our values empower and encourage our employees to have the **courage** to take action and manage consequences, speak up and ask for help, and take calculated risks to create success. They keep them focused on taking **care** of our customers, our people and the environment, on respecting and valuing differences, and doing what is right while acting with integrity. By **curiosity**, we impart that there is always a better way to do things, and to learn from failures and successes. Finally, we live **collaboration** because we believe that smart people collaborate, we build on each other's strengths and success, and we partner with our customers.



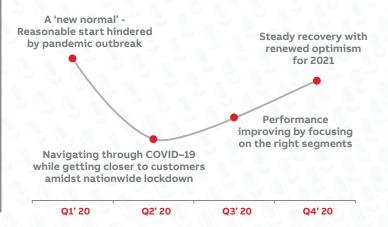
2020: Resilient performance despite the

COVID-19 crisis

Highlights

- Proactive action on focus sectors (datacenters, electronics, food and beverage, pharma, renewables, etc.) bolsters performance parameters
- Order backlog levels held steady
- Strong cash position at the end of 2020
- Board recommends full-year dividend of 250% per share in a pandemic situation

Impressions from a resilient & unprecedented year

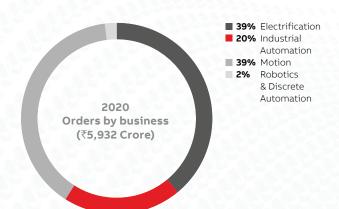


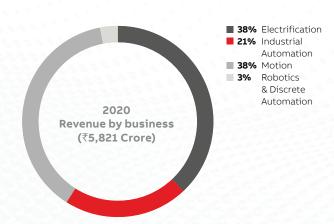
Five-year trajectory

					(< in Crores
Description	2020	2019	2018	2017	2016
Sources of Funds					
Shares capital	42	42	42	42	42
Reserves	3,564	3,478	3,965	3,565	3,245
Net worth	3,606	3,520	4,007	3,607	3,287
Borrowings	-	14	7	608	600
Funds employed	3,606	3,534	4,014	4,215	3,887
Income and Profits				ABABA	
Revenue from operations	5,821	8,210	10,862	9,087	8,642
Operating profit before Interest and depreciation	368	648	1,017	857	816
Profit before tax and exceptional	231	515	794	622	573
Profit before tax and after exceptional	289	446	794	622	573
Profit after tax	219	303	511	420	374
Dividend/Dividend tax	102	123	112	102	94
Retained earnings	86	180	399	318	280
Other data					
Gross fixed assets	1,130	1,047	1,669	1,642	1,474
Debt equity ratio	0.00:1	0.00:1	0.00:1	0.17:1	0.18:1
Net worth per equity share-Rs	170	166	189	170	155
Earnings per equity share-Rs	10	14	24	20	18
Dividend per equity share-Rs	5.0*	4.8	4.8	4.4	4.0
Profit after taxes as % to average net worth	6	8	13	12	12
Orders received	5,932	6,970	10,115	9,490	12,466
Orders backlog	4,114	4,123	10,111	11,534	11,821
Number of permanent employees	3,255	3,299	5,531	5,590	5,603

Figures for 2020, 2019, 2018 and 2017 are as per IND AS and for earlier periods as per IGAAP and hence not directly comparable. These figures also include performance of Power Grids Business, which has been disclosed as the discontinued operations in the Financials section.

^{*} Proposed dividend

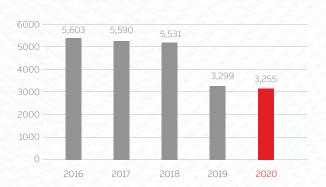




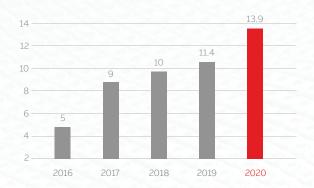
Dividend (₹ per share)

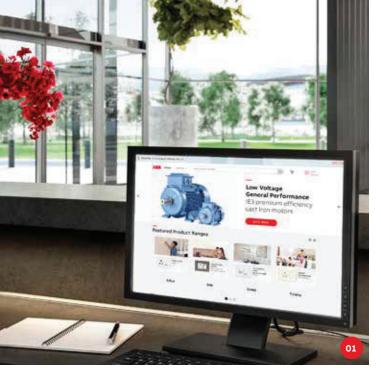


Number of employees



Gender diversity %







2020 Milestones

01

Launched online marketplace ABB eMart with over 6000 products from Electrification, Motion and Industrial Automation businesses

02

Introduced new products including a range of antibacterial switches 'Tvisha' and high output low voltage IEC induction motors

03

The Robotics and Discrete Automation Business Area inaugurated a new robotics facility with 2X testing capacity

04

Ensured safety and business continuity in the "new normal"

- a. Countrywide ABB India taskforce got into action
- b. Commissioned electrification solutions converting a training college into 100-bedded isolation ward for COVID hospital in 48 hours
- c. Enabled rapid scale up of medical technology companies sanitizer chemicals and x-ray machine components
- d. Ensured uninterrupted operations with on-site and remote technology service support for large petrochemical companies across India
- e. Remotely monitored and supported goods and breakdown locomotives in 10 locations for uninterrupted transport of essentials

05

Partnering Nation-Building Projects Pan India

- a. Contributing to critical infrastructure projects like the road tunnel, offering smoke venting motor for the Pandoh Takoli Highway (HP) and Mumbai Pune expressway tunnel ventilation
- Enabling Digital water management solutions for Koppal in Karnataka as part of the multi-village clean drinking water scheme
- Electrification solutions for sewerage treatment plants (STPs) in Patna contributing to the Namami Gange programme, an Integrated Conservation Mission for national river Ganga
- d. Leveraging ABB's technology for power and water distribution networks across smart cities of Surat, Ranchi, Indore, etc.
- e. Controlling and monitoring gas flow for tea estates in a northeastern state, with ABB's SCADA solution
- f. Supporting extension for the world's largest multistage lift irrigation project at Kaleshwaram (stage 1 & 2) and for phase 2 of Devadulla project in Telangana

06

Driving sustainable mobility

- a. Reliable 24x7 power distribution and traction technology for Agra & Kanpur Metro project
- b. Installed the first public DC fast charger in Delhi together with EV motors India, for BYPL

07

Joined hands with Lila Poonawalla Foundation to support 100 meritorious girls from underprivileged background with a scholarship and up-skilling program*

80

Awards

- a. Bagged the coveted "Technology of the Year-Generator' 2020 Award from India Wind Energy Forum (IWEF)
- b. Recognized for our D&I focus: Awarded for "Breaking New Grounds" at the Global Diversity Equity and Inclusion Summit 4.0 organized by AskInsights and Times of India group

*Picture from pre-Covid time







Country Management Committee



SANJEEV SHARMA Managing Director



TK SRIDHAR Chief Financial Officer



RAMANKUMAR SINGH Country Human Resources Officer



B GURURAJ Company Secretary



President – Electrification



SANJEEV ARORA President – Motion



Head of Energy Division **Process Automation**



SUBRATA KARMAKAR President - Robotics & Discrete Automation

Company Information

Board of Directors

Morten Wierod Chairman (w.e.f. 10.02.2021) Jean-Christophe Deslarzes Chairman (upto 10.02.2021) Sanjeev Sharma Managing Director Nasser Munjee (upto 24.07.2020) Darius E. Udwadia Renu Sud Karnad V K Viswanathan Diane de Saint Victor (upto 24.07.2020) Maria Rosaria Varsellona (w.e.f. 10.02.2021)

Chief Financial Officer and Chief Investor Relations Officer

T. K. Sridhar

Registrar and Share Transfer Agents KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad - 500032, Telangana

Audit Committee

V K Viswanathan Chairman Darius E. Udwadia Member Renu Sud Karnad Member Morten Wierod Member

Company Secretary and Compliance Officer

B. Gururaj

Bankers

Axis Bank Limited Bank of America, N.A. Bank of Bhutan Limited 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 Hongkong and Shanghai Banking Corporation Limited Yes Bank Limited

Stakeholders Relationship Committee

Darius E. Udwadia Chairman Renu Sud Karnad Member Sanjeev Sharma Member

Auditors

Messrs B S R & Co. LLP **Chartered Accountants** Embassy Golf Links Business Park Pebble Beach, B Block, 3rd Floor Off Intermediate Ring Road Bengaluru 560 071

Bengaluru - 560 070

Secretarial Auditors Messrs BMP & Co. LLP Company Secretaries

No. 926, 20th Main, BSK 2nd Stage

Corporate Identity Number L32202KA1949PLC032923

Nomination and Remuneration Committee V K Viswanathan Chairman Renu Sud Karnad Member Jean-Christophe Deslarzes

Member (upto 10.02.2021)

Corporate Social Responsibility Committee

Renu Sud Karnad Chairperson Sanieev Sharma Member Morten Wierod Member

Cost Auditor

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

Risk Management Committee

V K Viswanathan Chairman Jean-Christophe Deslarzes Member (upto 10.02.2021) Sanjeev Sharma Member T. K. Sridhar Member

Registered Office Plot No. 5 & 6, 2nd Stage Peenya Industrial Area IV Peenya, Bengaluru - 560 058 Karnataka, India





O2 Statutory Reports

_ 22_93

- 22 39 Business Responsibility Report
- 40 48 Notice to the Members
- 49 54 Directors' Report
- 55 92 Management's Discussions and Analysis and other Annexures to the Directors' Report
- MD / CFO Certificate





Business Responsibility Report 2020

Addressing and internalizing sustainability

As a corporate advocating sustainability across its value chain, the Company emphasized and put in action the need to navigate an increasing sense of urgency for almost all sustainability challenges. Impetus was to develop new and sustainable business models, improve risk management and business continuity and embed and Environment Social and Governance (ESG) in strategy.

As governments, businesses and societies addressed the challenges of a global pandemic during the year, there were valuable lessons learned collectively. The Company transformed the way it worked and behaved. The impact of the current pandemic prioritized a few aspects of sustainability before the others such as safety, security, personal hygiene and safe behaviors; so that the Company continues to safeguard its employees and those who work for it. Environmental issues such as climate change, water management and waste management continued to be focused on alongside side safety management of all its operations.

The Company has always taken a sustainable approach to business. Since the ABB Group founding more than 130 years ago, the Company has been pushing its boundaries of technology to help its customers make their operations more energy efficient and productive. As an employer, the Company has always taken its social responsibilities seriously - treating its employees and contractors fairly and respectfully and contributing to its community development.

Several policies and standards are in place to underpin its sustainability core values, covering business ethics and governance, the Code of Conduct, and policies such as the Group Social¹ and Human Rights² the Supplier Code of Conduct, the Company's Health, Safety Environment, Security, and Sustainability Policy (HSE)3 and Corporate Social Responsibility (CSR)4 policies respectively. These policies are further reinforced by various ABB Group directives, instructions and management systems which are mandated within the Company's operations, manufacturing locations, project sites and also on its vendors.

The Company continued to contribute to a sustainable world by its varied, unique business offering of pioneering technologies, products and services. The Company

through its offerings aided the nation in its sustainable development goals across critical domains such as smart cities, sustainable mobility solutions, automation, energy efficiency in essential manufacturing and utility sectors. The Company's in-house sustainability efforts were continued in various actionable projects to achieve its key sustainability performance targets.

Given the global pandemic, employees came together in spirit to walk the extra mile, collaborating with peers to find out new ways of continuing the business momentum. With continuous and systemic efforts from the leadership and local task force team, workplaces, specifically production factories were resumed in a phased manner in keeping with the government protocols, following a strict nationwide lockdown for close to three months. While travel restrictions continued for a large part of the year, the businesses strengthened their customer outreach, and ramped up their operations through digital means.

The Company was recognized for its diversity initiatives through two external platforms. In the end of the year, the Company won 'Technology of the Year' Award for wind generators from India Wind Energy Forum (IWEF).

The Company's Energy Industries division partnered with India's No.1 gas utility GAIL Gas Limited to install ABB's Supervisory Control & Data Acquisition System (SCADA) technology to ensure efficient, reliable and stable gas supply in the city of Bangalore, as part of the City Gas Distribution Project. Assam Gas Company Limited (AGCL) has also chosen ABB's SCADA technology to monitor and controls gas flow across tea estates and select industrial customers, in six districts of upper Assam.

The Company also launched eMart with a range of Electrification and Motion products to provide customers with a convenient way to shop. Expanding its portfolio with high-output series motors, the Company also launched a new range of M3BP motors for its industrial customers in India. Reassuring customer confidence, the Company continues to make investments in expanding its digital footprint. The Robotics and Discrete Automation business area got a new facility with double the production capacity, a shop-floor and in-house Customer Experience Centre during the year.

The ABB Way an evolution from its previous operating model which was discontinued, the ABB matrix structure has shifted responsibility and accountability to the

¹ https://new.abb.com/sustainability/social-policy

² https://new.abb.com/sustainability/human-rights-policy-and-statement

³ https://new.abb.com/docs/librariesprovider19/default-document-library/hse-policy-poster 24-x-32-in v5.pdf?sfvrsn=2

⁴ https://new.abb.com/indian-subcontinent/investors/corporate-governance/india-corporate-social-responsibility



business. The Company in line with the Group is continuing this journey by empowering its business divisions with full ownership and accountability for their respective strategies, performance and resources including that of HSE/ Sustainability. The Divisions report to the four Business Areas, which are responsible for governance, performance and portfolio management, and management of selected, shared resources, such as R&D and digital.

The HSE and Sustainability Affairs function of the Company sets the strategic direction and delivers effective, efficient services that embed health, safety, environment, security and corporate responsibility in sustainable business practices.

Sustainability goals and targets

The ABB Group launched its renewed sustainability strategy 2030 focused on balancing the needs of society, the environment and the economy to create success for all its stakeholders. Main sustainability targets have been

set and the Company strives to achieve all targets by 2030. Its goal and targets are mainly under three main groupings:

1. To enable a low carbon economy

- · Carbon neutrality in own operations
- Support customers in reducing annual CO₂ emissions by >100 Mt
- · Supply chain emission reduction

2. To preserve resources

- 80% of ABB products and solutions covered by circularity approach
- · Zero waste to landfill
- · Supplier sustainability framework

3. To promote social progress

- Zero harm to the Company's people and contractors
- Comprehensive D&I framework; 25% women among ABB leaders
- Top-tier employee engagement score in the industry
- Impactful support for community building initiatives

The ABB Way management system developed by the ABB
Group aims to conduct the tasks and the inter-related processes of the Company's business in the same way to achieve the objectives and create a culture of continual improvements for Health, Safety, Environment, Security, energy efficiency and Sustainability for the Company.

The new management system that was introduced is based on ISO 45001 and ISO 14001 standards have been implemented at all ABB workplaces of the Company (plant, customer sites, project sites and offices). Progress

The follotication of the Company to achieve the objectives and the inter-related company to achieve the objectives and create a culture of continual improvements for Health, Safety, Environment, Security, energy efficiency and Sustainability for the Company.

Suppliers Investors

Suppliers Investors

Company Company (plant, customer sites, project sites and offices). Progress

At the Company, Country Sustainability Boards have been established to uphold good sustainability governance and assure compliance with local legislations and ABB Group standards and customer expectations. The Company Boards also discuss, review and monitor every quarter on key sustainability performance indicators and decide on action plan if any to achieve the same.

against the set targets is constantly monitored through internal systems and process along with online reporting

channels. Performance is being reported externally in the ABB annual Group Sustainability Report⁵ which is

consolidated as per GRI guidelines. The Company publishes the Business Responsibility Report (BRR)⁶ as per SEBI's requirement for disclosure on key

Listening to and engaging with its stakeholders

sustainability indicators.

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 employees – have been increasingly asking about different aspects of sustainability performance of the Company. This has helped it to understand its priorities as well as on areas of sustainability that are material to its business success.

In recent years ABB at the Group level has been carrying out surveys with stakeholders that impact its sustainability strategy and priorities as the organization is going forward. Consultations with both external and internal stakeholders both at the global and Country levels were instrumental in developing the ABB Group Sustainability Strategy 2030.

Stakeholder dialogue

The ABB Group has produced a systematic approach to holding an effective sustainability stakeholder dialogue. A guidance note defines the aims and scope of a stakeholder dialogue and provides tips on how to maximize the benefits of such a meeting. A tool has also been created by the ABB Group to help record the details of the meeting, the main areas for discussion and potential follow-up measures.

The following are the key identified stakeholders of the Company:

Business	Government	Civil society
Customers	Government and regulators	International organizations
Suppliers	Legislators and the law	Local communities
Investors	Trade bodies	Academia and scientific community
Employees		Media
Competitors		NGOs and civil society organizations, trade unions

Caring for the health of its employees

Unprecedented pandemic that took priority in year urged the Company to focus on the physical and mental health of its employees. The Company prepared guidelines for international travel as soon as the virus spread started in China. It devised COVID-19 control guidelines, self-declarations forms, travel restrictions, guidance notes, guidelines for timely testing to prevent the spread of infection at the Company. The Company aligned itself with Govt. of India protocols in terms of lockdown and other restrictions to keep its workforce and societies safe.

Telemedicine and COVID-19 care packages were given to employees and their family members to get timely advice on various health issues without visiting hospital and 14 days monitoring by the Company's physician and nutritionist for COVID positive cases was organized. Employee assistance services were mobilized by the Company for utilization of services by employees and their family members to deal with anxiety associated with the pandemic and for other personal, mental health related issues. The Company also supported its employees with special insurance packages to support with COVID-19 related hospitalizations.

Health awareness and health promotional programs continued to be rendered by occupational health professionals at the Company on various platforms during the year. A total of around 168 hours of health and well-being related trainings were imparted to the Company's employees and contractors.

Safeguarding its employees and working environment

The Company focused its efforts pre-dominantly during the year, assisting and encouraging employees, business teams, vendors and various stakeholders on adhering to practices for human safety and safe working conditions during the pandemic. Key activities were on enforcement of guidelines developed, assisting and encouraging the business teams in their efforts to assure safe and healthy working conditions; providing information, education and

training on topics of the pandemic, its causes, symptoms, impacts and protective measures. Customized guidance documents and protocols were prepared that contained recommendations as well as descriptions of mandatory safety and health standards for work places, plants, offices and locations for COVID-19 and the needed personal behavior to safeguard employees and those who work for the Company during the times of a pandemic.

Focus was also given for continuity planning as the Company understood that the lack of it could result in a cascade of failures to address challenges of COVID-19 with insufficient resources and workers who might not be adequately trained for jobs they may have to perform under pandemic conditions. Additional guidance as needed were prepared as COVID-19 outbreak conditions were changing, including new information about the virus, its transmission, and impacts, became available.

During the year, the global HSE management system was implemented across the businesses. Utmost importance was on hazard resolution, behavior-based safety and leading from the front. The global reporting system was also revamped with emphasis on environmental and sustainability, alongside safety and hazards reporting. Due to the ongoing pandemic in the year, the Company's flagship behavioral safety implementation program by people managers namely Sustainability Observation Tours (SOT) was severely impacted. Being a technology driven Company, it quickly revamped its capabilities and conducted SOTs digitally and has clocked a total of 4176 SOTs and with a SOT rate of 4.55 SOT/manager; which was higher than the previous, indicating the Company's ultimate management commitment on safety.

Customized country specific HSE programs that has been in place for the past few years supported the Company to reduce the number of incidents over the years and the trend followed in 2020 as well. Senior management involvement was relentlessly continued - weekly meetings on safety and special country task force meeting on COVID-19 continued. These act as an apex governance mechanism giving speed to HSE decision making process. The Company continued engaging with its shop floor employees and contractors through mandatory collaborative meetings and captured their feedbacks. This has helped to reduce its incident numbers year after year.

Despite challenges due to COVID-19 and subsequent lockdowns in the country the Company responded proactively in a resilient manner by putting state-of-the-art practices and making availability of Personal Protective Equipment (PPE) and other COVID-19 related materials; and trained resources to manage the situation. Where organizations struggled to maintain the right competencies in critical operation's, the Company due to its effective business continuity plan managed to plan and navigate this situation effectively. Despite the Company's HSE preventive programs and effective COVID-19 control, it had 2 serious injuries reported in 2020. Detailed

investigation has been carried out for both the cases by adopting new investigation methodology. (Note: ABB is continuously reviewing its internal procedures and updating the latest advancements in the field of HSE). This helped us to improve our incident prevention plan. The Company received a total of 19610 hazards during the year and 98.53% of the reported hazards were resolved during the year.

Caring for the environment

The Company has adopted a holistic approach towards environmental protection by continuously improving its performance at every step of manufacturing & across its value chain. Its strong commitment towards sustainability is led by its sustainability policies and long-term action plans. In order to reduce the negative environmental impact of its operations and further strengthen its risk management approach, all of the Company's facilities have been certified with ISO-14001:2015 and ISO-45001:2018 standards. The Company also follows the Group "ABB Way" standards to internally enhance and streamline the environment management system.

Going beyond compliance

Environmental legal compliance is of critical importance and therefore, the Company monitors legal compliance on a real-time basis through its legal compliance monitoring tool. To keep up the pace with the changing regulations, the Company also monitors new regulation/requirements on a defined frequency. Periodic review is carried out to confirm its adherence to all legal requirements and necessary compliance actions are undertaken to ensure 100% compliance at any point of time. With a robust system in place, there were no monetary fines/ penalties for environmental non compliances paid by the Company during the year.

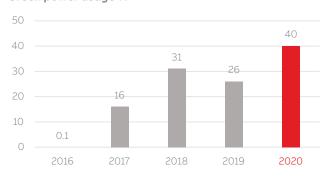
Towards carbon neutrality

Considering the increasing energy demand and its environmental implications, the Company has adopted various energy optimization techniques to conserve energy and reduce greenhouse gas emission at its operations as well its value chain. The national solar mission and various industry friendly government policies on renewable energy facilitated the Company to enhance its green energy usage through various power trading platforms and in-house solar panel installation during last year.

Aligning with ABB Group-wide sustainability objectives - 2020, the Company has reduced more than 40% of its

greenhouse gas emissions from its manufacturing plants from a 2013 baseline. During the year, several major renewable energy improvement projects were taken up at its Nashik and Faridabad plants where, in-house solar panel installation, green energy procurement through power trading platforms and Purchasing of Renewbale Energy certificate (REC) has contributed in overall greenhouse gas reduction of 5674 Ton CO₂e.

Green power usage %

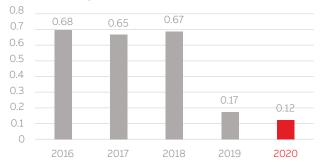


The Company sourced around 40% of green power out of total electricity requirement of 17024 MWh for its manufacturing plants. Besides this, it also initiated several energy efficiency improvement activities at its manufacturing units such as replacement of conventional lighting with LEDs, light sensors installation, compressor efficiency improvement to further reduce its carbon footprint. It has further plans to increase its renewable energy usage wherever possible and thereby further reducing its carbon footprint.

Contributing towards reducing water footprint

Considering the global water scarcity issues and national water mission, the Company has been fully committed towards conserving water and reducing its environmental footprint. The Company's manufacturing units consume water mainly for domestic purposes, whereas, small quantities are being used for process as well as cooling purposes. During the year, total water withdrawal for its manufacturing plants was around 0.12 million m³, 30% lesser compared to last year. The Company has been promoting water recyclability approach by treating

Water consumption (Mil. M3)



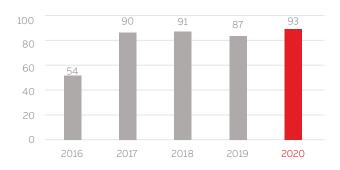
its domestic as well as industrial wastewater through efficient Sewage Treatment Plant (STP) and Effluent Treatment Plant (ETP).

In order to further achieve self-sufficiency over freshwater intake, the Company has also initiated rainwater harvesting and reuse of the same at its Nashik unit. Several other initiatives were also taken to reduce freshwater consumption such as sensor-based installation for water taps, water efficient fixtures installation etc.

Waste management and efficient use of resources

Considering the over-exploitation of limited natural resources and related risk to the natural environment, the Company is committed towards resource conservation and waste minimization at source with its effective waste management strategy based on reduce, reuse and recycle approach.

Waste Recyclability %



The Company strives towards reducing the consumption of its resources from its operations through effective utilization of resources with continual improvement. Various In-house initiatives were taken to recycle the packaging materials & wooden waste. During the year, 93% of the total waste was recycled through authorized recyclers and remaining disposed through State Pollution Control Board approved landfill/incineration facilities. Aligning the Company's activities with the ABB Group sustainability commitment 2030, the Company is in the process of further reducing non-recyclable waste to achieve zero waste to landfill.

ABB Group uses a process called the ABB Gate Model for product and technology development. Sustainability aspects are built into this model and includes a standardized Life Cycle Assessment (LCA) procedure. The ABB Group also develops Environmental Product Declarations (EPD) to communicate the environmental performance of core products over its entire life cycle. EPDs are based on detailed LCA studies conducted using the LCA model and declared according to international standard ISO/TR 14025. LCA and EPD are co-ordinated and reached at the ABB Group level. Thus far, the ABB

Group has conducted for over 70 ABB products and these also have environmental product declarations (EPD). EPDs provide quantitative information on all concerned aspects in comparable terms, for example energy used, resources, materials used, global warming effects and use of non-renewable resources in each one of the phases. LCA and EPD are coordinated and reached at the ABB Group level.

Sustainability across the supply chain

ABB leverages its business relationship to ensure a responsible working environment to the eco system of direct and indirect stakeholders. This includes the partners in supply chain who share considerable footprint in the product value chain.

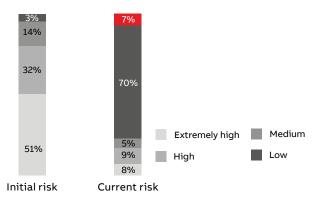
The ABB Supplier Code of Conduct (SCoC) defines the requirements from the suppliers, covering human rights, fair labor conditions, business ethics, health & safety, environment & material compliance etc. The Company considers its suppliers as business partners and requires that they conduct their business in consistence with the standards and principles of the Company.

The Company has also defined procedures, which prescribe regular activities of supply chain teams. Supplier Sustainability Development Program (SSDP) is being implemented to ensure sustainable sourcing. The goal of the SSDP is to ensure compliance with ABB Supplier Code of Conduct, support continual improvement of the sustainability performance of suppliers and to provide customers with a highly competitive and sustainable supply chain. As the Company buys from a huge number of suppliers, it prioritizes some suppliers based on geographical risk, commodity risk, spend volume and business criticality in each year for the program. The whole process involves supplier communication, training, onsite assessment, monitoring and follow up till closure. Onsite assessment and/or follow up audits are being done by internal qualified lead assessors and/or by external third party auditors. The key topics covered during the assessments are general management, labor rights, social benefits, health, safety and environment. The Company also extends post audit technical support to the suppliers to close the findings and to ensure that they are not left alone in their development journey.

2020 was a special year due to ongoing COVID-19 pandemic. It has posed a huge challenge for the Company due to travel and gathering restrictions. The Company recalibrated its plan to move things digitally. All preassessment supplier trainings were conducted on virtual tools. A guideline was prepared to conduct virtual assessments where physical movements were limited/restricted. Virtual assessment needs IT infrastructure including but not limited to stable Wi-Fi throughout the facility, system with good front and rear camera etc.

at supplier end. Some of the suppliers are small and medium scale and were not equipped fully with such tools. On the other hand, many supplier factories were operating with very limited manpower and were not ready for an assessment. Hence, the number of assessments were relatively less compared to previous years.

Starting from 2021, we plan to replace SSDP with Sustainable Supply Base Management (SSBM) with increase in scope. More details are being worked out. In India, 24 suppliers have been trained on sustainability requirements. 11 suppliers were assessed for such requirements during 2020.



	Extremely High	High	Medium	Low	De-sourced
Initial risk	51%	32%	14%	3%	
Current risk	8%	9%	5%	70%	7%

*cumulative figures (2010-2020)

This program helped the participating suppliers to 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 2010 to 2020, before and after corrective actions under the SSDP). In 2020, 03 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.

Advocacy, aid and corporate responsibility bodies

The Company is a member of the following industry associations:

- 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

The Company's human resource function continued to help ABB to achieve its strategic mission, while ensuring that the employees remained engaged and motivated, amidst the global transformation efforts. Its people strategy remained aligned with the Company's overall ambition to be a pioneering technology leader while ensuring that employees stay focused in the marketplace and continue to delight its customers with exceptional product and service delivery. The function ensured that the transformation was carried out with sharp focus on the objectives and with high degree of collaboration across local and global business units and functions. This will position ABB to be more competitive and responsive in the market and help grow the business at a much rapid pace.

During the year, the Company has consistently set a clear path to learn and adapt to perform better in the changing market situation. The Human Resource strategy supported this with its focus on enhanced performance orientation, a comprehensive talent strategy to hire, engage and develop talent and enabling a culture that fostered collaboration, risk taking and above all a culture that is value based. Apart from various global leadership programs and soft skills development programs, new initiatives like LEAD and RISE were launched this year. While the LEAD program focused on grooming high potential talent to enhance their career growth opportunities, RISE development program was focused on developing exceptional women leaders within the organization. Overall, the team delivered 5862+ mandays of behavior and leadership training during the year. The Company has also achieved 2.6 person days of learning. There was continued focus on creating a more diverse and inclusive (Diversity & Inclusion) workplace, where individual differences are appreciated and where we all unite to write the future together. Throughout the year, multiple initiatives were launched to strengthen the diversity and inclusion objectives of the Company.

The Company was recognized as 2020 "Exemplar of Inclusion award" in the Most Inclusive Companies in India (MICI) Index and "Top 100 Best Companies for Women in India "by Working Mother & AVATAR - the power of Diversity in 2020 or all the initiatives around the D & I Journey. We were also awarded the award for "Breaking New Grounds" at the Global Diversity Equity and Inclusion Summit 4.0. The honor by AskInsights and Times of India group recognizes the efforts and commitment in initiating the D&I journey to create an Authentic and Inclusive Workplace. This year we were also awarded the 'SheMaker - Corporate Evangelist 2020 Award' from People Konnect.

ABB globally had introduced the Engagement survey in 2019 to help develop a culture of collaboration, open feedback and dialogue at ABB. This year, the survey had a much higher response rate of 85 percent compared to last year, there is also a significant improvement in overall employee engagement score by 4 points to 79. What was even more heartening was the positive scores

on the areas of integrity, safety, pride, role clarity, customer focus and response to pandemic.

People and development

People development, being the integral part of the Company's vision to become a world-class learning organization known for developing world-class leaders and mission is to strengthen ABB's ability to achieve goals by developing exceptional leaders and grooming the employees. The Company offers Corporate Leadership Learning Programs (CLLP), Critical Soft Skills (CSS), Customized Targeted Learning Programs (CTLP) and Soft Skills Development (SSD) programs. The CLLP is targeted towards leadership skills, for developing a high performing team, building relationships, integrating leadership and management, building collaborative culture and driving innovative change, thus creating a learning ecosystem. Hipotentials, first line managers, middle managers, senior leaders and executive leaders are part of these programs. CSS programs are extensively focused on skills like, Agile learning, Language training, Diversity & Inclusion and Digitalization. CTLP is targeted for Hi-Pots in the organization by giving them an outside-in perspective and involves internal and external learnings. programs are catered to all permanent employees of the Company which covers the scope of all the soft skills training required to do the job in a better way.

During the year, the Company introduced new initiatives like:

- AMEA Classroom in The Air (CiTA) which focused on different topics of which is a continuous learning resource for all the employees in AMEA for which employees could join on voluntary basis
- Focused learning for HR Business Partners thus enabling them as a Strategic partners
- Wednesday Learning Snippets (WLS) e-Learning via Learning Management System (LMS) was incepted covering the entire population of India, Bangladesh and Sri Lanka
- Other initiatives of LEAD and RISE continued its momentum during the year
- Apart from these learning programs, Organizational Development (OD) interventions like Building Connect, Change Management, Feedback Giving & Receiving, Leadership Learning Series and Mentoring, were customized and catered as per business needs

Though it was an extraordinary pandemic situation, there were lot of virtual programs facilitated, covering 4295 employees (95.91%) of total head count of India, saving 79.5% cost and 185.1% increase in learning hours as compared to earlier years. The learning hours hit a record of 93,150 overall marking 2.6 person days of learning. This translated to every employee in India undergoing approx. 21 hours of learning during the year.

S.N	Key human resource data of the Company for the year*	2020
1	Total number of permanent employees	3255
2	New employees added to the Company in the year	201
3	Apprentice / Interns / Trainees	406
4	Total number of employees hired on contractual basis	259
5	Of these how many were women	247
6	Number of permanent employees with disabilities	6
7	Recognized employee association	Yes
8	Percentage of permanent employees who are members of the recognized association	11.33%

Diversity and inclusion (D&I)

ABB strives to create an environment that brings power of diversity to life; where people with different backgrounds and experiences thrive in both their professional and personal lives. The Company welcomes different ways of thinking and acting, different qualities and skills, different experiences and backgrounds and values them because it is dedicated to being inclusive, recognizing and respecting all aspects of difference. The Company continued its focus on the Women Leadership Development program RISE. It launched learning interventions in enabling teams to deal with their "Unconscious Biases" etc. The D&I councils established further anchored their D&I initiatives by owning and driving the agenda for each business line.

During the year, the Company had about 15% female university recruits. With proactive programs that ensure a full range of support policies, benefits and flexible work options, the Company strives to foster an inclusive and representative workplace where all employees feel wholly welcome. The Company had a 7.6% diversity mix in the year for regular employees

Continuing its journey to address D&I, the Company was acknowledged and recognized for its consistent commitment for being gender inclusive across corporate operations and processes and won several awards. The Company was mentioned in 'the 2020 Working Mother & AVATAR 100 Best Companies for Women in India' list as well as the 'Exemplar of Inclusion 2020' by Working Mother & AVATAR, Most Inclusive Companies in India (MICI) Index. It was awarded "Breaking New Grounds" awards at the Global Diversity Equity and Inclusion Summit 4.0. The honor by AskInsights and Times of India group recognizes its efforts and commitment in initiating the D&I journey to create an Authentic and Inclusive Workplace and received the SheMaker - Corporate Evangelist 2020 Award from People Konnect.

Recognizing Human Rights

ABB recognizes that respect for human rights is a material issue and that failure to do so can cause harm to people and adversely affect its business, with potential legal, financial and reputational consequences. ABB has had its Human

Rights policy in place since 2007 and is trying to operationalize the set principles in daily performance.

Human rights issues are well understood and managed in the Company and along its value chain. ABB's actions are guided by the knowledge that human rights impact every link in the value chain. Everyone who works for the Company, either as a direct employee or indirectly through its supply chain, are expected to behave with respect for the dignity of the individual and for the importance of each individual's human rights. In line with the ABB Group, the company fully acknowledges its responsibility to abide by the International Bill of Human Rights and is committed to implementing the UN Guiding Principles on Business and Human Rights. In addition, the ABB Supplier Code of Conduct, the ABB Policy Combating Trafficking in Persons, and ABB Human Rights Policy emphasize that ABB does not tolerate modern slavery or human trafficking.

The ABB Group's 2020 set its target to conduct two training campaigns per year for employees on Human Rights; whose roles expose them to Human Rights risks. The Company's managers and specialists who support and guide businesses in the areas of health, safety, environment, security and corporate responsibility were rendered trainings, and capacity building exercises on Human Rights. Also specialist training was rendered to the regional co-ordinators of ABB's Supplier Sustainability Development Program (SSDP), enabling them to better support their local SSDP colleagues and suppliers in program implementation, risk analysis and problem solving. Additionally, the Company has started work to incorporate Human Rights topics into the competence development programs for ABB's marketing and sales managers.

Fostering a culture of integrity

The Company understands that its strength and future success depend on this long-standing, hard-earned reputation as a trusted and reliable business partner. During a crisis, the Company realized that integrity is essential to bring about a strong and inclusive economic recovery.

The Company is committed to transparency and integrity, in accordance with the ABB Group values and principles, promoting social progress and continuous improvement. Integrity and transparency are the center of ABB's governance framework. This framework is underpinned by five integrity principles in the updated Code of Conduct (CoC), which serves as the guide to do the right thing and follow the law, act honorably and treat each other with respect - and never retaliate against those who speak up. These policies apply not just to employees but also suppliers, partners and customers, who can all raise concerns at any level of the organization.

The Company emphasizes on the importance of fostering an inclusive culture that allows employees to exercise their voice and speak up when they have questions or concerns. The Company understands and provides a culture of transparency to speak up and empowers everyone to work with utmost integrity, stand up to wrongdoings and other unacceptable practices, and be the cause for change.

Along with the four values of Courage, Care, Curiosity and Collaboration, ABB's Code of Conduct (CoC) has five integrity principles that provides a guide to everyday behaviors of all the Company's employees. The COC has been customized and is available from the ABB's CoC mobile. The ABB CoC is also the foundation of its commitment to ethical behavior and human rights.

The ABB Group has an Integrity program that uses a systematic approach, designed to foster a culture of Integrity and compliance. The Company's Integrity team is led by Country Integrity Officer supported by a central team in ABB Group for critical integrity related matters. The program works around three areas of Prevent, Detect and Resolve.

The ABB Group directive with its standards and policies serves as a strong set of internal controls. Bribery and corruption are prohibited in all business dealings, whether with public officials or private sector business partners. As a rule, facilitation payments are not permitted. Mandatory, substance-based due diligence is carried out prior to the appointment of ABB representatives, such as third-party agents. Centralized, transparent approval process with appropriate controls over performance is ensured prior to any payments. Political and charitable contributions are subject to detailed internal policy and controls. Gifts, entertainment and expenses policy defines thresholds, approval processes and their documentation, with additional controls for public officials. Agreements with subcontractors and consortium partners are aligned with the Company's commitment to integrity in the performance of the contract, including commitments not to violate anti-bribery laws. The Company's suppliers are also required to maintain integrity standards which are satisfactory to the Company and all suppliers are to agree to the ABB Supplier Code of Conduct. Mandatory compliance, due diligence for any joint venture or acquisition target like Mergers and acquisitions is followed. Thorough integration strategy for the ABB integrity program is followed. All current and new employees of the Company are required to take face-to-face and e-learning training, and to acknowledge their commitment to adhere to the Code of Conduct. The Company maintains a regular re-acknowledgement process for the Code of Conduct by managers

The Company adheres to ABB Group 's Antitrust guidance notes, which is designed to address practical business situations and focus on specific topics which could raise antitrust concerns, including:

- Participation in trade association meetings
- Competitive intelligence gathering versus commercially sensitive information exchanges
- · Participation in benchmarking exercises
- · Pricing strategies

The Company's Anti-Corruption Policy is stated explicitly in the ABB Group directive on bribery and anti-corruption and emphasizes key components that are essential for ensuring strict compliance to anti-bribery laws but also refraining from corruption. 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.

There are several multiple reporting channels available to the Company's employees in case of detecting and reporting on integrity issues. Employees are encouraged to speak up and report integrity and compliance concerns and to seek guidance. All reports received are subject to appropriate investigation, follow up, and brought to full closure; through a systematic process and tracking system and the Company enforces a rigorous non-retaliation policy.

The Whistleblower Protection Policy of the Company creates a safe and confidential environment for employees to make such reports. This policy governs the reporting and investigation of alleged improper or illegal activities within the Company as well as the protection afforded to those employees who report them (the "whistleblowers"). In case of reported incidents, all reports are subject to appropriate investigation and are brought to full closure using systematic processes and tracking systems.

The ABB Business Ethics Hotline is available for employees to report integrity and compliance concerns or seek guidance. Toll-free calls are taken by an independent provider 24 hours a day, 7 days per week. (To reach ethics hotline, dial the country access code 000-117, when your hear the recorded message, dial the number 800-662-7219, or email to ethics.contact@ch.abb.com). Web-based reporting is also available. Stakeholder hotline for business partners is available (+41 43 317 33 66).

The Company has an Internal Complaints Committee for the prevention of sexual harassment as a part of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 that aims to provide protection against sexual harassment of women in the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidentals thereto. The Company has constituted the Internal Complaints Committee at each location and establishments (all locations where more than 10 women are employed). There was one sexual harassment case received by the Company in the year which has been investigated and final reports submitted to the management and there are no cases pending, as on the end of the financial year.

Caring for its Communities

The ABB's Group has a Social Policy that was adopted in February 2001. The Social Policy focuses on ABB in society, Human Rights, children and young workers, freedom of engagement, health and safety, employee consultation and communication, equal opportunity, harassment and disciplinary practices, working hours, compensation, suppliers, community involvement and business ethics. The policy draws principally on six sources:

- The Universal Declaration of Human Rights,
- · The UN Guiding Principles on Business & Human Rights,
- The International Labor Organization's Declaration on Fundamental Principles and Rights at Work,
- · The OECD Guidelines for Multinational Enterprises,
- The Global Sullivan Principles and
- The Social Accountability 8000 (SA 8000) standard

The Company in line with its set Corporate Social Responsibility (CSR) Policy undertook various community engagements with the intent of contributing to the vulnerable groups of the society. The pandemic during the year proved to be an extremely challenging time especially for those who already were in the perils of poverty. As the country was under lockdown during major portions of the year, the Company was persistently focused on providing the needed support to address the pandemic to the vulnerable groups of the society.

Activities pre-dominantly were around COVID-19, both financial and in-kind contributions. Financial support was extended to Central Govt. COVID-19 relief fund. The Company contributed critical hospital ventilator accessories, provided customized COVID-19 kits, Personal Protective Equipments (PPEs) to differently-abled and the needy and supplied dry ration and essential kits to children from Government schools.

Several innovative projects that were undertaken continued to run during the year, specifically in the area of access to electricity, differently abled and education, though activities slowed down for several months during the year. In the area of access to electricity, with an objective of rendering the Company's technical and product competency to the community, the Company continued its partnership with premier research organizations in the country to contribute towards frontier research in renewable energy and for implementation of smart/ micro grid for a village communities in the country.

In the area of education and differently abled, the Company's focus was to bring in more educational and awareness programs and to have continuity during the pandemic in terms of education. It partnered with organizations who could quickly move towards providing possible digital support to run these programs. The Company also increased its commitments in terms of women education and empowerment and added additional 30 young meritorious and deserving women towards its

women engineering scholarship program. The Company also provided critical general health care to its communities through it partners. The mobile health care units were accessible at the doorsteps of select communities and focused on COVID-19 awareness and provided access to basic health consultation during lockdown.

The Company also initiated a much-needed public road upgradation focusing on improving road safety, security, cleanliness and hygiene of selected road stretches in a dense industrial area. This large project will continue to be implemented in the following year to enable to complete a "model road" program under the lead involvement and leadership of the Company; that hopes to harness more neighboring companies to join the initiative.

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, the Company spent ₹12.77 Crores on CSR activities as stipulated under Schedule VII of the Companies Act, 2013. The total spend across various projects/activities is detailed in Annexure to the directors' report 2020 on Corporate Social Responsibilities (CSR) activities.

Engaging with its customers

The Company is a pioneering leader constantly pushing the boundaries of technology to drive performance to new levels. Working closely with industry, utility, transportation and infrastructure customers, the Company offers a unique combination of sector knowledge, technology leadership and digital expertise, to create real business value for the customers together with a superior and differentiated customer experience.

Amidst the pandemic, the Company further accelerated the use of technology and new forms of working for a digitally enabled customer engagement. A significant portion of the Company's interactions with customers happened digitally. Webinars with policy-planners, industry leaders, decision-makers and influencers offered a platform for the exchange of ideas and best practices across diverse business sectors and technology domains, providing an enriching experience to the various stakeholders. The Company proactively engaged with the customers on its wide array of eco-friendly and innovative products, systems and solutions, tailored to differing market needs, showcasing groundbreaking digitalization and collaboration technologies which enable customers to achieve new levels of flexibility, efficiency and performance, with solutions that are delivered safely, securely and sustainably. Further enhancing its digital outreach initiatives, the Company launched eMart, an online marketplace portal for B2B and B2C customer engagement. The Company also supported customers during the lockdown with remote commissioning assistance based on AR/VR technology. The Company's flagship Customer

Management Program (CMP) expanded deeper into targeted market segments, channels and geographies.

In order to equip engineers, operations and maintenance personnel and other employees of customers with up-todate technical expertise on existing and new products, processes, and technology advances, the Company conducted several training webinars. The training integrated best-in-class custom courseware and in-depth technical proficiency to increase the skill level and knowledge of the customer's workforce, increase their capability to respond quickly and efficiently in any given situation, optimize their operations and make their assets and businesses safer. Training covered a range of current and futuristic topics on power and automation engineering and digital technologies, encompassing the Company's complete offering and service portfolio.

To support business continuity in customer operations amidst the pandemic in 2020, the Company reinforced its Customer Contact Center setup with rapid response and resolution of their inquiries. Operating with the specific mission statement of making ABB easier and enjoyable to do business with by reducing customer effort and improving customer experience with ABB, the Contact Center provides an easy-to-reach contact point for those customers and other business partners who do not know where to turn to. It receives inquiries - which can be of any kind for any product, system or service - and routes them to the relevant business areas or functions within the Company for their swift response and resolution. The Contact Center is available on all working days during business hours and can be accessed via an all-India tollfree telephone number (1800 420 0707), email (contact.center@in.abb.com), web and live-agent chat.

The Company is committed to using input from customers to improve performance and for this purpose, it has embedded customer voice as an integral part of the Company's decision-making process. The Company has

adopted the Net Promoter Score (NPS) survey methodology to know how the Company is perceived by its customers. Net Promoter is both a loyalty metric and a discipline for using customer feedback to aid sustainable growth of the Company. The customers' response to the "recommend" question and the green card / red card feedback, tell the Company how it measures up to the customers' expectations, highlighting the areas where it has performed well and those where it needs to do better. The surveys are administered online through a web-based application. Data from the surveys are reviewed for analytical insights and direct action by the Company's various business areas, to actively and decisively effect the changes that the customers are recommended. The relational NPS surveys are held biennially to measure customer loyalty, based on long-term engagement between senior managers of customers and the Company. In addition, the Company also intensively uses transactional NPS surveys to get real-time, touch-point specific feedback from operational level customer staff for identification of improvement measures on a continuous basis.

In order to address any customer issues with the Company's offering and service portfolio, the Company has a set process called the Customer Care Response Process (CCRP). Most of the Company's customers deal with more than one business area in the Company. CCRP channels customer care topics and improves customer satisfaction by providing a single Company-wide common process and tool. It captures, documents, performs root cause analysis and ensures resolution of any type of customer dissatisfaction in a timely and qualitative manner. Solutions are implemented quickly, systematically and permanently with the objective of preventing future customer dissatisfaction and continuously enhance customer value. Customers are also given the opportunity to confirm if they are satisfied with the resolution provided and the way it was handled.



Links to policies and programs

Sustainability:

https://new.abb.com/sustainability

ABB Policy on Health, Safety, Environment, Security and Sustainability:

https://new.abb.com/sustainability/abb-policy-on-health-safety-environment-security-and-sustainability

HSE Policy (Company):

 $https://new.abb.com/docs/librariesprovider 19/default-document-library/hse-policy-poster_24-x-32-in_v5.\\ pdf?sfvrsn=2$

Social Policy (ABB Group):

https://new.abb.com/sustainability/social-policy

Human Rights Policy & Statement (ABB Group):

https://new.abb.com/sustainability/human-rights-policy-and-statement

Corporate Social Responsibility Policy (Company):

https://new.abb.com/indian-subcontinent/investors/corporate-governance/india-corporate-social-responsibility

Sexual Harassment of Women at the Workplace Policy (Company):

https://new.abb.com/docs/librariesprovider 19/default-document-library/policy-on-sexual-harassment-of-women-at-workplace.pdf?sfvrsn=2

Code of Conduct (Company):

https://global.abb/group/en/about/integrity/standards/abb-code-of-conduct

Supplier Code of Conduct (ABB Group):

https://new.abb.com/about/supplying/code-of-conduct

Corporate Governance (ABB Group):

https://new.abb.com/indian-subcontinent/investors/corporate-governance

Integrity Program (ABB Group):

https://new.abb.com/about/integrity

Supplier Sustainability Development Program (ABB Group)

https://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' Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 is attached to this report.

Business Responsibility Report 2020 (As per Regulation 34 (2) 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 office address	Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Peenya, Bengaluru - 560 058, Karnataka
4.	Website	https://new.abb.com/indian-subcontinent
5.	E-mail id	investor.helpdesk@in.abb.com
6.	Financial year reported	2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	 Manufacture of electric motors, generators and electricity distribution and control apparatus - 271 Manufacture of other electrical equipment - 279 Manufacture of electronic components - 261 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)	 Switch gear of all types Electronic control and supply units for variable speed drives for other applications Motors and other machines
9.	Total number of locations where business activity is undertaken by the Company	33
a.	Number of international locations (provide details of major 5):	1, Sri Lanka
b.	Number of national locations:	09 Factories 23 Establishments
10.	Markets served by the company - local/state/national/international	Asia, Middle East, Africa, Europe and Americas

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up capital (INR)	42.38 Crores
2.	Total turnover (INR)	5820.95 Crores
3.	Total profit after taxes (INR)	219.22 Crores
4.	Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	2.0%
5.	List of activities in which expenditure in 4 above has been incurred	: Refer CSR report attached to the Directors' Report

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	As on December 31, 2020 the Company had no Subsidiary
2.	Do the Subsidiary Company/Companies participate in the BR 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.	DIN number	07362344
2.	Name	Sanjeev Sharma
3.	Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1.	DIN 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?	Few of the policies have been approved by the Board and other Group policies are adopted by the Company.					her ABB			
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	/ The Company is having a committee for CSR, Sexual Harassmel Women at the Workplace. For the other policies, the Company is had adequate internal control on its review and implementation.								
6.	Indicate the link for the policy to be viewed online?				ection o ne detaile				ny Polic	ies and
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:

No.	Questions	P1	P2	Р3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the principles									
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)									

(Tick up to 2 options)

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	3-6 months. The Company has the quarterly sustainability reviews scheduled at the Board level.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	

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.	There were 67 investor grievances received, during the year and all of them have been satisfactorily resolved.
	Principle 2	
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
2.		LCAs have been conducted for over 70 ABB Global products such as low voltage circuit breakers, gas insulated switchgears and current relays and these also have environmental product declarations (EPD)
	(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

(including transportation)?

Does the company have procedures in place for sustainable sourcing Yes. The Company has set procedures to select suppliers, contractors and service providers based on their competence and capability to undertake tasks and in compliance with the ABB's Supplier Code of Conduct which includes health & safety, environment, ethics & integrity, human rights, working conditions among others. As a guiding principle, the Company prefers to do business with compliant and sustainable suppliers.

> The Company has set procedures in place for sustainable transportation as well. At the time of qualification to become the Company's supplier, the vendor is assessed across set sustainability matrices.

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. In the scope of this program, the Company trained both suppliers and Company employees, and carried out supplier audits to identify improvement in the areas of general management, working hours, remuneration, social benefits, health and safety, environmental protection etc.

Yes. 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 upon. key sustainability aspects that are reviewed for selection include: HSE policy and training programmes of the vendor, compliance to internal and external certification of the operations staff of the vendor for HSE training to ensure their HSE competencies prior to commencement of work, following PPE 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's RoHS, REACH compliance and to ABB List of Restricted and Prohibited Substances for supplier qualification.

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

All of the Company's vendors mandatorily go through a stringent evaluation and qualification criteria before they are registered within the Company. The qualification procedures include all aspects of sustainability performance.

Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

The Company has moved towards a centralized procurement team and all of its vendors and suppliers need to meet with the set of qualification requirements of the Company.

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company has analyzed and identified the most common issue of its suppliers as "lack of knowledge in legal requirements related to factory" during sustainability assessments. To address this issue systematically, three one-day workshops on the topic were organized at manufacturing locations of the Company in Nashik, Vadodara & Faridabad for its suppliers. Training materials on the above subject have been made available to suppliers to expedite their learnings including that of local and small vendors

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

6.

1. Please indicate the total number of employees. 3255

Please indicate the total number of employees hired on temporary/ contractual / casual basis.

New employees added in the year: 201 Apprentice / Interns / Trainees: 406 Employees hired on contract basis: 259

- 3. Please indicate the number of permanent women employees.
- Please indicate the number of permanent employees with 6 disabilities.
- 247
- 5. Do you have an employee association that is recognized by Yes
 - management?
 - What percentage of your permanent employees is members of this 11.33% recognized employee association?
- financial year and pending, as on the end of the financial year.

Please indicate the number of complaints relating to child labour, There was 1 sexual harassment case received by the Company in the forced labour, involuntary labour, sexual harassment in the last year which has been investigated and final reports submitted to the management and there are no cases pending, as on the end of the financial year.

No.	Category	No. of complaints file financial year	d during the	No. of complaints filed, pending on end of the financial year	
1.	Child labor/forced labor/involuntary labor	0		Nil	
2.	Sexual harassment	1		0	
3.	Discriminatory employment	0		Nil	
8.	What percentage of your under-mentioned safety & skill up-gradation training in the last		training and skill up	Company's employees underwent safety related ogradation. A total of 40467 hours of health, safety,	
	(a) Permanent employees		environment trainir	ngs for employees and contractors was conducted.	
	(b) Permanent women employees		During the year, the	e average HSE training hours / employee was: 12.43	
	(c) Casual/Temporary/Contractual employees	5	depending on the won their job risk pare provided to upprofiles of employe During the year 2	9133 hours of safety trainings were clocked for	
	(d) Employees with disabilities		Training on various with disabilities	s aspects are given to employees including persons	
	Principle 4		with disabilities		
1.	Has the company mapped its internal and ves/No	external stakeholders?	Yes		
2.	Out of the above, has the company identific vulnerable & marginalized stakeholders.	ed the disadvantaged,	Yes		
3.		inalized stakeholders?		undertakes its CSR activities for disadvantaged, nities including focus on disability sector and assists lopment.	
	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?				
2.	How many stakeholder complaints have bee financial year and what percent was satisfar management?	·		stors' complaints received during the year and all of solved during the year.	
	Principle 6				
1.	Does the policy related to Principle 6 cover extends to the Group/Joint Ventures/Supplier others?		• •	to all – Group, Joint Ventures, Suppliers, Contractors,	
2.	Does the company have strategies/ initiati environmental issues such as climate change Y/N. If yes, please give hyperlink for webpage	, global warming, etc.?	ABB Group's statem https://new.abb.co	nent on Climate Change and Global Warming: om/sustainability/environment/abb-statement-on- d-global-warming	
			https://new.abb.c climate-change	om/betterworld/how-abb-technology-mitigates-	
			https://new.abb.co	om/sustainability/environment/energy-and-climate/	
3.	Does the company identify and assess porisks? $\ensuremath{\text{Y/N}}$	otential environmental	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 technology, energy efficiency, renewable er please give hyperlink for web page etc.			om/mission-to-zero	
6.	Are the Emissions/Waste generated by the permissible limits given by CPCB/SPCB for treported?		Yes		
7.	Number of show cause/ legal notices receivhich are pending (i.e. not resolved to satisfinancial 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 (IEEMA) (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)	
	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 key foca areas for its social development projects.
2.	Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?	, ,
3.	Have you done any impact assessment of your initiative?	Needs assessment is undertaken for large projects prior to the Company's community intervention. Impact assessment will be taken up for large projects.
4.	What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?	
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.	The Company has continual interactions with the relevant stakeholders so that its interventions are sustainable and are accepted and adopted by key stakeholders. In the current year, the Company provided financia and in-kind contributions towards addressing Covid-19 activities in the country. Other activities were taken up based on national, local guidelines to conduct activities in communities as possible.
	Principle 9	
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year?	Total number of customer complaints received during the year: 3621 Percentage of customer complaints which are open at the end of the
		year : 0.18%
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)	
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes.

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' Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 is attached to this report.

Notice

NOTICE is hereby given that the SEVENTY FIRST ANNUAL GENERAL MEETING of the Members of ABB India Limited will be held on Wednesday, April 28, 2021 at 11.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") 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, 2020, (ii) the Audited Statement of Profit & Loss 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 the Board of Directors and the Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a dividend of ₹5/- per Equity Share of ₹2/- each for the Financial Year 2020.

Item No. 3 - Appointment of a Director

To appoint a Director in place of Mr. Morten Wierod (DIN: 08753868) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

Special Business:

Item No. 4 – Appointment of Ms Maria Rosaria Varsellona as a Director.

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

"RESOLVED THAT Ms Maria Rosaria Varsellona (DIN: 08892891), who was appointed as a Director by the Board at its meeting held on February 10, 2021 pursuant to Section 161(4) 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) read with Article 143 of the Company's Articles of Association to fill in the casual vacancy caused by the resignation of Mr. Jean-Christophe Deslarzes (DIN: 08064621), as a Director before the expiry of his term of office, and in

respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation; Ms Maria to hold office upto the date to which Mr. Deslarzes in whose place she is appointed would have held office if he had not resigned."

Item No. 5 - Approval of remuneration to the Cost Auditor of the Company for Financial Year 2021

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the payment of remuneration of ₹23,00,000/- (Rupees Twenty Three Lakh Only) per annum plus applicable taxes and out of pocket expenses actually incurred during the course of audit to Ashwin Solanki & Associates, Cost Accountants (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 Financial Year ending December 31, 2021, be and is hereby approved.

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 10, 2021

Registered Office: Plot No. 5 & 6, 2nd Stage Peenya Industrial Area IV, Peenya Bengaluru - 560 058 Karnataka, India CIN: L32202KA1949PLC032923

Notes:

- This AGM is convened through Video Conferencing ("VC")/Other Audio-Visual Means("OAVM")pursuant to General Circular numbers 14/2020, 17/2020, 20/2020 and 2/2021, dated 08.04.2020, 13.04.2020, 05.05.2020 and 13.01.2021 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/ HO/CFD/CMD1 /CIR/P/2020/79 and SEBI/HO/CFD /CMD2/CIR/P /2021/11 dated 12.05.2020 and 15.1.2021 respectively, issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as 'Circulars'), which allow the companies to hold AGMs through VC/ OAVM.
- 2. In compliance with the aforesaid Circulars, this AGM Notice along with the Annual Report for the year 2020 is sent only through electronic mode to those Members whose E-mail addresses are registered with the Company / Depositories. The AGM notice and Annual Report of the Company are 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. The Company has published a Public Notice by way of advertisement in Kannada Language, the principal vernacular language of Karnataka and in English language in an English newspaper with the required details of 71st AGM, for information of the Members.
- The Company has availed the services of KFin Technologies Private Limited, (KFintech) Registrar and Transfer Agent of the Company, as the authorised agency for conducting of the AGM through VC/OAVM and providing e-voting facility.
- 4. Though a Member entitled to attend and vote at the meeting, is entitled to appoint one or more proxies (proxy need not be a member of the company to attend and vote instead of himself / herself), the facility of appointment of Proxies is not available as the AGM is convened through VC / OAVM.
- 5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the Act).
- In case of joint holders only such joint holder who is higher in the order of names will be entitled to vote during the meeting.
- 7. The statement pursuant to Section 102 of the Act, setting out the material facts concerning special business at Item Nos. 4 and 5 is annexed hereto.
- 8. The Register of Members and the Share Transfer Books

- of the Company will remain closed from April 22, 2021 to April 28, 2021 (both days inclusive) for the purpose of payment of dividend.
- 9. 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 Friday, April 30, 2021, 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 Wednesday, April 21, 2021 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.
 - as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before Wednesday, April 21, 2021.
- 10. 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 124 of the Companies Act, 2013, to the Investor Education and Protection Fund ("IEPF"), established under Section 125 of the Companies Act, 2013. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by it from time to time. The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in the Member's interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Member's account on time.

11. Members who have not yet encashed the dividend warrant(s) from the financial year ended December 31, 2013 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 IEPF 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, 2012, have been transferred to IEPF.

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 KFin Technologies Private Limited (KFintech), Unit: ABB India Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Serilingampally Mandal, Hyderabad – 500 032, Telangana, the Registrar and Share Transfer Agents of the Company, to claim the unclaimed / unpaid dividends.

- 12. Members are requested to intimate, indicating their Folio number, the changes, if any, in their registered address, to the Company's Registrar and Share Transfer Agents at the address mentioned above or to their respective Depository Participant ("DP") in case the shares are held in dematerialized form.
- 13. 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.
- 14. As a part of the green initiatives, the Members who have not yet registered their E-mail addresses are requested to register their E-mail addresses with their DPs in case the shares are held by them in electronic form and with KFintech in case the shares are held by them in physical form. Upon such Registration, all communication from the Company/ RTA will be sent to the registered E-mail address.
- 15. As required by Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Directors seeking appointment or re-appointment at this Annual General Meeting are given in the annexure to the Notice of the Annual General Meeting.
- 16. The members / investors may send their complaints/ queries, if any to the Company's Registrar and Share Transfer Agents' E-mail id: einward.ris@kfintech.com or to the Company's designated/exclusive E-mail id: investor.helpdesk@in.abb.com
- 17. 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.
- 18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contract the Depository Participant of their choice.
- 19. Effective April 1, 2020, dividend income will be taxable in the hands of shareholders. Hence the Company is required to deduct tax at source [TDS] from the amount of dividend paid to shareholders at the prescribed rates. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@ kfintech.com on or before Wednesday, April 21, 2021. Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year 2021-22 does not exceed ₹5,000/-. Shareholders may note that in case PAN is not updated with the Depository Participant/Registrar of the Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:

- Copy of PAN card, if any, allotted by Indian Income Tax Authorities duly self attested by the member
- Copy of Tax Residency Certificate [TRC] for the FY2021-22 obtained from the revenue authorities of country of tax residence duly attested by the member
- Self Declaration in Form 10-F
- No-PE [permanent establishment] certificate
- Self Declaration of beneficial ownership by the non-resident shareholder
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities

The members/shareholders are required to provide above documents/declarations by sending an E-mail to einward.ris@kfintech.com on or before Wednesday, April 21, 2021. The Shareholders in the category of Mutual Funds are required to submit their respective SEBI Registration Certificates to

einward.ris@kfintech.com on or before Wednesday, April 21, 2021. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961. In case of Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable Surcharge and Cess.

- 20. All documents referred in the accompanying Notice and Statement setting out material facts will be available electronically for inspection for Members on all working days between 10.00 a.m. and 12.00 noon up to Wednesday, April 28, 2021 being the date of the Annual General Meeting. Members seeking to inspect such documents can send an E-mail to investor.helpdesk@in.abb.com
- 21. 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 Share Transfer Agents to record additional details of Members, including their PAN details, E-mail address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to furnish the above details to the Company or KFintech, its Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to furnish the details to their respective DP.
- 22. Since the AGM being held through VC/OAVM, the Route Map, Attendance Slip and proxy form are not attached to this Notice.
- 23. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC / OAVM AND VIEWING WEBCAST OF AGM:
 - Members will be able to attend the AGM through VC / OAVM or view the live Webcast of AGM at https://emeetings.kfintech.com / by using their remote e-voting login credentials;
 - ii. After logging, click on camera icon appearing against AGM event of ABB India Limited.
 - iii. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
 - iv. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.

- v. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' tab available on the screen after log in. The Speaker Registration will be open during April 23, 2020 to April 26, 2021. Only those members who are registered will be allowed to express their views or ask questions. Alternatively, members may also write to Company at investor.helpdesk@in.abb.com before 5.00 PM on Monday April 26, 2021. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- vi. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first-come-first-served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first-come-first served basis.
- vii. Members of the Company under the category of Institutional Investors are encouraged to attend the AGM and vote at the AGM, if not already voted remotely.
- viii. Members who need assistance before or during the AGM may contact Ms. C Shobha Anand, Deputy General Manager, KFin Technologies Private Limited Toll Free No.: 1800-345-4001; or send an E-mail request to shobha.anand@ kfintech.com or evoting@kfintech.com

24. 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 KFin Technologies Private Limited (KFintech) on all resolutions set forth in this Notice.
- The remote e-voting period commences at 9.00 a.m. IST on Friday, April 23, 2021 and ends at 5.00 p.m. IST on Tuesday April 27, 2021. 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 20, 2021, 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.

- 3. Instructions for Remote E-voting are as under:
 - Launch internet browser by typing the URL: https://evoting.kfintech.com
 - ii. Enter the login credentials (i.e. user ID and password). In case of physical folio, user ID will be EVEN number 5876 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 KFintech for remote e-voting, you can use your existing user ID and password for casting your vote.
 - 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, E-mail 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.
 - Vİ. 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 shall not exceed 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".
- Xİ. 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., to attend the AGM through VC / OAVM on its behalf together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at E-mail: cs.skannan@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "ABB India Limited 71st Annual General Meeting."
- 4. Instructions for Members for Voting during the AGM:
 - The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC / OAVM.
 - The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
 - E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.
 - iv. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- 25. Procedure for registering the E-mail addresses and obtaining the AGM Notice, Annual Report and e-voting user ID and password by the Members whose E-mail addresses are not registered with the Depositories (in case of Members holding shares in Demat form) or with KFintech (in case of Members holding shares in physical form)

- I. Those Members who have not yet registered their E-mail addresses are requested to get their E-mail addresses registered by following the procedure given below:
 - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - b) Members holding shares in physical form may register their E-mail address and mobile number with Company's Registrar and Transfer Agents, KFin Technologies Private Limited by sending an E-mail request at the E-mail ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the E-mail address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate.
- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with KFintech for registration of E-mail addresses of the Members in terms of the MCA Circulars. Eligible Members who have not submitted their E-mail address to the Depository Participant or KFintech are required to provide their E-mail address to KFintech, on or before 5:00 p.m. (IST) on Tuesday, April 20, 2021.
 - a) Visit the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.
 aspx
 - b) Select the Company name viz. ABB India Limited
 - c) Select type of holding viz: Physical / NSDL /
 - d) Enter the DP ID & Client ID / Physical Folio Number
 - e) Enter the PAN details
 - f) Enter your E-mail address and Mobile Number
 - g) The system will then confirm the E-mail address for receiving this AGM Notice.
- III. After successful registration of E-mail address, KFintech will send by E-mail, the AGM Notice, Annual Report and e-voting user ID and password to the Members.
- 26. Procedure to be followed by the Members updation of bank account mandate for receipt of dividend:
 - I. Send a request to KFintech at einward.ris@kfintech. com by providing the following details:
 - a) Folio No., Name of the Member/s;
 - Name and Branch of the Bank in which you wish to receive the dividend;
 - c) Bank Account type;

- Bank Account Number allotted by their bank after implementation of Core Banking Solutions;
- e) 9 digit MICR Code Number; and
- f) 11 digit IFSC Code
- II. Along with the request, attach the scanned copy of Share Certificate (front and back), PAN (selfattested scanned copy of PAN card), scanned copy of cancelled cheque bearing the name of the first Shareholder.

27. Other Instructions:

- In case of any queries, you may refer Help & FAQ section of https://evoting.kfintech.com or call KFintech Toll Free No. 1800 3454 001.
- ii. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as of the cut-off date, i.e. Tuesday, April 20, 2021 may obtain the login ID and password by sending a request at evoting@kfintech.com.
- iii. However, if you are already registered with KFintech 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.kfintech.com or call KFintech Toll Free No. 1800 3454 001.
- iv. 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 i.e. Tuesday, April 20, 2021.
- v. The Board of Directors has appointed Mr S Kannan, (Membership No. FCS 6261 / CP No. PCS 13016), Practicing Company Secretary and in his absence Mr B L Vinay, Practicing Company Secretary, Bengaluru, (Membership No. A26638 and CP No. PCS 10760) as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- The scrutinizer shall immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting and 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, submit 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 in writing for counter signature.

- vii. The Results shall be declared either by the Chairman or the person authorized by the Chairman in writing and the resolutions will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour thereof.
- viii. Promptly 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 KFintech's website at https://evoting.kfintech.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.
- ix. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

Statement setting out material facts under Section 102 of the Companies Act, 2013

Item No. 4 - Ms Maria Rosaria Varsellona:

Following the resignation of Mr. Jean-Christophe Deslarzes as a Director effective February 10, 2021, the Board of Directors, at its meeting held on the same day, appointed Ms. Maria Rosaria Varsellona (DIN: 08892891), as a Director, liable to retire by rotation, pursuant to Section 161(4) of the Act and other applicable provisions (including any statutory modification or re-enactment thereof for the time being in force), if any, of the Act read with Article 143 of the Articles of Association of the Company, to fill in the casual vacancy caused by Mr. Deslarzes's resignation before the expiry of his term of office. In terms of Section 161(4) of the Act, appointment of Ms. Maria requires approval by the Members in this Annual General Meeting and if approved, she will hold office only up to the date up to which Mr. Deslarzes would have held office, had he not resigned, i.e., upto the 72nd Annual General Meeting of the Company.

The Board considers that the association of Ms Maria as a Director of the Company will be beneficial to and in the interest of the Company.

The Board recommends the passing of the resolution set out at Item No.4 of the accompanying Notice.

Ms. Maria is concerned or interested in the resolution since it relates to her appointment as a Director.

None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution.

Relevant details of Ms Maria are provided in the Annexure.

Item No. 5 - Cost Auditors - approval of remuneration:

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on February 10, 2021, approved the appointment of Ashwin Solanki & Associates, Cost Accountants (Registration No: 100392) as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending December 31, 2021.

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 require approval by the Members of the Company. Accordingly, approval of the Members is sought as referred to in the Resolution at Item No.5 of the Notice for the payment of remuneration amounting to ₹23,00,000/- (Rupees Twenty Three lakh only) per annum plus applicable taxes and out of pocket expenses actually incurred for Cost Audit for the financial year ending December 31, 2021.

The Board recommends the Resolution as set out in Item No. 5 of the Notice for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company and / or their respective relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No.5 of the Notice.

By Order of the Board For ABB India Limited

B Gururaj Company Secretary FCS-2631

Place: Bengaluru Date: February 10, 2021

Registered Office: Plot No. 5 & 6, 2nd Stage Peenya Industrial Area IV, Peenya Bengaluru - 560 058 Karnataka, India CIN: L32202KA1949PLC032923

Annexure to AGM Notice

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

1. Mr. Morten Wierod

Name of the Director	Morten Wierod	
Director Identification Number (DIN)	08753868	
Date of Birth / Age	30.4.1972 / 48 years	
Date of Appointment on the Board	19.06.2020	
Qualification	and Technology (NTNU), Norway	University of Science and Technology (NTNU
Brief profile and nature of their expertise in specific functional areas		r holding the position as President-Motion I. He is also a Member of the Group Executive
		experience in ABB in various capacities otics, Motion, Control Products, Low Voltage Automation Products etc.
Current remuneration (last drawn remuneration)	Not applicable	
Details of remuneration sought to be paid	NIL	
Shareholding in the Company	NIL	
Key terms and conditions of appointment		lependent Director of the Company. He is dicable provisions of the Companies Act, and icable laws.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any other Di the Company.	irector and / or Key Managerial Personnel o
Number of meetings of the Board attended during the year	During the Financial Year 20 (He was appointed on June 19, 20	020 he has attended 3 Board meeting: 020).
Directorships, Memberships / Chairmanships of committees of other Boards	Directorships	Committee Membership/ Chairmanship
	None	-

2. Ms. Maria Rosaria Varsellona

	None	-
Directorships, Memberships / Chairmanships of committees of other Boards	Directorships	Committee Membership/ Chairmanship
Number of meetings of the Board attended during the year.	Not applicable.	
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	She is not related to any other Direct the Company.	ctor and / or Key Managerial Personnel of
Key terms and conditions of appointment	•	endent Director of the Company. She is ble provisions of the Companies Act, and ble laws.
Shareholding in the Company	NIL	
Details of remuneration sought to be paid	NIL	
Current remuneration (last drawn remuneration)	Not applicable	
	She has over 25 years' experience in ABB.	Legal field, including a year's experience
Brief profile and nature of their expertise in specific functional areas		rrrently holding the position as Genera BB Ltd, Switzerland. She is also a Member
Qualification	Law degree (Juris Doctor) – Univers	ity of Palermo
Date of Appointment on the Board	10.02.2021	
Date of Birth / Age	28.08.1970/ 50 years	
Director Identification Number (DIN)	08892891	
Name of the Director	Maria Rosaria Varsellona	

As per amended Regulation 36 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.

Directors' Report

Your Directors have pleasure in presenting their Seventy First Annual Report and Audited Accounts for the year ended December 31, 2020.

1. Financial Results:

(₹ in Crores) Particulars For the year ended December 31, 2020 December 31, 2019 Profit before tax and exceptional items 230.59 515.35 Profit before tax and after exceptional items 289.38 445.65 Tax expense: - Current tax 71.71 130.32 - Deferred tax (1.55)11.93 303.40 Profit after tax 219.22 Other comprehensive income/ (loss) (net of tax) (28.18)(3.82)834.90 798.11 Balance brought forward from previous year Amount available for appropriation 1,025.94 1,097.69 Demerger adjustment (149.93)Change in Accounting Policy (Net of Tax) (3.05)9.77 Appropriations: Equity dividend paid 101.72 101.72 Tax on equity dividend paid 20.91 Balance carried forward 921.17 834.90

2. The Corona virus (COVID-19) pandemic:

As Members are aware, since March 2020, the Country/World has been seeing the impact due to COVID-19 pandemic. With a significant increase in number of cases in early 2020, the Government has been taking various measures including a national lockdown for three months to contain the virus which in turn affected economic activity in the Country. Your Company has taken various measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for employees (e.g. social distancing, personal hygiene, working from home) and securing the supply of materials that are essential for production process and virtual technology in testing, commissioning, etc. to ensure business continuity.

3. Dividend:

Your Directors recommend payment of a dividend at the rate of ₹5/- (Rupees Five only) per share for the year ended December 31, 2020 on 211,908,375 equity shares of ₹2/- each.

4. Share capital:

During the year under review, there was no change in share capital of the Company.

5. Performance review:

During the year, orders from continuing operations touched ₹5,932 crore as against ₹6,970 crore in the Previous Year. The year 2020 was a year of unprecedented challenges, but the Company's agile business model helped to navigate headwinds and deliver consistent profitable performance for the year. The order backlog at the end of the year held steady at ₹4,114 crore which continued to provide visibility to the future revenue streams. The revenue from continuing operations for the Company for the year 2020 stood at ₹5,821 crore as against ₹7,315 crore in the previous year, reflecting a year of unprecedented changes brought about by the pandemic. For the full year, the Company's profit before tax stood at ₹304 crore (after accounting for net impact of ₹34 crore due to exceptional and one -off items) compared to ₹444 crore in 2019. Profit after tax for the year was ₹230 crore as compared to ₹302 crore last year. On an overall basis, the catalysts for improved profitability include efficient opex management, better mix, improved service and product revenues, supported by a sharp focus on cost savings. The earnings per share for 2020 stood at ₹10.87 per share as compared to ₹14.26 per share in 2019 for continuing operations without Power Grids.

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

6. Annual Return:

As per provisions of Section 92(3) of the Companies Act, 2013 (the Act), the Annual Return of the Company is hosted on the website of the Company. The same can be accessed in web-link: https://new.abb.com/docs/librariesprovider19/default-document-library/annual-return-fy-2020.pdf

7. Board Meetings held during the year:

During the year, 7 meetings of the Board of Directors were held and one meeting of Independent Directors was also held. The details of the meetings are furnished in the Corporate Governance Report.

8. 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and that their names have been included in the data bank of Independent Directors as prescribed under the Act. In the opinion of the Board, the Independent Directors of the Company possess necessary expertise, integrity and experience.

9. Remuneration Policy of the Company:

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management 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, takes 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 - B**, forming part of this report.

10. Dividend Distribution Policy:

As required under the Regulation 43A of the Listing Regulations, the Company has a Policy on Dividend Distribution. This Policy can be accessed on the Company's website at www.abb.co.in

11. Particulars of loans, guarantees or investments

Your Company has not borrowed any loan or provided any guarantee and / or made any investment within the meaning of Section 186 of the Act during the year under review.

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

During the year under review, the Company has not proposed to transfer any amount to General Reserves.

13. 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 that occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

14. 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 - C**, forming part of this report.

15. Risk Management Policy:

The Company has a Risk Management Policy and constituted a Risk Management Committee as required under Listing Regulations. 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.

16. Corporate Social Responsibility (CSR) initiatives :

The Company has a Policy on Corporate Social Responsibility and has constituted a CSR Committee as required under the Act for implementing various 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. During the year under review, the Company has spent the required amount on CSR activities.

Detailed report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure – D**, forming part of this report.

17. 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 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.

18. 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.

19. Demerger of Power Grids business:

Pursuant to order dated November 27, 2019 passed by the Bengaluru Bench of National Company Law Tribunal, sanctioning the Scheme of Arrangement between the Company, ABB Power Products and Systems India Limited (APPSIL) and respective shareholders & creditors involving the demerger of the Power Grids business of the Company to APPSIL under the provisions of Sections 230 – 232 and other applicable provisions of the Companies Act, 2013 (Scheme), the Company has already transferred the power grids business to APPSIL. As per approved Scheme of Arrangement, APPSIL has allotted the equity shares to the eligible members of the Company

and these equity shares have been listed In BSE Limited and National Stock Exchange of India Limited.

20. Sale of Company's Solar Inverter Business.

During the year under review, the Company has sold Company's Solar Inverter Business as a going concern on slump sale basis to a wholly owned Indian Subsidiary of Italian Company, FIMER S.p.A viz, "Marici Solar India Private Limited", for a total value of ₹105.63 Crore by way of Business Transfer Agreement (BTA) which was effective April 1, 2020. For the Financial Year, 2019, the Solar Inverter Business had a turnover of ₹664 Crore which is approximately 9% of the total turnover of the Company.

21. 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 except the transactions reported here in below:

The Scheme of Arrangement for demerger of Power Grids Business of the Company to ABB Power Products and Systems India Limited (APPSIL) had become effective from December 1, 2019. To ensure smooth continuation of operations of the demerged Power Grids business in APPSIL, the Company agreed to extend certain services to APPSIL by entering into some Transitional Agreements and also executed certain Lease Agreements. These agreements fall within the definition of Related Party Transaction under the provisions of Section 188 of the Companies Act, 2013 (the Act), requiring disclosures to be made in Form No.AOC-2 pursuant to Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 which is attached as **Annexure-E**.

All contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualified as Omnibus transactions as permitted under law.

During the year, the Company has appointed Ernst & Young LLP (EY) to review the approved Related Party Transactions, to verify and ensure and confirm that the transactions carried out were in the ordinary course of business and at arm's length basis. EY submits its Report to the Audit Committee at its meetings on quarterly basis.

Transactions with related parties, as per the requirements of Indian Accounting Standard 24 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. Link for the same is: https://new.abb.com/docs/librariesprovider19/default-document-library/related-party-transaction-policy.pdf?sfvrsn=2

22. 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.

23. Transfer to Investor Education and Protection Fund:

As required under Section 124 of the Act, the unclaimed dividend amount aggregating to ₹31.63 lakh lying with the Company for a period of seven years pertaining to the financial year ended on December 31, 2012, was transferred during the Financial Year 2020, to the Investor Education and Protection Fund established by the Central Government.

24. Particulars of Employees:

The information on employee particulars as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are given in Annexure - F, forming part of this report. In terms of Section 136 of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding this Annexure. This Annexure shall be provided to Members on a specific request made in writing to the Company. The said information is available for electronic inspection by the Members on any working day of the Company up to the date of the 71st Annual General Meeting.

25. Directors' Responsibility Statement:

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

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at December 31, 2020 and of the profit and loss of the Company for the year ended on that date;

- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. Disclosure on confirmation with the Secretarial Standards:

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been duly complied with.

27. 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.

28. Business Responsibility Report:

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

29. 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 at www.abb.co.in

30. Directors and Key Managerial Personnel:

Mr. Jean-Christophe Deslarzes (DIN: 08064621), Director, liable to retire by rotation has tendered resignation effective conclusion of the Board Meeting on February 10, 2021 before expiry of his term. Consequently, the Board of Directors of the Company at its meeting held on February 10, 2021 appointed Ms Maria Rosaria Varsellona (DIN: 08892891), as Director (Non-executive and Non-independent) of the Company with effect from February 10, 2021, liable to retire by rotation, in the casual vacancy caused due to the resignation of Mr. Jean-Christophe Deslarzes, subject to approval of the Shareholders. Accordingly, the proposal for her appointment is included in the Notice of Annual General Meeting for approval of the Shareholders of the Company. Necessary Notice under Section 160 of the Act has been received from Members proposing the candidature of the aforesaid Director of the Company.

Mr. Darius E. Udwadia (DIN: 00009755) and Mrs. Renu Sud Karnad (DIN: 00008064) were appointed as Independent Directors of the Company for another term of three consecutive years effective May 6, 2020, in the last AGM held on July 24, 2020. Mr. Morten Wierod (DIN: 08753868), was appointed as Director (Non-executive and Non-independent) of the Company with effect from June 19, 2020, liable to retire by rotation, in the casual vacancy caused due to the resignation of Mr. Tarak Mehta, in the last AGM held on July 24, 2020.

In accordance with the provisions of the Act read with Article 157 of the Articles of Association of the Company, Mr. Morten Wierod, Director, will retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

Apart from aforesaid changes there are no changes in Directors and Key Managerial Personnel of the Company. Details of Directors, Key Managerial Personnel and composition of various Committees of the Board are provided in the Corporate Governance Report forming part of this report.

The Board places on record its appreciation for the valuable service, support and guidance provided by Mr. Jean-Christophe Deslarzes to the Company during his tenure as the Director/Chairman of the Company.

As on date, Mr. Sanjeev Sharma (DIN: 07362344), Managing Director, Mr. T.K. Sridhar, Chief Financial Officer, and Mr. B.Gururaj, Company Secretary are the Key Managerial Personnel of the Company.

31. 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, of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

32. 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.

33. 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.

34. 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 Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year 2020, one complaint of sexual harassment was received, which has been investigated and concluded. There is no complaint of sexual harassment pending as at the date of this report.

35. Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Messrs B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 67th Annual General Meeting held on May 9, 2017 until the conclusion of 72nd Annual General Meeting.

36. Cost Auditor:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of the Audit Committee, has appointed Messrs Ashwin Solanki & Associates, Cost Accountants (Registration No: 100392) as Cost Auditor of the Company, for the financial year ending December 31, 2021, on a remuneration as mentioned in the Notice convening the 71st Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from Messrs Ashwin Solanki & Associates, Cost Accountants 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 Members' approval for remuneration payable to Cost Auditor forms part of the Notice of the 71st Annual General Meeting of the Company and same is recommended for your consideration.

Cost Audit and Compliance reports for the year 2019 were filed with the Registrar of Companies, within the prescribed time limit.

37. 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 and SEBI Listing Regulations, your Company engaged the services of Messrs BMP & Co. LLP, Company Secretaries, Bengaluru, to conduct the Secretarial Audit of the Company for the financial year ended December 31, 2020. The Secretarial Audit Report is given in Annexure-1, forming part of this report.

38. Change of Registered Office:

Effective February 1, 2021, your Company's Registered Office is shifted to "Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Peenya, Bengaluru - 560 058, Karnataka".

39. 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

J C Deslarzes Chairman DIN: 08064621

Place: Bengaluru Date: February 10, 2021

Annexure – A to Directors' Report

Management Discussion and Analysis

Economic and market overview

2020 was an unprecedented year by all counts, a year unlike any before because of a raging global pandemic. The COVID-19 pandemic forced a national lockdown for three months in India. Most of the second half of the year was spent in managing the economic and social aftermath of this period of inactivity while ensuring the safety and welfare of the citizens. The crisis brought about new ways of working and accelerated the already prevailing trends of digitalization and automation as no longer a matter of choice.

The year would be remembered for the various measures taken by the government and organizations through relief packages, job creation activities, counselling, etc. While most of the year reeled from the drag effect, the gradual opening of the economy, pent-up and festive demand, and the revival of several infrastructure projects by the government were responsible for some signs of recovery in select sectors in the second half.

In 2020, the Indian market indices kept a robust pace through the rest of the year aligned with the reviving global market benchmarks. The Foreign Institutional Investors (FIIs) also reflected similar faith in Indian markets and Indian equities received USD 23 billion from them, the highest among emerging markets in 2020. For the first five months of the financial year - April to September 2020, India received 13 percent more foreign direct investment (FDI) inflow at USD 35 billion. In order to contain the economic shock brought about by the lockdown and the ensuing headwinds, the Reserve Bank of India shifted focus to economic relief measures and infusion of liquidity. The monetary policy was adapted accordingly, and the repo rate brought to 4 percent. A committee was formed to identify and support stressed sectors. Combined with financial stimulus packages aimed at boosting the economy, the government also announced an easing of limits FDI in defense manufacturing, privatization of six more airports, opening up of more air space and allowing private sector in commercial coal mining. At a time when the pandemic also brought about uncertainty in global trade balances and agreements, the government launched the Atmanirbhar Bharat initiative to encourage self-reliance in Indian manufacturing. As a corollary, the government in order to incentivize localization also introduced production linked incentive (PLI) scheme across ten sectors with a budgetary outlay of USD 26 billion.

The company continued its focus on the solid fundamentals for quality growth at a time of constricted market opportunities. This was ensured by deploying virtual technologies for business continuity of customers and strict adherence to working protocols to ensure health and safety of employees. Proactive action on the focus sectors, which showed signs of faster revival like electronics, renewables, data centers, F&B, pharmaceuticals / healthcare, water and wastewater, and power distribution also yielded results. Cost efficiency programs were balanced with strategic investments for new facilities, product launches and launch of online business models to grow together with the partner eco-system.

Operational overview

Businesses had to unlearn and reinvent operational practices in view of the COVID-19 pandemic and its infection cycles in 2020. ABB India's resilient business model and agility ensured that despite the circumstances, the Company was quick to respond to ensure safety of its employees and business continuity.

A countrywide taskforce with members from different locations across India was formed to adapt to the "new normal" with protocol of regulations and restrictions imposed to counter the pandemic. These included adopting the practices of social distancing, enhanced hygiene and sanitization across company shop floors in multiple locations, sales and marketing offices and company transportation.

Digital technology played a key role in managing the restrictions and protocols of the crisis and accelerated the new ways of working. It helped connect employees and customers seamlessly at a time when operations were managed virtually. The company used various virtual modes to reach out to more than 20,000 customers webinars and virtual trainings and digital services, were unlocked for customers across businesses. Due to a robust, world-class IT platform, the Company was able to sustain customer engagement through virtual product testing and factory acceptance tests, virtual pitches, virtual commissioning and maintenance services. This was matched by services provided in real-time physically where the Company ensured that customer operations were not hampered by availability of solutions at given locations, on time or engineers staying back at customer site to supervise successful completion of key project milestones with all safety protocols in place. Some of the successful examples were - providing and commissioning electrification solutions to convert a training college into 100-bedded isolation ward for COVID hospital in 48 hours,

remote monitoring and support of goods and breakdown locomotives in 10 locations for uninterrupted transport of essentials, remote maintenance shutdown of the country's oldest refinery, seamless production expansion of sanitizer making components, etc.

While serving our customers, the Company worked tirelessly to maintain the highest level of safety and sustainability in our processes. With our focus on safer operations, we have improved in our hazard reporting and thus have shifted focus to resolving them to the tune of 98.5 percent in 2020. This has immensely helped us to reduce our total incident rate. On the environment front, ABB India operations have been successful in recycling ~93 percent of its waste, freshwater usage has been reduced by 30 percent from previous year and we have sourced 40 percent of our power from green energy.

While the Company initiated a host of measures for cost efficiencies, it also invested in new facilities for businesses with significant growth prospects. The Robotics and Discrete Automation Business Area inaugurated a new robotics facility which will double the testing capacity and a customer experience center to support digital transformation of manufacturing in India. In order to support and grow together with our partners with an alternate revenue stream, ABB India also launched its online marketplace ABB eMart, which has more than 6000 products listed from Electrification, Motion and Industrial Automation businesses. During the year ABB India continued to be at the forefront of introducing new products including a range of anti-bacterial switches Tvisha and high output low voltage IEC induction motors. ABB India also partnered key nation building projects including electrification solutions for Namami Gange project, commissioning of Kaleshwaram project, digital water management solutions for Koppal in Karnataka and Smart City Mission ones for efficient power distribution.

During the year, orders from continuing operations touched Rs.5,932 crore as against Rs.6,970 crore in the Previous Year. The year 2020 was a year of unprecedented challenges, but the Company's agile business model helped to navigate headwinds and deliver consistent profitable performance for the year. The order backlog at the end of the year held steady at Rs.4,114 crore which continued to provide visibility to the future revenue streams. The revenue from continuing operations for the Company for the year 2020 stood at Rs.5,821 crore as against Rs.7,315 crore in the previous year, reflecting a year of unprecedented changes brought about by the pandemic. For the full year, the Company's profit before tax stood at Rs. 304 crore (after accounting for net impact of Rs. 34 crore due to exceptional and one -off items) compared to Rs. 444 crore in 2019. Profit after tax for the year was Rs. 230 crore as compared to Rs. 302 crore last year. On an overall basis, the catalysts for improved profitability include efficient opex management, better mix, improved service and product revenues, supported by a sharp focus on cost savings. The earnings per share for 2020 stood at INR 10.87 per share as compared to INR 14.26 per share in 2019 for continuing operations without Power Grids.

Operational excellence

2020 was a year of accelerating focus on the digital medium for customer interactions as well as internal meetings. The Company drove operational excellence on multiple fronts - at shop floors with the new work protocols in place, to manage the remote nature of working in offices and guiding customers to accelerate the push to digital transformation of their manufacturing processes. Employee awareness and orientation on new ways of working and optimizing operational methodologies to navigate the challenging times were key areas for training and responsiveness initiatives.

During the year, the Company adopted various initiatives across people and processes with new courses in existing programs of ABB University and "Classroom in the Air" to include the pandemic context in virtual technologies across processes, leading in such challenging times, enhancing focus on health, safety and sustainability. Customer webinars and trainings took place - virtual tools and remote technology for industry segments, special packages and free digital services, segment and cross-business value discovery workshops and business continuity deploying specific technology solutions.

The Company also set operational excellence benchmark within ABB globally for seamlessly completing the demerger of the Power Grids business and the sale of Electrification's solar business. Embedding sustainability and ABB Purpose across business areas was the guardrail while striving for excellence.

Outlook

Government initiatives like self-reliance in marketing, production linked incentives to encourage greater localization as well as stimulus packages for greater job creating sectors are likely to continue. The resilient nature of certain segments and industries is reflected in the early signs of revival witnessed in some key segments like data centers, renewables, electronics, F&B and pharmaceuticals. Some end markets, particularly conventional power generation, mining and steel continue to witness short-term stress. Global volatility in trade balance and agreements with its impact on inflationary pressures, currency and commodity price movements will be closely monitored.

The Company has identified and worked on these areas of high growth mentioned earlier, which has paid dividends. ABB India will continue its value-based engagements with the customers, focus on order wins and seamless execution across projects while looking at modernization of existing capacities and adopting digitalization.

Electrification

Summarized performance:

	(₹	in crore)
Particulars*	2020	2019
Orders	2,325	2,969
Order backlog	1,316	1,302
Revenue	2,222	3,019
Results (Profit before interest & tax)	234	297

*Solar business was with ABB only up to March 31st, 2020

Segment performance

Despite the challenging year & GDP compression, the business area focused on stable segments which offered opportunities to ensure business continuity. We continued to engage with customers digitally through webinars for knowledge sharing, business development, remote FATs, remote techno-commercial negotiations and service support for troubleshooting & commissioning. The Company ventured into the growing e-commerce online marketplace and launched "eMart" to bring ABB products closer to the customer through 6000+ more offerings for B2B, B2C customers and increased visibility and reach to the market.

The business managed to be stable and grew in specific segments despite the challenging business environment globally, keeping its focus on developing market share by customer-centric activities. We created success stories through our webinar outreach during the lockdown period and established a strong customer connect with consultants on future technology and business trends. Our advanced digital solutions and the best-in-class portfolio offerings were deeply appreciated by customers. With the rolling out of the BMS Solution for Buildings through the acquisition of Cylon, the Company will create a far richer customer experience and render next level building management efficiency. The growth in service and export performance was another success story for the year, especially in times when travel was limited, and customer expectations were high.

Major orders booked during the year:

- ABB played a key role in Rail/metros segment this year with major orders booked from Kolkata, Konkan Railways, Kochi Metro. ABB will provide 33kV primary AIS, GIS & 25kV Traction GIS for power distribution for the metro rail
- ABB has established its Building Automation Solutions in the Hospitality space through large installations in international and national hospitality major's properties
- ABB ArTuK switchboard solutions provided strong power distribution solution to Lucknow Airport
- Our Digital Ability Solution was the preferred choice by AWS, Bihar data center & Vanijya Bhavan for its advanced functionalities and ease of use
- Supported COVID-19 fast track hospitals with our CSS & RMUs for the power supply
- Bagged an export order for AIS & MNS from TPSC Japan for a major power plant in Bangladesh
- Major order for RMU for KOC Kuwait for their Oil well projects

Major orders successfully commissioned/supplied during the year:

- Successful commissioning of LV & MV equipment for a Data Center
- Successfully commissioned PDC & RMUs for Kumbh at Haridwar
- Supplied AIS panels for installations at Bengaluru Metro
- Our Digital solution (CMS 700) was chosen to be retrofitted at the data center and was remotely commissioned
- Supplied AIS panels for Indorama Fertilizers, Nigeria and LTL Sri Lanka
- Supplied & commissioned Outdoor Breakers for various distribution companies across Brazil

Segment outlook

We have adapted our marketing and sales organization to reflect the changing market dynamics. Our focus on Buildings, F&B, Rail, Data center market segments and a few more reflects our commitment to tapping growth in expanding segments. Also, our efforts in tier 2 and 3 cities continue through our end-user focus and emphasize our philosophy of going closer to customer. Our thrust remains on exports and service which are a stable and growing part of our solution portfolio. The business continues to build solution leadership and reinforce our footprint in e-mobility and address the mid-range market with new products and solutions, where innovation will play a key role. Our e-commerce platform provides a wonderful opportunity in ease of doing business to our customers and will remain one of our main drivers in making every customer the center of everything that we do.

Motion

Summarized performance:

(₹ in crore) Particulars 2020 2019 Orders 2,314 2,338 Order backlog 1,505 1.462 2.618 Revenue 2.238 Results (Profits before interest and tax) 242 242

Segment performance

The year 2020 challenged Motion business area to remain flexible and quickly adapt as the world around changed due to Covid-19. The pandemic impacted the overall economic environment, however the business made progress in many areas. In line with company's new operating structure, the business re-aligned its division structure to enable greater focus on distinct portfolios of products, solutions and services.

The order book closed on almost flat note with growth of 4% in base orders. Owing to the closure of factories during lockdown and slump in demand during Q2 / Q3, top line was impacted. However, with pick-up in economic activity in Q4 and pent-up demand, overall performance improved for the year. Channel business and export orders for motors also aided recovery in top line. The impact on operating margins was contained with strong cost control measures and better revenue mix. Export performance held steady in a volatile market. High focus on receivables and inventory optimization resulted in better cashflow.

Adapting to the new normal, the business leveraged virtual collaboration tools for sustaining customer engagement and introduced virtual Factory Acceptance Test (FAT). Offering remote services to many critical local and global customers, the business managed to mitigate lockdown impact. Remote assistance and digital offerings continued to improve efficiencies of industrial customers and supported them during the lockdown.

Major orders booked during the year

- ACS880 multi-drive order from Megha Engineering & Infrastructures Ltd. for ONGC oil rig project
- Propulsion system and composite converter orders from Chittaranjan Locomotive Works (CLW) and Diesel Locomotive Works (DLW)
- Breakthrough order from Titagarh Wagons Limited (TWL) to supply traction converters and power modules for EMUs and MEMU
- Strategic order from Bombardier Transportation to supply traction motors for the prestigious 'Agra and Kanpur metro project'
- First serial production order from GE Wind for wind generator
- Strengthening presence in tunnel/HVAC segment, the business secured orders for tunnel ventilation projects: automation of Pandoh Takoli Highway (HP) and smoke venting motor order from Witt India for the Mumbai-Pune expressway tunnel ventilation

Key project commissioning, new technology and product launch during the year

- Continued to support large and critical infrastructure project with the commissioning of Kaleshwaram Lift Irrigation project extension (stage 1 & 2) and Devadulla (phase II) projects in Telangana
- Commissioned Controlled Start Transmission (CST) drive for 4km long pipe conveyor at Tata Steel, West Bokaro, in addition to CST drives installation at Coal India mines
- Reached 5GW milestone in providing Solar PV Plant SCADA solutions and 1.4GW to a single developer account
- Launched new range of high output M3BP motors in 280 - 355 frame, slip-ring motors in 560 - 630 frame, AMI motor in 710 frames, ACS580 drive with disconnector and fuse, and DCS880 DC drive
- Launched new-gen wireless motor smart sensor for hazardous applications reducing safety risks and offering cost-effective condition monitoring
- Launched condition-based maintenance to assess lifetime condition of drives key components such as fans, semiconductors and capacitors to reduce maintenance cost and minimize breakdowns
- With the launch of motors on eMart ABB became the first company in India to offer low voltage industrial motors on a company-owned online marketplace

Segment outlook

The impact of the pandemic set the clock backwards on many developmental projects. While market segments like Water & Wastewater, F&B, Pharma & Chemical and Oil & Gas performed well, infrastructure projects showed signs of slowing though its recovery is expected in the coming quarters. With diverse portfolio of Motion offerings catering to the needs of varied segments and applications, Motion business is well poised to seize new opportunities and deliver value to customers as growth momentum picks up.

Awards and recognition

The business was conferred with 'Technology of the Year - Generator' award by 'India Wind Energy Forum 2020 Awards'. Throughout the year, many customers including Metso India, Bosch Rexroth (India), Genco and Alfa Laval recognized 'On time delivery' (OTD), timely support on critical deliveries and 'remote support' during the lockdown.

Industrial Automation

Summarized performance:

	(₹ i	n crore)
Particulars	2020	2019
Orders	1,208	1,574
Order backlog	1,219	1,284
Revenue	1,285	1,563
Results (Profits before interest & tax)	(57)	96

Segment performance

With the slowdown in economy, the businesses were required to scale up their efforts to make up for the demand slump. Logistic challenges owing to the nationwide lockdown further pushed the businesses to find out ways to mitigate the impact, while ensuring our employees stay safe. Employees stationed on-site specifically in remote areas, when travel restrictions were imposed, continued to support the customers, demonstrating resilience in tough times and winning customer appreciation, especially to essential industries, ensuring business continuity.

Digital became the new normal with teams offering remote support to customers, commissioning projects remotely, and even conducting FATs remotely. A high-speed paper winder was commissioned remotely for ITC Pulp and Paper business. Teams across countries came together to overcome logistic challenges and help a shipping client stay on schedule. Travel restrictions also had an impact on service performance while exports contributed in a very limited way to revenue conversion.

Most sectors were impacted by the pandemic; steel, a vibrant sector historically, got affected both in production as well as trade in FY2020. Cement too faced similar headwinds registering a negative growth in the months following the nation-wide lockdown, but gradually picked up ending the year on a strong note. While order growth in key segments like Power, Water, Oil & Gas exploration and Refining got impacted, the Energy Division carried forward the momentum gathered in 2019 by registering some notable wins in segments like Specialty Chemicals, Life Sciences and Gas / Liquid transportation and distribution. The overall footprint in the LPG applications was enhanced by gaining orders for solutions in LPG Terminals.

Orders won:

- Developing and implementing a custom SCADA-based solution to control and monitor gas flow in tea estates spread across in a northeastern state by Assam Gas Company Limited
- Enterprise-wide SCADA upgrade order for one of the largest Oil and Gas majors
- Executed India's largest process automation and safety system projects in the agro-chemical sector - Deccan Fine Chemicals
- Relatively large orders won from key players in the Metals and Minerals segment
- ABB Ability[™] Tekomar XPERT order for engine performance for India's largest private sector shipping company GESCO
- Long-term turbocharger maintenance contract from one of the biggest private shipping players in India and one of biggest power generation companies in Bangladesh
- Automation and MES order in Life Science space by one of the leading Pharmaceutical companies

- Remote commissioning in many projects including commissioning of a high speed paper winder with ITC Pulp and Paper, powering electrification systems at B5 Plus Ghana
- Analyzer systems from pulp and paper major for a greenfield project, IOCL Barouni for BSVI projects
- FGD for power plants from a private energy major

Segment outlook

As the economy is slowly tracking forward, businesses are expected to recover gradually, even though initially at a slow pace, with some segments picking up faster than the other. The manufacturing sector is showing promise especially with government-led initiatives for steel sector and other policy reforms. We are expecting positive demand from water segment as well, driven by state and center support around sustainable urbanization. Digital is also expected to play larger role in demand recovery. Industries are also looking at digital transformation to prepare well for such unexpected disruptions and bring more modularity and agility to operations. In the utilities segment, energy transition, management and energy stability are likely to continue as the key drivers of growth.

Robotics and Discrete Automation

Summarized performance:

	(₹	in crore)
Particulars	2020	2019
Orders	147	269
Order backlog	128	144
Revenue	155	272
Results	5	24

Segment performance

The COVID-19 outbreak during early 2020 and the lockdown imposed in India had adverse effect on both orders and revenue realization. As a result, profitability also came under stress due to reduced capital spending and operational expenditure towards service and maintenance.

Automotive manufacturers and component suppliers who account for the major share of our business continued to face reduced demand.

Food and Beverage, consumer segments and pharmaceutical customers continued their investments during this period towards modernization of capacities for productivity and efficiency.

Consumer electronics segment is showing strong growth potential with customers investing in Robotic automation and opportunities due to relocation of manufacturing into India.

Major orders booked during the year:

- Painting system from a leading Tier 1 supplier in India
- Robotic automation of production sites of a major multinational consumer goods company

Segment outlook

Automotive demand will continue to be uncertain over the next few quarters while two-wheeler industry is showing promising start into the year. Manufacturing activity in metals and plastics segment will be dependent on the revival of economic growth. However, Food and Beverage, Consumer goods and Electronics segments are showing strong signs of growth.

Human resources

The global pandemic necessitated scaled up efforts by the human resource function to ensure employee safety and well-being. Several measures including creation of a Country Task Force, partnering with a renowned service provider for primary and urgent healthcare with health consultations and mental well-being ones were introduced swiftly. The function also played a pivotal role in resuming operations at several locations post the nation-wide lockdown got lifted. To adapt in these changing times, ABB India also supported employees with new ways of working to ensure business continuity and agility to make more balanced decision in sync with our work-life responsibilities. The adopted flexibility by our businesses should result in our customer feeling an enhanced experience with our products & services. During this time of transformation, employees took initiative and supported various initiatives to rage a "War on Waste" and improve productivity as we move towards building a more sustainable organization. Employees across ABB India contributed towards relief efforts for COVID-19 with the organization matching their contribution 1:1. The amount collected was given to the PM Cares Relief Fund and the respective state relief funds.

During the year, the company consistently set a clear path to learn and adapt to perform better in the everchanging market situation. The HR strategy supported this with its focus on enhanced performance orientation, a comprehensive talent strategy to hire, engage and develop talent and enabling a culture that fostered collaboration, risk taking and above all a culture that is value based. Apart from various Global Leadership programs and soft skills development programs, the function successfully ran its mentorship programs - LEAD and RISE launched last year, virtually. While LEAD program focused on grooming high potential talent to enhance their career growth opportunities, RISE development program was focused on developing exceptional women

leaders within organization. Overall, the team delivered 5862+ man-days of behavior and leadership training during the year. The team also achieved 2.6 person days of learning. There was continued focus on creating a more diverse and inclusive (Diversity & Inclusion) workplace, where individual differences are appreciated and where we all unite to write the future together.

Validating its efforts in the Diversity and Inclusion space, the Company was recognized as an 2020 "Exemplar of Inclusion award" in the most inclusive companies in India (MICI) Index and "Top 100 Best companies for women in India "by working Mother & AVATAR, The power of Diversity in 2020. We were also awarded for "Breaking New Grounds" at the Global Diversity Equity and Inclusion Summit 4.0. The honor by AskInsights and Times of India group recognizes our efforts and commitment in initiating the D&I journey to create an Authentic and Inclusive Workplace. This year we were also awarded the SheMaker - Corporate Evangelist 2020 Award from People Konnect.

The Engagement survey piloted last year in ABB across the globe continued assessing employee sentiment this year as well. With a much higher response rate of 85 percent compared to last year, ABB India had a significant improvement in overall employee engagement score by 4 points to 79. What was even more heartening was the positive scores on the areas of integrity, safety, pride, role clarity, customer focus and response to pandemic. Areas which warranted more focus included recognition, work life balance especially in current times, and facilitating execution at specific levels. At the close of 2020, the Company had 3255 permanent employees as against 3299 in 2019.

Finance

Despite the significant cut in the interest rates by the RBI during the second half of the year, the liquidity in the market remained tight due to the pandemic impact. In addition to limited funding, the existing capacity glut translated to even lesser investment by industries in greenfield and brownfield projects. Leveraging on our very strong and relevant portfolio, brand image & robust operations, the Company's reputation in the market and long-term goodwill with leading banks ensured advantageous arrangements of various finance facilities. During all the months, the company was able to manage a positive cash position to fund its operations as well as meet the capex and carve out costs of Power Grid business segment. In 2020, the interest cost borne by the Company was Rs. 16.9 crores compared to Rs. 21.4 crores in 2019. As of December 31, 2020, the Company had the net cash balance of Rs. 2,207 crores. In terms of foreign currency exposure - for imports and exports - the Company continued to conservatively hedge at the point of commitment to protecting the contract margins.

Internal control systems and integrity

Internal controls has been a key focus area of the company during the year. Internal controls in the Company has been designed to further the interest of all its stakeholders by providing an environment, which is conducive to conduct its operations and at the same time putting in the appropriate checks & balances. 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 organization has a holistic Internal Control framework comprising elements like Country Management Committee, Corporate, Business & Local authorization tables, Local Management Instructions, Process and Entity-Level Controls, Enterprise Risk Management, Local Direct Management Testing Programs, and a strong emphasis on integrity and ethics as a part of work culture. An independent service provider, having expertise in the field, has performed current year's Internal Financial Control effectiveness testing. Effective Statutory & Legal Compliance System is in place in the Company.

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 our control objectives. ABB India also has a well-functioning Whistle Blower Policy in place to report any misdoing. Internal control framework of ABB India is aligned with one of the most matured IC frameworks - COSO 1992 and then transitioned to COSO 2013. The current framework is also in line with the Internal Finance Control (IFC) requirement of The Companies Act, 2013.

Risk management

The Company has a robust Risk Management Charter and Policy, which provides an overall framework for Risk Management (RM) in the Company. 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 and Systems, Legal & Regulatory and Human Resources. 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. In addition, the company also has a Risk Management Committee which reviews the analysis of ERM (Enterprise Risk Management) exercise done by the Company and provides necessary guidance on its implementation and monitoring.

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, and market position are conducted. Response to key operational risks, based on inputs received from the internal and external assessment, internal audit, performance review etc. are done on a regular basis.

Annexure - B 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 2020, the percentage increase in remuneration of Chief Executive Officer (MD), Chief Financial Officer and Company Secretary during the Financial Year 2020.

SI. 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. Sanjeev Sharma	Managing Director	63:1	10%
2.	Mr. T. K. Sridhar	Chief Financial Officer	18:1	10%
3.	Mr. B. Gururaj	Company Secretary	13:1	7%

Notes:

- a) Percentage of increase in remuneration is effective March 1, 2020.
- b) 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.
- 2. Percentage increase in the median remuneration of employees for the financial year: 9%.
- 3. Number of permanent employees on rolls of the Company as on December 31, 2020: 3255
- 4. 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 there of and to point out if there are any exceptional circumstances for increase in the managerial remuneration:

As per Company's increment guidelines.

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

For and on behalf of the Board

J C Deslarzes Chairman DIN: 08064621

Place: Bengaluru Date: February 10, 2021

Annexure - C 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:

- Energy bill subsidy by improving Power Factor of plant 1.
- Energy bill reduction due to contract demand revision.
- Efficient operation of AC, lights control by installing occupancy sensors in meeting rooms.
- Installing LED outdoor lights in boundary area of factory.
- In Large Motors & Generators plant, Main Office AC supply system integrated with the Auto timer off circuit.
- In Large Motors & Generators plant, Winding Shop Chiller AHU Old conventional blower fan motor replaced with new high efficiency IE4 Baldor make motor. Also, VFD system implemented for the blower motor operation. Motor run on variable speed as per the atmospheric condition
- The power availability of Maneja location maintained by more than 99.5% by strengthening the monitoring and increasing the frequency of preventive maintenance has resulted in energy saving by reducing the reprocess time in production area.
- Power factor for the year 2020 was maintained at 0.99 by replacing Faulty capacitors, increasing the frequency of periodic/preventive maintenance to identify faulty units, replacement of fixed capacitor bank by Automatic power factor correction panel.

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

- Erected additional Roof Top Solar plant under Opex Model resulted saving of energy expenses worth 616,269
 kWh
- Installation of PV Solar Parking grid synchronized system-130 KWP.

3. The Capital Investment on energy conservation equipment's:

- In Large Motors & Generators plant, Old Kaeser make Air compressor Old conventional motor replaced with new high efficiency IE4 motor and resulted in reduction of power consumption.
- The old underground MS line of Fire hydrant network replaced by Stainless Steel pipes. It has resulted in saving of energy by reducing the wastages of water due to the leakages, the time and frequency of operation of jockey pump to maintain the line pressure of fire hydrant network.
- Replacement of Air-Cooled chiller by energy efficient water-cooled chiller with annualized saving projection of 210,000 kWh.

B. Technology absorption

1. The efforts made towards technology absorption:

- Improvised earthing switches for UniGear Switchgear from 12 kV up to 36 kV
- Digital switchgear for Primary distribution
- · Monitoring and Diagnostic solution for Primary & Secondary switchgear
- Implementation of ABB Ability for monitoring the performance of key equipment and Power supplies
- Anti-Bacterial Range of Wiring Accessories (TVISHA)
- · Dual Termination Products (bottom side) -MCB,RCCB & Switch Disconnectors for Retail market
- Digitalization for Smart factory -Industry 4.0
- Improved re-greasing arrangement for M3BP motors range 160-250

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

•	Relion 670 series version 2.2	2018
•	Multi-feeder protection system (SSC600) product	2018
•	Composite converter (Bordline CC1500_M500_AC_M)	2019
•	Underslung Auxiliary converter for Queensland Rail (QR)	2019
•	AC Metro (Bordline M80_AC_U)	2019
•	Formula Air ACBs - the new Mid-High variant of ACBs	2020
•	E9 ACBs new voltage variant up to 900VAC	2020
•	Xtmax MCCBs LIG variant	2020

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 had 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)
		2020	2019
(i)	Foreign Exchange earned	949.96	1468.03
(ii)	Foreign exchange used	2,401.95	3749.80

For and on behalf of the Board

J C Deslarzes Chairman DIN: 08064621

Place: Bengaluru Date: February 10, 2021

Annexure - D 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 (CSR) as a channel to further its cause for a better world by writing the future together with its multiple stakeholders."

The Company is committed to sustainable and inclusive development of the community's social capital through active engagement. The Company's CSR programs are aimed to contribute to the social development pre-dominantly in areas where it operates.

The main focal areas of ABB India's CSR 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:

https://www.abb.com/cawp/inabb509/e1e3753d179bae6065257db2003be38c.aspx

Some of the key CSR projects of the company during the year includes:

- Initiation of a project that looks into improving road safety aspects, cleanliness, road transformation and upgradation of public infrastructure and amenities in a selected stretch in Peenya industrial area, Bengaluru, Karnataka.
- Engineering scholarship program along with soft skills and basic skilling to make them job ready; provided to meritorious and deserving identified female students.
- Creation of an operational smart electricity distribution network and management for IIT-Roorkee (IIT-R) institute's campus.
- Mobile health care units for primary health care and general health check-up for select communities that also focused on COVID-19 awareness and management during the year in and around ABB India plant locations in Karnataka, Gujarat, and Maharashtra.
- Running a special school to mainstream around 200 children with varied disabilities in Bangalore, Karnataka.

2. Composition of the CSR Committee

Renu Sud Karnad - Chairman - Independent Director Sanjeev Sharma - Member - Managing Director

Morten Wierod - Member

The Committee met 4 (four) times during the year under review.

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

Average net profit: ₹ 638.50 Crores

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

The Company during the financial year 2020 is required to spend ₹ 12.77 Crores towards CSR.

5. Details of CSR spent during the financial year:

The Company has spent $\stackrel{?}{_{\sim}}$ 12.77 Crores as against the required amount of $\stackrel{?}{_{\sim}}$ 12.77 crore, thereby spending 100% of the prescribed limits.

a) Manner in which amount spent during the financial year is detailed below:

							(Amount in ₹)
SI No.	CSR project or activity identified	the project is	Project or programs	Amount Spent on the project or programs	Cumulative Expenditure		Details of Implementing
			(1) Local area or other	(1) Direct expenditure on Project or programs	Upto Reporting period		agency
			(2) State and District where Project or programs are conducted	(2) Overheads			
1	Road, public infrastructure and amenities upgradation at selected road stretch in an industrial area	Ensuring environmental sustainability	Peenya, Bengaluru, Karnataka	60,000,000	60,000,000	Direct	ABB India Foundation through identified vendor
2	Creation of a smart electricity distribution network and management system at an institute campus	Promoting education	IIT Roorkee, Uttarakhand	19,200,000	19,200,000	Direct	Indian Institute of Technology- Roorkee (IIT-R)
3	COVID-19 relief assistance by the Company to the Central Govt.	Disaster relief	Not applicable	10,276,803	10,276,803	Direct	PM Cares fund
4	Integrated special school to serve all types of needs along with education for differently abled children, Bangalore, Karnataka	Education and differently abled	Bangalore, Karnataka	10,000,000	10,000,000	Through Implementing Agency	Association of People with Disability (APD)
5	Imparting science /STEM learning through establishing hub centres and mobile vans to school children from selected around 98 Govt. schools across locations	Promoting education	Gujarat, Karnataka, Maharashtra, Haryana	10,000,000	10,000,000	Through Implementing Agency	Agastya International Foundation
6	Mobile health care units for primary health care and general health check-ups for communities	Preventive health care	Gujarat, Karnataka, Maharashtra	5,238,680	5,238,680	Through Implementing Agency	Helpage India
7	R&D co-operation through joint studies, projects and pilot trials in the area of battery engineering	Promoting Education, (contribution to academic institutions)	Lab research	2,840,000	2,840,000	Direct	Indian Institute of Technology- Madras (IIT-M)
8	Model solar based village micro grid to generate and augment power availability and resiliency in rural areas	Promoting education, (contribution to academic institutions)	Jharkhand	3,810,000	3,810,000	Direct	Indian Institute of Technology- Madras (IIT-M)
9	Essential ventilator accessories for COVID-19 treatment for patients	Disaster relief	Nashik, Maharashtra	772,500	772,500	Direct	District Civil Hospital, Nashik
10	Engineering scholarship program for meritorious and deserving female students	Promoting education and empowering women	Pune, Maharashtra	2,070,000	2,070,000	Through Implementing Agency	Lila Poonawalla' Foundation
11	Improving the quality of education for around 100 primary and middle schools covering around 9000 students from poor socio-economic background	Promoting education	Nelamangala, Karnataka	3,500,000	3,500,000	Through Implementing Agency	Sivasri Charitable Trust

 $6. \quad \text{Reasons for not spending 2\% of the average net profit of the last three financial years } \\$

NA.

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 Chairperson – CSR Committee (DIN: 00008064) Sanjeev Sharma Managing Director (DIN: 07362344)

Bengaluru February 10, 2021

Annexure - E to Directors' Report

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contract entered into with related parties during Financial Year 2020.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended December 31, 2020, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	(1) ABB Power Products and Systems India Limited (APPSIL) (2) ABB Power Technology Services Private Limited APPSIL and APTPSL were Subsidiaries of the Company's holding Company.
(b)	Nature of contracts / arrangements / transactions	
(c)	Duration of the contracts / arrangements / transactions	Given below:
(d)	Salient terms of the contracts or arrangements or transactions including the value of any	S.Vell Below.

· Related Party Transactions (RPT) between ABB India Limited and ABB Power Products and Systems India Limited

(Amount in crore)

Nature of RPT	Board	Duration	Total		Financial Ye	ars	
	meeting date	in months		2020	2021	2022	2023
Lease of own property - office	12.2.2020	4	0.37	0.37	-	-	-
Guest house services	12.2.2020	4	0.42	0.42	-	-	-
Maneja lease & power services agreement	19.6.2020	6	6.88	6.88	-	-	-
Peenya lease & power services agreement	19.6.2020	6	1.32	1.32	-	-	-
Faridabad lease agreement	19.6.2020	6	0.56	0.56	-	-	-
Treasury services	19.6.2020	6	0.60	0.60	-	-	-
IS services	23.7.2020	36	56.28	9.38	18.76	18.76	9.38
Treasury services	23.7.2020	3	0.05	0.05	-	-	-
Joint protocol agreement	23.7.2020	7	-	-	-	-	-
Total			66.48	19.58	18.76	18.76	9.38

• Related Party Transactions (RPT) between ABB India Limited and ABB Power Technology Services Private Limited

(Amount in crore)

Nature of RPT	Board	Duration	Total	Financial Years			
	meeting date	in months		2020	2021	2022	2023
IS services	13.5.2020	27	9.82	3.27	4.37	2.18	
IS services	23.7.2020	36	17.70	2.95	5.90	5.90	2.95
Total			27.52	6.22	10.27	8.08	2.95

· Related Party Transactions between ABB Power Products and Systems India Limited and ABB India Limited

(Amount in crore)

Nature of RPT	Board meeting date	Duration in months	Total	Financial Years
				2020
Maneja lease agreement	19.6.2020	6	0.49	0.49
Total			0.49	0.49

(e)	Date(s) of approval by the Board, if any:	Dates are provided above against the respective agreements
(f)	Amount paid as advances, if any:	Nil

NOTE: These transactions which are not in the "ordinary course of business", were necessitated consequent to Demerger of Power Grids Business during the year 2019/2020.

For and on behalf of the Board

J C Deslarzes Chairman DIN: 08064621

Place: Bengaluru

Date: February 10, 2021

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.
- II Except the Managing Director, two other Non-executive, Non-independent Directors are liable to retire by rotation. In the ensuing Annual General Meeting, Mr. Morten Wierod (DIN: 08753868), Non-executive, Non-independent Director, who is retiring by rotation at this Annual General Meeting has opted for re-appointment. There is no relationship between the Directors inter-se. The Company has three Independent Directors. Out of which, Mr. V K Viswanathan was appointed for a period of three years effective November 13, 2019 and Mr. Darius E. Udwadia and Mrs. Renu Sud Karnad were appointed for a period of three years effective May 6, 2020.
 - (i) Composition/ Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other companies as on December 31,2020.

Name	Category ⁽¹⁾	Attendance			Directorship in other Indian Companies ⁽²⁾	Committe Membersh Chairmans in Public C	hip /
		Board meetings held during 2020	Board meetings attended	Last AGM attendance		Member	Chairman
Mr. J C Deslarzes (Chairman)	NED		7	Yes	Nil	Nil	Nil
Mr. Sanjeev Sharma	MD		7	Yes	4	1	Nil
Mr. Darius E. Udwadia	NED (I)	7.	6	Yes	7	3	1
Mrs. Renu Sud Karnad	NED (I)	7*	7	Yes	9	6	3
Mr. V K Viswanathan	NED (I)		7	Yes	7	2	6
Mr. Morten Wierod ⁽⁴⁾	NED		3	Yes	Nil	1	Nil

- (1) Category: NED: Non-executive Director, MD: Managing Director, NED (I): Non-executive Director and Independent.
- (2) Includes directorships in private limited companies and Section 8 (Not for profit) companies. None of the Directors of the Company hold independent directorships in more than 7 listed companies.
- (3) Includes only Audit Committee and Stakeholders Relationship Committee of public limited companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all listed companies in which they are Directors.

- (4) Appointed as Director with effect from June 19, 2020.
- * In addition, one meeting of Independent Directors was held during the year.

NOTE: All Independent Directors fulfill the requirements stipulated in Regulation 25 (1) of the Listing Regulations.

- (ii) No. of Board Meetings held in the Financial Year 2020 and dates on which held.
 - 7 Board meetings were held during the Financial Year 2020 i.e., on February 12, March 9, May 13, June 19, July 23, November 5 and December 17, 2020.
 - In addition, one meeting of Independent Directors was held on December 17, 2020.
- (iii) Except Mr. Darius E. Udwadia, 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, have long standing experience and expert knowledge in their respective fields of professions, which 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) and Listing Regulations. Since these being an information about the enactment / updates in the laws / regulation, no separate material has been uploaded in the website.
 - During the year under review, the Company conducted a familiarization programme to Mr. V K Viswanathan, Independent Director who was inducted on the Board during 2019. Other Independent Directors are continuing on the Company's Board since long and hence the requirement of familiarization programme as required under the Listing Regulations does not arise.
- (v) The terms and conditions of appointment of the Independent Directors are disclosed in the Company's website at www.abb.co.in
- (vi) Independent Directors of the Company have provided declarations as required under the Companies Act, 2013 and listing regulations. The Board has noted the said declarations and opinion that all Independent Directors fulfill the conditions of independence and are independent of the management of the Company.
- (vii) During the year, a separate meeting of the Independent Directors was held on December 17, 2020, without the presence of Non-executive Directors / Managing Director / Management to discuss the matter as required / agreed amongst them.
- (viii) Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.
- (ix) Certificate from practicing Company Secretary on eligibility of the Board of Directors to serve as Directors is enclosed to this report.

III Names of the listed entities where the person is a Director and the category of directorship.

Name of the Director	Names of the listed entities	Category of directorship
Mr. J C Deslarzes (Chairman)	ABB India Limited	Non-executive, Non-independent
Mr. Sanjeev Sharma	ABB India Limited	Executive, Non-independent
	ABB Power Products and Systems India Limited	Non-executive, Non-independent
Mr. Darius E. Udwadia	ABB India Limited	Independent
	JM Financial Limited	Independent
Mrs. Renu Sud Karnad	ABB India Limited	Independent
	Housing Development Finance Corporation Ltd.	Executive, Non-independent
	HDFC Asset Management Co. Ltd.	Non-executive, Non-independent
	HDFC Bank Limited	Non-executive, Non-independent
	HDFC Life Insurance Co. Ltd.	Non-executive, Non-independent
	Glaxo SmithKline Pharmaceuticals Limited	Non-executive, Independent
	Unitech Limited	Nominee
Mr. V K Viswanathan	ABB India Limited	Independent
	Bharti Airtel Limited	Independent
	HDFC Life Insurance Company Limited	Independent
	KSB Limited	Independent
	Magma FinCorp Limited	Independent
	United Spirits Limited	Independent
Mr. Morten Wierod	ABB India Limited	Non-executive, non-independent

IV Board's core skills / expertise / competencies:

For effective functioning of the Board, your Company's Board needs to have skills/expertise/competencies in the areas of Business, Finance & Accounting and Governance/Legal. Your Company's Board comprises of people from diverse fields and across Globe. Your Company's Directors are qualified and possess the appropriate knowledge, skills, experience, expertise, diversity and independence, covering Business, Finance & Accounting and Governance/Legal. In the table given below, various skills / expertise / competencies of Board of Directors are given:

SI No. Name of Directors		Areas of skills / expertise / competencies					
		Business	Finance & Accounting	Governance/Legal			
1.	Mr. Morten Wierod (Chairman - w.e.f 10.02.2021)	✓					
2.	Mr. Sanjeev Sharma	✓					
3.	Mr. V K Viswanathan		✓	✓			
4.	Mr. Darius E. Udwadia			✓			
5.	Mrs. Renu Sud Karnad	✓	✓	✓			
6.	Ms. Maria Rosaria Varsellona (w.e.f 10.02.2021)			✓			

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 Wholetime 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 thereon;
- 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 functions 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 AGM (70th Annual General Meeting held on July 24 2020).

(ii) Composition, names 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 2020 i.e., on February 12, March 9, May 13, June 19, July 23, November 5 and December 17, 2020. The composition of the Audit Committee as on December 31, 2020 and the attendance of members at the meetings held during the Financial Year 2020 were as follows:

Members of the committee	No. of meetings attended
Mr. V K Viswanathan (Independent Director) (Chairman)	7
Mr. Darius E. Udwadia (Independent Director)	6
Mrs. Renu Sud Karnad (Independent Director)	7
Mr Morten Wierod (w.e.f. 19.06.2020)	3

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 two meetings during the Financial Year 2020 i.e., on February 12 and March 9, 2020. The composition of the Nomination and Remuneration Committee as on December 31, 2020 and the attendance of members at the meeting held during the Financial Year 2020 were as follows:

Members of the Committee	No. of meetings attended
Mr. V K Viswanathan (Chairman) (Independent Director)	2
Mrs. Renu Sud Karnad (Independent Director)	2
Mr. J C Deslarzes	2

(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, effective participation in the meetings, comparable industry standards. 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 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 2020

(₹ in Lakh)

Name	Sitting fees	Salary & perquisites	Commission *	Stock option	Pension
Mr. Sanjeev Sharma	Nil	757	NA	Nil	Nil
Mr. Nasser Munjee	2.20	Nil	35.33	Nil	Nil
Mr. Darius E. Udwadia	2.70	Nil	27.88	Nil	Nil
Mrs. Renu Sud Karnad	3.60	Nil	37.00	Nil	Nil
Mr. Tarak Mehta	Nil	Nil	NA	Nil	Nil
Mr. J C Deslarzes	Nil	Nil	NA	Nil	Nil
Mr. V K Viswanathan	3.10	Nil	6.22	Nil	Nil
Ms Diane de Saint Victor	Nil	Nil	NA	Nil	Nil
Mr Morten Wierod	Nil	Nil	NA	Nil	Nil

^{*} Commission for the financial year 2019 paid during the financial year 2020.

Commission to Independent Directors:

- 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 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.

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.

^{**} In addition to the Salary / Perquisites mentioned above, as per Management Incentive Program (MIP) and Long Term Incentive Plan of ABB Group (which conditionally grants Options / Warrant appreciation rights / Equity shares of ABB Group Company to selected key employees), the Managing Director being one of the key employee is entitled to both programs.

Service Contract / Notice Period / Severance Fees

- a) The Contract of Service entered into by the Company with Mr. Sanjeev Sharma, Managing Director, provides that the Company and the Managing Director shall be entitled to terminate the agreement by giving six months' 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 does not have stock option scheme therefore the same is not applicable.

Except Mr. Darius E. Udwadia, who is holding 3,500 equity shares, no other Director hold 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.

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 2020 i.e., on February 11, May 13, July 23 and November 5, 2020.

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

The composition of Stakeholders Relationship Committee as at December 31, 2020 and attendance of members at the meetings held during the Financial Year 2020 were as follows:

Members of the Committee	No. of meetings attended
Mr. Darius E. Udwadia (Chairman) (Independent Director)	3
Mrs. Renu Sud Karnad (Independent Director)	3
Mr. Sanjeev Sharma	4

Except certain cases pending in Courts/ Consumer Forums relating to disputes over the title of shares, in which the Company has been made a party, 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 2020 are as under:

No. of investors' complaints received during 2020	No. of investors' complaints resolved during 2020	Investors' complaints pending at the end of 2020
67	67	NIL

7. Risk Management

The Company has in place a mechanism to inform Board Members about the risk assessment and minimization procedures and 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 Committee was held during the Financial Year 2020 i.e., on November 5, 2020.

The Committee is chaired by Mr. V K Viswanathan - Independent Director. Mr. B. Gururaj, Company Secretary is the Secretary to the Risk Management Committee.

The composition of Risk Management Committee as at December 31, 2020 and attendance of members at the meetings held during the Financial Year 2020 is provided as follows:

Members of the Committee	No. of meetings attended	
Mr. V K Viswanathan (Independent Director) (Chairman)	1	
Mr. J C Deslarzes	1	
Mr. Sanjeev Sharma	1	
Mr. T. K. Sridhar	1	

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 2020 i.e., on February 11, May 13, July 23 and November 5, 2020.

The Committee is chaired by Mrs. Renu Sud Karnad – Independent Director. The composition of Committee as at December 31, 2020 and attendance of members at the meetings held during the Financial Year 2020 were as follows:

Members of the Committee	No. of meetings attended
Mrs. Renu Sud Karnad (Chairperson) (Independent Director)	3
Mr. Sanjeev Sharma	4
Mr. Morten Wierod (W.e.f. 19.06.2020)	2

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;
- Healthcare: To support and augment on-going national initiatives in health, hygiene and healthcare 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

The Company has no subsidiary. Hence, 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
2019	Held through Video Conferencing / Other Audio Visual Means	Friday July 24, 2020	11.00 a.m. (IST)
2018	"Aura", Taj Yeshwantpur, Bengaluru, 2275, Tumkur Road, Yeshwantpur, Bengaluru-560 022	Tuesday May 8, 2019	11.00 a.m. (IST)
2017	"Grand Ball Room", Second Floor, Sheraton Bangalore Hotel at Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleshwaram- Rajajinagar, Bengaluru-560 055	Tuesday May 9, 2018	11.00 a.m. (IST)

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

The following Special Resolutions were passed at the 70th Annual General Meeting held on July 24, 2020.

- Re-appointment of Mrs. Renu Sud Karnad as a non-executive independent director.
- Re-appointment of Mr. Darius E. Udwadia as a non-executive independent director.

No Special Resolution passed in 68th and 69th Annual General Meetings held on May 9, 2018 and May 8, 2019 respectively.

(iii) Postal Ballot

During Financial Year 2020, the Company has not passed any Special resolution(s) through the Postal Ballot. Approval, if any required through, Postal Ballot during the Financial Year 2021 will be conducted in accordance with applicable law.

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 Indian Accounting Standard 24, 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, except transactions, which are disclosed in the Directors' Report. In terms of Regulation 23 of Listing Regulations the Company obtains 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. Link for the same is https://new.abb.com/docs/librariesprovider19/default-document-library/related-party-transaction-policy.pdf?sfvrsn=2

(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, on any matter related to capital markets during the last three years.

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

(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, & 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 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 71st Annual General Meeting on Wednesday, April 28, 2021 at 11.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means("OAVM").

Agenda:

Item No. 1 - To receive, consider and adopt the financial statements, namely, (i) the Audited Balance Sheet as at December 31, 2020, (ii) the Audited Statement of Profit & Loss 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 the Board of Directors and the Auditors thereon.

Item No. 2 - Declaration of Dividend

Item No. 3 - Appointment of a Director

Item No. 4 - Appointment of Ms Maria Rosaria Varsellona as a Director

Item No. 5- Approval of remuneration to the Cost Auditor of the Company for Financial Year 2021.

(ii) Profile of Director seeking appointment/re-appointment

The profile of Director/s retiring by rotation and seeking appointment/re-appointment at the 71st Annual General Meeting are given in the Annexure to the Notice convening the said Annual General Meeting.

Directors are not related to any other Director on the Board of the Company and Promoters of the Company.

(iii) Financial Year

Company's financial year is January – December. The indicative calendar of events for the year 2021 (January - December) excluding Extraordinary General Meeting(s), if any, are as under:

Fourth Quarter Financial Results (Year 2020)	February 2021
First Quarter Financial Results	April 2021
Annual General Meeting	April 2021
Second Quarter Financial Results	July 2021
Third Quarter Financial Results	October 2021

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 financial year 2020 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 22, 2021 to April 28, 2021 (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 30, 2021, to those Members whose names appear on the Company's Register of Members as on April 21, 2021.

(vi) Listing on Stock Exchanges

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

Pursuant to the Regulation 39 (4) read with Schedule VI of the Listing Regulations, the Company's Registrar & Share 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

(viii) Market Price Data

The market price data of the Company's shares traded in the BSE Limited and the National Stock Exchange of India Limited, during the year 2020 were as follows:

Year 2020	ABB - BSE (₹)		BSE Ser	BSE Sensex		ABB - NSE (₹)		NSE Nifty	
	High	Low	High	Low	High	Low	High	Low	
January	1,412	1,271	42,274	40,477	1,411	1,275	12,431	11,930	
February	1,379	1,179	41,709	38,220	1,379	1,175	12,247	11,175	
March	1,226	795	39,083	25,639	1,221	801	11,433	7,511	
April	1,100	868	33,887	27,501	1,050	868	9,889	8,056	
May	900	722	32,845	29,968	896	722	9,599	8,807	
June	948	754	35,707	32,348	949	754	10,553	9,544	
July	1,017	863	38,617	34,927	1,017	863	11,341	10,300	
August	1,009	870	40,010	36,911	1,009	869	11,794	10,882	
September	990	849	39,360	36,496	991	847	11,618	10,790	
October	938	849	41,048	38,410	937	848	12,025	11,347	
November	1,160	869	44,825	39,335	1,163	869	13,146	11,557	
December	1,260	1,075	47,897	44,118	1,260	1,074	14,025	12,963	

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

ABB Share Price movement v/s BSE Sensex January – December 2020

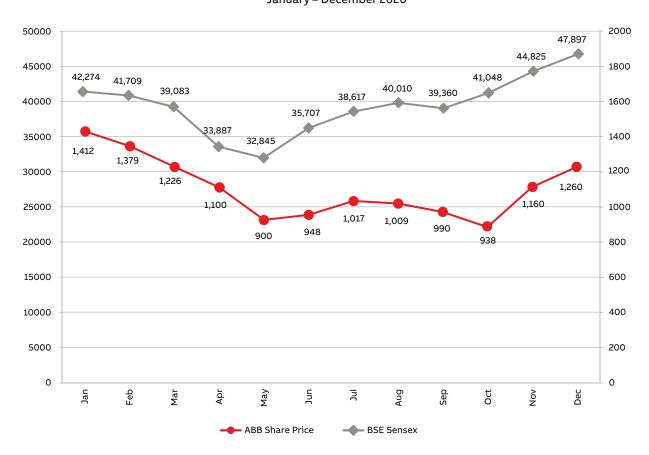
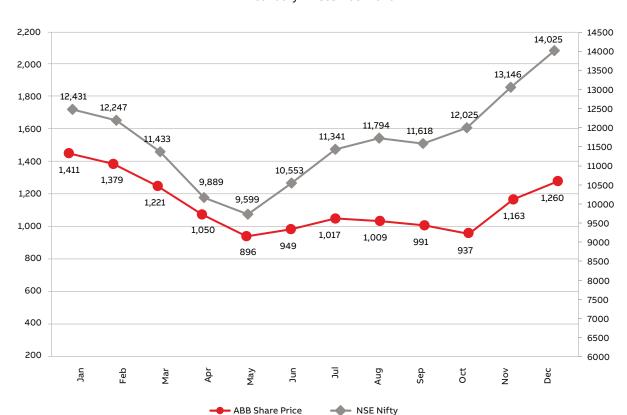


ABB Share Price movement v/s NSE Nifty January – December 2020



(ix) Registrar and Share Transfer Agents

KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32 | Financial District

Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | Telangana

Tel: +91 40 67161653 Fax No. +91 40 23420814

E-mail: einward.ris@kfintech.com Website: www.kfintech.com

(x) Share Transfer System

The Company's shares being in compulsory demat list, are transferable through the depository system. In terms of the SEBI Listing Regulations transfer of shares in the physical form is not permitted beyond April 1, 2019. The transmission or transposition of shares are being 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 transmission or transposition of shares and accordingly, the MD or the Company Secretary approve the transmission/ transposition of shares generally on a weekly basis. This process is reviewed by the Committee.

(xi) Shareholding Pattern

Shareholders	As on 31.12.2	2019	As on 31.12.2020		
	No. of shares	%	No. of shares	%	
ABB Asea Brown Boveri Ltd, Zurich	15,89,31,281	75.00	15,89,31,281	75.00	
Mutual Funds	1,36,37,989	6.44	1,38,38,970	6.53	
Foreign Portfolio - Corp	71,59,509	3.38	85,82,976	4.05	
Foreign Institutional Investors	11,000	0.01	11,000	0.01	
Trusts	4,152	0.00	12,567	0.01	
Alternative Investment Fund	8,71,310	0.41	1,41,446	0.07	
Resident Individuals	1,41,42,005	6.67	1,45,22,759	6.85	
Non Resident Indians	2,39,902	0.11	2,25,285	0.11	
Clearing Members	31,639	0.01	91,669	0.04	
Indian Financial Institutions	1,10,65,139	5.22	9,01,845	0.43	
Banks	8,265	0.00	8,265	0.00	
Qualified Institutional Buyer	31,38,646	1.48	1,27,28,136	6.01	
Non Resident Indian - Non Repatriable	3,66,172	0.17	3,79,157	0.18	
Bodies Corporates	9,61,585	0.45	5,25,599	0.25	
NBFC	3,78,590	0.18	50,689	0.02	
Directors and their Relatives	3,500	0.00	3,500	0.00	
IEPF	5,37,471	0.25	5,28,446	0.25	
HUF	4,19,515	0.20	4,23,813	0.20	
Foreign Nationals	705	0.00	972	0.00	
Total:	21,19,08,375	100	21,19,08,375	100	

(xii) Distribution of Shareholding as on December 31,2020

Category	No. of Shareholders	No. of Shares held	% of equity capital
1 – 5000	79,263	1,23,15,651	5.81
5001 – 10000	242	16,79,832	0.79
10001 – 50000	115	23,03,349	1.09
50001 – 100000	12	9,27,326	0.44
100001 and above	45	19,46,82,217	91.87
Total	79,677	21,19,08,375	100.00

(xiii) 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) Limited (CDSL). The Company's equity shares are compulsorily traded in the dematerialised form.

As on December 31, 2020, out of 21,19,08,375 equity shares of the Company, 21,03,97,769 equity shares have been dematerialised representing 99.29%.

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.

(xiv) 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.

(xv) 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, 2020.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, 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.

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

(xvi) Company affirms that all the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

(xvii) Plant Locations

The Company's plants are located at Bengaluru, Maneja in Vadodara, Faridabad and Nashik.

(xviii) Commodity Price Risk / Foreign Exchange Risk and Hedging activities.

The Company is exposed to foreign exchange risk on account of import and export transactions entered and it is exposed to commodity price risk on account of procurement of base metals (Copper and Aluminium) and precious metals (Silver) to be used in manufacturing activities. Details of commodities exposure are provided below:

- a) Total Exposure of the Company to commodities in ₹: 2,276,916,319/-
- b) Exposure of the Company to various commodities:

Commodity name	Exposure in ₹	Exposure in	n % of such exposure hedged through commodity derivatives				
	towards the particular	quantity terms — towards the —	Domes	tic market	Internati	onal market	
	commodity particular		отс	Exchange	отс	Exchange	Total
Copper	1,966,688,993	4292 MT			90%		90%
Silver	310,227,325	6.3 MT			90%		90%

c) Commodity risks faced by the Company during the year and how they have been managed.

The Company 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.

- (xix) The Company has not made any payments during the year for services, other than towards audit fees, to the statutory auditors and to network firms/network entities of which the statutory auditor is a part.
- (xx) The Board has accepted all recommendations made during the year by its various Committees.
- (xxi) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - (a) Number of complaints filed during the financial year
 - One
 - (b) Number of complaints disposed of during the financial year
- One
- (c) Number of complaints pending as on end of the financial year -
- NIL

(xxii) Credit ratings

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, during the Financial Year 2020, it had not obtained any credit rating for this purpose.

(xxiii) Address for correspondence

ABB India Limited

Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV Peenya, Bengaluru - 560 058, Karnataka, India

Tel: +91 80 22949150 - 9153 Fax No: +91 80 22949148

Corporate Secretarial E-mail ID: investor.helpdesk@in.abb.com

Website: www.abb.co.in

(xxiv) Corporate Identity Number

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

(xxv) Compliance Officer

Mr. B. Gururaj, Company Secretary (FCS-2631) is the Compliance Officer of the Company and Secretary to all Committees of the Board.

15. Discretionary requirements

- 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 Limited 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 ABB India Limited

J C Deslarzes Chairman DIN:08064621

Place: Bengaluru Date: February 10, 2021

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, 2020.

For ABB India Limited

Sanjeev Sharma Managing Director DIN:07362344

Place: Bengaluru

Date: February 10, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of ABB India Limited, CIN: L32202KA1949PLC032923 Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Bengaluru - 560 058, Karnataka

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ABB India Limited, having CIN:L32202KA1949PLC032923 and having Registered Office at Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Bengaluru - 560 058, Karnataka (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company and its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on December 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment
		(Director Identification Number)	in Company
1.	Mr. J C Deslarzes (Chairman)	08064621	08/02/2018
2.	Mr. Sanjeev Sharma	07362344	01/01/2016
3.	Mr. Darius E. Udwadia	00009755	21/07/2005
4.	Mrs. Renu Sud Karnad	00008064	09/08/2013
5.	Mr. V K Viswanathan	01782934	13/11/2019
6.	Mr. Morten Wierod	08753868	19/06/2020

My responsibility is to express an opinion on these based on my verification. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru Date: Feb 10, 2021 Sd/-K Jayachandran Company Secretary ACS No.11309/CP.No.4031 UDIN:A011309B002736196

Annexure - H to Directors' Report

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: L32202KA1949PLC032923

Nominal Capital : ₹50 Crores

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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended December 31, 2020. 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 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 and E.

For V. Sreedharan & Associates

Company Secretaries

(Pradeep B. Kulkarni)

Partner

F.C.S.7260; C.P. No.7835

Place : Bengaluru Date : 10.02.2021

UDIN No. F007260B002738362

Annexure - I to Directors' Report

Form MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st DECEMBER 2020

[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
Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560 058
Karnataka

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, 2020, 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, 2020 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, 2018;
 - 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; Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review
 - 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, 2018 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
 - $12. \quad \text{The Contract Labour (Regulation and Abolition) Act, } 1970 \ \& \ its \ Central \ Rules/concerned \ State \ Rules.$
 - 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 compositions 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

The Board of Directors of the Company, at its meeting held on March 9, 2020 had approved the proposal to sell Company's Solar Inverter Business as a going concern on a slump sale basis to a wholly owned Indian Subsidiary of Italian Company, FIMER S.p.A viz, "Marici Solar India Private Limited" (the Buyer), for a value of ₹100.6 Crore and on such terms and

conditions as contained in the Business Transfer Agreement (BTA). The Business Transfer was effective from April 1, 2020.

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.

For BMP & Co. LLP Company Secretaries

Place: Bangalore Date: 10th February 2021

UDIN:F007834B002739134

Pramod S M Partner

(FCS No: 7834 CP No: 13784)

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

'Annexure A'

To, The Members, ABB India Limited

CIN: L32202KA1949PLC032923

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. Wherever 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 has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BMP & Co. LLP, Company Secretaries

Pramod S M Partner

(FCS No: 7834 CP No: 13784)

Place: Bangalore

Date: 10th February 2021 UDIN:F007834B002739134

Secretarial compliance report of ABB India Limited For the year ended 31st December 2020

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560 058
Karnataka

We, BMP & Co. LLP, have examined:

- (a) all the documents and records made available to us and explanation provided by ABB India Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st December 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder: and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable as the Company did not issue any security during the financial year under review.
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable as the Company did not buyback any of its securities during the financial year under review.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable as the Company did not issue any Employee Stock Option Scheme for its employees;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable as Company has not issued Preference shares during the year under review;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; -Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review; and
- (j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review;

and based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NA	NA	NA

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my / our examination of those records.
- (c) The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars / guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	NA	NA	NA	NA

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	NA	NA	NA	NA

(e) The terms of appointment of Statutory Auditor have been suitably modified to give effect to 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For BMP & Co. LLP, Company Secretaries

Place: Bangalore

Date: 10th February 2021

UDIN:F007834B002739301

Pramod S M Partner

(FCS No: 7834 CP No: 13784)

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, 2020 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 violate 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 the accounting policies except as disclosed in the financial statements; 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.
- E. We affirm that we have not denied any personnel access to the Audit Committee of the Company and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.

We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sanjeev Sharma Managing Director DIN: 07362344 T.K. Sridhar Chief Financial Officer

Place: Bengaluru Date: February 10, 2021

Inclusive social development



Women Engineering scholarship program-Selected girls undergoing wholesome development training programs*

*Picture from pre-Covid time



A model child centric program for improving the learning levels of Government school children from 98 Govt. schools in Nelamangala





Supply of dehumidifiers for ventilators to the District Civil Hospital, Nashik for treatment of COVID-19 patients at the hospital



"Happiness in a box" - Distribution of essential dry ration and supplies to Govt. school children during lockdown

Running of an integrated mainstream school to promote inclusive education with special attention and assistance to children with disabilities





Mobile health care facilities rendered for communities





Financial Statements

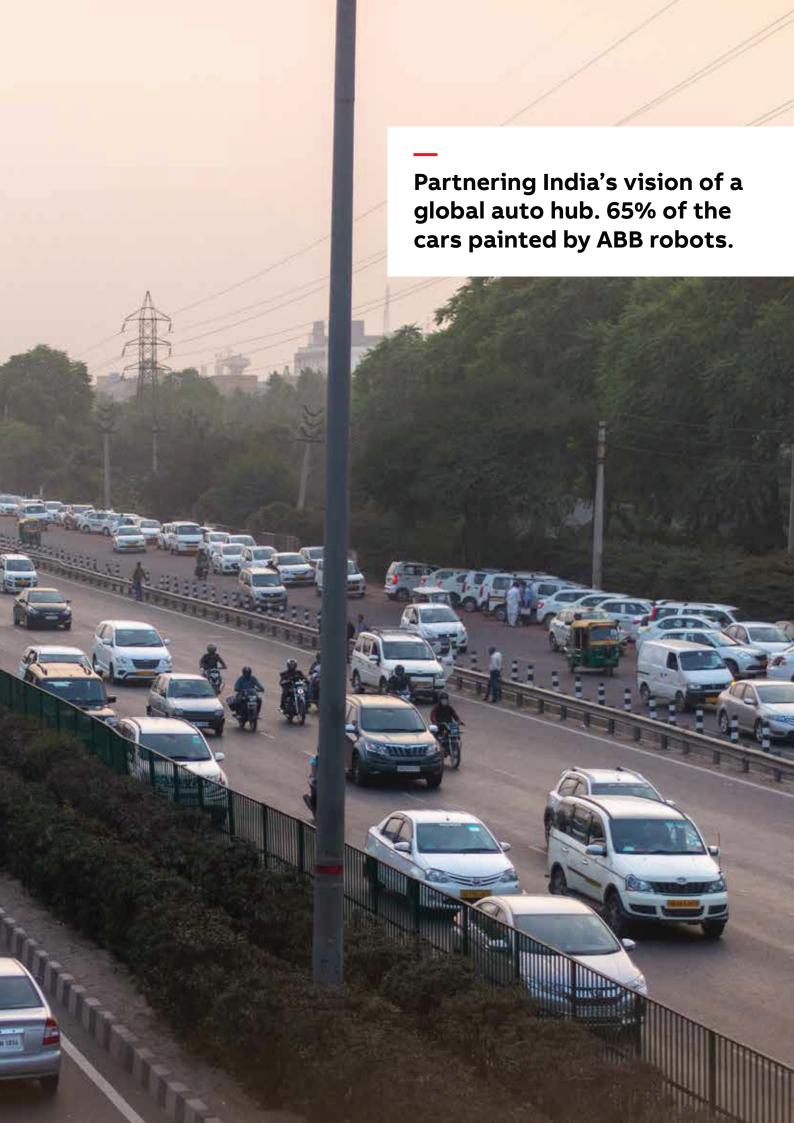
- 163

102 - 111 Indep	endent Addit	.013 Keport

TIE Dalance Since	112	Bal	ance	Sheet
-------------------	-----	-----	------	-------

- Statement of Profit and Loss
- Cash Flow Statement
- Statement of changes in equity
- 116 163 Notes to the Financial Statements





Independent Auditors' Report To the Members of ABB India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABB India Limited ("the Company"), which comprise the balance sheet as at 31 December 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 December 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

In relation to corresponding figures, we draw attention to note 33 to the financial statements regarding the Scheme for demerger of the power grid business of the Company to ABB Power Products and Systems India Limited. The Scheme had been approved by the National Company Law Tribunal ("NCLT") vide its order dated 27 November 2019 and a certified copy had been filed by the Company with the Registrar of Companies, Bangalore, on 1 December 2019. In accordance with the scheme approved by NCLT, in the previous year, the Company had given effect to the Scheme from the appointed date of 1 April 2019.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter Revenue recognition from fixed price contracts See note 2.3.1(a), 2.6, 24 and 44 to the financial statements

The key audit matter

Revenues recognised from fixed price contracts is a material part of the Company's revenues for the year. Revenue from these contracts is recognized in accordance with Ind AS 115, Revenue from Contracts with Customers, and as detailed in note 2.6 of the "significant accounting policies" in the financial statements.

There are key judgements and estimates involved in recognition of revenue relating to fixed price contracts on a percentage of completion method, which includes:

- Estimation of total contract costs and remaining costs to completion, which is a critical factor in measuring progress of a contract and amounts of revenue to be recognized;
- Evaluation of risks arising from operational delays, contract terms, changes in estimations, technical, legal, external environment etc. This requires the Company to estimate costs to capture such risks, including liquidated damages and warranties.

In view of the above and given the Company and its stakeholders focus on revenue as a key performance indicator, we determined this to be a key audit matter.

Recoverability of trade receivables

See note 2.3.1(e), 2.12(a), 11 and 37(iii)(i) to the financial statements

Trade receivables, including retention money with customers, forms a significant part of the financial statements. Customer contracts typically involve time consuming and complex conditions around closure of contracts, including technical acceptances. This generally leads to longer and significant time for realization of receivables. As a result of the above, management's assessment of recoverability of trade receivables, involves critical evaluation of all factors impacting recoverability, including impact of external environment such as capability of customers to pay.

Management makes an impairment allowance for trade receivables on the basis of its assessment of recoverability of specific customers and on the basis of expected credit loss model for the remaining customers in accordance with Ind AS 109, Financial Instruments. For the purposes of impairment assessment, significant judgements and assumptions are made, including assessing credit risk, timing and amount of realization, etc. In view of above, we determined this to be a key audit matter.

How the matter was addressed in our audit

In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- 1. We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.
- We understood the process on revenue recognition of fixed price contracts and tested key internal controls (both design and operating effectiveness) with respect to revenue recognition of such contracts.
- We carried out analytical procedures on revenue recognised during the year to identify unusual variances and discussed with designated management personnel.
- We performed substantive testing on the statistically selected samples
 of revenue transactions recorded during the year by testing the
 underlying documents.
- We evaluated management's estimates over contract costs by performing analytical procedures on such estimates and discussed with designated management personnel.
- 6. We performed a retrospective review for contracts completed during the current year by comparing the final outcome of the contracts with previous estimates made for those contracts to assess the reliability of the management's estimation process.
- 7. We tested provision for onerous contracts on a random sampling basis.
- 8. We performed tests on whether actual costs have been accrued in the correct period, by testing the underlying documents for samples selected using statistical sampling.
- 9. We tested the disclosures made in the financial statements.

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- We obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables.
- We tested key controls (both design and operating effectiveness) over management's estimate of impairment loss.
- We obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis using random sampling.
- 4. We evaluated the impairment model adopted by management to estimate the expected credit loss and tested related computations. We corroborated management's estimates on the basis of past trends.
- Management makes an impairment allowance for trade 5. We obtained, discussed and tested management assessment receivables on the basis of its assessment of recoverability of specific customers and on the basis of expected credit loss management personnel.
 - We have circulated direct confirmations on a sample basis using statistical sampling. In case of non-receipt of such confirmations, alternate test procedures such as testing subsequent receipts and underlying documents have been performed.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 reason able and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. (A) 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 purposes 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, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements, read with note 33 therein and the Emphasis of Matter paragraph above, comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 December 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (B) With respect to the other matters to be included in the Auditors' 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 as at 31 December 2020 on its financial position in its financial statements Refer note 21 and note 40 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- Refer note 19 and note 21 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since, they do not pertain to the financial year ended 31 December 2020.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for BSR&Co.LLP

Chartered Accountants Firm's Registration No.: 101248W/W-100022

Amit Somani

Partner

Membership No: 060154 UDIN: 21060154AAAAAL3275

Place: Bengaluru Date: February 10, 2021

Annexure – A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 December 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except for freehold land aggregating to 3 acres and 24 guntas, acquired by the Company, on a slump sale basis in 2011. As explained to us, registration of the title deeds for this land is in process.
 - In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the financial statements, the lease agreements are in the name of the Company.
- (ii) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on such verification between the physical stock and book records were not material. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.
- (iii) According to the information and explanation given to us, the Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any other companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
 - (a) In our opinion and according to the information and explanation given to us, the terms and conditions on which the loan had been granted to the company listed in the register maintained under section 189 of the Act, are not prejudicial to the Company's interest.
 - (b) According to the information and explanation given to us, the loan granted along with interest thereon, is repayable on the date of maturity. The loan granted along with interest thereon, has been fully repaid during the year and there has been no default on the part of the company to whom the money had been lent.
 - (c) There are no amounts of loans which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the loans given. There are no investments made, guarantees given and securities given in respect of which section 186 of the Act are applicable. Further, there are no loans, guarantees and securities given in respect of which the provisions of section 185 of the Act are applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, service tax and excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues were in arrears as at 31 December 2020 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us, the following dues of goods and services tax, income tax, sales tax, duty of excise, duty of customs, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount* (in Rs. crores)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs duty, interest and penalty demanded	15.80	2008-2018	Commissioner of Customs/ Custom Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income tax, interest and penalty demanded	80.28	2011-2015	Commissioner of Income Tax (Appeals)
Goods and Service Tax Act 2017	Goods and service tax, interest and penalty demanded	7.43	2018-2020	GST Tribunal / Joint Commissioner of Commercial Taxes (Appeals)/High court
Central Excise Act, 1944	Excise duty, interest and penalty demanded	70.11	1996-2015	Commissioner (Appeals)/Commissioner (LTU) / Ministry of Finance (Department of Revenue)/ Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax, interest and penalty demanded	26.92	2006-2015	Commissioner (Appeals)/ Custom Excise & Service Tax Appellate Tribunal/ Supreme Court
Sales Tax Act	Sales tax, value added tax, interest and penalty demanded	220.53	1994-2019	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/ High Court/ Sales Tax Appellate Tribunal/ Supreme Court

^{*} Net of amounts paid under protest.

- (viii) According to the information and explanations given to us, the Company did not have any outstanding loans or borrowings from any financial institution or bank or government or dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers or employees or fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where

- applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for BSR&Co.LLP

Chartered Accountants

Firm's registration number: 101248W/W-100022

Amit Somani

Partner

Membership number: 060154 UDIN: 21060154AAAAAL3275

Place: Bengaluru Date: February 10, 2021

Annexure B to the Independent Auditors' report on the financial statements of ABB India Limited for the year ended 31 December 2020.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of ABB India Limited ("the Company") as of 31 December 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 December 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for BSR&Co.LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Amit Somani

Partner

Membership No: 060154 UDIN: 21060154AAAAAL3275

Place: Bengaluru Date: February 10, 2021

Balance Sheet

Balance Sheet as at December 31, 2020	Notes	2020	(₹ in Crores) 2019
Assets	HOLES	2020	2019
Non-current assets	3	688.69	719.80
Property, plant and equipment	3	74.29	719.80
Right-of-use assets	3	74.29	59.48
Capital work-in-progress			
Goodwill	4	14.62	14.62
Other intangible assets	4	5.13	7.27
Financial assets			10.51
Loans receivable	6	9.12	10.51
Other financial assets	7	0.88	9.76
Deferred tax assets (net)	8	117.21	110.34
Non-current tax assets (net)	9(a)	333.11	174.42
Other non-current assets	10	188.95	196.44
Total non-current assets		1,506.86	1,302.64
Current assets			
Inventories	14	840.83	861.73
Financial assets			
Investments	5	80.0	0.08
Trade receivables	11	1,694.96	1,947.54
Cash and cash equivalents	12	2,203.95	1,594.91
Bank balance other than cash and cash equivalents	13	2.62	2.66
Loans receivable	6	17.88	366.53
Other financial assets	7	887.16	613.87
Current tax assets (net)	9(a)	-	112.34
Other current assets	15	436.16	475.96
		6,083.64	5,975.62
Assets classified as held for sale	46	-	422.57
Total current assets		6,083.64	6,398.19
Total Assets		7,590.50	7,700.83
Equity and liabilities			
Equity and nabilities			
• •			
Equity	16	42.38	42.38
Equity Equity share capital			
Equity Equity share capital Other equity	16 17	3,564.00	3,477.73
Equity Equity share capital			3,477.73
Equity Equity share capital Other equity Total equity		3,564.00	
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities		3,564.00	3,477.73
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities	17	3,564.00	3,477.73 3,520.11
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings	17	3,564.00 3,606.38	3,477.73 3,520.11
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities	17 18 20	3,564.00 3,606.38 - 44.93	3,477.73 3,520.11 7.06
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities	18 20 19	3,564.00 3,606.38	3,477.73 3,520.11 7.06 - 3.56
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions	17 18 20	3,564.00 3,606.38 - - 44.93 5.27	3,477.73 3,520.11 7.06 - 3.56 44.97
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities	18 20 19	3,564.00 3,606.38 - 44.93	3,477.73 3,520.11 7.06 - 3.56 44.97
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Current liabilities	18 20 19	3,564.00 3,606.38 - - 44.93 5.27	3,477.73 3,520.11 7.06 - 3.56 44.97
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities	18 20 19 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20	3,477.73 3,520.11 7.06 - 3.56 44.97
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Lease liabilities	18 20 19 21	3,564.00 3,606.38 - - 44.93 5.27	3,477.73 3,520.11 7.06 - 3.56 44.97
Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities Trade payables	18 20 19 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Financial liabilities Total non-current liabilities Financial liabilities Total non-current liabilities Financial liabilities Total outstanding dues to micro enterprises and small enterprises	18 20 19 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Financial liabilities Current liabilities Financial liabilities Total outstanding dues to micro enterprises and small enterprises Total outstanding dues to creditors other than micro enterprises and small enterprises	18 20 19 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities Other financial liabilities Other financial liabilities Total non-current liabilities Financial liabilities Financial liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities	18 20 19 21 20 22	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities Final liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Other financial liabilities Other financial liabilities Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities	18 20 19 21 20 22 19 22	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72	3,477.73 3,520.11 7.06 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38
Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Other financial liabilities Total outstanding dues to creditors other than micro enterprises and small enterprises Other current liabilities Other current liabilities Provisions	17 18 20 19 21 20 22 19 23 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38 210.94
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Financial liabilities Final liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Other financial liabilities Other financial liabilities Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities	18 20 19 21 20 22 19 22	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05 49.67	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38 210.94
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Current liabilities Financial liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Other financial liabilities Other financial liabilities Trade payables Total outstanding dues to creditors other than micro enterprises and small enterprises Other current liabilities Provisions Current tax liabilities (net)	18 20 19 21 20 22 19 23 21 9(b)	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38 210.94 30.56 3,853.49
Equity Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Financial liabilities Current liabilities Financial liabilities Total outstanding dues to micro enterprises and small enterprises Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities Other current liabilities Other current liabilities Other dinancial liabilities Other current liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities Other dinancial liabilities	17 18 20 19 21 20 22 19 23 21	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05 49.67 3,933.92	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38 210.94 30.56 3,853.49 271.64
Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Financial liabilities Current liabilities Financial liabilities Total outstanding dues to micro enterprises and small enterprises Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities Other current liabilities Other current liabilities Other dinancial liabilities Other dinancial liabilities Other current liabilities Current tax liabilities Current tax liabilities (net)	18 20 19 21 20 22 19 23 21 9(b)	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05 49.67 3,933.92	7.06 3.56 44.97 55.59 24.71 1,876.89 1,216.01 494.38 210.94 30.56 3,853.49 271.64 4,125.13
Equity share capital Other equity Total equity Liabilities Non-current liabilities Financial liabilities Borrowings Lease liabilities Other financial liabilities Provisions Total non-current liabilities Financial liabilities Current liabilities Trade payables Total outstanding dues to micro enterprises and small enterprises Other financial liabilities Other current liabilities Trade payables Total outstanding dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities Other current liabilities Other dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities Other dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities Other dues to creditors other than micro enterprises and small enterprises Other financial liabilities Other current liabilities	18 20 19 21 20 22 19 23 21 9(b)	3,564.00 3,606.38 - 44.93 5.27 - 50.20 13.31 60.51 1,660.23 1,272.43 587.72 290.05 49.67 3,933.92	3,477.73 3,520.11 7.06 - 3.56 44.97 55.59 - 24.71 1,876.89 1,216.01 494.38 210.94 30.56 3,853.49

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached for **B S R & Co. LLP**Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

Amit Somani Partner

Membership no.: 060154 Bengaluru, February 10, 2021 For and on behalf of the Board Sanjeev Sharma (DIN-07362344) V K Viswanathan (DIN-01782934) T. K. Sridhar

Managing Director Director Chief Financial Officer **Company Secretary**

B. Gururaj (FCS-2631)

Bengaluru, February 10, 2021

Statement of Profit and Loss

For the year anded December 31, 2020	Notes	2020	(₹ in Crores)
For the year ended December 31, 2020	Notes	2020	2019
Continuing operations			
Income	24		7245.00
Revenue from operations	24	5,820.95	7,315.06
Other income	25	106.87	94.31
Total income		5,927.82	7,409.37
Expenses			
Cost of raw materials, components consumed and project bought outs	26	3,227.94	4,194.97
Purchases of traded goods	27	456.66	471.02
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	28	21.28	(26.73)
Subcontracting charges		164.56	221.88
Employee benefit expenses	29	568.01	579.62
Finance costs	30	16.87	21.36
Depreciation and amortisation expense	31	120.36	90.40
Other expenses	32	1,106.56	1,343.15
Total expenses		5,682.24	6,895.67
Profit from continuing operations before exceptional items and tax		245.58	513.70
Exceptional items (gain) / loss (refer note 46)		(58.79)	69.70
Profit from continuing operations before tax		304.37	444.00
Tax expense:			
Current tax	8	74.34	130.32
Tax relating to earlier years		(2.63)	
Deferred tax	8	2.22	11.45
		73.93	141.77
Profit from continuing operations after tax		230.44	302.23
Discontinued operation	33		
(Loss) / Profit from discontinued operations		(14.99)	1.65
Tax expense of discontinued operation	8	3.77	0.48
(Loss) / Profit from discontinued operations after tax		(11.22)	1.17
Profit for the year		219.22	303.40
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement (loss) on defined benefit plan		(36.25)	(5.10)
Income tax effect	8	8.07	1.28
Other comprehensive income for the year, net of income tax		(28.18)	(3.82)
Total comprehensive income for the year, net of income tax		191.04	299.58
Earnings per equity share - continuing operations	34		
Basic		10.87	14.26
Diluted		10.87	14.26
Earnings/(loss) per equity share - discontinued operation	34		
Basic		(0.53)	0.06
Diluted		(0.53)	0.06
Familian and another shows a subtraction and discount of the same state.	24		
Earnings per equity share - continuing and discontinued operation Basic	34	10.34	14.32
Diluted		10.34	14.32
Diluted		10.34	14

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached for **B S R & Co. LLP** Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board Sanjeev Sharma (DIN-07362344) V K Viswanathan (DIN-01782934) T. K. Sridhar B. Gururaj (FCS-2631)

Managing Director Director Chief Financial Officer Company Secretary

Amit Somani

Partner Membership no.: 060154 Bengaluru, February 10, 2021

Cash Flow Statement

			(₹ in Crores)
For th	ne year ended December 31, 2020	2020	2019
	ash flow from operating activities		
	rofit before tax from continuing operations	304.37	444.00
(L	Loss) / Profit before tax from discontinued operation	(14.99)	1.65
А	djustments to reconcile profit before tax to net cash provided by operating activities		
	Depreciation and amortisation expense	120.36	103.99
	Inrealised exchange loss / (gains) (net)	(1.86)	27.90
	Mark to market change in forward and commodity contracts	(27.51)	(8.16)
	Profit) / loss on sale of fixed assets (net)	(1.25)	(7.58)
	ad debts / advances written off	119.51	67.34
	rovision for doubtful debts and advances	(13.36)	(23.81)
	nterest income	(67.72)	(78.39)
	nterest expense	16.87	29.12
	Derating profit before working capital changes	434.42	556.06
	peracing profit before working capital changes	434.42	550.00
	Novement in working capital		
	ncrease / (decrease) in trade payables	(271.64)	93.46
	ncrease / (decrease) in other financial liabilities	97.13	1,014.76
Ir	ncrease / (decrease) in other liabilities and provisions	41.45	222.89
(1	Increase) / decrease in trade receivables	306.68	(545.09)
(1	Increase) / decrease in inventories	(53.53)	(81.04)
(1	Increase) / decrease in other financial assets	(238.07)	(450.24)
(1	Increase) / decrease in loans and other assets	105.03	29.82
С	ash generated from operations	421.47	840.62
D	Pirect taxes paid (net of refunds)	(103.25)	(173.75
N	let cash flow from /(used in) operating activities	318.22	666.87
В. С	ash flow from investing activities		
	urchase of property, plant and equipment	(121.38)	(137.41)
	roceeds from sale of property, plant and equipment	7.69	15.94
	lepayment of loan given to related party	347.62	
	dvance received for sale of property, plant and equipment	39.00	
	roceeds from sale of solar business	105.64	
	oan given to related party		(347.62)
	Proceeds from maturity of investments	_	0.09
	nterest received	63.87	78.32
	let cash flow from/(used in) investing activities	442.44	(390.68)
	net cash how from / (asea in) investing activities	775,77	(330.00)
	ash flow from financing activities	(00.00)	
	ayment of principal portion of lease liabilities	(33.66)	
	let proceeds from finance lease obligation		5.03
	nterest paid	(16.87)	(29.12)
	Dividend paid (including tax on dividend)	(101.72)	(122.63)
N	let cash flow from / (used in) financing activities	(152.25)	(146.72)
N	let (decrease) / increase in cash and cash equivalents (A+B+C)	608.41	129.47
	ffects of exchange (loss) / gain on cash and cash equivalents	0.63	(0.20
	ash and cash equivalents pertaining to discontinued operations (refer note 32)	-	(6.46)
	Cash and cash equivalents pertaining to assets held for sale (refer note 45)	-	(0.30)
	Cash and cash equivalents (opening balance)	1,594.91	1,472.40
	ash and cash equivalents (closing balance)	2,203.95	1,594.91
_	Components of cash and cash equivalents		
	ialances with banks		
	On current accounts	239.47	564.10
	Deposit accounts (Original maturity upto 3 months)	1,930.00	920.00
	Cheques on hand / remittance in transit	34.47	110.81
	Cash on hand	0.01	1 50 1 2
(F	Refer note no. 12)	2,203.95	1,594.91

Cash and cash equivalents at the end of the year represent cash and cheques on hand / remittance in transit and cash and deposits with banks. The accompanying notes are an integral part of the financial statements.

As per our report of even date attached for B S R & Co. LLP

Chartered Accountants ICAI Firm's Registration No.: 101248W/W-100022

Amit Somani

Partner Membership no.: 060154 Bengaluru, February 10, 2021 For and on behalf of the Board Sanjeev Sharma (DIN-07362344) V K Viswanathan (DIN-01782934) T. K. Sridhar

B. Gururaj (FCS-2631)

Managing Director Director Chief Financial Officer **Company Secretary**

Bengaluru, February 10, 2021

Statement of changes in equity for the year ended December 31, 2020

a. Equity share capital:

Equity shares of ₹2 each issued, subscribed and fully paid

	Numbers	(₹ in Crores)
As at January 1, 2019	21,19,08,375	42.38
Changes in equity share capital	-	-
As at December 31, 2019	21,19,08,375	42.38
Changes in equity share capital	-	-
As at December 31, 2020	21,19,08,375	42.38

b. Other equity

(₹ in Crores)

							(₹ in Crores)
Particulars			Otl	her equity			
	Securities	Employee	Retained	General	Capital	Capital	Total equity
	premium	stock	earnings	reserve	redemption	reserve	
		options			reserve		
		reserve					
As at January 1, 2019	60.00	0.07	798.11	3,098.16	7.50	1.10	3,964.94
Adjustments pursuant to adoption of IND AS 115 (net of tax)			9.77				9.77
Adjusted balance as at January 1, 2019	60.00	0.07	807.88	3,098.16	7.50	1.10	3,974.71
Profit for the year	-	-	303.40	-	-	-	303.40
Other comprehensive income (net of tax)	-	-	(3.82)	-	-	-	(3.82)
Demerger adjustment (Refer note 33)	(16.72)	-	(149.93)	(507.10)	-	(0.18)	(673.93)
Dividend paid	-	-	(101.72)	-	-	-	(101.72)
Dividend distribution tax	-	-	(20.91)	-	-	-	(20.91)
Balance at December 31, 2019	43.28	0.07	834.90	2,591.06	7.50	0.92	3,477.73
Adjustments pursuant to adoption of IND AS 116 (net of tax)	-	-	(3.05)	-	-	-	(3.05)
Adjusted balance as at January 1, 2020	43.28	0.07	831.85	2,591.06	7.50	0.92	3,474.68
Profit for the year	-	-	219.22	-	-	-	219.22
Other comprehensive income/ (loss) (net of tax)	-	-	(28.18)	-	-	-	(28.18)
Dividend paid	-	-	(101.72)	-	-	-	(101.72)
As at December 31, 2020	43.28	0.07	921.17	2,591.06	7.50	0.92	3,564.00

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached for **B S R & Co. LLP**Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

Amit Somani Partner

Membership no.: 060154 Bengaluru, February 10, 2021 For and on behalf of the Board Sanjeev Sharma (DIN-07362344) V K Viswanathan (DIN-01782934) T. K. Sriveria (FCC 2621)

B. Gururaj (FCS-2631)

Managing Director Director Chief Financial Officer Company Secretary

Bengaluru, February 10, 2021

Notes to the financial statements for the year ended December 31, 2020

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.

The Company is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office is located at Bengaluru. Its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements are approved for issue by the Company's Board of Directors on February 10, 2021.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

A Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

B Functional and presentation currency

The financial statements are presented in INR in crores, rounded off to two decimal places, except when otherwise indicated.

C Basis of measurement

The financial statements have been prepared on the historical cost convention basis, except for certain financial instruments (refer accounting policy regarding financial instruments), which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates and judgements

2.3.1 Estimates

a. Project revenue and costs

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c. Employee benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends. Further details about gratuity obligations are given in Note 35.

d. Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

e. Allowance for credit loss on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to the countries where it operates. In calculating allowance, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

f. Taxes:

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.3.2 Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes

- Note 41 leases: whether an arrangement contains a lease; and
- Note 41 lease classification:

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

All assets and liabilities have been classified as current or non- current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non- current classification of assets and liabilities, except for projects business. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

A liability is current when:

- It is expected to be settled in normal operating cycle
- · It is held primarily for the purpose of trading.
- · It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.5 Foreign Currency

Functional currency

The functional currency of the company is the Indian Rupee.

Transactions and translations

Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.6 Revenue Recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue are stated exclusive of goods and service tax and net of returns and trade and quantity discount.

Revenue from sale of products is recognised on transfer of control of the products to the customers, which is usually on delivery of goods to the customer or as per contractual terms with the customer.

Revenues from fixed price 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.

Revenue from services is recognised as per the terms of the contract with the customer using the percentage of completion method, in proportion that the costs incurred for work performed up to the reporting date bear to the estimated total costs.

Revenue from the development services are recognised on a cost plus basis and billed in accordance with the terms of arrangement with the customer.

Commission income is recognised as and when the terms of the contract are fulfilled.

Interest income is recognised on time proportion basis, based on the underlying interest rates.

2.7 Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.8 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Useful lives estimated by the management in years:

•	Leasehold land, leasehold improvements and other leased assets	Over the period of lease
•	Factory buildings	15-30
•	Other buildings	3-60
•	Furniture and fixtures	10
•	Office equipments	3-5
•	Plant and equipment	2-21
•	Vehicles	5

· Freehold land is not depreciated

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

2.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred. The estimated useful life of assets are as follows:

•	Technical know-how fees	3-10
•	Capitalized software costs	3-5

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

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to

determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.11 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.

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 the estimated costs necessary to make the sale.

2.12 Impairment

a Financial assets

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.

b Non-financial assets

Intangible assets and property, plant and equipment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.14 Other income

Other income is comprised primarily of interest income. Interest income is recognized using the effective interest method.

2.15 Provisions, Contingent liability and assets

General

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the relatedasset is not a contingent asset and is recognised.

2.16 Financial instruments

2.16.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.16.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has
 assumed an obligation to pay the received cash flows in full without material delay to a
 third party under a 'pass-through' arrangement; and either (a) the Company has
 transferred substantially all the risks and rewards of the asset, or (b) the Company has
 neither transferred nor retained substantially all the risks and rewards of the asset, but
 has transferred control of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

b. Derivative financial instruments

The company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Commodity risk is mitigated by entering into future contracts to hedge against fluctuation in commodity prices.

Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss. when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

Certain commercial contracts may grant rights to the Company or the counterparties, or contain other provisions that are considered to be derivatives. Such embedded derivatives are assessed at inception of the contract and depending on their characteristics, accounted for as separate derivative instruments and shown at their fair value in the balance sheet with changes in their fair value recognized through profit or loss.

2.17 Fair value of financial instruments

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.18 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The Company has no potentially dilutive equity shares.

2.19 Employee benefits

2.19.1 Gratuity & Provident Fund - Defined benefit plans

The present value of the obligation under defined benefit plans are determined based on actuarial valuation performed by an independent actuary at each balance sheet date using the Projected Unit Credit Method. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Incase of defined benefit plans, remeasurement comprising of actuarial gains and losses is recognized in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- Net interest expense or income.

Provident fund has been considered as a defined benefit plan since any additional obligations on account of investment risk and interest rate risk are required to be met by the Company.

2.19.2 Superannuation - Defined contribution scheme

Contribution to Superannuation Fund, 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.

2.19.3 Compensated absences

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.

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

2.19.4 Share based compensation

The company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

2.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cheque at hand / remittance in transit and cash and deposit with bank.

2.21 Operating cycle

A portion of the Company's activities (primarily long-term project 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.

2.22 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and:

- (a) represents a separate major line of business or geographical area of operations and;
- (b) is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the statement of profit and loss. The comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

2.23 Leases

The Company has applied the new standard Ind AS 116 Leases using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under the previous standard Ind AS 17, Leases.

The Company's significant leasing arrangements are mainly in respect of land and buildings, plant and equipment and vehicles.

Policy applicable from January 1, 2020

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- > the contract involves the use of an identified asset;
- > the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- > the Company has the right to direct the use of the asset.

The Company as lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

The Company as lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised insubstance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company's significant leasing arrangements are mainly in respect of land & buildings, plant & equipment and vehicles.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases, which replaces the existing lease standard, Ind AS 17 leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 January 2020 using the modified retrospective method, with the cumulative effect of initially applying the Standard,

recognised on the date of initial application (1 January 2020). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 January 2020.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at January 1, 2020. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities.

Policy applicable before January 1, 2020

Refer note 2 - Significant accounting policies - Leases, in the annual financial statements of the Company for the year ended December 31, 2019, for the accounting policy as per Ind AS 17, the previous standard on Leases.

2.24 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from January 1, 2021.

3 Property, plant and equipment and capital work-in-progress

(₹ in Crores)

				Own	ed assets					Leased		RO	U Assets		
	Freehold Land	Lease hold Land	Leasehold Improve- ments	Factory Buildings	Other Buildings	Plant and Equip- ment	Office Equip- ments	Furniture and Fixtures	Vehicles	Plant and Equip- ment	Total	Land and Buildings E		Vehicles	Tota
Gross carrying value															
As at January 1, 2019	54.99	20.46	20.92	291.44	88.12	533.98	20.95	58.53	0.71	15.71	1,105.81	-	-	-	
Additions	-	-	0.21	18.18	5.78	103.50	6.21	6.11	-	13.31	153.30	-	-	-	
Disposal	-	-	(0.17)	(0.55)	(1.08)	(21.13)	(1.95)	(4.51)	(0.40)	-	(29.79)	-	-	-	
Transferred to discontinued operations	(0.12)	(9.13)	(0.05)	(135.34)	(24.53)	(26.13)	(3.84)	(6.46)	-	-	(205.60)	-	-	-	
Assets held for sale	-	-	-	(5.10)	(0.36)	(32.70)	(0.77)	(0.35)	-	-	(39.28)	-	-	-	
As at December 31, 2019	54.87	11.33	20.91	168.63	67.93	557.52	20.60	53.32	0.31	29.02	984.44	-	-	-	
Additions	-	-	0.01	1.57	2.33	60.87	2.13	2.20	2.68	-	71.79	44.12	20.32	14.20	78.64
Disposals	(0.02)	•	(3.96)	(0.04)	(0.67)	(9.52)	(2.05)	(1.35)	•	•	(17.61)		(11.51)	•	(11.51)
Transferred from owned / leased assets	-	-	-	-	-	-	-	-	-	-	-	10.28	13.55	-	23.83
Transferred to ROU assets	-	(11.33)	-	-	-	-	•	-	-	(29.02)	(40.35)	-	-	-	•
Transferred from asset held for sale	-	•	-	3.98	0.35	0.92	0.32	0.23	•	•	5.80	-	-	•	•
As at December 31, 2020	54.85	•	16.96	174.14	69.94	609.79	21.00	54.40	2.99	-	1,004.07	54.40	22.36	14.20	90.96
Accumulated depreciation						.== .=									
Balance as at January 1, 2019	-	0.87	5.04	33.16		155.12	7.47	14.74	0.27	8.79	234.51	-	-	-	•
Depreciation charge for the year	-	0.25	2.70	8.37	2.47	55.14	4.55	6.45	0.14	6.68	86.75	-	-	-	•
Disposals	-	-	(0.17)	(80.0)	(0.37)	(14.46)	(1.82)	(4.35)	(0.34)	-	(21.59)	-	-	-	
Transferred to discontinued operations	-	(0.30)	(0.04)	(16.18)	(4.00)	(7.25)	(1.75)	(2.05)	-	-	(31.57)	-	-	-	-
Assets held for sale	-	-	-	(0.37)	(0.01)	(2.80)	(0.21)	(0.07)	-	-	(3.46)	-	-	-	•
As at December 31, 2019	-	0.82	7.53	24.90	7.14	185.75	8.24	14.72	0.07	15.47	264.64	-	-	-	•
Depreciation charge for the year	-	0.23	2.61	7.46	1.80	56.49	4.34	6.07	0.70	-	79.70	9.57	9.86	4.58	24.01
Disposals	-		(2.47)	(0.01)	-	(7.88)	(1.79)	(0.96)	•	-	(13.11)	-	(7.34)	-	(7.34)
Transferred from owned / leased assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transferred to ROU assets	-	(1.05)	-	-	-	•	•	-	•	(15.47)	(16.52)	-	-	-	•
Transferred from asset held for sale	-	-	-	0.18	0.07	0.26	0.12	0.04	-	-	0.67	-	-	-	
As at December 31, 2020	-	-	7.67	32.53		234.62	10.91	19.87	0.77	•	315.38		2.52	4.58	16.67
Net carrying value as at December 31, 2019	54.87	10.51	13.38	143.73	60.79	371.77	12.36	38.60	0.24	13.55	719.80	-	-	-	
Net carrying value as at December 31, 2020	54.85	-	9.29	141.61	60.93	375.17	10.09	34.53	2.22	-	688.69	44.83	19.84	9.62	74.29
Capital work in progress as at December 31, 2019											59.48				
Capital work in progress as at December 31, 2020											74.86				

Notes:

- a) The Company had acquired freehold land of 20 acres 36 guntas on a slump sales basis, in 2011. Out of such free hold land acquired 17 acres and 12 guntas is registered in the Company's name and the balance 3 acres and 24 guntas is in the process of being registered.
- b) There are no tangible assets given on operating lease.

4 Intangible assets

	Goodwill	Oth	Other intangible assets			
		Technical Know-how fees	Capitalised Software	Tota		
Gross carrying value						
As at January 1, 2019	14.62	14.92	6.58	21.50		
Additions	-	0.61	3.12	3.73		
Disposal	-	(2.24)	(0.20)	(2.44)		
Assets held for sale	-	(0.68)	(0.06)	(0.74)		
As at December 31, 2019	14.62	12.61	9.44	22.05		
Additions	-	-	0.73	0.73		
Disposals	-	(2.75)	(0.05)	(2.80)		
As at December 31, 2020	14.62	9.86	10.12	19.98		
Accumulated amortisation / impairment						
Balance as at January 1, 2019	-	10.88	3.40	14.28		
Amortisation charge for the year	-	1.93	1.72	3.65		
Disposals	-	(2.24)	(0.20)	(2.44)		
Assets held for sale	-	(0.68)	(0.03)	(0.71)		
As at December 31, 2019	-	9.89	4.89	14.78		
Amortisation charge for the year	-	1.13	1.52	2.65		
Disposals	-	(2.55)	(0.03)	(2.58)		
As at December 31, 2020	-	8.47	6.38	14.85		
Net carrying value as at December 31, 2019	14.62	2.72	4.55	7.27		
Net carrying value as at December 31, 2020	14.62	1.39	3.74	5.13		

Note

		(₹ in Crores)
	2020	2019
Breakup of Goodwill CGU wise		
Electrification Products	14.62	14.62
	14.62	14.62

Goodwill and CGU's impairment testing

The Company tests whether goodwill has suffered any impairment on an annual basis as at 31 December. The recoverable amount of a Cash Generating Unit ('CGU') is determined based on value-in-use calculations which require the use of assumptions. The calculations use pre-tax cash flow projections based on financial budgets approved by the management. An average of the range of each assumption used is mentioned below.

	2020	2019
Growth rate	5% - 6%	5% - 6%
Operating margins	6% - 13%	6% - 13%
Discount rate	9% - 10%	9% - 10%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU. These estimates are likely to differ from future actual results of operations and cash flows.

Based on the above assessment, there has been no impairment of goodwill.

5 Investments

			(₹	in Crores)
	Non-current		Curren	t
_	2020	2019	2020	2019
Investment in bonds and debentures				
Unquoted:-				
(Carried at amortised cost)				
10 5.95%, 15 years Non-cumulative bonds of Karnataka Water & Sanitation Pooled Fund	-	-	0.08	0.08
Trust of ₹ 83,334 (December 31, 2019 - ₹ 83,334) each fully paid.				
	-	-	0.08	0.08
Aggregate amount of Unquoted investments	-	-	0.08	0.08

6 Loans receivable

			(*	₹ in Crores)	
	Non-cu	Non-current		Current	
	2020	2019	2020	2019	
(Unsecured considered good, unless otherwise stated)					
Security deposits	9.12	10.51	13.82	14.84	
Loans to related party	-	-	-	347.62	
Loans to employees	-	-	4.06	4.07	
	9.12	10.51	17.88	366.53	

7 Other financial assets

			(₹ in Crores)
	Non-c	Non-current		nt
	2020	2019	2020	2019
(Unsecured considered good)				
Non current bank balances	0.88	9.76	-	-
Interest accrued on fixed deposits	-	-	6.14	2.29
Deposits with customers	-	-	6.84	10.11
Other receivables**	-	-	832.50	584.57
Mark to market gain on forward contracts*	-	-	36.83	10.44
Mark to market gain on embedded derivatives*	-	-	4.85	6.46
	0.88	9.76	887.16	613.87

^{*} At fair value through profit and loss
** Includes receivable from related party and receivables on behalf of related party towards non-novated contracts (Refer note 43).

8 Income tax

Others

income tax	(*	₹ in Crores)
	2020	2019
The major components of income tax expense for the years ended December 31,		
Statement of profit and loss:		
Profit or loss section (continuing and discontinued operations)		
Current income tax:		
Current income tax charge	70.57	130.80
Deferred tax	2.22	11.45
Income tax expense reported in the statement of profit and loss	72.79	142.25
Other comprehensive income		
Deferred tax related to items recognised in OCI during the year:	8.07	1.28
Income tax expense charged to OCI	8.07	1.28
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate		
Accounting profit before income tax (continuing and discontinued operations)	289.38	445.65
At India's statutory income tax rate of 25.17% (December 31, 2019 - 27.61%)	72.84	123.04
Adjustments in respect of current income tax		
Non-deductible expenses for tax purposes	3.42	5.13
Other deductible expenses for the tax purpose	-	1.53
Impact of tax rate change	-	(25.18)

Statutory income tax rate for the period January 1, 2020 to December 31, 2020 is 25.167%. (Statutory income tax rate for the period January 1, 2019 to March 31, 2019 was 34.944% and for the period April 1, 2019 to December 31, 2019 was 25.167%).

At the effective income tax rate of 25.154% (December 31, 2019 - 31.920%)

(3.47)

72.79

37.73

142.25

Deferred tax:	Balance S	heet
Deferred tax relates to the following:	2020	2019
Property, plant and equipment	(52.82)	(26.36)
Other intangible assets	(0.08)	(0.08)
Provision for doubtful debts and advances	94.28	94.84
Expenditure debited to the statement of profit and loss but allowable for tax purpose in subsequent years	75.83	41.94
Net deferred tax assets/(liabilities)	117.21	110.34
Reflected in the balance sheet as follows:		
Deferred tax assets	170.11	136.78
Deferred tax liabilities	(52.90)	(26.44)
Deferred tax assets, net	117.21	110.34

9(a) Income tax asset (net)

			(₹	in Crores)
	Non-c	Non-current		nt
	2020	2019	2020	2019
Advance income-tax (net of provision for tax)	333.11	174.42	-	112.34
	333.11	174.42	-	112.34

9(b) Income tax liability (net)

			(₹	in Crores)	
	Non-cui	Non-current Curre		Current	
	2020	2019	2020	2019	
Provision for taxation (net of advance tax)			49.67	30.56	
			49.67	30.56	

10 Other non-current assets

	(₹	in Crores)
	2020	2019
Capital advances	13.75	17.44
dvances recoverable in cash or kind (considered doubtful)	5.13	4.66
	5.13	4.66
ess: Provision for doubtful advances	5.13	4.66
	-	-
Taxes and duties recoverable	175.20	177.58
Prepaid rent	-	1.42
	188.95	196.44

11 Trade receivables

				(₹ in Crores)
	Non-c	urrent	Curr	ent
	2020	2019	2020	2019
Unsecured				
Considered good	-	-	1,694.96	1,947.54
Considered doubtful	-	-	125.82	111.77
Credit impaired	227.38	250.31	-	-
	227.38	250.31	1,820.78	2,059.31
Less:				
Loss allowance on doubtful trade receivable	ance on doubtful trade receivable 227.38 250.31	125.82	111.77	
	-	-	1,694.96	1,947.54

12 Cash and cash equivalents

	(₹ in Crore		
	2020	2019	
Balances with banks	,		
- On current accounts	239.47	564.10	
- Deposit accounts (Original maturity upto 3 months)	1,930.00	920.00	
Cheques on hand / remittance in transit	34.47	110.81	
Cash on hand	0.01	-	
	2,203.95	1,594.91	

13 Bank balances other than cash and cash equivalent

	(₹	in Crores)
	2020	2019
Unpaid dividend	2.62	2.66
	2.62	2.66

14 Inventories (valued at lower of cost and net realisable value)

	(₹	in Crores
	2020	2019
Raw materials and components	536.19	536.12
(including goods in transit of ₹ 98.19 Crores , December, 31 2019 ₹ 62.51 Crores)		
Work-in-progress	187.62	187.37
Finished goods	83.28	103.66
Traded goods	31.95	33.10
Stores and spares	1.79	1.48
	840.83	861.73

During the year ended **December 31, 2020 -** $\ref{26.91}$ Crores (December 31, 2019 - $\ref{22.51}$ Crores) was recognized as an expense in relation to inventory obsolescence.

15 Others current assets

		₹ in Crores)
	2020	2019
Prepaid expenses	30.03	23.39
Contract assets (refer note 44)	61.08	171.36
Advances to suppliers	69.59	33.06
Advances to others	10.20	6.24
Balance with government authorities	138.48	133.88
Taxes and duties recoverable	73.95	89.87
Other receivables	52.83	18.16
	436.16	475.96

16 Equity

Share capital	20	020	2019		
	Equity	shares	Equity shares		
	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)	
Authorised share capital					
At December 31, 2019	21,25,00,000	42.50	21,25,00,000	42.50	
t December 31, 2020	21,25,00,000	42.50	21,25,00,000	42.50	
	Preference shares		Preference s	shares	
	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)	
11% Redeemable 10 years, cumulative preference shares					
At December 31, 2019	7,50,000	7.50	7,50,000	7.50	
At December 31, 2020	7,50,000	7.50	7,50,000	7.50	
Issued equity share capital					
Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)	
At December 31, 2019	21,19,08,375	42.38	21,19,08,375	42.38	
At December 31, 2020	21,19,08,375	42.38	21,19,08,375	42.38	

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of $\stackrel{?}{_{\sim}}$ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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.

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

Name of the shareholders	Numbers	% of holding	Numbers	% of holding
ABB Asea Brown Boveri Limited - the holding company	15,89,31,281	75%	15,89,31,281	75%

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

Shares held by holding / ultimate holding company	Numbers	₹ in Crores	Numbers	₹ in Crores
ABB Asea Brown Boveri Limited - the holding company	15,89,31,281	31.79	15,89,31,281	31.79
	15,89,31,281	31.79	15,89,31,281	31.79

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

17 Other equity

17	Other equity		(₹ in Crores)
		2020	2019
a)	Securities premium		
	Opening balance	43.28	60.00
	Less: Demerger adjustment (refer note 33)	-	(16.72)
	Closing balance	43.28	43.28
b)	Surplus in the statement of profit and loss		
	Opening balance	834.90	798.11
	Less: Demerger adjustment (refer note 33)	-	(149.93)
	Net profit for the year	219.22	303.40
	Other comprehensive income/ (loss) (net of tax)	(28.18)	(3.82)
	Less: Appropriations during the year		
	Equity dividend paid	101.72	101.72
	Tax on equity dividend paid	-	20.91
	Balance as at December 31,	101.72	122.63
	Change in accounting policy of retention discounting	_	15.01
	Change in accounting policy of leasing	(4.07)	15.01
	Deferred tax	1.02	(5.24)
	Net impact of change in accounting policy of retention discounting	(3.05)	9.77
	Net impact of change in accounting policy of retention discounting	(3.05)	9.11
	Closing balance	921.17	834.90
c)	Employee stock options reserve		
	Opening balance	0.07	0.07
	Add: Employee compensation expense for the year	-	-
	Closing balance	0.07	0.07
d)	Capital reserve		
	Opening balance	0.92	1.10
	Less: Demerger adjustment (refer note 33)	-	(0.18)
	Closing balance	0.92	0.92
e)	Capital redemption reserve		
-	Opening balance	7.50	7.50
	Closing balance	7.50	7.50
f)	General reserve		
	Opening balance	2591.06	3098.16
	Less: Demerger adjustment (refer note 33)	-	(507.10)
	Closing balance	2,591.06	2,591.06
	Total other equity	3,564.00	3,477.73
_		3,304.00	3,-11.13

Nature and purpose of other reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

b) Employee stock option reserve

The share options outstanding account is used to recognise the grant date fair value of the options issued to employees under Employee Share Acquisition Plan schemes.

c) Capital reserve

Capital reserve pertains to acquisitions in the earlier years.

d) Capital redemption reserve

The Company had transferred to Capital redemption reserve, a sum equal to the nominal amount of preference shares to be redeemed out of the profits available for distribution as dividend.

e) General reserve

General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares. As General reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be subsequently reclassified to statement of profit and loss.

18 Borrowings

	(₹ in Crores
	Non-current
	2020 2019
(At amortized cost)	
Secured:	
Finance lease obligations	- 7.06
	- 7.06

19 Other financial liabilities

	Non-c	urrent	Curr	Current	
	2020	2019	2020	2019	
Security deposits received	5.27	3.56	0.04	0.04	
Unpaid dividends	•	-	2.62	2.66	
Payable towards purchase of fixed assets	-	-	39.55	61.16	
Employee related payables	-	-	68.45	78.93	
Mark to market loss on embedded derivatives*	-	-	14.80	10.7	
Mark to market loss on forward contracts*	-	-	5.60	12.42	
Current maturities of finance lease liabilities	-	-	-	6.48	
Other payables**	-	-	1,141.37	1,043.6	
	3.56	3.49	1,272.43	1,216.0	

^{*} At fair value through profit and loss

20 Lease liabilities

(₹	in	Crores)
.,		C. C. C.,

			,,	0.0.05	
	Non-cu	Non-current		Current	
	2020	2019	2020	2019	
Lease liabilities	44.93		13.31		
Lease natimities	44.93	-	13.31	<u>-</u>	

^{**}Includes payables from related party and payables on behalf of related party towards non-novated contracts (Refer note 43).

21 Provisions

			(*	in Crores	
	Non-cu	Non-current		Current	
	2020	2019	2020	2019	
Provisions for employee benefits					
Gratuity	-	-	7.14	4.76	
Provident fund	-	-	23.39	0.32	
Leave benefits	-	-	23.55	32.52	
Other provisions					
Warranties	-	-	100.43	93.00	
Loss orders	-	-	28.97	23.57	
Litigations	-	-	0.57	0.57	
Sales tax	-	44.97	106.00	56.20	
	-	44.97	290.05	210.94	

Nature of provisions:

- i) 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, 2020 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.
- **ii)** Loss orders: A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental cost necessary to fulfill the obligation under the contract.
- **iii)** 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.
- iv) 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.

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

						(₹ in Crores)
Class of provisions	As at January 1, 2020	Additions	Amounts used	Unused amounts reversed	Provisions pertaining to discontinued operations / Assets held for sale	As at December 31, 2020
Warranties	93.00	14.44	1.38	5.63	-	100.43
	(86.40)	(93.19)	(26.13)	(20.17)	(40.29)	(93.00)
Loss orders	23.57	16.48	11.08	-	-	28.97
	(17.33)	(10.14)	(3.90)	-	-	(23.57)
Litigations	0.57	-	-	-	-	0.57
	(0.57)	-	-	-		(0.57)
Sales tax	101.17	5.88	-	3.35	(2.30)	106.00
	(56.01)	(44.45)	-	(3.01)	(2.30)	(101.17)

22 Trade payables

			(₹ in Crores)
		2020	2019
	Dues to micro and small enterprises	60.51	24.71
		60.51	24.71
	Dues to creditors other than micro and small enterprises		
	Acceptances	464.27	438.44
	Other trade payables	1,195.96	1438.45
		1,660.23	1,876.89
		1,720.74	1,901.60
	The Company has amounts due to Micro and Small Enterprises under The Micro, Small and Medium Ente (MSMED Act) as at December 31, 2020.	rprises Developm	ent Act, 2006
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
	Principal amount	55.62	17.98
	Interest	2.61	2.48
(ii)	The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	91.31	101.19
	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.28	4.28
	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductable expenditure under the MSMED Act, 2006	16.69	11.80

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

23 Other current liabilities

		(₹ in Crores)
	2020	2019
Billing in excess of contract revenue	220.66	182.40
Statutory dues payable	46.22	32.08
Advance from customer	242.27	244.94
Advance received for sale of property, plant and equipment	39.00	-
Other payables	39.57	34.96
	587.72	494.38

24 Revenue from operations (net)

	2020	(₹ in Crores
	2020	201
Revenue from contracts with customers		
Sale of products	5,255.81	6,808.8
Sale of services	501.36	420.:
	5,757.17	7,229.0
Other operating revenues		
Scrap sales	10.86	21.5
Commission income	0.59	1.6
Income from development services	36.88	35.
Miscellaneous income	15.45	27.
	63.78	86.0
Revenue from operations (net)	5,820.95	7,315.0
Detail of revenue from contracts with customers		
(i) Sale of products	2.050.72	2 260
(i) Sale of products Switchgear of all types	2,050.73	2,260
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications	1,180.08	1,747.
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications Motors and other machines	1,180.08 1,056.49	1,747. 1,386.
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications	1,180.08	1,747.
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications Motors and other machines Others	1,180.08 1,056.49 968.51	1,747. 1,386 1,414.
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications Motors and other machines Others (ii) Sale of services	1,180.08 1,056.49 968.51	1,747. 1,386 1,414.
(i) Sale of products Switchgear of all types Electronic control and supply units for variable speed drives and other applications Motors and other machines Others	1,180.08 1,056.49 968.51 5,255.81	1,747. 1,386. 1,414. 6,808.

25 Other income

		(₹ in Crores
	2020	2019
Finance income		
Interest income:		
Interest on security deposit	0.40	0.4
Interest from deposits with bank	43.24	53.43
Interest income - on tax refunds etc.	20.23	12.28
Interest from long-term investments	-	0.0
Interest from loan to related party	3.85	12.23
	67.72	78.36
Other income		
Profit on sale of fixed assets (net)	1.25	7.64
Other non operating revenue	37.90	8.3
	39.15	15.9
	106.87	94.3

		2000	201
		2020	2019
26	Cost of materials consumed		
	COST OF INICIAL CONSUME		
	Raw material and components consumed		
	Inventory at the beginning of the year	536.12	629.2
	Add : Purchases during the year	3,228.01	4,101.8
	Less : Inventory at the end of the year	536.19	536.17
	Cost of raw materials consumed	3,227.94	4,194.9
27	Purchases of traded goods		
	Motors and other machines	105.56	29.1
	Switchgears	3.02	6.30
	Power invertors	1.25	24.17
	Others	346.83	411.49
		456.66	471.02
28	Changes in inventories of finished goods, traded goods and work-in-pro	ogress	
	Opening stock		
	- Finished goods	103.66	80.84
	- Work-in-progress	187.37	186.89
	- Traded goods	33.10	29.6
	Charten and	324.13	297.40
	Closing stock	02.20	102.6
	- Finished goods	83.28	103.66
	- Work-in-progress	187.62	187.3
	- Traded goods	31.95 302.85	33.10 324.13
		21.28	(26.72
		21,20	(26.73
29	Employee benefit expenses		
	Salaries, wages and bonus	492.36	496.7
	Gratuity	7.48	5.22
	Provident fund	17.34	15.7
	Contribution to superannuation and other funds	15.34	15.74
	Staff welfare expenses	24.17	35.19
	Training, recruitment and transfer expenses	11.32	11.0
		568.01	579.62
30	Finance costs		
	Interest expenses	5.32	9.77
	Finance cost lease obligation	3.42	
	Bill discounting and other charges	6.69	11.03
	Interest expense on provisions measured at amortised cost	1.44	0.6
		16.87	21.30
31	Depreciation and amortisation expense		
	Depreciation of property, plant and equipment	93.70	86.7
	Amortisation of intangible assets	2.65	3.6
	Depreciation of right to use assets	24.01	

32 Other expenses

	2020	201
Companyation of above and arrange	10.50	12.0
Consumption of stores and spares	10.60 22.62	12.9
Packing expenses Royalty and technology fees	172.64	214.4
	77.95	108.
Freight and forwarding	2.59	108.
Postage and telephone	0.04	
Commission (other than sole selling agent) Power and fuel	32.10	22.
	28.93	86.
Travelling and conveyance Insurance	11.08	13.
Rates and taxes (net)	23.87	20.
Rent Rates and taxes (net)	16.25	31.
	10.23	31
Repairs:	6.16	5
Buildings		
Plant and machineries	18.59	19.
Others	3.87	4
Reversal of provision for doubtful debts and advances (net)	(13.36)	(28.8
Bad debts / advances written off	119.51	48
Printing and stationery	2.04	3.
Bank charges	7.75	6
Corporate social responsibility expenditure	12.77	12
Legal and professional	37.91	55
Auditor's remuneration	1.55	1
Trade-mark fees	60.93	80
Information technology expenses	183.31	207
Exchange and commodity (gain) / loss (net)	(4.76)	42
Director's fees and commission	1.35	1
Services from third parties	94.10	115
Testing and inspection charges	12.54	8
Seminar and publicity expenses	6.47	13
Group management fees	68.48	85.
Network cost	31.81	26
Warranty	10.75	49.
Miscellaneous (net)	46.12	42.
Auditor's remuneration (excluding goods and service tax)*	1,106.56	1,343
As auditor: Audit fee	0.48	
Tax audit fee	0.48	0
Limited review	0.20	0
In other capacity:	0.00	0
	0.15	C
Group reporting fees Certification, etc	0.10	0
Reimbursement of expenses	0.10	
reinbursement of expenses	1.55	1
Details of corporate social responsibility expenditure		
Gross amount required to be spent during the year	12.77	12
Amount spent during the year		
Construction/acquisition of any asset	8.55	3
On purposes other than above	4.22	8
	12.77	12
	16.11	12

33 Discontinued operations

On March 5, 2019, the Board of Directors of Company approved the Scheme of Arrangement amongst the Company and ABB Power Products and Systems India Limited (APPSIL) for Demerger of Company's Power Grids business to APPSIL ("Demerger") and the Appointed date for the Demerger was April 1, 2019. The Demerger was approved by National Company Law Tribunal ('NCLT') and the NCLT approval had been filed with the Registrar of Companies on December 1, 2019 (Effective date).

On effective date, with effect from the Appointed Date i.e., April 1, 2019, the Power Grid business of the Company ('the transferred business') was transferred into "APPSIL", ('the resulting company'). The financial results of Power Grids business was presented as discontinued operations in the year ended December 31, 2019. Further, expenses incurred during the year relating to the discontinued business is disclosed as part of discontinued operations."

Further, as the scheme became effective on December 1, 2019 with the appointed date of April 1, 2019, the profit of Power Grids business for the period January 1, 2019 to March 31, 2019 and costs relating to demerger comprising stamp duty (accrued on estimate basis) and other expenses was presented as discontinued operations in the statement of profit and loss in the year ended December 31, 2019. The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date (i.e. April 1, 2019).

The financial performance and cash flows for power grid business:

		(₹ in Crores)
	2020	2019
a) Analysis of profit from discontinued operations		
-,,		
Income		
Revenue from operations	-	894.84
Other income	-	(0.02)
Total income	-	894.82
Expenses		
Cost of raw materials, components consumed and project bought	outs -	476.21
Purchases of traded goods	-	0.49
(Increase)/ decrease in inventories of finished goods, work-in-pro-	gress and traded goods -	(11.34)
Subcontracting charges	-	78.29
Employee benefit expenses	2.70	86.67
Depreciation and amortisation expense	-	13.59
Finance costs	-	7.76
Other expenses#	12.29	241.50
Total expenses	14.99	893.17
Profit before tax	(14.99)	1.65
Tax expense:	3.77	0.48
Profit after tax	(11.22)	1.17
# includes demerger related expenses Nil (December 31, 2019 ₹ 40	77 Crores)	
b) Net cash flows attributable to the discontinued operations		
Net cash (outflows) / inflows from operating activities	(7.99)	82.63
Net cash (used in) investing activities	-	(37.17)
Net cash (outflows) / inflows from financing activities	-	(7.76)
Net cash outflows	(7.99)	37.70

Book value of assets and liabilities of discontinued operations	
Property, plant and equipment and intangible assets (including CWIP)	605.40
Non-current financial assets	6.09
Other non-current assets	7.20
Inventories	469.5
Trade receivables	1,407.4
Cash and cash equivalents	
Current financial assets	273.0
Other current assets	63.4
Total assets (A)	2,832.1
Deferred tax liabilities (net)	10.9
Non-current financial liabilities - provisions	101.24
Trade payables	1,071.6
Other financial liabilities	223.30
Other current liabilities	608.10
Current liabilities - provisions	142.9
Total liabilities (B)	2,158.1
Net Assets (A - B)	673.9
Reserves transferred as per the Scheme	667.0
Note: As per the demerger scheme, net assets transferred in excess of reserves is debited to securities	premium

34 Earning per share (EPS)

		(₹ in Crores)
	2020	2019
The following reflects the income and share data used in the basic and diluted EPS computations		
a) Profit after tax		
From continuing operations	230.44	302.23
From discontinued operations	(11.22)	1.17
b) Profit attributable to equity shareholders	219,22	303.40
c) Weighted average number of Equity Shares outstanding during the year	21,19,08,375	21,19,08,375
d) Nominal value of shares (in ₹)	2.00	2.00
e) Earnings per share- Basic and diluted (in ₹)		
From continuing operations (in ₹)	10.87	14.26
From discontinued operations (in ₹)	(0.53)	0.06
From continuing and discontinued operations (in ₹)	10.35	14.32

35 Gratuity and other post-employment benefit plans

The Company has defined benefit gratuity plan and provident fund plan managed by trusts.

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.

			(₹ in Crores)
		2020	2019
A	Gratuity		
	The following table sets out movement in defined benefits liability and the amount recognised in the financial statements:		
	Gratuity provision	7.14	4.76
	Total	7.14	4.76

			(₹ in Crores)
	Defined benefit obligation	Fair value of plan assets	Benefit liability
Changes in the defined benefit obligation and fair value of plan assets a December 31, 2020:	as at		
Gratuity cost charged to profit or loss:			
As at January 1, 2019	136.47	129.67	6.80
Service cost	8.56	-	8.56
Net interest expense / income	6.95	7.61	(0.66)
Total amount recognised in statement of profit and loss (Note 29)	15.51	7.61	7.90
Acquisitions (credit)/cost	(61.81)	(55.32)	(6.49)
Remeasurement (gains)/losses in other comprehensive income:			
Return on plan assets (excluding amounts included in net interest expens	se) -	(3.93)	3.93
Actuarial changes arising from changes in financial assumptions	2.81	-	2.8
Experience adjustments	(1.64)	-	(1.64
Total amount recognised in other comprehensive income	1.17	(3.93)	5.10
Contributions by employer	-	8.55	(8.55
Benefits paid	(3.69)	(3.69)	
As at December 31, 2019	87.65	82.89	4.70
Service cost	7.88	-	7.88
Net interest expense	5.72	6.12	(0.40)
Total amount recognised in statement of profit and loss (Note 29)	13.60	6.12	7.48
Demerger adjustment#	(61.81)	(55.32)	(6.49)
Remeasurement (gains)/losses in other comprehensive income:			
Return on plan assets (excluding amounts included in net interest expense	se) -	(1.19)	1.19
Actuarial changes arising from changes in financial assumptions	7.64	-	7.64
Experience adjustments	7.42	-	7.42
Total amount recognised in other comprehensive income	15.06	(1.19)	16.25
Contributions by employer	-	21.35	(21.35
Benefits paid	(9.62)	(9.62)	
As at December 31, 2020	106.69	99.55	7.14

			(₹ in Crores)
		2020	2019
ii Ame	nunt vaaanuivad in halanaa ahaat		
ii Amo	ount recognized in balance sheet		
Pres	sent value of funded obligations	106.69	87.6
Fair	value of plan assets	99.55	82.89
Net	funded obligation	(7.14)	(4.76
Net	defined benefit (liability) / asset recognised in balance sheet	(7.14)	(4.76
iii Exp	ense recognised in profit or loss		
Curr	rent Service Cost	7.88	8.56
Inte	rest Cost	(0.40)	(0.66
		7.48	7.90
iv Rem	neasurements recognised in other comprehensive income		
	uarial (gain) loss on defined benefit obligation	15.06	1.1
Retu	urn on plan assets excluding interest income	1.19	3.93 5.10
v The	major categories of plan assets of the fair value of the total plan assets are as follows:		
•			
	estments quoted in active markets ernment of India Securities (Central and State)	4.86%	8.28%
	securities	3.85%	6.45%
	cial deposit scheme / Funds with LIC	85.32%	67.78%
	ers (including bank balances)	5.97%	17.49%
Tota		100.00%	100.00%
vi The	principal assumptions used in determining gratuity obligations are shown below:		
Disc	count rate	6.00%	6.90%
Futu	ure salary increases	7.75%	7.75%
vii The	following payments are expected contributions to the defined benefit plan in future years		
With	nin the next 12 months (next annual reporting period)	8.97	5.43
	ween 2 and 5 years	39.11	37.13
	ond 5 years	84.97	63.78
Tota	al expected payments	133.05	106.34

	Decembe	er 31, 2020	December 31, 2019	
	Discount rate	Future salary increases	Discount rate	Future salary increases
riii A quantitative sensitivity analysis for significant assumption as at December 31, 2020 is as shown below:				
Assumptions				
Sensitivity analysis				
1% increase	(8.43)	9.52	(6.74)	7.64
1% decrease	9.78	(8.38)	7.78	(6.76)
Impact on defined benefit obligation				

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years.

Defined benefit

obligation

Fair value of

plan assets

B Provident fund

benefit plans.

(₹ in	Crores)
Benefit	liability

İ	Changes in the defined benefit obligation and fair value of	טו אומוו מספנס		
	As at January 1, 2019	634.93	636.30	(1.37)
	Current service cost	60.73	-	60.73
	Demerger adjustment#	(208.18)	(204.63)	(3.55)
	Interest expense	38.61	38.17	0.44
	Return on plan assets	-	(13.54)	13.54
	Contributions	-	59.15	(59.15)
	Benefit payments	(33.89)	(33.89)	-
	Actuarial (gain)/loss	(10.32)	-	(10.32)
	As at December 31, 2019	481.88	481.56	0.32
	Current service cost	69.17	-	69.17
	Demerger adjustment#	246.15	244.96	1.19
	Interest expense/income	50.92	50.90	0.02
	Return on plan assets	-	40.96	(40.96)
	Contributions	-	67.31	(67.31)
	Benefit payments	(40.43)	(40.43)	•
	Actuarial (gain)/loss	60.96	-	60.96
	As at December 31, 2020	868.65	845.26	23.39
	#Pursuant to demerger, plan assets was transferred in the	e ratio of liability.		
				(₹ in Crore
			2020	20
	Amount recognized in balance sheet			
	Present value of funded obligations		868.65	5 481.8
	Fair value of plan assets		845.26	481.
	Net funded obligation		(23.39)	(0.3
	Net defined benefit (liability) / asset recognised in balance	ce sheet	(23.39)	(0.3
i	The principal assumptions are shown below:			
	Discount rate		6.00%	6.90
	Expected return on EPFO		8.50%	8.65
,	A quantitative sensitivity analysis for significant assumptis as shown below:	tion as at December 31, 2019		
	0.5% increase in discount rate		(17.15)	(10.0
	0.5% decrease in discount rate		25.72	-
	The sensitivity results above determine their individual impossible to multiple external experience items which may mosensitivity to such changes can vary over time. Assumptions used in determining the present value obligate. The major categories of plan assets of the fair value of the	ove the defined benefit obligation in simil	ar or opposite direction, v	vhile the plan'
		ιο τοται ριαπ ασσεισ αι ε ασ 10110W5:		
	Investments quoted in active markets Government of India Securities (Central and State)		E3 1 40/	E2 1 4
	Government of India Securities (Central and State)		52.14%	
	PSU securities Others (including bank balances)		34.20%	
	Others (including bank balances)		13.66%	
	Total		100.00%	100.00
	The Company contributed ₹ 15.46 Crores towards employe The provident plans are applicable only to employees draw	· · · · · · · · · · · · · · · · · · ·		

36 Fair value hierarchy

The Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at December 31, 2020.

(i) Fair value hierarchy

				(₹ in Crores
ciculars			2020	2019
Financial Assets at amortised cost				
Investments (refer note 5)			0.08	0.0
Loans (refer note 6)			27.00	377.0
Trade and other receivables (refer note 11)			1,694.96	1,947.5
Cash and cash equivalents (refer note 12)			2,203.95	1,594.9
Other financial assets (refer note 7)			846.36	606.7
Financial assets at fair value through profit and loss:				
Derivative instruments (refer note 7)			41.68	16.90
Total financial assets			4,814.03	4,543.20
Financial liabilities at amortised cost				
Borrowing (refer note 18)			-	7.0
Lease liability (refer note 20)			58.24	
Trade payables (refer note 22)			1,720.74	1,901.60
Other financial liability (refer note 19)			1,257.30	1,196.4
Financial assets at fair value through profit and loss :				
Derivative instruments (refer note 19)			20.40	23.1
Total financial liabilities			3,056.68	3,128.2
				(₹ in Crores
iculars	Amount	Level 1	Level 2	Level
Financial assets at fair value through profit and loss :				
Derivative instruments (refer note 7) - As at December 31, 2020	41.68	-	41.68	
Derivative instruments (refer note 7) - As at December 31, 2019	16.90	-	16.90	
Financial liabilities at fair value through profit and loss :				
Derivative instruments (refer note 19) - As at December 31, 2020	20.40	-	20.40	
Derivative instruments (refer note 19) - As at December 31, 2019	23.13	-	23.13	

Valuation techniques and significant unobservable inputs

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

The carrying value of trade receivables, loans, trade payables, other financial assets and liabilities and cash and cash equivalents are considered to be the same as there fair value, due to there short term in nature.

The fair value of financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments with banks/ financial institutions. Foreign currency forward contracts are valued using valuation techniques which employs the use of market observable inputs using present value calculations. The model incorporates various inputs including the deal specific fundamental, market conditions, maturity period, transaction size, comparable trades, foreign currency spot and forward rates.

37 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, liquidity risk and credit risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, trade payables, deposits and investments.

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, 2020.

Year	Commodity	Number of contracts	Contractual quantity	Buy /Sell
As at December 2020	Copper	129	2,736 MTs	Buy
As at December 2020	Silver	48	1,04,948 Ounce	Buy
As at December 2019	Copper	121	2,466 MTs	Buy
As at December 2019	Silver	53	96,635 Ounce	Buy

ii. Foreign Currency Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the CHF. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR).

(a) Unhedged in foreign currency exposure

(₹ in Crores) EUR NPR BDT BTN SEK CHF LKR Currency Others **Trade Receivables** 5.09 As at December 31, 2020 52.92 2.44 9.43 5.70 32.31 8.27 1% increase 0.53 0.02 0.09 0.06 0.32 0.08 0.05 1% decrease (0.53)(0.02)(0.09) (0.06)(0.32)(80.0)(0.05)As at December 31, 2019 3.86 0.82 1.75 16.75 1.08 1% increase 0.04 0.01 0.02 0.17 0.01 1% decrease (0.04)(0.01)(0.02)(0.17)(0.01)Trade payables As at December 31, 2020 216.25 1.59 5.17 2.54 123.37 85.95 6.59 44.70 1% increase 2.16 0.02 0.05 0.03 1.23 0.86 0.07 0.45 1% decrease (2.16)(0.02)(0.05)(0.03) (1.23)(0.07)(0.45)(0.86)As at December 31, 2019 28.73 2.90 1.47 80.04 1.86 7.01 1% increase 0.29 0.03 0.01 0.80 0.02 0.07 1% decrease (0.29)(0.07)(0.03)(0.01)(0.80)(0.02)Cash and cash equivalents 0.14 5.40 36.23 2.33 As at December 31, 2020 0.00 0.05 1% increase 0.36 0.02 1% decrease (0.00)(0.05)(0.36)(0.02)As at December 31, 2019 0.73 10.19 33.25 8.77 0.01 0.09 1% increase 0.10 0.33 1% decrease (0.01)(0.10)(0.33)(0.09)

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the Indian rupee computed from historical data and is representative of the foreign exchange currency risk inherent in financial assets and financial liabilities reported at the reporting date.

(b) Forward contracts outstanding as of December 31, 2020

urrency		2020			2019	
	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)
Exports						
CHF	23	0.11	8.78	18	0.18	13.27
EUR	57	0.47	42.86	143	1.16	93.81
SEK	3	4.89	44.05	3	4.89	37.31
USD	202	4.45	337.48	275	6.30	455.85
Others	5	0.06	3.51	21	20.10	25.32
			436.68			625.56

urrency		2020			2019	
	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)
Imports						
CHF	9	0.42	34.72	50	1.48	111.56
EUR	300	1.73	157.02	664	5.16	425.82
SEK	1	4.27	38.46	7	6.31	50.16
USD	271	1.31	99.64	834	4.51	326.04
Others	55	4.77	53.38	88	8.67	48.37
			383.22			961.95

iii Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Trade receivables

Trade receivables consists of a large number of customers spread across diverse industries.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At year end, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the statement of profit and loss within other expenses.

Specific allowance for loss is also been provided by the management based on expected recovery on individual customers

The provision provided in books for trade receivables overdue:

Reconciliation of loss allowance

		(₹ in Crores)
	2020	2019
Opening balance	367.69	578.26
Add: Additional ECL provision/(reversal)	14.05	(41.54)
Add: Additional provision/(reversal)	105.11	84.83
Less: Transferred on Demerger	-	191.61
Less: Utilisation/reversals	133.65	62.25
Closing balance	353.20	367.69

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year that has not been provided for.

(ii) Other than trade receivables

Management believes that the parties from which the receivables are due have strong capacity to meet the obligations and risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided for.

iv. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and debentures. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Crores)

		2020				20	019	
	On demand	Less than 1 year	More than 1 year	Total	On demand	Less than 1 year	More than 1 year	Tota
Year ended		-	-					
December 31, 2020								
Borrowings	-	-	-	-	-	-	7.06	7.06
Lease liability	-	13.31	44.93	58.24	-	-	-	
Other financial liabilities	-	1,252.03	5.27	1,257.30	-	1,192.88	3.56	1,196.44
Trade payables	-	1,720.74	-	1,720.74	-	1,901.60	-	1,901.60
Total non-derivative liabilities	-	2,986.08	50.20	3,036.28	-	3,094.48	10.62	3,105.10

38 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

		(₹ in Crores)
-	2020	2019
Borrowings	-	7.06
Lease liability	58.24	
Trade payables	1,720.74	1,901.60
Other financial liabilities	1,277.70	1,219.57
Less: cash and cash equivalents	(2,203.95)	(1,594.91)
Net debts	852.73	1,533.32
Total equity	3,606.38	3,520.11
Capital and net debt	4,459.11	5,053.43
Gearing ratio	19.12%	30.34%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2020.

39 Share based payments

The employees of the Company are entitled to the shares of ABB Limited, Zurich (Ultimate holding company) under an equity settled share based plan. The share based payments expense accounted during the year is not material and hence the required disclosures have not been provided.

40 Contingent liabilities and contingent assets

		(₹ in Crores)
	2020	2019
Contingent liabilities (Claims against the Company not acknowledged as debts)		
Excise duty /service tax and sales tax liabilities dispute	354.81	370.56
Custom duty liabilities in dispute	20.05	20.05
Income tax matters in dispute	13.17	14.35
Other matters	175.95	176.09
	563.98	581.05

The Company does not have any contingent assets at the balance sheet date.

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.

41 Commitments

			(₹ in Crores)
		2020	2019
(a)	Capital commitments		
	Estimated amount of contracts remaining to be executed on account of capital commitments and not provided for (net of advances)	77.52	134.18

(b) Transition to IND AS 116

The Company has adopted Ind AS 116, effective annual reporting period beginning January 1, 2020 and applied the standard to its leases, retrospectively using modified retrospective method for transitioning with the cumulative effect of initially applying the standard, recognised on the date of initial application (January 1, 2020). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on January 1, 2020.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at January 1, 2020. Accordingly, a right-of-use asset of ₹ 51.37 crores and a corresponding lease liability of ₹ 55.44 crores has been recognized. The cumulative effect on transition in retained earnings net off taxes is ₹ 4.07 crores (including a deferred tax of ₹ 1.02 crores). The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 6.52% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

During the year ended December 31, 2020, the Company incurred expenses amounting to ₹ 16.25 crores towards short-term leases and leases of low-value assets disclosed as Rent in the other expense schedule. The total cash outflows for leases, including short-term leases and low-value assets amounted to ₹ 53.33 crores.

The maturity analysis of the lease liabilities have been disclosed under Liquidity Risk in Note 37

Finance lease

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset and the lease liability at the date of initial application of Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17. Accordingly, an amount of $\mathbf{\xi}$ 30.12 crores has been reclassified from property, plant and equipment to right-of-use assets. An amount of $\mathbf{\xi}$ 9.72 crores has been reclassified from other current financial liabilities to lease liability – current and an amount of $\mathbf{\xi}$ 10.12 crores has been reclassified from borrowings – non-current to lease liability – non-current.

42 Segment disclosures

42(a) Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. For management purposes, CODM organises the company into business units based on its products and services and has five reportable segments, as follows

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.

Motion segment (MO) provides products, solutions and related services that increase industrial productivity and energy efficiency. Its motors, generators and drives provide power, motion and control for a wide range of automation applications.

Robotics and Discrete Automation segment (RA) provides value-added solutions in robotics, machine and factory automation.

Electrification segment (EL) provides technology across the full electrical value chain from substation to the point of consumption, enabling safer and more reliable power. A range of digital and connected innovations for low- and medium-voltage, including EV infrastructure, solar inverters, modular substations, distribution automation, power protection, wiring accessories, switchgear, enclosures, cabling, sensing and control.

Industrial Automation segment (IA) provides products, systems and services designed to optimize the productivity of industrial processes. Solutions include turnkey engineering, control systems, measurement products, life cycle services, outsourced maintenance and industry specific products. The industries served include oil and gas, power, chemicals and pharmaceuticals, pulp and paper, metals and minerals, marine and turbocharging.

Power Grids segment (PG) offers power and automation products, systems, service and software solutions across the generation, transmission and distribution value chain. Its portfolio includes grid integration, transmission, distribution and automation solutions and a complete range of high voltage products and transformer.

- **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) Power Grids segment (PG) is considered as discontinued operation and held for sale. Information about the demerger is provided in Note. 33

vi) Segment Information

(Figures in brackets are in respect of the previous year)

		=1c		- · · ·		
Tota	Industrial Automation	Electrification Products	Motion	Robotics and Discrete Automation	Power Grids (Discontinued)	Composition of business segments
5,725.84	1,271.61	2,141.18	2,159.49	153.56	-	External sales
(8,002.91	(1,527.08)	(2,843.58)	(2,472.82)	(269.45)	(889.98)	
123.44	11.16	39.79	70.87	1.62	-	Inter segment sales
(320.08	(32.61)	(132.28)	(139.73)	(2.33)	(13.13)	_
51.39	2.24	41.40	7.71	0.04	-	Other operating revenue
(57.82	(3.49)	(43.52)	(5.91)	(0.04)	(4.86)	
5,900.6	1,285.01	2,222.37	2,238.07	155.22	-	Segment revenues
(8,380.81	(1,563.18)	(3,019.38)	(2,618.46)	(271.82)	(907.97)	
408.76	-56.91	234.38	241.58	4.70	(14.99)	Segment results
(709.10	(96.19)	(297.11)	(241.62)	(23.98)	(50.20)	
3,502.39	966.27	1,272.03	1,148.97	115.12		Segment assets
(3,868.36	(1,060.61)	(1,560.41)	(1,107.88)	(139.46)	-	
2,631.2	812.27	777.12	952.77	89.11	-	Segment liabilities
(2,601.06	(725.67)	(916.74)	(844.17)	(114.48)	-	
64.83	7.27	36.31	19.65	1.60	-	Depreciation / amortisation
(71.18	(5.25)	(33.59)	(18.31)	(0.44)	(13.59)	

vii) Reconciliation of reportable segments with the financial statements

(₹ in Crores)

					(< in Crores)
	Revenues	Results / Net profit	Assets	Liabilities	Depreciation / amortisation
Total segments	5,900.67	408.76	3,502.39	2,631.27	64.83
	(8,380.81)	(709.10)	(3,868.36)	(2,601.06)	(71.18)
Power grids (Discontinued)	-	(14.99)	-	-	-
	(907.97)	(50.20)	(-)	(-)	(13.59)
Corporate - unallocated (net)	43.72	(161.30)	4,088.11	1,352.85	55.53
	(149.17)	(123.84)	(3,832.47)	(1,579.66)	(32.81)
Exceptional item - solar business		58.79	-	-	-
	(-)	(69.70)	(-)	(-)	(-)
Inter segment sales	123.44	-	-	-	-
	(306.95)	(-)	(-)	(-)	(-)
Interest expense	-	(16.87)	-	-	-
	(-)	(21.36)	(-)	(-)	(-)
Provision for tax	-	(73.93)	-	-	-
	(-)	(141.77)	(-)	(-)	(-)
As per financial statements	5,820.95	230.44	7,590.50	3,984.12	120.36
	(7,315.06)	(302.23)	(7,700.83)	(4,180.72)	(90.40)

(b) Composition of geographical segments

(₹ in Crores)

			(,
	India	Rest of world	Total
Segment revenues	4,870.99	949.96	5,820.95
	(6,015.12)	(1,299.94)	(7,315.06)
Segment non-current assets*	1,056.54	-	1,056.54
	(1,017.88)	(-)	(1,017.88)

 $^{^{\}star}\,\text{Non current assets does not include deferred tax assets, financial instruments and non-current tax assets.}$

'No customer individually accounted for more than 10% of the revenues from the continuing operations in the year ended December 31, 2020 and 2019.

43 Related party disclosures

(a) Parent Company

Party where control exists:

ABB Limited, Zurich, Switzerland (Ultimate Holding Company)

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

Entities with common directors and also a fellow subsidiary*

ABB Global Industries and Services Private Limited, Bengaluru, India

ABB Power Products and Systems India Limited, Bengaluru, India (fellow subsidiary until June 30, 2020)

* Transactions with the parties has been disclosed as part of transactions with fellow subsidiaries.

Entities over which key management personnel are able to exercise significant influence

ABB India Foundation

Entities under common control

Name of the Fellow subsidiaries:

ABB Australia Pty Limited, Moorebank, NSW, Australia

ABB (Namibia) (Pty) Ltd., Windhoek, Namibia

ABB (Pty) Ltd., Gaborone, Botswana

ABB A/S, Skovlunde, Denmark

ABB AB, Västerås, Sweden

ABB AG. Mannheim, Germany

ABB Algeria SpA Asea Brown Boveri , Hydra, Algeria

ABB Algerie Produits SpA, Hydra, Algeria

ABB AS, Billingstad, Norway ABB AS, Jüri, Estonia

ABB AG. Wiener Neudorf. Austria

ABB Asea Brown Boveri Ltd, Zurich, Switzerland ABB Asea Brown Boveri SRL, BUCHAREST, Romania

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

Region of China

ABB Automacao Ltda, Sorocaba, Brazil

ABB Automation And Electrification (Vietnam) Company Limited, Ho

Chi Minh, Viet Nam

ABB Automation GmbH, Mannheim, Germany

ABB Automation Products GmbH, Ladenburg, Germany

ABB B.V., Rotterdam, Netherlands

ABB Bailey Beijing Engineering Co. Ltd., Beijing, China ABB Bailey Japan Limited, Shizuoka-Ken, Japan ABB Beijing Drive Systems Co. Ltd., Beijing, China ABB Beijing Switchgear Limited, BeiJing, China

ABB Bulgaria EOOD, Sofia, Bulgaria

ABB Business Services Sp. z o.o., Warsaw, Poland ABB Capital B.V., Rotterdam, Netherlands

ABB Chongqing Transformer Company Ltd., Chongqing, China

ABB Colombia Ltda, Bogota, Colombia

ABB Contracting Company Ltd., Riyadh, Saudi Arabia

ABB d.o.o., Belgrade, Serbia ABB Ecuador S.A., Quito, Ecuador

ABB Electrical Equipment (Xiamen) Co., Ltd., Xiamen, China ABB Electrical Equipment Ltd., Lipetsk, Russian Federation ABB Electrical Industries Co. Ltd., Riyadh, Saudi Arabia ABB Electrical Machines Ltd., Shanghai, China

ABB Electrical Products (Shanghai) Co., Ltd., Shanghai, China

ABB Elektrik Sanayi A.S., Istanbul, Turkey ABB Eletrificacao LTDA, Sorocaba, Brazil

ABB Engg. Technologies Co. (KSCC), Safat, Kuwait ABB Engineering (Shanghai) Ltd., Shanghai, China

ABB Engineering Trading and Service Ltd., Budapest, Hungary

ABB Limitada, Maputo, Mozambique

 ${\tt ABB\ Enterprise\ Software\ Inc.,\ Atlanta,\ GA,\ United\ States}$

ABB Equity Limited, Zurich, Switzerland

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

ABB France, Cergy Pontoise, France
ABB FZ-LLC. Dubai. United Arab Emirates

ABB Power & Automation (Private) Limited, Lahore, Pakistan

ABB Power Grids Argentina S.A.U., Ciudad Autonoma de

Buenos Aires, Argentina

ABB Power Grids Australia Pty Ltd, Brisbane, Queensland, Australia

ABB Power Grids Bulgaria EOOD, Sevlievo, Bulgaria

ABB Power Grids Canada Inc, Saint-Laurent, Quebec, Canada

ABB Power Grids Chile SA, Santiago, Chile

ABB Transmission & Distribution Limited LLC, Abu Dhabi,

United Arab Emirates

ABB Power Grids Denmark A/S, Skovlunde, Denmark ABB Power Grids Germany AG, Mannheim, Germany

ABB Power Grids Hong Kong Limited, Hong Kong, Hong Kong Special

Administrative Region of China

ABB Power Grids Italy S.p.A., Milano, Italy

ABB Power Grids Ltd., Moscow, Russian Federation

ABB Power Grids Malaysia Sdn Bhd, Kuala Lumpur, Malaysia

ABB Power Grids Peru S. A., Lima, Peru

ABB Power Grids Poland Sp. z o.o., Warsaw, Poland

 $ABB\ Power\ Grids\ Singapore\ Pte.\ Ltd.,\ Singapore\ ,\ Singapore$

ABB Power Grids South Africa (Pty) Ltd, Johannesburg, South Africa

ABB Power Grids Sweden AB, Västerås, Sweden ABB Power Grids Switzerland Ltd, Baden, Switzerland

ABB (China) Ltd., Beijing, China

ABB Power Protection LLC, Wilmington, DE, United States ABB Power Protection SA, Gambarogno, Switzerland ABB Power Systems Portugal, S.A, Oeiras, Portugal

ABB Pte. Ltd., Singapore, Singapore ABB S.A., Buenos Aires, Argentina ABB S.A., Casablanca, Morocco

ABB S.A., Lima, Peru
ABB S.A., Santiago, Chile
ABB S.p.A., Milan, Italy

ABB s.r.o., Prague, Czech Republic

ABB SARL, Kinshasa Gombe, Congo, Democratic Republic of the

ABB Schweiz AG, Baden, Switzerland
ABB Sécheron S.A., Satigny, Switzerland

ABB Shanghai Free Trade Zone Industrial Co., Ltd., Shanghai, China

ABB Shanghai Motors Co. Ltd., Shanghai, China ABB Shanghai Transformer Co. Ltd., Shanghai, China ABB South Africa (Pty) Ltd., Modderfontein, South Africa

ABB Sp. z o.o., Warsaw, Poland

Power-One Renewable Energy Solutions LLC, Wilmington,

DE, United States

ABB Power Products and Systems India Limited; Bengaluru; India ABB Global Marketing FZ LLC, Dubai, United Arab Emirates

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

ABB Holdings Sdn. Bhd., Subang Jaya, Malaysia

ABB Inc., Cary, NC, United States
ABB Inc., Saint-Laurent, Quebec, Canada
ABB GISL Employees Gratuity Trust

ABB Industrial Solutions (Switzerland) SA, Riazzino, Switzerland

ABB Industries (L.L.C.), Dubai, United Arab Emirates
ABB Industries FZ, Dubai, United Arab Emirates
ABB Information Systems Ltd., Zurich, Switzerland
ABB Installation Products Inc, Memphis, TN, United States
ABB Jiangjin Turbo Systems Company Limited, Chongqing, China

ABB Jiangsu Jingke Instrument Transformer Co., Ltd.,

Suqian, Jiangsu, China ABB K.K., Tokyo, Japan

ABB Enterprise Software (PGHV US non-legal entity),

Mt. Pleasant, PA, United States

ABB Limited/Jordan LLC., Amman, Jordan ABB Limited, Auckland, New Zealand ABB Limited, Bangkok, Thailand

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

ABB Limited, Dhaka, Bangladesh ABB Limited, Dublin, Ireland ABB Limited, Nairobi, Kenya

ABB Limited, Warrington, United Kingdom

ABB LLC,, Muscat, Oman ABB LLC, Doha, Qatar ABB LLP., Almaty, Kazakhstan

ABB Logistics Center Europe GmbH, Menden, Germany

ABB Ltd., Hanoi, Viet Nam ABB Ltd., Kampala, Uganda ABB Ltd., Kyiv, Ukraine ABB Ltd., Lusaka, Zambia

ABB Ltd., Moscow, Russian Federation ABB Ltd., Seoul, Korea, Republic of ABB Ltd., Taipei, Taiwan (Chinese Taipei)

ABB Ltd., Zagreb, Croatia ABB Ltda., São Paulo, Brazil

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

ABB Malaysia Sdn Bhd., Subang Jaya, Malaysia
ABB Management Holding Ltd., Zürich, Switzerland
ABB Management Services Ltd., Zurich, Switzerland
ABB Mexico S.A. de C.V., San Luis Potosi SLP, Mexico
ABB Motion Limited, Bristol, United Kingdom

ABB Motors and Mechanical Inc, Fort Smith, AR, United States

ABB N.V., Zaventem, Belgium

ABB Near East Trading Ltd., Amman, Jordan

ABB Oy, Helsinki, Finland

ABB Supply Operations Ltd., Baden, Switzerland

ABB Substations Contracting India Private Limited,

Banglore, India

ABB Technologies Ltd., Haifa, Israel ABB Technologies S.A., Dakar, Senegal ABB Technology SA, Abidjan, Cote d'Ivoire

ABB Power Grids Colombia Ltda, Bogotá, Colombia

ABB Turbo Systems (Hong Kong) Limited, Hong Kong, Hong Kong

Special Administrative Region of China
ABB Turbo Systems AG, Baden, Switzerland

ABB Xiamen Surge Arrestor Co., Ltd., Xiamen, China

Asea Brown Boveri Industrial, Technical & Commercial Company of

Imports – Exports S.A., Metamorphossis Attica, Greece
ABB Xiamen Smart Technology Co., Ltd., Xiamen, China
ABB Xiamen Switchgear Co. Ltd., Xiamen, China

ABB Xi'an Power Capacitor Company Limited, Xi'an, China ABB Xinhui Low Voltage Switchgear Co. Ltd., Xinhui , China

ABB, Inc., Paranaque, Metro Manila, Philippines

ABBNG Limited, Lagos, Nigeria

ABB Xiamen Low Voltage Equipment Co. Ltd., Xiamen, China Asea Brown Boyeri Lanka (Private) Limited. Colombo. Sri Lanka

Asea Brown Boveri Ltd., Moka, Mauritius Asea Brown Boveri S.A., Madrid, Spain B&R Industrial Automation Pvt. Ltd., Pune, India

Busch-Jaeger Elektro GmbH, Lüdenscheid, Germany Electrical Materials Center Co. Ltd, Riyadh, Saudi Arabia Industrial C&S Hungary Kft., Budapest, Hungary Iraq Technology for Advanced Energy LLC, Baghdad, Iraq

Power-One Italy S.p.A., Terranuova Bracciolini (AR), Italy ABB Stotz-Kontakt GmbH, Heidelberg, Germany PT ABB Sakti Industri, Jakarta, Indonesia

Pucaro Elektro-Isolierstoffe GmbH, Roigheim, Germany

Shanghai ABB Power Transmission Company Ltd., Shanghai, China Shantou Winride Switchgear Co., Ltd., Longhu District Shantou, China

Sucursal Panama de ABB SA, Panama, Panama

Thomas & Betts Asia (Singapore) Pte. Ltd., Singapore, Singapore

Trasfor SA, Monteggio, Switzerland Turbo Systems United Co. Ltd., Tokyo, Japan

Asea Brown Boveri Ltd .Employees Gratuity Fund ABB India Employees' Provident Fund Trust

Asea Brown Boveri Ltd. Senior Executives Superannuation Scheme

ABB SRL, Bucharest, Romania

Key Managerial Personnel:

(a) Managing Director Sanjeev Sharma

(b) Non-Executive cum Independent Directors Nasser Munjee (upto July 24, 2020)

Darius E. Udwadia Renu Sud Karnad

V K Viswanathan (w.e.f November 13, 2019)

(c) Non-Executive Directors Jean-Christophe Deslarzes

Martin Wierod (from June 19, 2020)

Diane de Saint Victor (November 13, 2019 to July 24, 2020)

Tarak Mehta (upto June 19, 2020)

(d) Chief Financial Officer T. K. Sridhar

(e) Company Secretary B. Gururaj

(₹ in Crores)

(b) Transactions with related parties Transactions with related parties Transaction substinctions 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'. 1) Revenue from operations Holding Company 4.25 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 99.14 - ABB Schweiz AG, Baden, Switzerland 99.14 - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States 1.83 - Other fellow subsidiaries 1.83 - Other fellow subsidiaries 645.40 - ABB Power Products and Systems India Limited; Bengaluru; India 3.85 1ii) Interest Income - ABB Power Products and Systems India Limited; Bengaluru; India 3.85 1iii) Other non operating revenue - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Technology Services Private Limited; Bangalore, India 20.5 1iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 220.19 - ABB Schweiz AG, Baden, Switzerland 220.19 - ABB Schweiz AG, Baden, Switzerland 220.19 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - ABB Schweiz AG, Baden, Switzerland 20.11 - AB	in Crores
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'. Revenue from operations	201
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'. Revenue from operation	
in Revenue from operations Holding Company A.25 Fellow Subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Schweiz AG, Baden, Switzerland - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Dy, Helsinki, Finland - ABB Power Technology Services Private Limited; Bangalore, India - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland - ABB Dy, Helsinki, Finland	
Fellow Subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Schweiz AG, Baden, Switzerland - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Schweiz AG;Baden, Switzerland - ABB Schweiz AG;Baden, Switzerland - ABB Pre. Ltd., Singapore - ABB Pre. Ltd., Singapore - ABB Pre. Ltd., Singapore - ABB AB, Västerås, Sweden - Other fellow subsidiaries - Other fellow subsidiaries - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Indicator on Information technology, engineering, management and other services - Holding Company - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland	
Fellow Subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Schweiz AG, Baden, Switzerland - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Schweiz AG;Baden, Switzerland - ABB Schweiz AG;Baden, Switzerland - ABB Pre. Ltd., Singapore - ABB Pre. Ltd., Singapore - ABB Pre. Ltd., Singapore - ABB AB, Västerås, Sweden - Other fellow subsidiaries - Other fellow subsidiaries - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Indicator on Information technology, engineering, management and other services - Holding Company - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland	
- ABB Power Products and Systems India Limited, Bengaluru; India 69.14 - ABB Schweiz AG, Baden, Switzerland 69.14 - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States 1.83 - Other fellow subsidiaries 551.12 - ABB College States 645.40 - ABB Power Products and Systems India Limited; Bengaluru; India 3.85 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Technology Services Private Limited; Bangalore, India 20.5 - ABB Power Ag, Baden; Switzerland 20.5 - ABB Schweiz AG, Baden; Switzerland 20.44 - ABB Pte. Ltd., Singapore 1910.8 - ABB AB, Wästeräs, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 - ABB Equity Limited; Zurich; Switzerland 0.88 - ABB AB, Kasteräs, Sweden 162.67 - ABB Schweiz AG, Baden, Switzerland 162.67 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 171.70 - Expenditure on information technology, engineering, management and other services Holding Company 0.29 - Fellow Subsidiaries 9.03 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Information Systems Ltd., Zurich, Switzerland 9.38 - ABB Informatio	4.8
- ABB Power Products and Systems India Limited; Bengaluru; India 69.14 - ABB Schweiz AG, Baden, Switzerland 69.14 - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States 1.83 - Other fellow subsidiaries 551.12 - 645.40 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65	
- ABB Schweiz AG, Baden, Switzerland - Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States - Other fellow subsidiaries - Other fellow subsidiaries - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Schweiz AG; Baden; Switzerland - ABB Schweiz AG; Baden; Switzerland - ABB Schweiz AG; Baden; Switzerland - ABB Power Power AG; Baden; Switzerland - ABB Power Power AG; Baden; Switzerland - ABB AB, Västerås, Sweden - ABB AB, Västerås, Sweden - ABB AB, Västerås, Sweden - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Schweiz AG; Baden, Switzerland - ABB Schweiz AG; Baden, Switzerland - ABB Schweiz AG; Baden, Switzerland - ABB Schweiz AG; Baden, Switzerland - ABB Schweiz AG; Baden, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland	22.1
- Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States 55.11.2 - Other fellow subsidiaries 55.11.2 - 645.40 - 645.40 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 - 649.65 -	65.4
- Other fellow subsidiaries 551.12 648.40 648.40 649.65 ii) Interest Income	249.1
ii) Interest Income - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Products and Systems India Limited; Bengaluru; India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bangalore, India - ABB Schweiz AG; Baden; Switzerland - ABB Schweiz AG; Baden; Switzerland - ABB Schweiz AG; Baden; Switzerland - ABB Power Technology Services Private Limited; Bangalore, India - ABB Power Technology Services Private Limited; Bengaluru; India - ABB Schweiz AG; Sweden - ABB Schweiz AG; Sweden - ABB Schweiz AG; Sweden - ABB Power Technology and trade-mark fees - ABB Schweiz AG; Baden, Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Baden, Switzerland - ABB Schweiz AG, Bad	756.1
ii) Interest Income - ABB Power Products and Systems India Limited; Bengaluru; India 3.85 iii) Other non operating revenue - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Technology Services Private Limited; Bangalore, India 22.03 iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries 220.19 - ABB Schweiz AG;Baden; Switzerland 207.46 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 Fellow Subsidiaries 0.88 vi) Expenditure on ESAP charges Fellow Subsidiaries 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 Expenditure on information technology, engineering, managemen	1,092.8
- ABB Power Products and Systems India Limited; Bengaluru; India 7. ABB Power Products and Systems India Limited; Bengaluru; India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB Power Technology Services Private Limited; Bangalore, India 7. ABB B Global Industries and Services Private Limited; Bangalore, India 7. ABB Capalore 7. ABB India 7. ABB Information Systems Ltd., Zurich, Switzerland 7. ABB Information Systems Ltd., Zurich, Switzerland 7. ABB India 7. ABB India 7. ABB Information Systems Ltd., Zurich, Switzerland 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. ABB India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saragalore, India 7. Saraga	1,097.6
iii) Other non operating revenue - ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Technology Services Private Limited; Bangalore, India 2.05 25.03 iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Schweiz AG;Baden;Switzerland 207.46 - ABB Mg Oy, Helsinki, Finland 207.46 - ABB AB, Wästerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 Fellow Subsidiaries 713.67 Expenditure on ESAP charges Fellow Subsidiaries 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Vi) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9	
- ABB Power Products and Systems India Limited; Bengaluru; India 22.98 - ABB Power Technology Services Private Limited; Bangalore, India 2.05 25.03 iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Oy, Helsinki, Finland 207.46 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 - Expenditure on ESAP charges Fellow Subsidiaries 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 - Other fellow subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Vi) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03	12.2
- ABB Power Technology Services Private Limited; Bangalore, India 2.05 25.03 iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Wästerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 713.67 - Pellow Subsidiaries 713.67 - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Vi) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiarie	
iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte, Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - The subsidiaries 713.67 Fellow Subsidiaries 713.67 Fellow Subsidiaries 74BB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees 74BB Schweiz AG, Baden, Switzerland 162.67 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 Fellow Subsidiaries 171.70 - The fellow Subsidiaries 171.70 - The fellow Subsidiaries 171.70 - ABB Schweiz AG, Baden, Switzerland 171.70 - The fellow Subsidiaries 171.70 - ABB Schweiz AG, Baden Switzerland 171.70 - ABB Information technology, engineering, management and other services 171.70 - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 88.38	8.3
iv) Purchases of raw materials, components, project items and traded goods Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries Fellow Subsidiaries Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 189.78 - ABB Global Industries and Services Private Limited, Bengaluru, India	
Fellow Subsidiaries - ABB Schweiz AG;Baden;Switzerland - ABB Oy, Helsinki, Finland - ABB Oy, Helsinki, Finland - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 1,459.03 v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Information Systems Ltd., Zurich, Bengaluru, India 88.38	8.3
- ABB Schweiz AG;Baden;Switzerland 220.19 - ABB Oy, Helsinki, Finland 207.46 - ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 1,459.03 v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - ABB Schweiz AG, Baden, Switzerland 171.70 - 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	
- ABB Oy, Helsinki, Finland 207.46 - ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 11,459.03 v) Expenditure on ESAP charges Fellow Subsidiaries 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Fellow Subsidiaries 9.03 Vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 9.29 Fellow Subsidiaries 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	
- ABB Pte. Ltd., Singapore 191.08 - ABB AB, Västerås, Sweden 126.63 - Other fellow subsidiaries 713.67 - Other fellow subsidiaries 1,459.03 v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - Other fellow subsidiaries 171.70 - 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	232.3
- ABB AB, Västerås, Sweden - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Equity Limited; Zurich; Switzerland - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland - ABB Information Systems Ltd., Zurich, Switzerland - ABB Global Industries and Services Private Limited, Bengaluru, India - ABB Global Industries and Services Private Limited, Bengaluru, India	434.8
- Other fellow subsidiaries 713.67 1,459.03 v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 - Other fellow subsidiaries 9.03 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries 129.78 - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	255.3
v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland 0.88 vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	69.3
v) Expenditure on ESAP charges Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland vi) Expenditure on royalty, technology and trade-mark fees Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India	1,151.5
Fellow Subsidiaries - ABB Equity Limited; Zurich; Switzerland vi) Expenditure on royalty, technology and trade-mark fees Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries 102.67 - Other fellow subsidiaries 111.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	2,143.3
- ABB Equity Limited; Zurich; Switzerland vi) Expenditure on royalty, technology and trade-mark fees Holding Company 60.93 Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 60.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	
Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Vii) Expenditure on information technology, engineering, management and other services - Holding Company - O.29 - Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland - ABB Global Industries and Services Private Limited, Bengaluru, India - ABB Global Industries and Services Private Limited, Bengaluru, India - ABB Global Systems Ltd., 2015 ABB Global Industries and Services Private Limited, Bengaluru, India	
Holding Company Fellow Subsidiaries - ABB Schweiz AG, Baden, Switzerland - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Other fellow subsidiaries - Vii) Expenditure on information technology, engineering, management and other services - Holding Company - O.29 - Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland - ABB Global Industries and Services Private Limited, Bengaluru, India - ABB Global Industries and Services Private Limited, Bengaluru, India - ABB Global Systems Ltd., 2015 ABB Global Industries and Services Private Limited, Bengaluru, India	
- ABB Schweiz AG, Baden, Switzerland 162.67 - Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	90.9
- Other fellow subsidiaries 9.03 171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	
171.70 232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	247.8
232.63 vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	12.7
vii) Expenditure on information technology, engineering, management and other services Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	260.5
Holding Company 0.29 Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland 129.78 - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	351.4
Fellow Subsidiaries - ABB Information Systems Ltd., Zurich, Switzerland - ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	
- ABB Global Industries and Services Private Limited, Bengaluru, India 88.38	11.9
· • · · · · · · · · · · · · · · · · · ·	152.7
	66.8
- ABB Management Services Ltd., Zurich, Switzerland 37.77	38.8
- ABB Oy; Helsinki; Finland 28.80	57.2
- Other fellow subsidiaries 43.39	21.5
328.12	337.2
328.41	349.1
viii) Expenses recovered from group companies Holding Company -	0.1
Fellow Subsidiaries	
- ABB Power Products and Systems India Limited; Bengaluru; India 89.56	64.2
- ABB Substations Contracting India Private Limited, Bengaluru, India 9.26	29.4
- ABB Global Industries and Services Private Limited, Bengaluru, India 2.92	2.9
- ABB Management Services Limited, Zurich, Switzerland 1.83	3.1
- ABB AB, Västerås, Sweden 1.23	0.8
- Other fellow subsidiaries 23.61	5.4
128.41	106.1
128.41	106.3

(₹ in Crores)

	(₹ in Crores	
	2020	201
ix) Other capital expenditure		
Fellow Subsidiaries		
- ABB Engineering (Shanghai) Ltd.; Shanghai; China	1.10	1.0
- ABB Oy; Helsinki; Finland	0.82	2.4
- ABB Global Industries and Services Private Limited, Bengaluru, India	0.03	0.2
- Other fellow subsidiaries	0.68	0.8
	2.63	4.5
x) Dividend paid during the year		
Holding Company	76.29	76.2
Fellow Subsidiaries	-	
	76.29	76.2
xi) Repayment of loan granted		
- ABB Power Products and Systems India Limited; Bengaluru; India	347.62	
xii) Loan granted		
- ABB Power Products and Systems India Limited; Bengaluru; India	-	347.6
xiii) Remuneration to key managerial personnel		
The remuneration of key management personnel and a relative of key management		
personnel of the company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures		
Particulars		
Short term employee benefits	10.74	9.
Post employment benefits#	0.50	0.4
Directors' Sitting fees	0.12	0.:
Commission to Directors	1.23	1.0
Total	12.59	11.3
# Does not include gratuity and compensated absences as these are provided in the books of for the company as a whole and hence individual amount cannot be determined	accounts on the basis of act	uarial valuatio
xiv) CSR Contribution		
- ABB India Foundation	9.08	9.

xv) Pursuant to demerger of Power Grid business to ABB Power Products and System India Limited, during the year, the Company has accounted sales and purchases amounting to ₹ 1,139 Crores and ₹ 249.74 Crores respectively towards the contracts yet to be novated by the APPSIL's customers and vendors. The aforesaid sales and purchases has not been considered in the revenue from operations and cost of sales of the Company. The receivables and payables towards the aforesaid non novated contracts amounting to ₹ 597.87 Crores and ₹ 613.99 Crores have been disclosed as other receivables and other payables. (Refer note 7 and 19).

(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'.

) .	Trade receivables		
	Holding Company	1.01	0.77
	Fellow Subsidiaries		
	- ABB Schweiz AG, Baden, Switzerland	29.33	24.64
	- ABB Power Products and Systems India Limited; Bengaluru; India	22.07	
	- Power-One Renewable Energy Solutions LLC; Wilmington, DE; United States	-	132.58
	- Other fellow subsidiaries	140.43	196.13
		191.83	353.35
		192.84	354.07
	- Add/ (Less) :Impact of foreign currency restatement	1.23	3.39
		194.07	357.46

(₹ in Crores)

			(₹ in Crores
		2020	2019
ii)	Other financial assets		
	Holding Company	0.09	
	Fellow Subsidiaries		
	- ABB Global Industries and Services Private Limited, Bengaluru, India	14.87	9.3
	- ABB Substations Contracting India Private Limited, Bengaluru, India	4.06	4.0
	- ABB Power Products and Systems India Limited; Bengaluru; India	168.61	244.7
	- ABB Schweiz AG, Baden, Switzerland	0.33	0.5
	- Other fellow subsidiaries	5.40	5.1
		193.27	263.7
		193.36	263.7
	- Add/ (Less): Impact of foreign currency restatement	0.00	0.0
	- Add/ (Less). Impact of foreign currency restatement	193.36	263.7
iii)	Other current assets		
	Fellow Subsidiaries		
	- ABB AB, Västerås, Sweden	1.65	1.6
	- ABB Inc.;Cary, NC;United States	1.18	
	- ABB Sp. z o.o.;Warsaw;Poland	0.44	0.4
	- ABB South Africa (Pty) Ltd.; Modderfontein; South Africa	0.12	0.7
	- ABB Oy, Helsinki, Finland	-	2.7
		3.39	5.4
	- Add/ (Less) :Impact of foreign currency restatement	0.43	0.1
		3.82	5.6
iv)	Trade payables		
	Holding Company	1.30	
	Fellow Subsidiaries		
	- ABB Power Products and Systems India Limited; Bengaluru; India	1.87	
	- ABB AB, Västerås, Sweden	76.65	36.2
	- ABB Oy, Helsinki, Finland	53.39	149.2
	- ABB Schweiz AG, Baden, Switzerland	82.12	86.6
	· · ·	408.07	451.4
	- Other fellow subsidiaries		
		622.10	723.6
		623.40	
	- Add/ (Less): Impact of foreign currency restatement	10.01	4.3
v)	Other financial liabilities	633.41	727.9
•	Holding Company	23.33	39.5
	Fellow Subsidiaries		
	- ABB S.p.A.;Milan;Italy	5.26	6.1
	- Asea Brown Boveri Lanka (Private) Limited;Colombo;Sri Lanka	5.11	0.7
	- ABB Global Industries and Services Private Limited, Bengaluru, India	0.38	14.8
	- ABB Power Products and Systems India Limited; Bengaluru; India	481.54	591.9
	- ABB Management Services Ltd.; Zurich; Switzerland	-	23.3
	- Other fellow subsidiaries	6.65	31.1
		498.94	668.1
		522.27	707.7
	- Add/ (Less) :Impact of foreign currency restatement	0.56	2.4
		522.83	710.1
	Other current liabilities		
	Fellow Subsidiaries		
	- ABB Engg. Technologies Co. (KSCC);Safat;Kuwait	6.01	1.6
	- ABB Transmission & Distribution Limited LLC; Abu Dhabi; United Arab Emirates	5.01	11.4
	- ABB Schweiz AG, Baden, Switzerland	(0.12)	0.0
	- Other fellow subsidiaries	6.66	4.4
		17.56	17.5
	- Add/ (Less) :Impact of foreign currency restatement	0.05	0.4

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

During the previous year, the Company had provided inter corporate loan to APPSIL at the rate of 10% p.a which was repayable on demand. The loan has been fully repaid by APPSIL in the current year.

There have been no guarantees provided or received for any related party receivables or payables.

44 Revenue from contracts with customers

		(₹ in Crores
	2020	201
) Disaggregated revenue information		
Revenue by geography		
India	4,870.99	6,015.1
Other countries*	949.96	1,299.9
	5,820.95	7,315.0
* Exports to any single country are not material to be disclosed.		
# only continued operations.		
Out of the total revenue recognised under Ind AS 115 during the period, $\stackrel{?}{{}}$ 959.67 cror over a period of time and $\stackrel{?}{{}}$ 4,861.28 crores (December 31, 2019: $\stackrel{?}{{}}$ 5,965.30 crores) is a) is recognise
Contract balances		
Trade receivables	1,694.96	1,947.5
Advance from customers (Contract liabilities)	242.27	244.9
Billing in excess of contract revenue	220.66	182.4
Contract assets	61.08	171.3
	2,218.97	2,546.2
# previous year number is only for continued operations.		

A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer and hence is not a financial assets. In Company's contracts with customers, since the contractual right to payment arises only upon achievement of milestones specified in the contract, it is believed that the performance completed until the achievement of a particular milestone should be recorded as a contract asset under non-financial assets.

During the year ₹ 148.92 Crores (previous year ₹ 177.61 Crores) from opening balance of contract assets has been reclassified to trade receivables upon billing to customers on completion of milestones.

Revenue recognized during the year from opening balance of contract liabilities amounts to ₹ **164.16** Crores (previous year ₹ 120.06 Crores).

c) There is no revenue recognised during the year from the performance obligation that is satisfied in previous year (arising out of contract modifications.

d) Performance Obligation on fixed price contracts

The fixed price contracts are ordinarily presumed to consist of combined obligations which are not distinct in the context of the contract (i.e., single performance obligation). This is highly attributed to the long-term construction nature of the projects, whereby deliverables are typically highly interrelated and combined. The typical scope of turnkey contracts arrangements includes Engineering, manufacturing, shipment, delivery installation, testing, erection and commissioning and civil works. Although there are several components to the overall scope of the contract, the turnkey contracts are generally considered one performance obligation.

e) Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

The aggregate value of performance obligations that are completely or partially unsatisfied as at December 31, 2020 is ₹ 4,114.34 Crores. The conversion to revenue is highly dependent on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes / variation in scope / prices etc. In view of these, it is not practical to define the accurate timing of conversion to revenue. However, it will be in a range of 1 to 3 years.

f) Reconciliation between revenue recognized and contract price:

			(₹ in Crores)
		2020	2019
a)	Disaggregated revenue information		
	Contract price	5,769.09	7,252.63
	Less: Reductions towards variable consideration components*	51.86	62.43
	Revenue	5,820.95	7,315.06

^{*} Reduction towards variable consideration components include discounts, liquidated damages, etc.

g) Information regarding segment wise disaggregation of revenue has been included in segment information [Refer note 42].

45 Impact on transition to Ind AS 115

Effective January 1 2019, the Company adopted IND AS 115, "Revenue from Contracts with customers". The Company adopted the aforesaid standard retrospectively with a cumulative impact of \mathfrak{T} 9.77 Crores (net of tax impact \mathfrak{T} 5.24 Crores) credited to the retained earnings as on January 1, 2019 on account of retention discounting.

46 The Board at its meeting held on July 9, 2019, granted in-principle approval for sale of Company's solar inverter business (Business) to an Italian Company, FIMER S.p.A. Consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Company classified the assets as at December 31, 2019 pertaining to the Solar Inverter Business as Assets held for sale and measured the same at lower of cost and fair value (fair value less costs to sell). In this regard, during the year ended December 31, 2019, the Company accounted exceptional cost amounting to ₹69.70 Crores towards the remeasurement of fixed assets and inventories at realisable values.

After obtaining Board's final approval for sale of Business, on March 30, 2020, the Company entered into a Business Transfer Agreement (BTA) with Marici Solar India Private Limited, a wholly owned entity of FIMER S.p.A., in India ('Marici India') for sale of Solar inverter business for a consideration of ₹ 105.63 Crores. The effective date of BTA is April 1, 2020. Pursuant to the BTA, during the year, the Company reversed exceptional loss amounting to ₹ 58.79 Crores representing consideration receivable in excess of net assets to be transferred based on the aforesaid BTA.

Carrying value of asset and liabilities classified as held for sale

	(₹ in Crores)
	2020
Assets classified as held for sale	
Non-current assets	26.48
Trade receivables	237.32
Inventories	96.93
Other Current assets	61.84
Total assets of disposal group held for sale	422.57
Liabilities directly associated with assets classified as held for sale	
Non-current liabilities	2.29
Trade payable	205.73
Other current liabilities	63.62
Total liabilities of disposal group held for sale	271.64
Solar inverter business is part of electrification segment	

- 47 (a) Pursuant to the strategic decision to ramp-down and de-risk the Energy industries division's projects (part of the Industrial Automation segment), the management during the year ended 31 December 2020 has re-assessed efforts to be expended on the long term legacy projects and recoverability of related receivables. Such re-assessment resulted in an aggregate impact of ₹ 79.45 Crores effected in the income statement under relevant heads
 - (b) During the year ended 31 December 2020, the Company announced and executed a voluntary retirement scheme for its employees in one of the division of Industrial Automation segment. The Company recorded an additional cost of ₹ 13.5 Crores towards this scheme in the statement of profit and loss as "Employee costs".
- The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The COVID -19 pandemic is rapidly spreading throughout the world. ABB's plants and offices were under nationwide lockdown since March 24, 2020. Effective middle of May 2020 as per the directives of Ministry of Home Affairs(MHA) wherein some relaxation was announced, the Company opened up its manufacturing activities in its locations across the country after putting in place the due safety precautions and standard norms and processes prescribed by the MHA and the respective State Governments. The Company has ramped up its manufacturing activities in line with the demand pick up and supply chain stabilization. As a result of lockdown the volumes for the year has been impacted. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial statements.

49 Subsequent events:

The Board of Directors in their meeting held on February 10, 2021 have proposed a final dividend of $\mathbf{\xi}$ per equity share for the year ended December 31, 2020. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

As per our report of even date attached for **B S R & Co. LLP**Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

Amit Somani Partner

Membership no.: 060154 Bengaluru, February 10, 2021 For and on behalf of the Board Sanjeev Sharma (DIN-07362344) V K Viswanathan (DIN-01782934) T. K. Sridhar B. Gururaj (FCS-2631)

Managing Director Director Chief Financial Officer Company Secretary

Bengaluru, February 10, 2021

ABB India Limited

Plot No. 5 & 6, 2nd Stage Peenya Industrial Area IV Peenya, Bengaluru - 560 058 Karnataka, India.

Phone: +91 80 22949150 to 9153

Fax: +91 80 22949148

abb.com/in