



REF:INABB:STATUT:LODR:REGU 30:PPT:

October 27, 2021

BSE Limited  
P.J. Towers  
Dalal Street  
Mumbai 400 001  
**(Attn : DCS CRD)**

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
Mumbai 400 051

Dear Sirs

Sub: Presentation to Analysts

Ref: BSE: 500002 / NSE: ABB

Further to our letter dated October 22, 2021, enclosed please find a copy of the analyst presentation in respect of earnings conference call with analysts / institutional investors scheduled today.

Thanking you

Yours faithfully  
For ABB India Limited

Sunil L Naik  
Company Secretary  
ACS 15414

Encl: as above



---

OCTOBER 27, 2021

# **Strong performance exceeding pre-COVID levels**

ABB India Ltd

Analyst Call

Q3 CY2021

# Important notices

This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for ABB India Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans,” “outlook,” “on track,” “framework” or similar expressions.

There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others:

- business risks associated with the volatile global economic environment and political conditions
- costs associated with compliance activities
- market acceptance of new products and services
- changes in governmental regulations and currency exchange rates, and
- such other factors as may be discussed from time to time in ABB India Ltd’s filings with the Securities and Exchange Board of India (SEBI), including its Annual Report
- Impact of ongoing pandemic

Although ABB India Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

Further, Information shared herein inter-alia contains some key financials pertaining to ABB India. ABB India being a listed entity is obliged by law not to share the said information to any one (other than those who are involved in the process and who are bound by Insider Trading Regulation) unless and until the financials are considered and approved by ABB India Board and thereafter announced to stock exchanges as per the listing obligations entrusted upon ABB India. Therefore, privy to this presentation should kindly ensure strict confidentiality of the information shared and discussed herein.

---

# Agenda

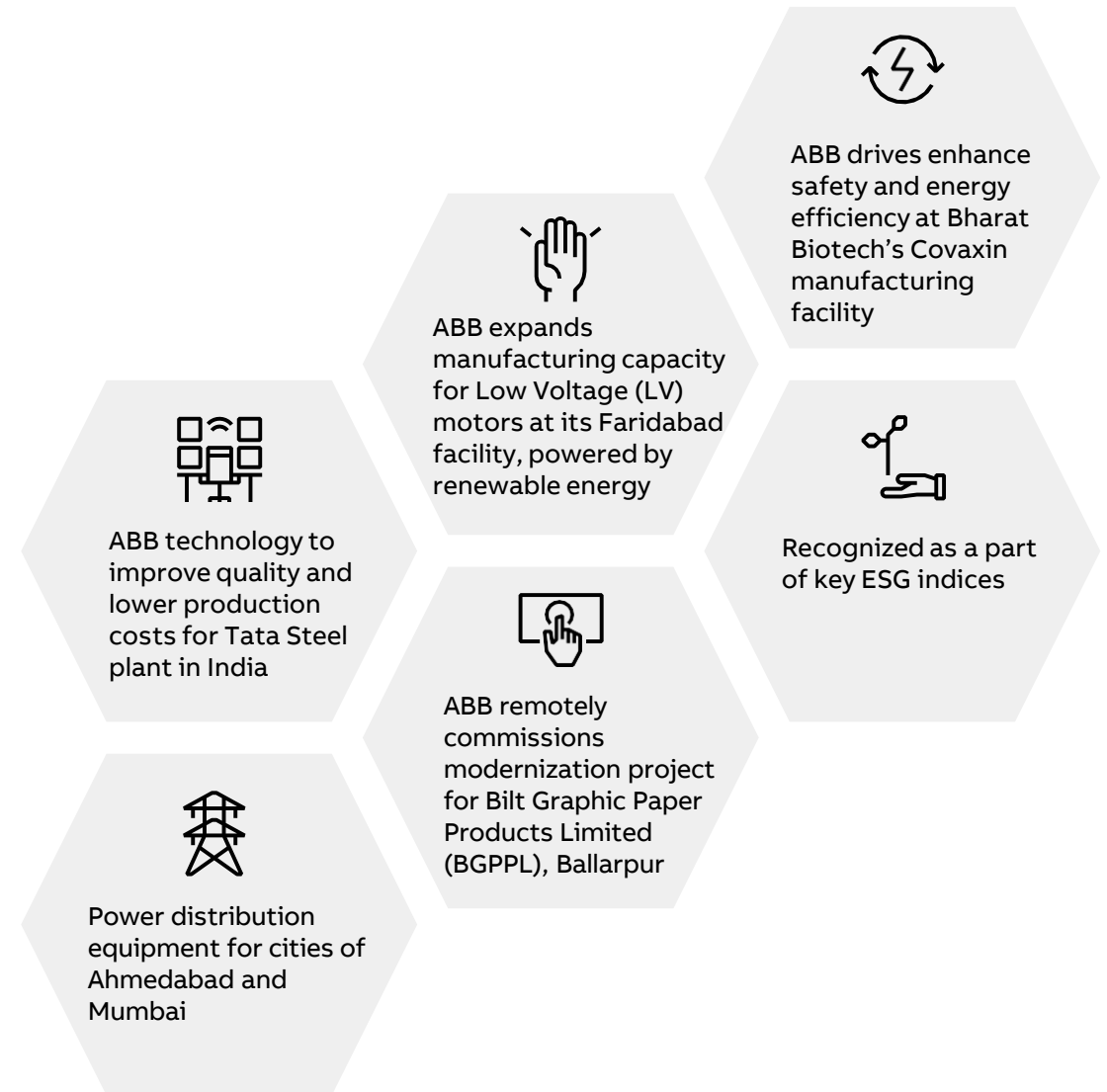
Business highlights

Financial Highlights



# Q3 2021 highlights

- **Solid recovery from covid** disrupted market dynamics
- **High level of demand driving strong order growth** with double-digit growth rates in all business areas
- **Strong revenue growth** with favourable product mix
- Improved value offerings and operational efficiencies led to **high Operational EBITA margin**
- **Healthy cash position**



## Strong performance exceeding pre-COVID levels

	Actual for Q3/21 (in Crores)	Change Q3/21 vs Q3/20	Change Q3/21 vs Q3/19
Orders	1909	↑ 46%	↑ 19%
Order Backlog	4765	↑ 9%	↑ 6%
Revenue	1778	↑ 10%	↑ 2%
PBT	165	↑ 45%	↑ 47%
PAT	120	↑ 40%	↑ 52%
Operational EBITA	168	↑ 64%	↑ 41%

# Strong demand; revenue maintains momentum



## Short-cycle

Steep growth across most businesses



## Market segments

Focus on channels & segments aid price realization



## Systems and service

Orders make a come-back this quarter



## Discrete

Broad-based order growth with orders also improving in automotive



## Process

Improvement across segments, including oil & gas; customer activity in power generation remained stable

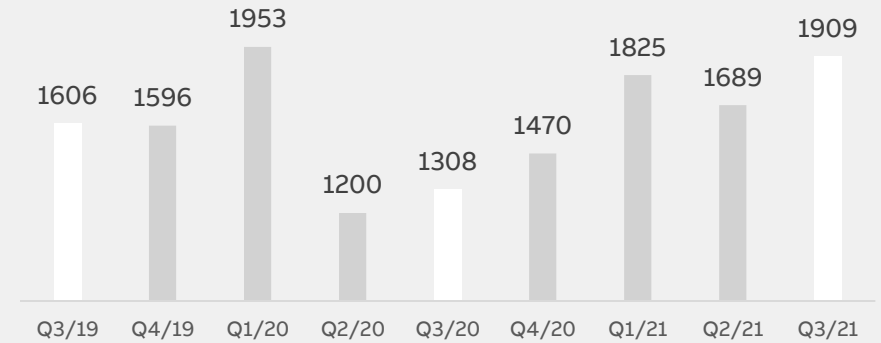


## Transport & infrastructure

Broad-based order growth across segments; continued recovery in railway

**Orders +46%<sup>1</sup>**

INR crores



**Revenues +10%<sup>1</sup>**

INR crores



1. YoY comparable

# Progressing well on new business model and technologies

Industry first collaborative robotics on ABB shopfloor



1 yr of ABB eMart: 26x growth in organic users since 2020, with customers from J&K to Kanyakumari



Adoption of digital products like Emax2 by SMEs



Local manufacturing of world's first eco-friendly switchgear





# Growth Sectors & ABB Offerings



## Data Centre

**Offerings** - UPS, MV & LV Switchgear, LV Components, Automation & Instrumentation, Drives, Digital Power Train

**Order** - low-voltage switchgear and controlgear assembly for power distribution and motor control and ArTuk panels for data centers in Hyderabad



## Renewables

**Offerings** - Motors, Electrical drive train package, MVAC, Turbine Controller, Digital Power Train

**Order** - EDS supplied low voltage components like breakers, contactors & MCBs to over 3 GW of solar and 2.5 GW of wind in India over last one year



## Food & Beverage

**Offerings** - Drives, Motors, Automation & Instrumentation, Robots, MV & LV Switchgear, Digital Power Train

**Order** - LV switchgears for processing of the biggest plant for Ayurvedic supplements for an FMCG major, power distribution technology solutions from confectionary to sugar companies



## Automotive

**Offerings** - Robots, LV & MV Switchgear, Drives, Motors, Automation & Instrumentation, Digital Power Train

**Order** - System service orders for auto majors from robotics



## Water & Wastewater

**Offerings** - Automation & Instrumentation, Motors, Drives, LV Components

**Order** - Motion solutions for Kalwakurthy extension project including Mallanasagar



## Railways

**Offerings** - Traction converter & motors, LV components, DC circuit breaker, Inverter/UPS, Digital Power Train

**Order** - Traction converters



## Pharma

**Offerings** - Drives, Motors, Automation & Instrumentation, Robots, MV & LV Switchgear

**Order** - Energy efficiency drives for clean room for vaccine manufacturers and distributed control and MES for pharma companies



## Power Distribution

**Offerings** - LV components, MV products (CSS, Switchgears, RMU), Relays, Arc fault protection

**Order** - Compact substations, panels, switchgears, etc. for industries and tier 2 cities

# Partnering India's growth story, across sectors

## Business Outlook

High	Moderate	Low
Renewables	Food & Beverage	Buildings & Infra
Water &	Pharma	Ports
Wastewater	Data Centre	Cement & Mining
Warehousing	Railways & Metro	Oil, Gas & Chemicals
Logistics	Power Distribution	Metals & Mining
	Automotive	Pulp & Paper
		Rubber & Plastics

## Govt growth drivers and emerging business areas for future growth



AMRUT 2.0 approved by Govt. of India, **100% coverage of household sewerage/ septage, universal water supply, >2 crore tap**



GatiShakti launched by Govt. of India will fuel the **₹ 111,00,000 crore (\$1.5 tn)** National Infrastructure Pipeline (NIP) as announced in Dec'20



Battery manufacturing: India to need **8000GWh of batteries by 2030**, govt incentives to push local giga factories



National Hydrogen Mission announced in the Union Budget 2021 and allotted INR 25 crore for R&D. Govt. **committed outlay of INR 800 Crores (~\$100 Mn) between 2021 to 2024**

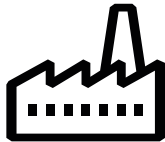
# Implementing ABB India ESG strategy

Driving sustainability to the last mile

## Sustainable Business Model



**Phase 1**  
Green Factory Buildings

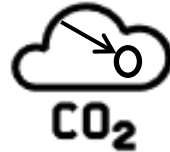


**Phase 2**  
Green Manufacturing-  
**Towards Net Zero**



**Phase 3**  
Green Products

## Net Zero-Green manufacturing



Carbon Net Zero with  
- RE100  
- EV100 & EP100



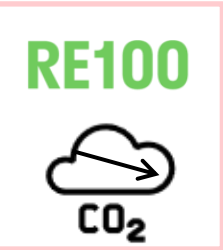
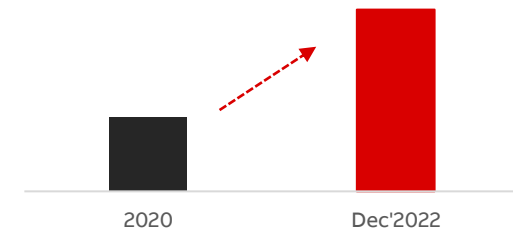
Water Net zero WIP at  
multiple location  
(neutral/positive units)



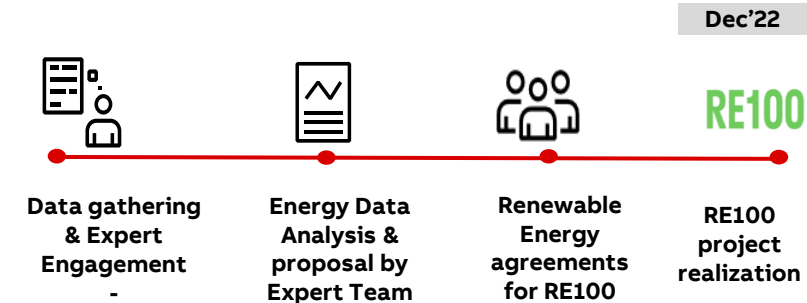
Waste net Zero & achieve zero  
waste to landfill work in  
progress

## RE100 project realization

### i. Renewable energy utilisation (%)



### ii. Steps involved in RE100 realisation



---

# Agenda

Business highlights

Financial highlights



# Financial Performance

Strong performance exceeding pre-COVID levels

INR crores

Q2 2021	Performance Indicator	Q3 2021	Q3 2020	Change Vs Q3 20	YTD 2021	YTD 2020	Change Vs YTD 20	Full Year 2020
1,689	Base Orders Received	1,909	1,308	+46%	5,423	4,443	+22%	5,914
-	- Large Orders Received	-	-		-	18		18
<b>1,689</b>	<b>Total Orders Received</b>	<b>1,909</b>	<b>1,308</b>	<b>+46%</b>	<b>5,423</b>	<b>4,461</b>	<b>+22%</b>	<b>5,932</b>
4,583	Order Backlog (end of period)	4,765	4,390		4,765	4,390		4,114
1,425	Revenue	1,778	1,612	+10%	4,833	4,120	+17%	5,821
90	Profit Before Exceptional and Tax (PBT)	165	114	+45%	384	165	+133%	338
6.3	PBT before Exceptional %	9.3	7.1		8.0	4.0		5.8
-	- Exceptional item	-	-		75	59		(34)
90	Profit After Exceptional and Before Tax(PBT)	165	114	+45%	459	224	+105%	304
6.3	PBT after Exceptional %	9.3	7.1		9.5	5.4		5.2
68	Profit After Tax (PAT)	120	85	+40%	339	168	+101%	230
4.8	PAT %	6.7	5.3		7.0	4.1		4.0
88	Operational EBITA	168	103	+64%	367	125	+198%	293
6.2	Operational EBITA%	9.4	6.4		7.6	3.0		5.0
2,364	Cash balance	2,481	1,598		2,481	1,598		2,207

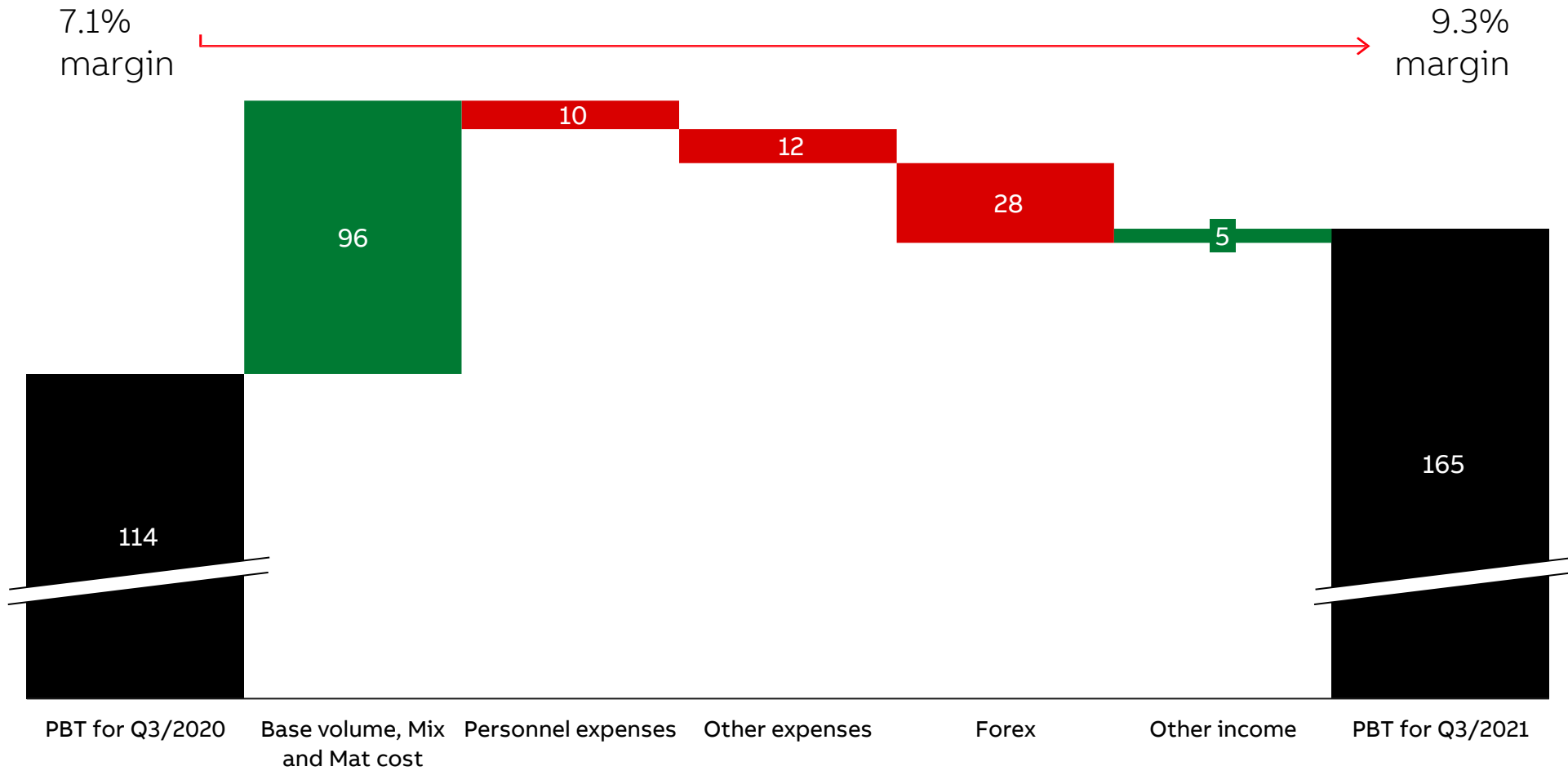
## Q3 CY21 financial summary

(Rs. In Crores)

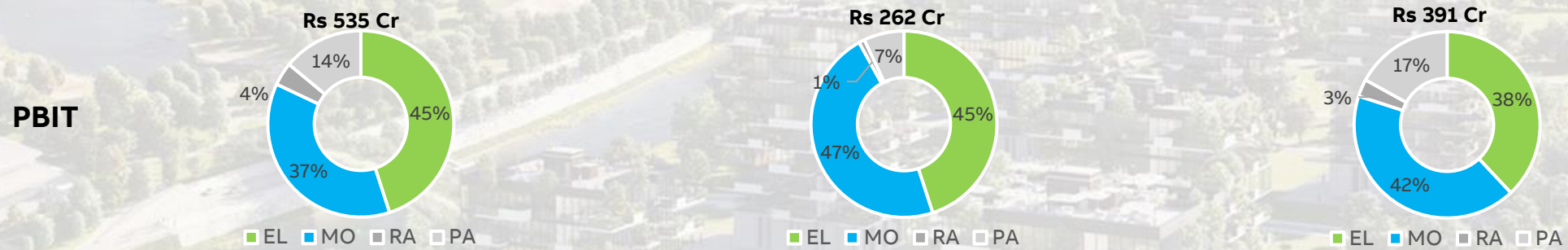
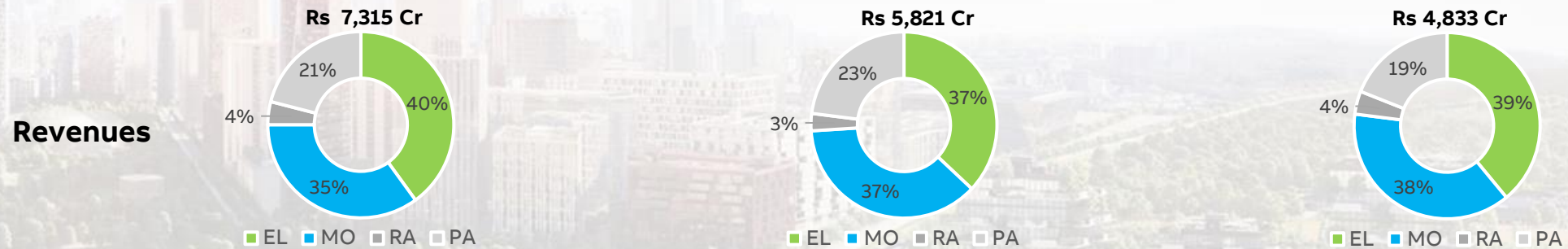
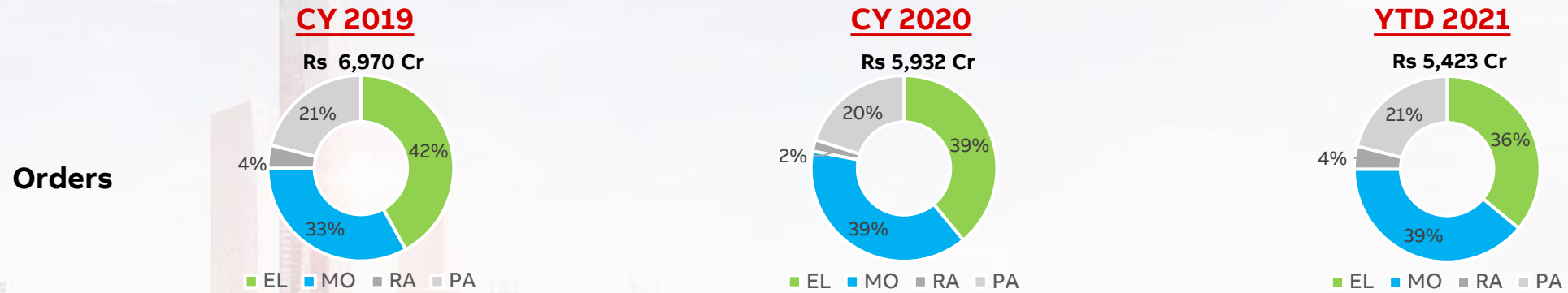
	Quarter ended on 30.09.2021		Quarter ended on 30.06.2021		Quarter ended on 30.09.2020		Nine month ended 30.09.2021		Nine month ended 30.09.2020		Year ended 31.12.2020	
	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%
<b>INCOME</b>												
Revenue from Operations	1,778.4	100.0	1,425.0	100.0	1,612.2	100.0	4,832.5	100.0	4,120.2	100.0	5,821.0	100.0
Other Income	24.8	1.4	25.2	1.8	20.1	1.2	75.3	1.6	92.5	2.2	106.9	1.8
<b>Total Income</b>	<b>1,803.2</b>	<b>101.4</b>	<b>1,450.2</b>	<b>101.8</b>	<b>1,632.3</b>	<b>101.2</b>	<b>4,907.8</b>	<b>101.6</b>	<b>4,212.7</b>	<b>102.2</b>	<b>5,927.8</b>	<b>101.8</b>
<b>EXPENDITURE</b>												
Material cost	1,165.4	65.5	946.0	66.4	1,095.6	68.0	3,197.5	66.2	2,716.3	65.9	3,870.4	66.5
Personnel Expenses	144.1	8.1	139.1	9.8	135.2	8.4	436.9	9.0	418.7	10.2	568.0	9.8
Other Expenses	300.0	16.9	245.1	17.2	260.0	16.1	802.2	16.6	811.8	19.7	1,106.5	19.0
Depreciation	26.3	1.5	28.4	2.0	24.7	1.5	80.0	1.7	90.7	2.2	120.4	2.1
Interest	2.0	0.1	1.6	0.1	2.8	0.2	6.8	0.1	9.9	0.2	16.9	0.3
<b>Total Expenditure</b>	<b>1,637.8</b>	<b>92.1</b>	<b>1,360.2</b>	<b>95.5</b>	<b>1,518.3</b>	<b>94.2</b>	<b>4,523.4</b>	<b>93.6</b>	<b>4,047.4</b>	<b>98.2</b>	<b>5,682.2</b>	<b>97.6</b>
Profit before Tax and exceptional	165.4	9.3	90.0	6.3	114.0	7.1	384.4	8.0	165.2	4.0	245.6	4.2
Exceptional item	-	-	-	-	-	-	74.5	-	58.8	-	58.8	-
Profit before Tax and after exceptional	165.4	9.3	90.0	6.3	114.0	7.1	459.0	9.5	224.0	5.4	304.4	5.2
Current tax	51.2	2.9	14.7	1.0	25.5	1.6	115.0	2.4	59.0	1.4	71.7	1.2
Deferred tax	-5.7	-0.3	7.0	0.5	3.0	0.2	5.1	0.1	-3.3	-0.1	2.2	-
Profit after tax	120.0	6.7	68.3	4.8	85.5	5.3	338.9	7.0	168.2	4.1	230.4	4.0
ETR(%)	27.5%		24.1%		25.0%		26.2%		24.9%		24.3%	

- Strong backlog execution and solid customer-connect led to positive momentum in revenue
- Favourable mix & better margin orders shore up contribution
- Increase in personnel expense on account of salary revision
- Other expenses go up relative to revenue
- Improved profitability Y-o-Y, margin growth supported by demand and better capacity utilization

# PBT Bridge



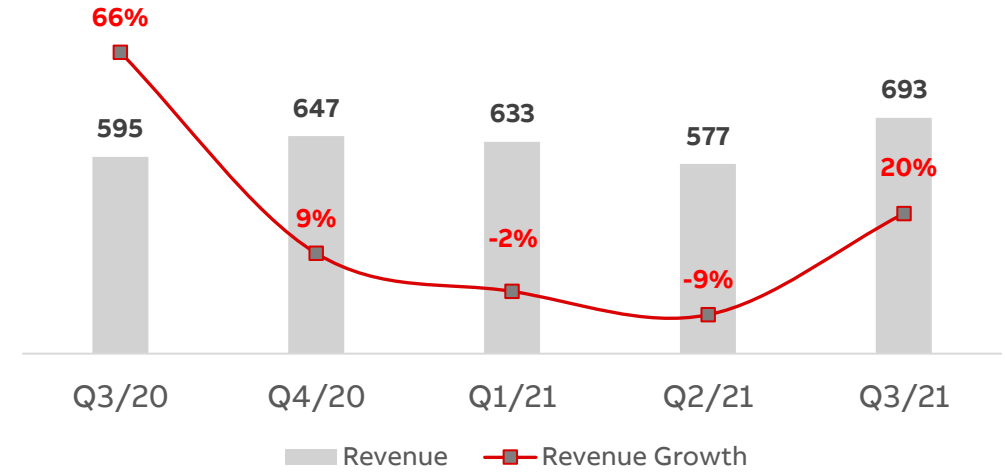
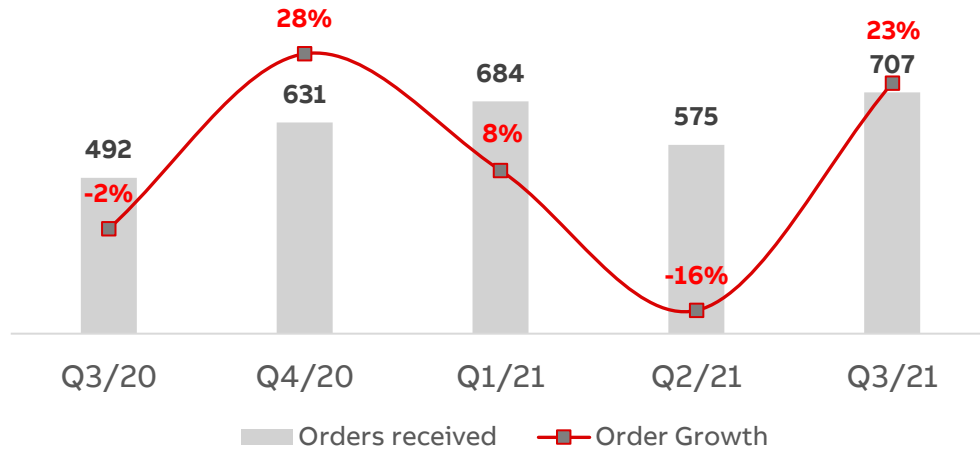
# Share of total orders, revenues & PBIT by division





# Q3 2021 Electrification

Improving on a solid track record



## Orders Rs 707 crores

Order Backlog Rs 1,386 crores

Good order booking across all divisions

Growth from low-voltage business

## Revenues Rs 693 crores

Performance across divisions improved in Q3

Strong export performance

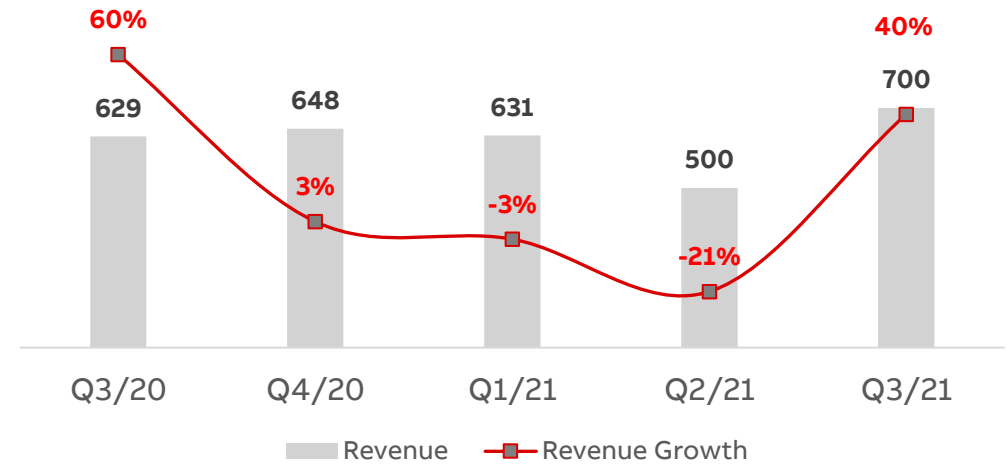
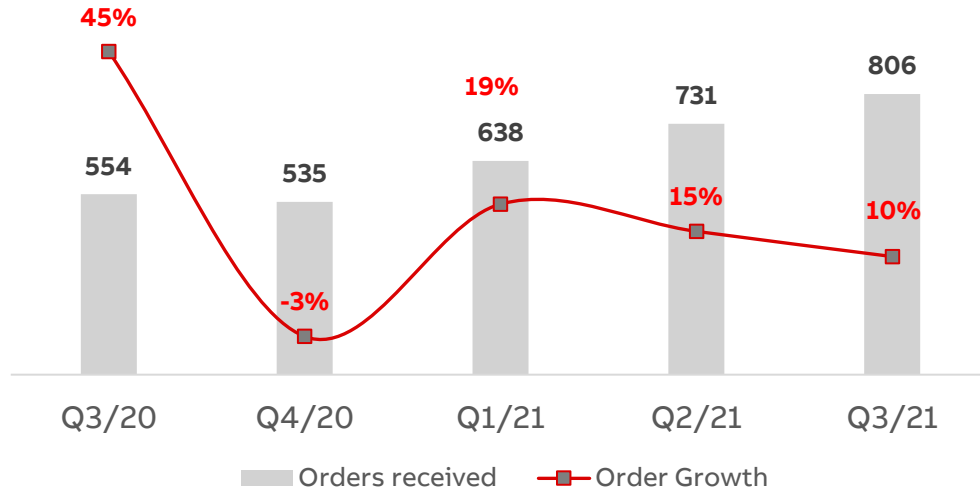
## PBIT Rs 84 crores

Higher volume helped to increase contributions

Better product mix and improved price realization helped offset increase in commodity prices

# Q3 2021 Motion

Stable margin despite cost inflation



## Orders Rs 806 crores

Order Backlog Rs 1,860 crores

Growth across all divisions

Good contribution from Channel business, Exports & Packaging

Received high value LCI orders in Q3

## Revenues Rs 700 crores

Growth in all the divisions except MOTR due to lower volume in Propulsion Equipment business

Strong focus on execution of OBL resulted in improvement in products sales

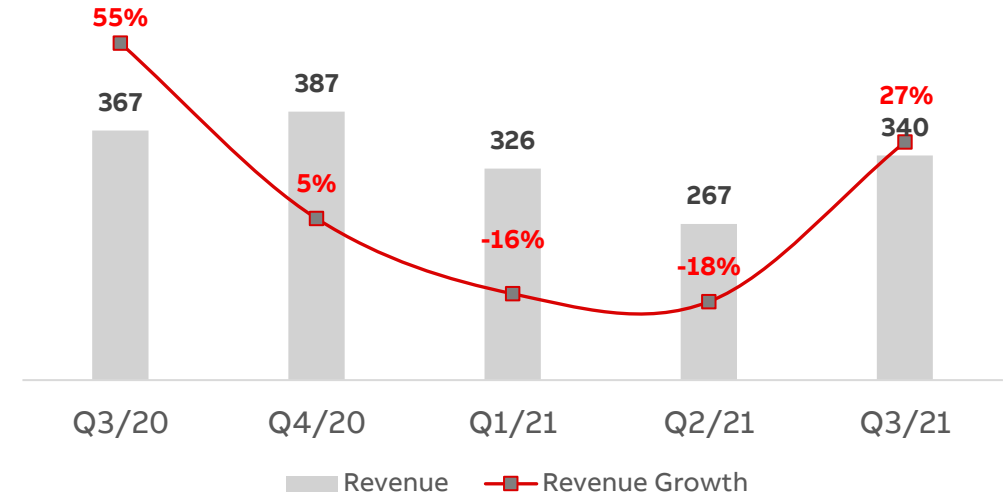
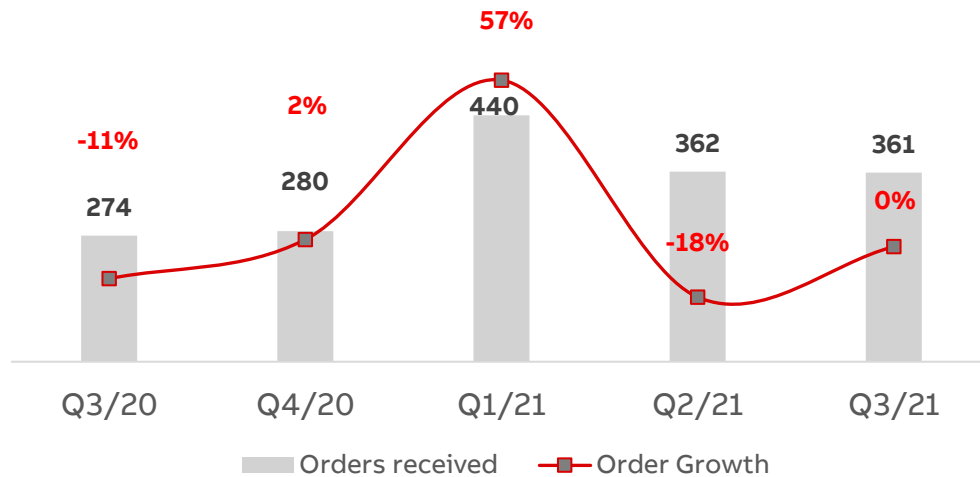
## PBIT Rs 76 crores

Higher volume contributed to increase in PBIT

Better product mix and price realization have improved profitability

# Q3 2021 Process Automation

Strong profitability improvement



## Orders Rs 361 crores

Order Backlog Rs 1,442 crores

Overall demand revival in Q3

System orders making a comeback

Focus on energy management and grid integration stability with advanced process controls and digitalization

## Revenues Rs 340 crores

Higher service revenues across divisions

Strong backlog conversion in TU and MA

## PBIT Rs 42 crores

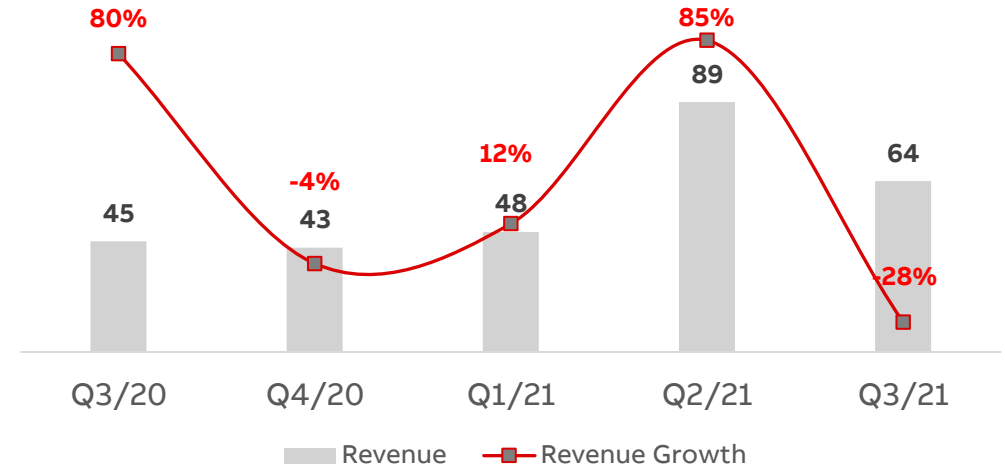
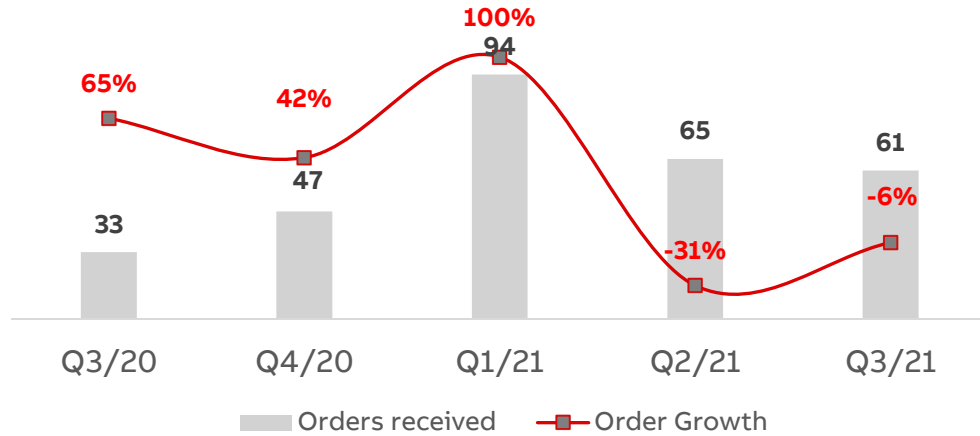
Higher service revenue

Better revenue mix and margin development

Lower discretionary spend and improvement in material cost

# Q3 2021 Robotics and Discrete Automation

Robust growth continuing



## Orders Rs 61 crores

Order Backlog Rs 149 crores

Automotive segments showing signs of recovery

Service system upgrade orders from Auto OEMs

## Revenues Rs 64 crores

Service revenues going steady with some system upgrades

## PBIT Rs 8 crores

Service revenues boosting the overall profitability

---

# Driving Innovation: together

