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February 10, 2022

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

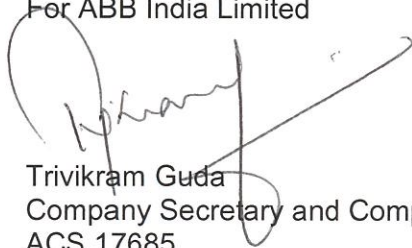
Sub: Presentation to Analysts

Ref: BSE: 500002 / NSE: ABB

We are sending herewith a copy of presentation which will be made at the Analysts Call scheduled on February 11, 2022, for the information of the Stock Exchanges.

Thanking you

Yours faithfully  
For ABB India Limited



Trivikram Guda  
Company Secretary and Compliance Officer  
ACS 17685

Encl: as above



FEBRUARY 10, 2022

# **Strong growth in Q4, 21 supports solid CY 2021 performance**

ABB India Ltd

Analyst Call

Q4 and full year 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.





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# Business highlights

# Q4 2021 highlights

- **Strong performance across all key parameters despite covid disruptions**
- **Demand revival driving strong order growth**
- **Double-digit revenue growth across all business lines**
- **Better capacity utilization and revenue mix provided a major step-up in profitability**
- **Solid cash position**





# Delivering consistent profitable growth

Particulars	Q4/21 vs Q4/20	Q4/21 Vs Q3/21	CY21 vs CY20
Orders	+53%	+17%	+29%
Revenues	+24%	+18%	+19%
PBT before excep/one-off	+27%	+32%	+78%
PBT	+231%	+60%	+138%
PAT	+213%	+61%	+131%

1. Management estimates.



# Strong quality demand growth supported by margin improvement



## 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

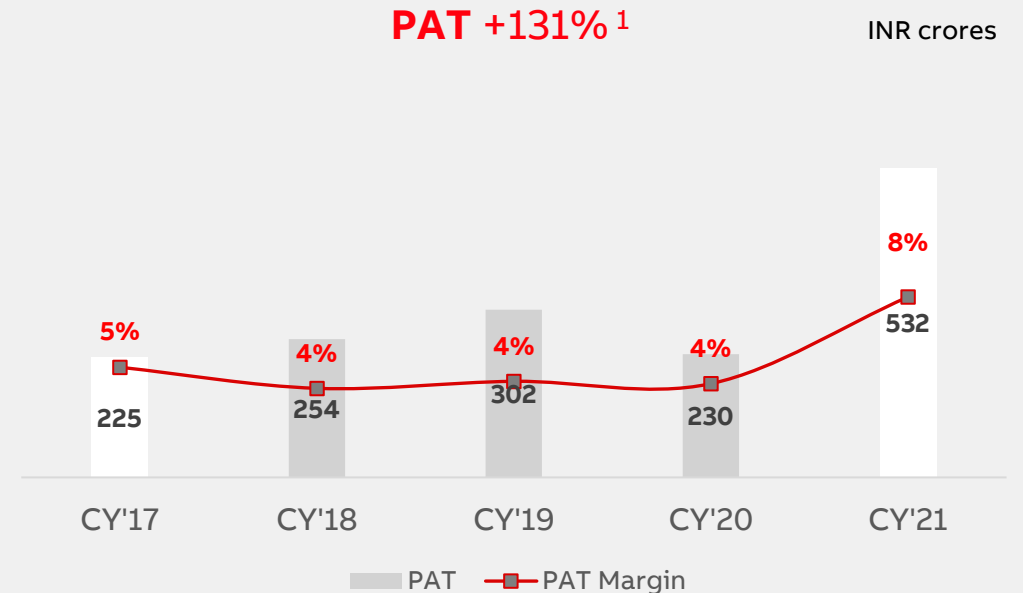
Improvement across segments, including oil & gas; customer activity in power generation remained stable



## Transport & infrastructure

Strong in data centres, renewables and buildings; continued recovery in railway

1. YoY comparable





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# ABB India – 2021 was marked by

Strategic Partnerships and key order wins to accelerate ABB India's growth

ABB India provides Electrification, Drives & Automation solutions to world's longest conveyor systems



ABB drives enhance safety and energy efficiency at Bharat Biotech's Covaxin manufacturing facility



ABB expands manufacturing capacity for Low Voltage (LV) motors at its Faridabad facility, powered by renewable energy



Smart, safe and sustainable electrification delivers clean water supply in Surat





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# ABB India – 2021 was marked by

Strategic Partnerships and key order wins to accelerate ABB India's growth

ABB reaches cumulative 5GW milestone in delivering solar plant automation solutions in India



ABB India joins hands with Lila Poonawalla Foundation to build future women leaders in technology



ABB completes melt shop digitalization project with India's leading steel company, boosting productivity and profitability



OLA to deploy ABB robotics and automation solutions at its mega-factory for electric scooters



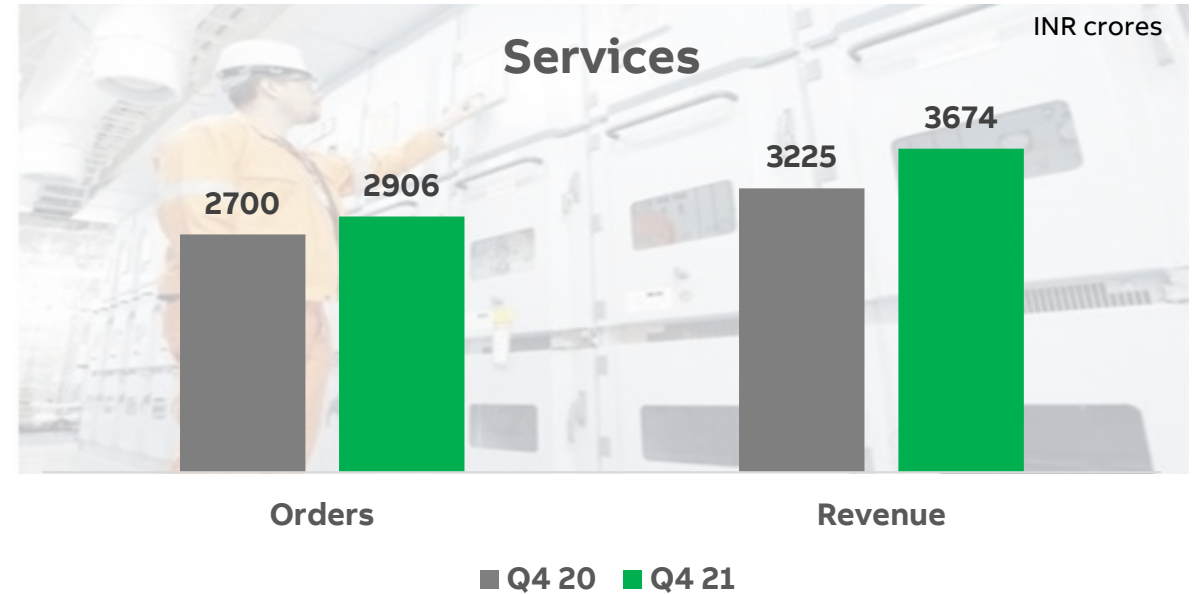
# Growing exports and service portfolio

Optimizing growth in times of transformation

## Exports: Strong performance amidst global volatility



## Services: A steady growth driver with transforming potential





# Sustainability in practice

Driving sustainability to the last mile

## Sustainability milestones



### Safety - 98.1%

of hazards resolved, "Don't look the other way"



### Water - 25%

increase in recycling of water compared to previous year



### Green power - 43%

of total energy is sourced from green Power



### Waste - 95%

Of all wastes generated were recycled



### Health & wellbeing

COVID-19 control, guidelines aligned with Govt protocols, Telemedicine and COVID-19 care package, special insurance packages to support hospitalizations.

## Sustainable Business Model (WIP)



### Phase 1

Green Factory Buildings

### Green factory building roadmap

#### Parameters considered in phase-1

- Site Efficiency
- Innovation in Design
- Water Conservation
- Indoor Environment and Health
- Energy Conservation
- Material Conservation



Gap identification across all units



Improvement activities as per IGBC requirements



Application submission & Assessment by IGBC

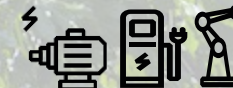


IGBC certification by all units



### Phase 2

Green Manufacturing-



### Phase 3

Green Products



# Sustainability in practice

Driving a sustainable business model with green infrastructure

Improved business efficiency by optimizing usage of water & energy and demonstrating product excellence with remote monitoring @ water positive Nelamangala campus

~5000 ABB products & intelligent BMS at ABB HQ, ~30% more energy efficient, RoI in 3 to 5 years



1R- Rainwater recharge



2R - Reduction of fresh water



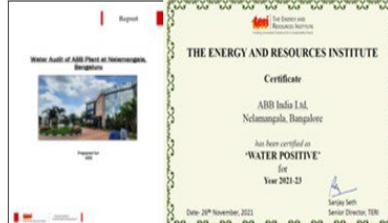
3R - Rain water usage



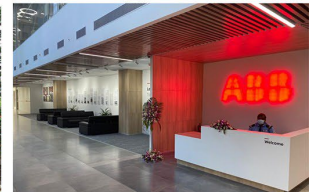
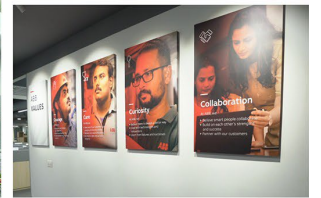
4R- Recycle of treated waste water



5R- Realtime monitoring



6R- Reassurance by 3<sup>rd</sup> party (water+)





# Sustainability in practice

Extending support to communities and addressing Sustainable Development Goals

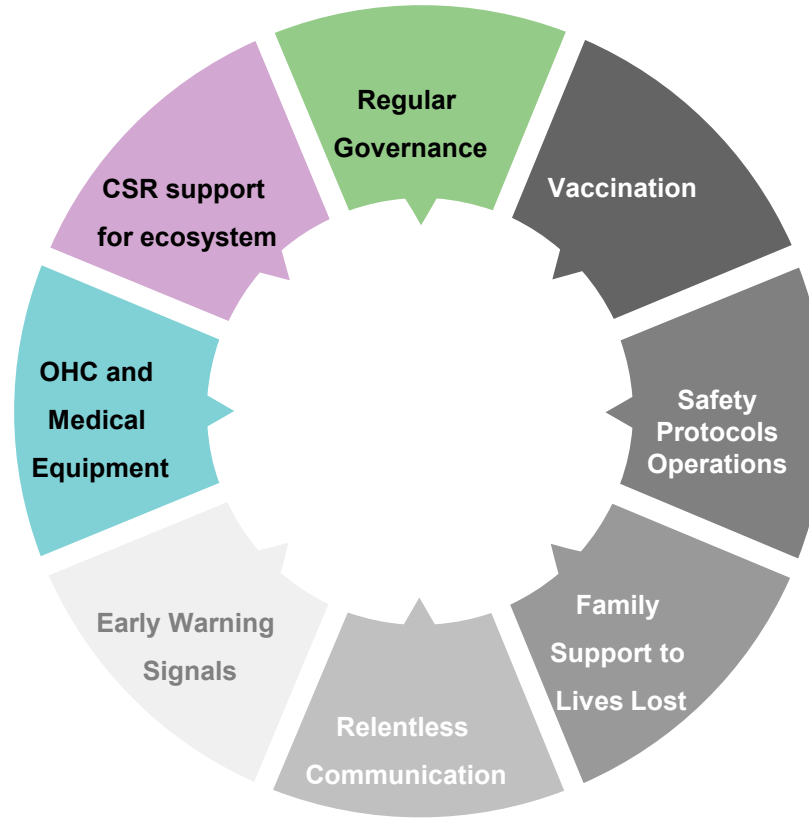


Peenya Public road and infrastructure upgradation near 80% completion with ABB circle



Continued operations across location Mobile health care units for Peenya, Nelamangala Vadodara, Nashik and Faridabad

## COVID – Continued focus on prevention and support



Launch of partnership with Gharkul Parivar Sanstha a residential facility for differently abled women in Nashik



Partnered a charitable hospital for Sri Shankara Cancer Foundation- providing for essential medical equipment for the diagnosis and treatment of cancer among underprivileged people

Commitment with the community remained unchanged

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# Massive capex push by government to support growth

ABB's identified high growth areas partnering India's growth story

## Proactive measures lead to order wins in high growth areas



### Data Centre

ABB India provides low-voltage switchgear and controlgear assembly for power distribution and motor control for data centres in Hyderabad



### Food & Beverage

ABB India provides robotic solution to automate case packing and palletizing of edible oil pouches typically in 1 L capacity



### Water & Waste-Water

ABB water management solutions from electrification solutions for cities like Surat, soft starters for Shimla and motors for lift irrigation projects like Kalwakurthy



### Transport

India's first Semi-High Speed Rail corridor to have ABB traction equipment for NCRTC, Delhi-Meerut Corridor

## Growth drivers announced in budget for future growth

- **Capex** - outlay for capital expenditure increased by 35.4% from previous year to 7.50 lakh crore in 2022-23
- **Gati Shakti** - Rs 100 lakh crore project With 'Holistic Infrastructure' Focus, driven by seven engines, roads, railways, airports, ports, mass transport, waterways and logistic infrastructure
- **Data centres, energy storage systems** to be included in harmonised list of infra sectors, may spur investment of Rs 70,000-72,000 crore over five-ten years
- **Nal se Jal scheme** - Rs 60,000 crore allocated to provide tap water to 3.8 crore households
- **Make In India** – phase out concessional rates in capital goods (power, food & beverages, textile) and project imports (coal mining projects, power generation, transmission or distribution projects, railway and metro projects)





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# Financial highlights

# Financial Performance

Remarkable growth in Q4/21 supports solid CY 2021 performance

INR crores

Q3 2021	Performance Indicator	Q4 2021	Q4 2020	Change	CY 2021	CY 2020	Change
1,909	Orders Received	2,243	1,470	+53%	7,666	5,932	+29%
4,765	Order Backlog (end of period)	4,912	4,114		4,912	4,114	
1,778	Revenue	2,101	1,701	+24%	6,934	5,821	+19%
165	Profit Before Exceptional and Tax (PBT)	219	173	+27%	603	338	+78%
9.3	PBT before Exceptional %	10.4	10.0		8.7	5.8	
165	Profit After Exceptional and Before Tax(PBT)	265	80	+231%	724	304	+138%
9.3	PBT after Exceptional %	12.6	4.7		10.4	5.2	
120	Profit After Tax (PAT)	194	62	+213%	532	230	+131%
6.7	PAT %	9.2	3.7		7.7	4.0	
168	Operational EBITA	207	170	+22%	575	293	+96%
9.4	Operational EBITA%	9.9	10.0		8.3	5.0	
2,481	Cash balance	2,688	2,207		2,688	2,207	



# Financial summary

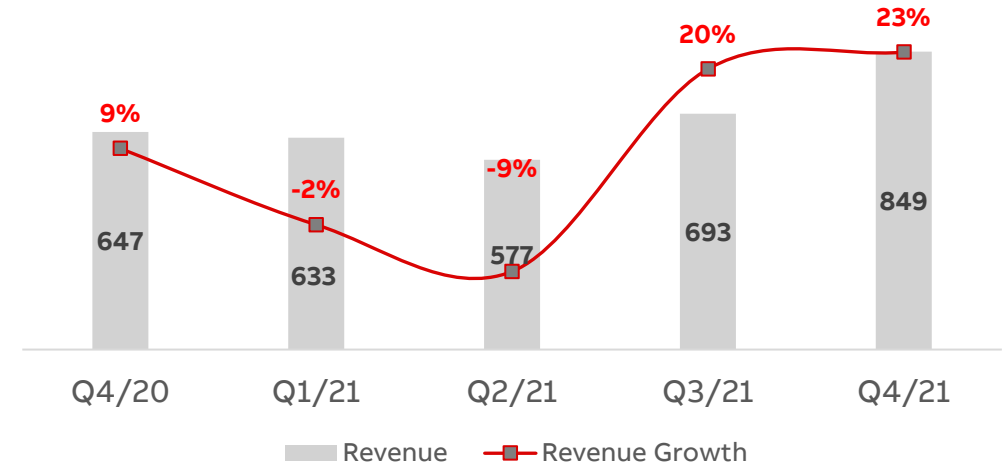
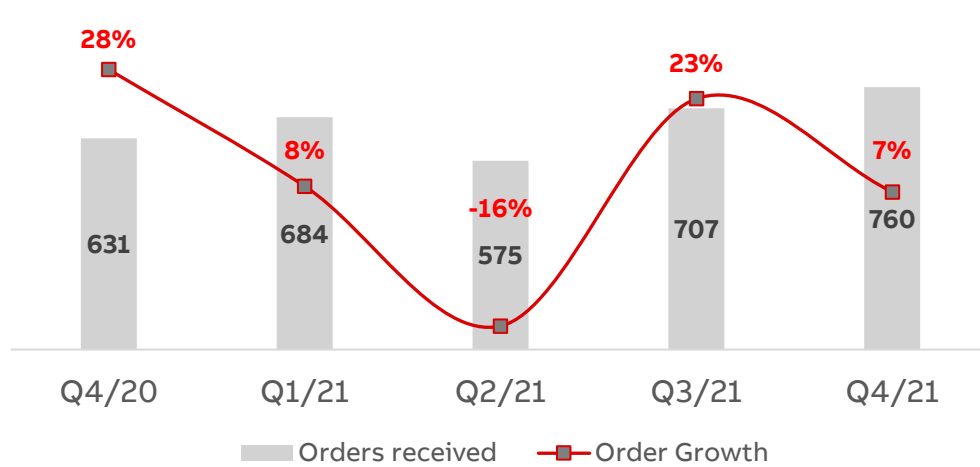
(Rs. In Crores)

	Quarter ended on 31.12.2021		Quarter ended on 30.09.2021		Quarter ended on 31.12.2020		Year ended 31.12.2021		Year ended 31.12.2020	
	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%
<b>INCOME</b>										
Revenue from Operations	2,101.5	100.0	1,778.4	100.0	1,700.8	100.0	6,934.0	100.0	5,821.0	100.0
Other Income	43.8	2.1	24.8	1.4	14.4	0.8	119.1	1.7	106.9	1.8
<b>Total Income</b>	<b>2,145.3</b>	<b>102.1</b>	<b>1,803.2</b>	<b>101.4</b>	<b>1,715.1</b>	<b>100.8</b>	<b>7,053.1</b>	<b>101.7</b>	<b>5,927.8</b>	<b>101.8</b>
<b>EXPENDITURE</b>										
Material cost	1,428.8	68.0	1,165.4	65.5	1,154.2	67.9	4,626.3	66.7	3,870.4	66.5
Personnel Expenses	151.3	7.2	144.1	8.1	149.3	8.8	588.2	8.5	568.0	9.8
Other Expenses	336.1	16.0	290.1	16.3	312.0	18.3	1,162.7	16.8	1,111.3	19.1
Exchange & commodity variation (net)	-16.2	-0.8	9.9	0.6	-17.3	-1.0	-40.6	-0.6	-4.8	-0.1
Depreciation	22.7	1.1	26.3	1.5	29.7	1.7	102.7	1.5	120.4	2.1
Interest	3.9	0.2	2.0	0.1	6.9	0.4	10.7	0.2	16.9	0.3
<b>Total Expenditure</b>	<b>1,926.8</b>	<b>91.7</b>	<b>1,637.8</b>	<b>92.1</b>	<b>1,634.7</b>	<b>96.1</b>	<b>6,450.1</b>	<b>93.0</b>	<b>5,682.2</b>	<b>97.6</b>
<b>Profit before Tax and exceptional</b>	<b>218.5</b>	<b>10.4</b>	<b>165.4</b>	<b>9.3</b>	<b>80.4</b>	<b>4.7</b>	<b>602.9</b>	<b>8.7</b>	<b>245.6</b>	<b>4.2</b>
Exceptional item	46.8	-	-	-	-	-	121.3	-	58.8	-
<b>Profit before Tax and after exceptional</b>	<b>265.3</b>	<b>12.6</b>	<b>165.4</b>	<b>9.3</b>	<b>80.4</b>	<b>4.7</b>	<b>724.3</b>	<b>10.4</b>	<b>304.4</b>	<b>5.2</b>
Tax Expense	71.7	3.4	45.4	2.6	18.2	1.0	191.8	2.7	74.0	1.2
<b>Profit after tax</b>	<b>193.6</b>	<b>9.2</b>	<b>120.0</b>	<b>6.7</b>	<b>62.2</b>	<b>3.7</b>	<b>532.5</b>	<b>7.7</b>	<b>230.4</b>	<b>4.0</b>

- Uptick in exports and service business along with strong backlog execution, led to the positive movement in revenue
- Commodity prices
- Improved profitability, margin growth supported by quality execution

# Electrification

Improving on a solid track record



**Orders Rs 760 crore, (CY'21 – Rs 2,725 crore)**

**Order Backlog Rs 1,316 crore**

- Good order booking across all divisions
- Growth in smart power business

**Revenues Rs 849 crores, (CY'21 – Rs 2,752 crore)**

- Higher revenues from smart building and smart power business
- Strong backlog execution

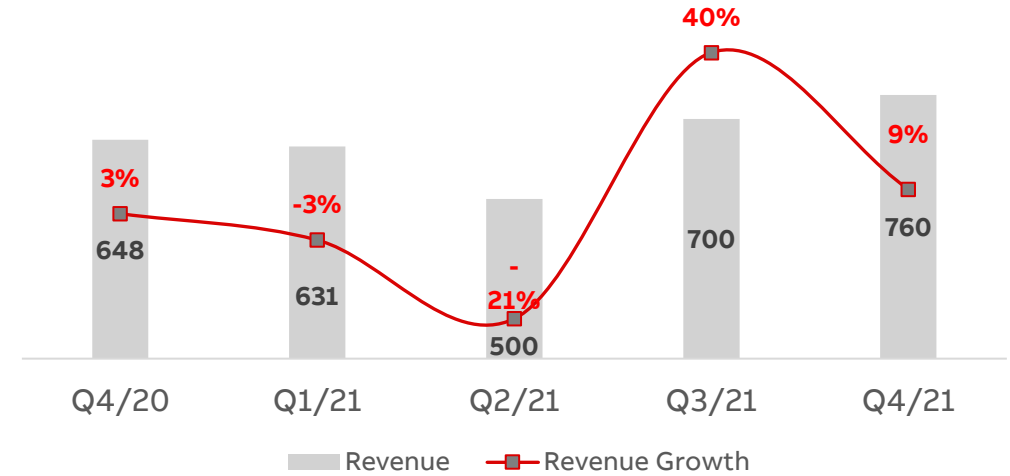
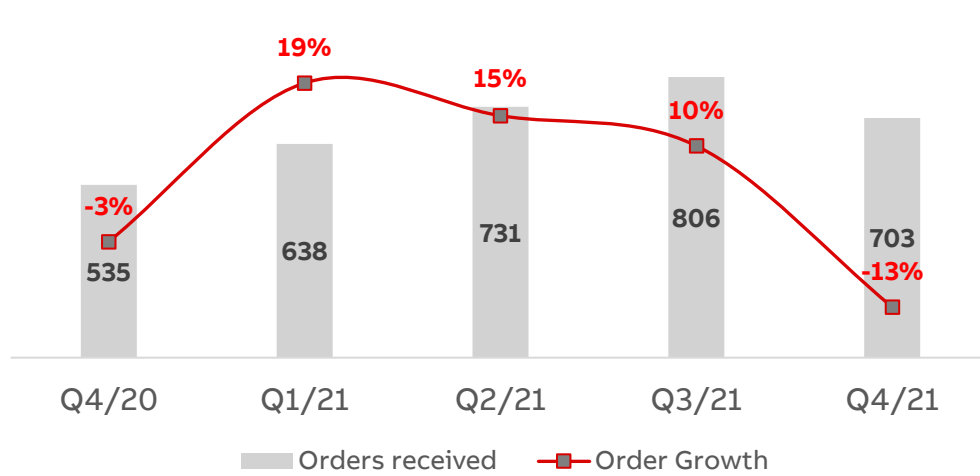
**PBIT Rs 109 crore, (CY'21 – Rs 306 crore)**

- Higher volume helped to increase contributions
- Better product mix and improved price realization helped offset increase in commodity prices



# Motion

Significant step up in exports



**Orders Rs 703 crore, (CY'21 – Rs 2,878 crore)**

**Order Backlog Rs 1,785 crore**

- Short cycle orders and growth through customer engagement and penetration to tier II & III cities
- Good contribution from Channel business, Exports & Packaging
- New product launch

**Revenues Rs 760 crore, (CY'21 – Rs 2,592 crore)**

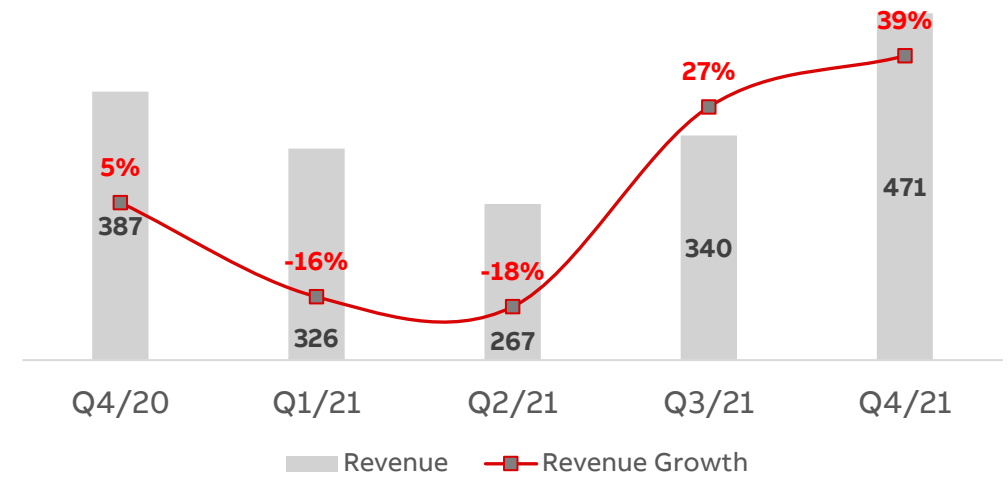
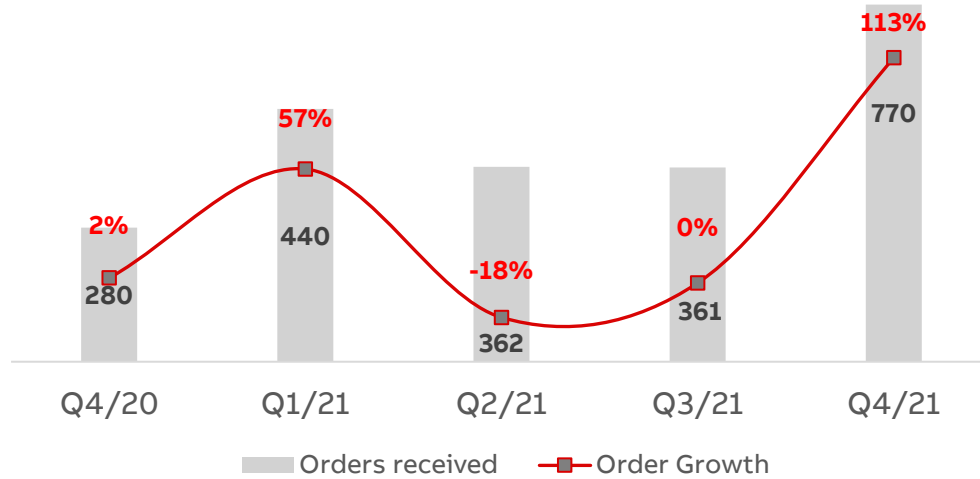
- Growth in all the divisions except some delays in traction motors

**PBIT Rs 103 crore, (CY'21 – Rs 324 crore)**

- Higher volume contributed to increase in PBIT
- Better product mix and price realization have improved profitability

# Process Automation

Strong profitability improvement



**Orders Rs 770 crore, (CY'21 – Rs 1,933 crore)**

**Order Backlog Rs 1,744 crore**

- Traction in steel and paint industry and downstream units
- System orders making a comeback

**Revenues Rs 471 crore, (CY'21 – Rs 1,403 crore)**

- Strong backlog execution across all business
- Service revenues contributed 30%

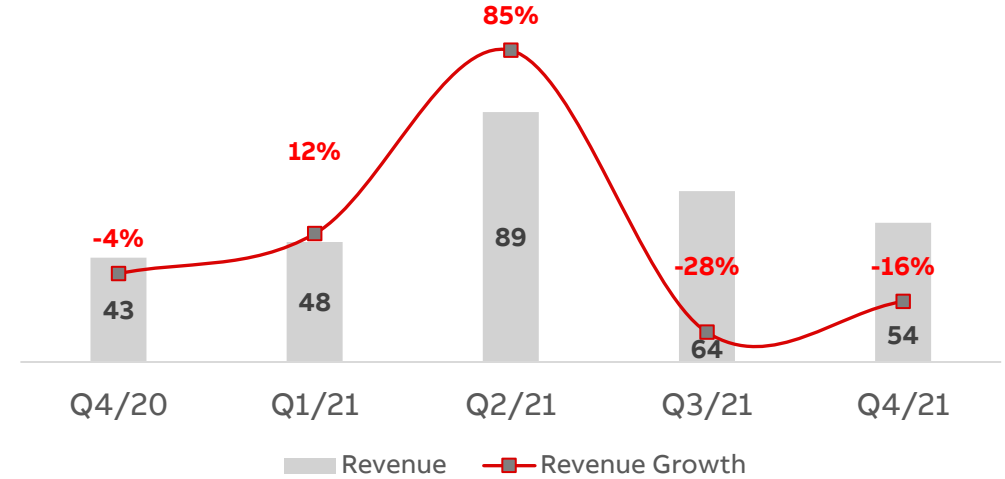
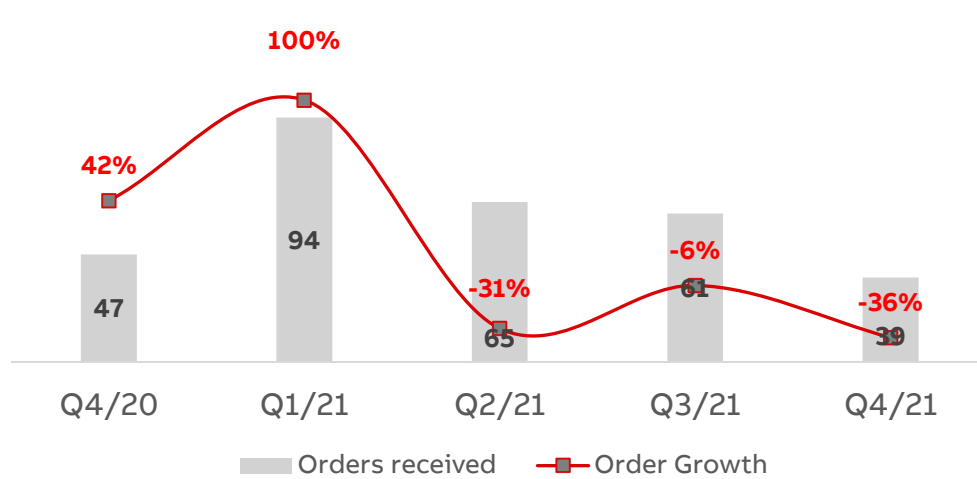
**PBIT Rs 41 crore, (CY'21 – Rs 128 crore)**

- Higher service revenue
- Better revenue mix and margin development



# Robotics and Discrete Automation

Backlog execution to support growth



**Orders Rs 39 crore, (CY'21 – Rs 259 crore)**

**Order Backlog Rs 132 crore**

- Lower service orders
- Automotive segments showing signs of recovery
- Service system upgrade orders from Auto OEMs

**Revenues Rs 54 crore, (CY'21 – Rs 255 crore)**

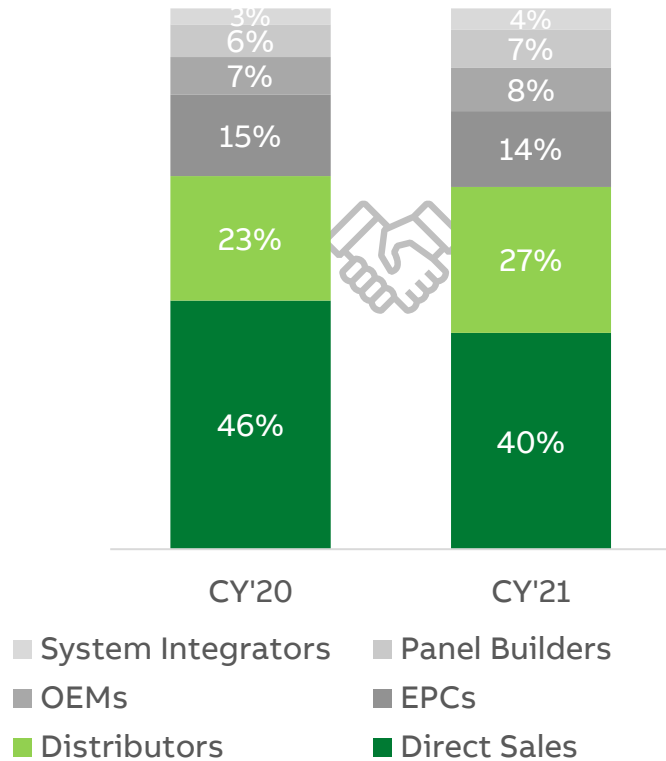
- Strong backlog execution of service orders

**PBIT Rs 3 crore, (CY'21 – Rs 20 crore)**

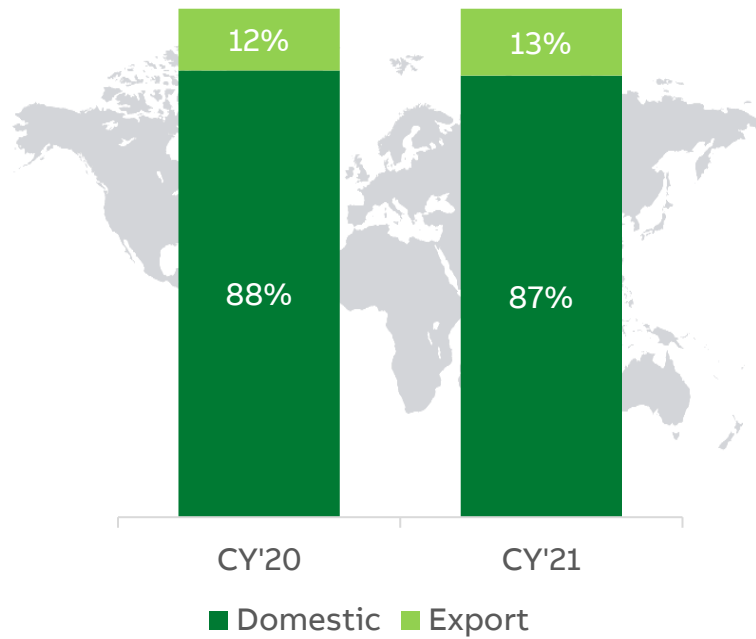
- Better revenue mix
- Increase in operating cost

# Well diversified business model

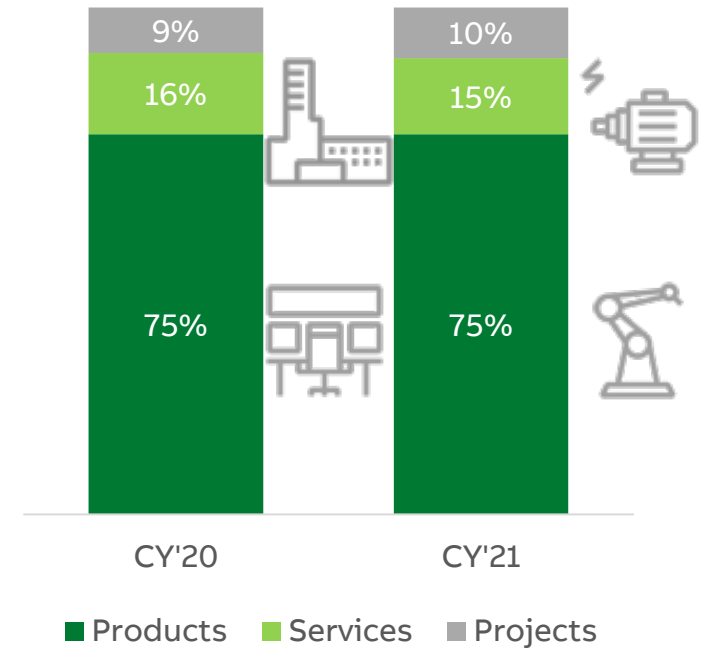
## Channels



## Geography



## Offerings





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## 2022 in focus



—  
**Health and safety  
including Covid  
management**



—  
**Flawless  
execution  
of strong  
Order book**



—  
**Deeper and  
innovative  
customer  
connect**



—  
**Leverage  
positive market  
momentum**



—  
**Focus on high  
growth sectors  
and govt capex  
push**



—  
**Steady  
margin  
improvement**



—  
**Managing  
risks**



—  
**Further  
consolidate  
cash position**



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# Writing the future: together

