



Date: April 30, 2020

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

National Stock Exchange of India Limited
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Atten:Listing Department

Dear Sirs

Subject: Presentation to be made to Analysts/ Investors on Thursday, April 30, 2020 as per Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to un-audited Financial Results for Q1 -March 2020

Ref: BSE Scrip: 543187 (POWERINDIA) NSE Symbol: POWERINDIA

We are sending herewith a copy of presentation to be made to Analysts today, for the information of the Stock Exchanges.

You are requested to take the same on your record.

Thanking you.

Yours faithfully,

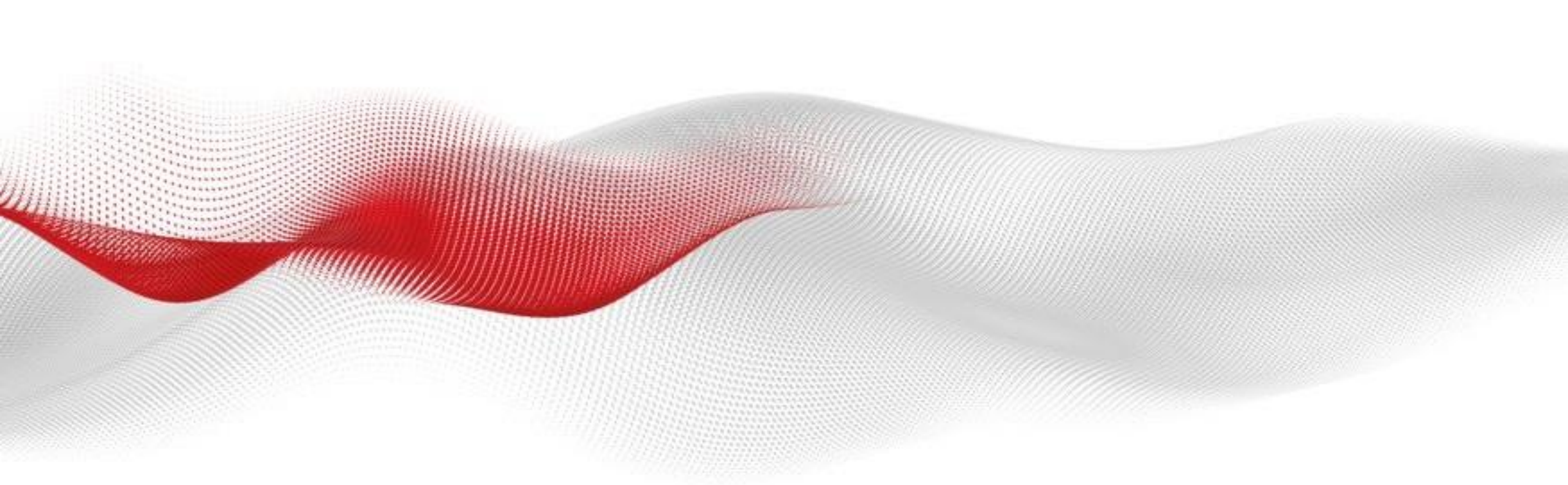
ABB Power Products and Systems India Limited

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Date: 2020.04.30
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Poovanna Ammatanda

General Counsel, Company Secretary and Compliance Officer

Encl:as above



APRIL 30, 2020

Shaping the future of sustainable energy

Q1 2020 Analyst Presentation

N Venu, Managing Director, ABB Power Products and Systems India Limited



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 Power Products and Systems India Ltd (referred to here on as the 'Company'). These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans,” “outlook” 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 for the Company’s filings with the Securities and Exchange Board of India (SEBI), including its Annual Report.

Although the Company 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.

Who we are

ABB Power Products and Systems India Ltd

Our heritage in India

Six decades pioneering innovation

1949

Hindustan Electric Company is incorporated and later acquired by Brown Boveri Cie (BBC). ASEA and BBC merge to form ABB in 1988

1989

Commissioned the first back-to-back HVDC transmission link for NTPC at Vindhyachal, connecting the northern and western grids



2015

Installed end-to-end power solutions for Delhi Metro, and SCADA to monitor and control the power network



2017

Commissioned the world's first multi-terminal UHVDC link - the 6,000MW, 800kV DC link connecting North-East India to Agra



2018

Partnering Indian Railways' electrification ambitions with extensive traction equipment orders



1965

First manufacturing facility in India is set up in Maneja, Vadodara - the circuit breaker factory



2002

India Operations Center - the second largest base of HVDC engineers - launched in Chennai



2016

Energized the world's highest rated 1,200kV transformer



2017

First digital substation for reliable, round the clock power to serve the 350 companies for India's largest Information Technology park



2019

Booked our first order for Cyber security from Power Grid Corporation of India Limited (PGCIL), Roorkee



We are invested in India – developing world class manufacturing base, commissioning landmark projects, shaping future talent

About us

Deeply entrenched in the market, well-networked with customers



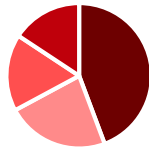
17 sales offices



1,000+ customers



~2,244 employees



Customers across
utilities, industries,
transport & infra



Maneja



Savli



Peenya



Halol



Mysore

16 manufacturing units in five locations

Most comprehensive grid portfolio, across the value chain

Partner of choice for enabling a stronger, smarter and greener grid

Products and components

Broadest portfolio and footprint



Software and automation

Deepest application know-how



Systems

Technology and innovation leader



Service

Largest installed base



Planning and building solutions



Global Technology and Market Leader

Digital grid pioneer

Operations and maintenance solutions



Our portfolio

Pioneering technologies for a stronger, smarter and greener grid

Products, systems, services and software across the value chain



Grid Automation

- Communication Networks
- Enterprise Software
- Grid Edge Solutions
- Grid Automation Products
- Grid Automation Systems
- Asset Management Solutions
- Energy Portfolio Management
- Workforce Management Solutions
- Services



Grid Integration

- System Integration
- HVDC - Grid interconnectors; city infeeds
- Power Consulting
- FACTS & Power Quality
- e-Bus charging systems (TOSA)
- Substations & Services - Digital substations; Hybrid and mobile solutions



High Voltage Products

- Live Tank Breakers
- HV Instrument Transformers
- Disconnectors
- Capacitor & Filters
- GIS
- Hybrid switchgear - PASS
- Service



Transformers

- Power Transformers
- Reactors
- Traction Transformers
- I&C (Insulation & Bushings)
- Dry Transformer
- I&C (Insulation & Bushings)
- Service

Sustainability – not just in energy, but of all aspects

Environmental and social stewardship to complement economic growth



Safety

97.01% of hazard resolved



Water recycle

11.6% of waste water recycled



Society

Community **health camps** – covering 10,000 people



Waste

96.25% recycled



Green Power

36% of our operations run on renewable energy



Health & Well-being

100% pre-deployment medical screening of project workers

100% no-smoking policy implemented at all factories, projects and offices

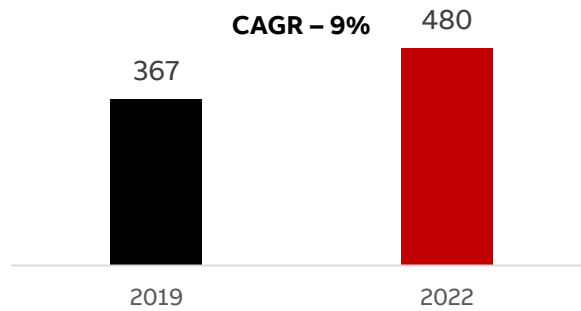
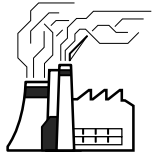
Market Overview

Big shift in power and energy

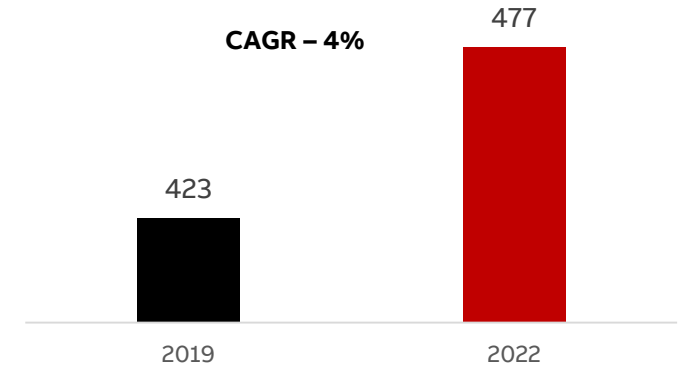
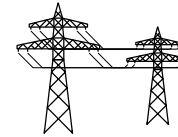
Market Scenario

Medium term prospects – Utilities

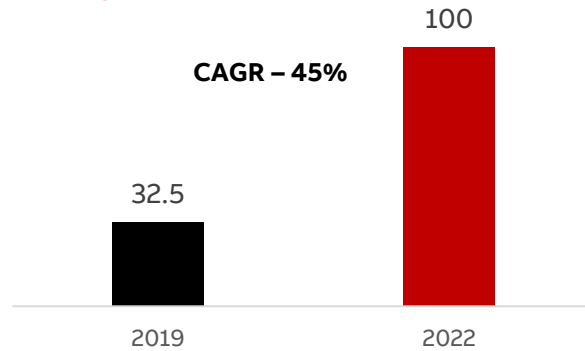
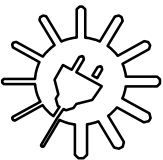
Generation installed capacity (GW)



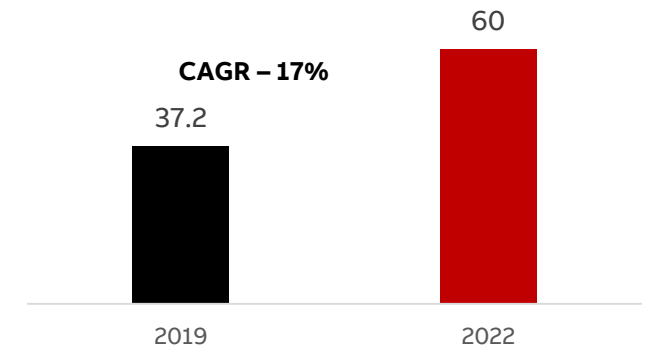
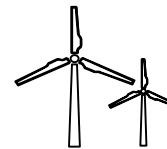
Transmission line (000' ckm)



Grid connected solar capacity (GW)



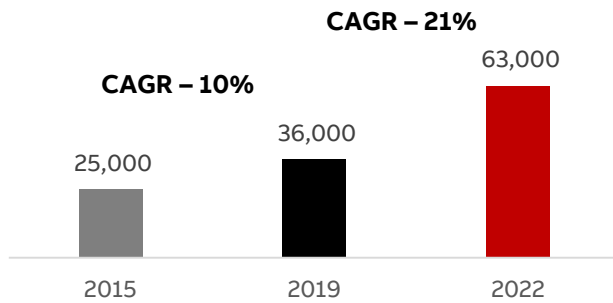
Wind capacity (GW)



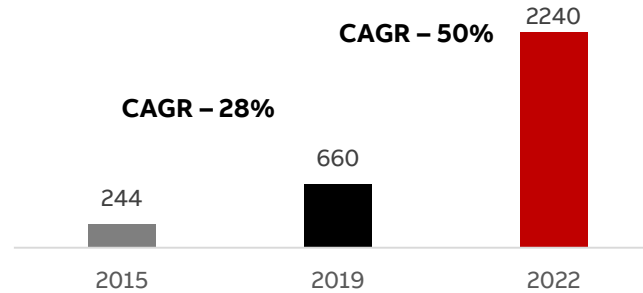
Market Scenario

Medium term prospects – Transport and Infrastructure

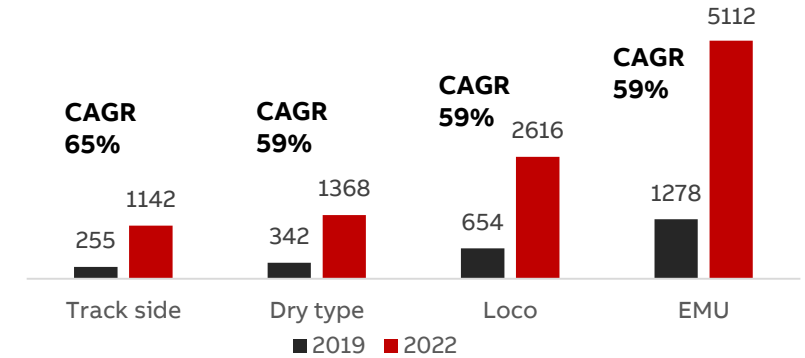
Electrified Rail Network (rkM)



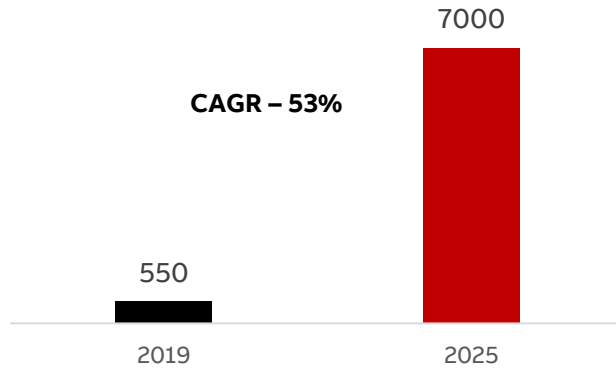
Metro rail route (km)



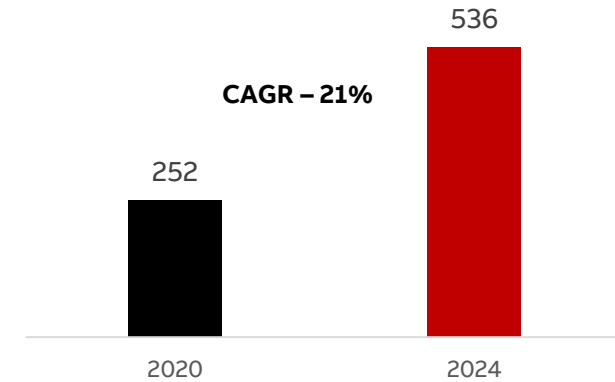
Number of railway traction transformers



E-buses (nos)



Datacenters (MW)



Next level growth with digitalization

India has ambitions of becoming a USD 5 trillion economy by 2025

Railway infrastructure



- 100% rail electrification of the complete rail network by 2022
- US\$30 bn investment in Mumbai-Ahmadabad high speed rail, Semi High Speed trains (RRTS) corridors.
- Total metro route km expected to grow to 6,000km by 2022

Digitalization & smart cities



- 100 cities selected, spend of US\$ 32 bn by 2021 formalized
- Policy to enable private sector to build Data Centre parks throughout the country to be rolled out.

Renewables



- 100 GW grid connected Solar capacity target by 2022
- 24 Tariff Based Competitive bidding for transmission projects associated with evacuation of renewable power expected by close of 2020

Aviation & road transport



- 100 more airports would be developed by 2024 to support Udaan scheme
- Delhi-Mumbai expressway to be completed by 2023, work on Chennai-Bengaluru e-way to begin
- 10,000cr for promotion E-Mobility under FAME II

COVID-19 Impact on Indian Economy

Government acting proactively; short-term impact visible

India: Growth a challenge

GDP Forecast (Mar'20) – Before COVID-19 : **6.0%**¹

Post COVID-19 likely scenarios:

Govt. Actions	COVID-19 Spread in India	GDP Growth Estimates	Scenario
In-effective	High	>1-2%	Worst
Effective	High	2-3%	Likely
Effective	Low	>4%	Best

India Govt. actions till date



India enforces early **6-week strict** and most extensive Covid-19 **lockdown** in the world.



India announces **\$22.5B stimulus package** for poor to ease the hardship caused due to lockdown



RBI **cuts** benchmark **interest rates by 75 basis points** to 4.4%. This will improve liquidity, reduce cost of funds, help middle class and businesses. **3-months moratorium** for interest payment.

Impact & Opportunities for PG

Impact:

- Slow down in new **CAPEX based orders**
- **Cash** collection from customer at risk
- Delay in **revenue** recognition - execution delays / force majeure situation
- **Supply chain** challenges

Opportunities:

- Enhanced focus on **local manufacturing** especially in core and critical sectors
- **Infrastructure boost** post COVID-19 recovery⁴

Performance in Q1

ABB Power Products and Systems India Ltd

Jan-March 2020 results

Solid order book, steady margin

ORDERS INR 934 crore	REVENUE INR 812 crore
PBT before exceptional INR 41.5 crore	PAT INR 29.2 crore

Delivering growth

- Solid order growth driven by domestic market and exports
- Smooth, profitable operations while establishing new legal entity
- Order mix encapsulating traditional and emerging
- Revenue slippage on account of growing impact of Covid-19 at close of quarter
- Strengthening customer partnerships through continued innovation and service
- Cash positive

Quarter highlights

INR 165 crore order from IOCL to strengthen power infrastructure for refinery expansion



Rail and metro continue to generate demand for traction equipment and power automation



Traditional transformer converted to digital transformer using Core-sense and Coretec4



Technology collaboration & customer engagement events – ISUW, Elecrama



Experience & collaboration digital power tech center for customers & future engineers



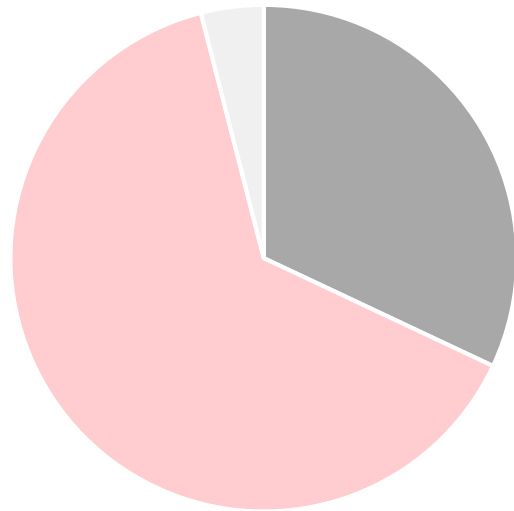
Pilot to develop and test new electric buses using world's fastest flash-charging technology - TOSA



Order analysis

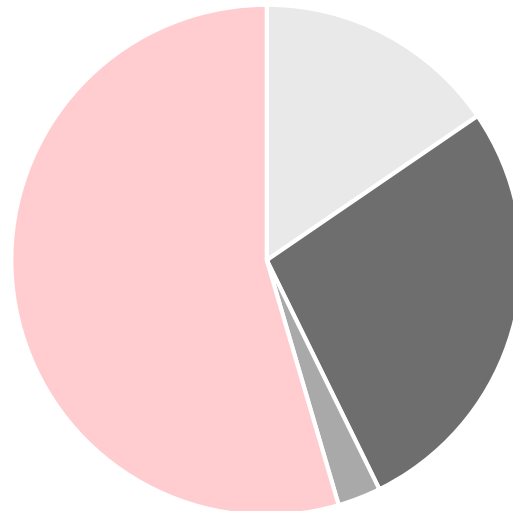
Q1 order composition

Segment mix



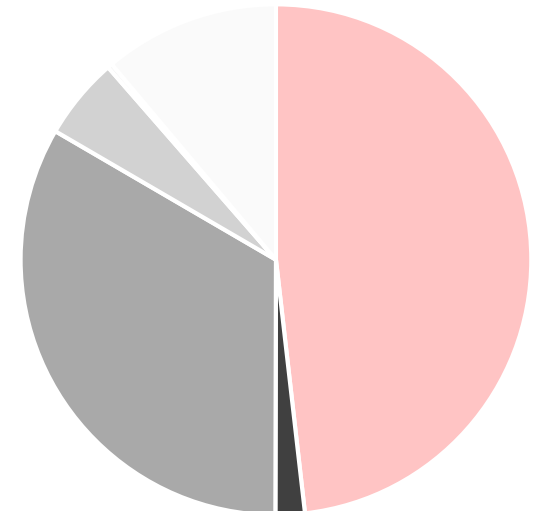
■ Projects ■ Products ■ Services

Channel mix



■ OEM ■ EPC ■ Distributor ■ Direct Sales

Sector mix



■ Utilities ■ Solar ■ Industries ■ Rail ■ Infrastructure ■ Others

Services, Exports

Levers for profitable growth

Service: Engage customers through life cycle

- Life cycle service orders for Grid Automation and High Voltage Breakers from PGCIL, NTPC, Hindalco, etc.
- Upgrading existing transformer at utility solar power plant in Maharashtra to digital transformer with CoreTEC and CoreSense. Similarly for transmission utility.
- Service order growth slowed in Q1 due to delays decision/award of projects and also due to lock down impact.

Make in India, for India and the world

- Largest transformer export order for 29 X 400kV GSU transformers, for hydro-power project in Tanzania
- Uruguay: Order from UTE through direct international bidding process for 100nos 170kV disconnectors
- 110kV circuit breakers, disconnectors & instrument transformers from Toji Group JSC in Vietnam for Hong Phong Solar, Dong Hai Wind Farms & Infrastructure substations

Customer engagement in the time of lockdown

Virtual engagement, tangible pull-through

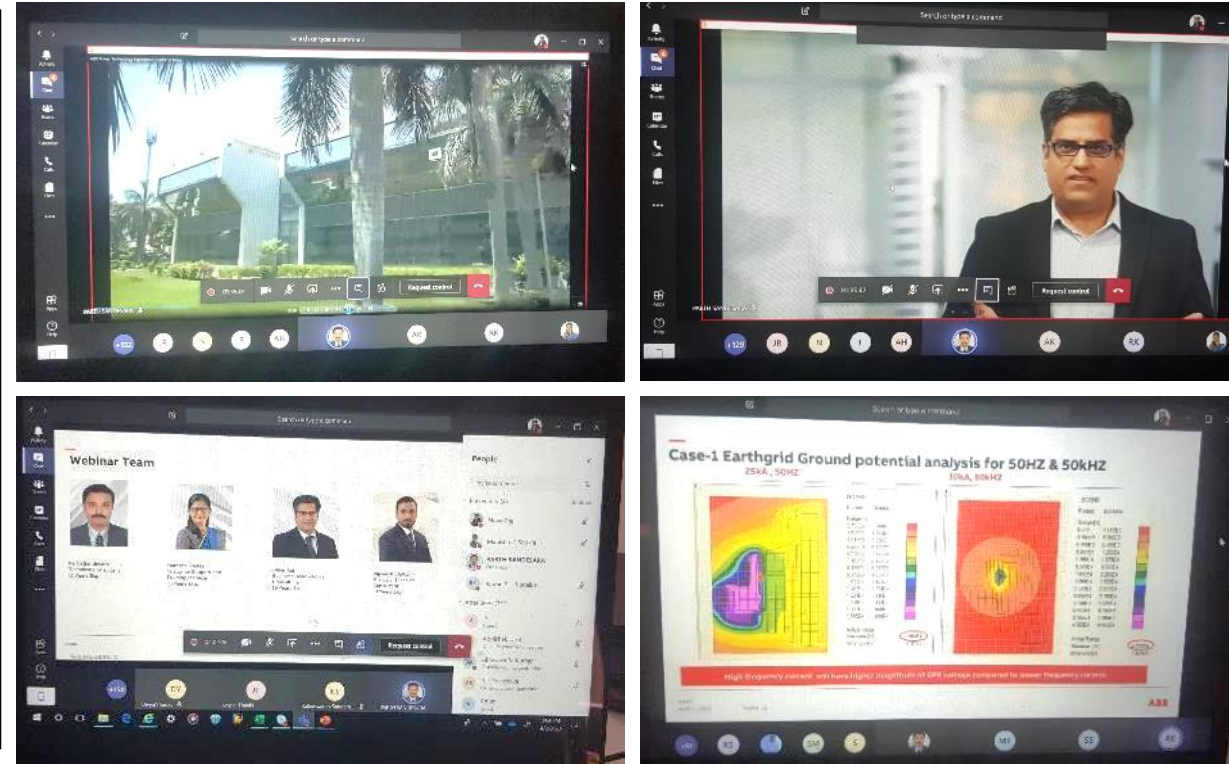
Collaborative webinars on various topics

During lockdown, engaged customers by organizing webinars on technical and thought leadership topics.

Total number of customers participated in webinars so far in excess of 2,500

Topics include renewable integration, storage, asset management, power quality, digitalization, conventional electrical system, etc.

Customers across utilities, industries, transportation and infrastructure participated



Country-wide lights out for 9min at 9pm, Apr 5

Leveraging decades of technology expertise to pull off an engineering marvel

Lights out across the world's largest synchronous grid

All India power demand was anticipated to reduce by 12-14 GW within 2-4 minutes and recover nine minutes later; in practice it was ~30GW

POSOCO* and all State Load Dispatch Centers collaborated and planned extensively on how to manage the sharp fluctuation in demand across the grid. Including steps like:

- **Generation scheduling:** thermal generation gradually reduced to technical min (60%) by 20:55; hydro & gas ramped down from 20:57hrs
- **Frequency control:** maintained at a higher side 50.15 Hz, in view of anticipated demand restoration
- **HVDC** links maintained at levels to keep available adequate margin in inter-regional corridors
- Round the clock availability of **communication system** and **SCADA** data

ABB PG: Delivering as the partner of choice

Pre-event:

- Emergency response team assembled shortly after the announcement on April 3, 2020
- Connected with customers involved in this exercise; shared advisory on protection settings

During the event:

- 40 engineers/technical experts were deployed across the country ready to step in for any emergency support
- Customer Connect Centers managing customer calls
- HVDC service team on standby to provide customer support

Planning and expertise of all stakeholders ensured grid operations continued smoothly

Financial Overview

ABB Power Products & System India Ltd

Financial performance highlights - Q1 2020

Performance summary

Particulars	INR Crores		
	<u>Q1/20</u>	<u>Q4/19</u>	<u>Apr-Dec 2019 *</u>
Orders	934.2	615.3	2,641.9
Revenues	811.9	1,115.8	3,231.2
Profit before Tax (before exceptional items)	41.5	81.0	261.4
Profit After Tax	29.2	35.5	165.4

*for the nine month period ended December 31, 2019

Highlights Q1/20

- Strong order booking
- Good cash collection despite challenging environment
- Factories shutdown happened since March 23, 2020
- Revenue slippages majorly on account of lockdown due to COVID 19
- Demerger expenses of INR 1.8 crore incurred in Q1 further impacted PAT

Performance highlights

Jan-Mar 2020

Performance summary

	Jan-Mar 2020	INR crore Apr-Dec 2019
Total Orders Received	934.2	2,642
Order Backlog (end of period)	5,192	5,101
Revenue	811.9	3,231
Profit Before Tax (PBT) before exceptional item	41.5	261
Exceptional Item (Demerger Expenses)	1.8	41
Profit Before Tax (PBT) after exceptional item	39.7	221
PBT % before exceptional item	5.1%	8.1%
PBT % after exceptional item	4.9%	6.8%
Profit After Tax (PAT)	29.2	165
PAT %	3.6%	5.1%
Operational EBITA margin	7.0%	9.0%

Quarter financial summary

Particulars	INR crore	As % of sales
Material cost	457.6	56.4%
Personnel expenses	97.9	12.1%
Other operational expenses	190.6	23.5%
Depreciation	18.8	2.3%
Interest	5.4	0.7%
Exceptional item	1.8	0.2%
Tax	10.5	1.3%



“Shaping the future of sustainable energy, with pioneering technologies, as the partner of choice for a stronger, smarter and greener grid.”

ABB