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February 13, 2023

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

In continuation to our letter dated February 6, 2023, we are enclosing herewith a copy of presentation which will be made at the Analysts Call scheduled on February 13, 2023, for information of the Stock Exchanges.

The said presentation is also being uploaded on the Company's website.

Thanking you

Yours faithfully  
For ABB India Limited

Trivikram Guda  
Company Secretary and Compliance Officer  
ACS 17685

Encl: as above



FEBRUARY 13, 2023

**Record CY 2022 performance; orders at INR 10,028 crore**

ABB India Analyst Call | Q4 CY2022

# 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, privity to this presentation should kindly ensure strict confidentiality of the information shared and discussed herein.

# ABB at a glance

**ABB** is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future. The company's solutions connect engineering know-how and software to optimize how things are manufactured, moved, powered and operated. Building on more than 130 years of excellence, ABB's ~105,000 employees are committed to driving innovations that accelerate industrial transformation.

ABB has been present in India for over a century and manufacturing for more than 70 years.



## Electrification

Offers a wide-ranging portfolio of products, digital solutions and services, from substation to socket, enabling safe, smart and sustainable electrification



## Motion

Offers a range of electrical motors, generators, drives and services, as well as mechanical power transmission products and integrated digital powertrain solutions



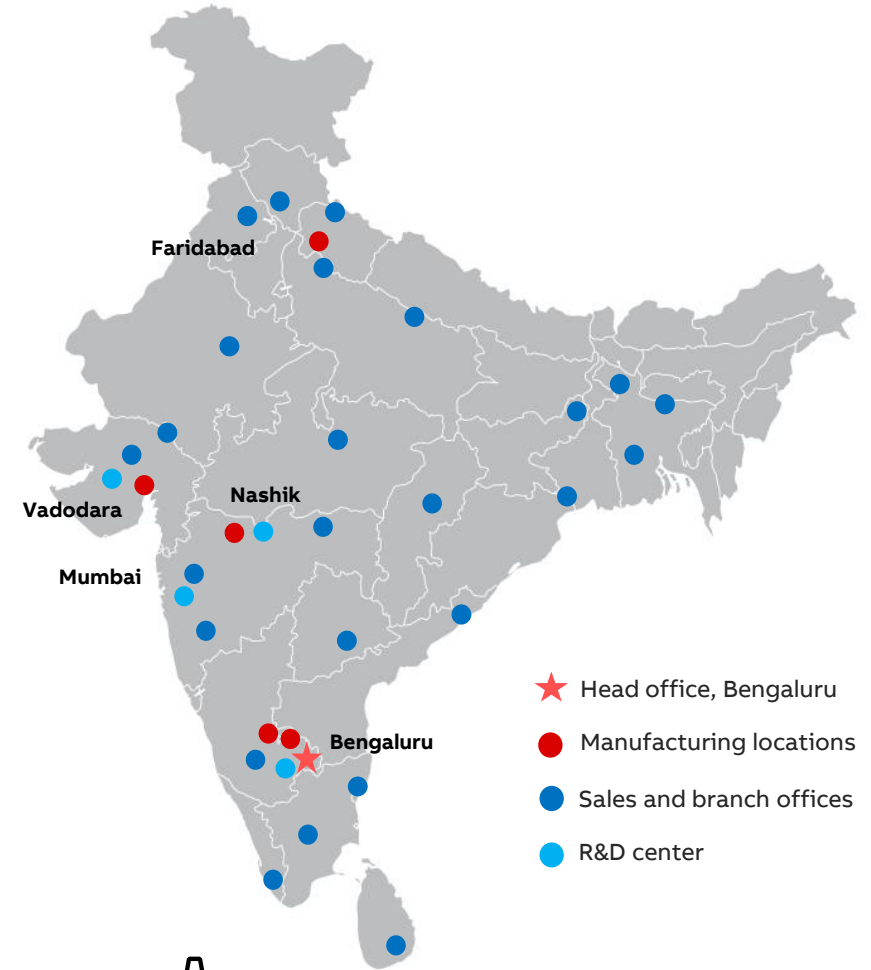
## Process Automation

Offers a broad range of solutions for process and hybrid industries, including industry-specific integrated automation, electrification and digital solutions, control technologies, software and advanced services, as well as measurement & analytics, and marine and ports.



## Robotics & Discrete Automation

Offers value-added solutions in robotics, machine and factory automation



- ★ Head office, Bengaluru
- Manufacturing locations
- Sales and branch offices
- R&D center



**5** Manufacturing locations



**21** Sales Offices

**25** Plants

**750+** Partners

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# Business highlights



# 01

# Q4 2022 highlights

## (Q4/22 vs Q4/21)

Orders	+4%
Order Backlog	+32%
Revenue	+15%
PBT (before Exc.)	+83%
PAT	+51%

## (Q4/22 vs Q3/22)

Orders	-11%
Order Backlog	-1%
Revenue	+14%
PBT (before Exc.)	+74%
PAT	+51%

## (FY 22 vs FY21)

Orders	+31%
Order Backlog	+32%
Revenue	+24%
PBT (before Exc.)	+70%
PAT	+93%



**Solid foundation**



**Green Factory Buildings**



**Completion of RE100 goal**



**Robust cash position**

# Key business drivers



## Short-cycle

Strong growth across most business areas



## Market segments

Improved channel and segment reach



## Order backlog

Order backlog +32%<sup>1</sup>; efficient execution capabilities to aid revenue realization



## Exports

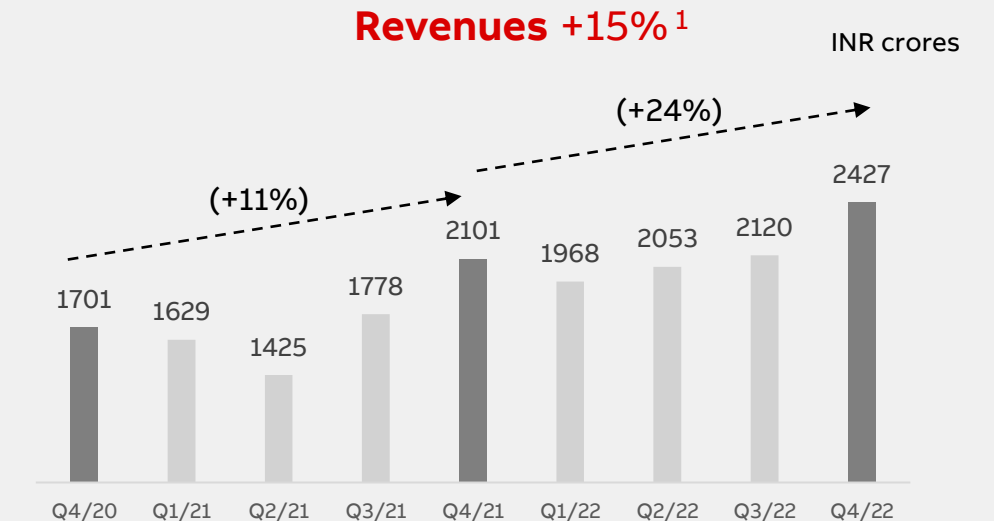
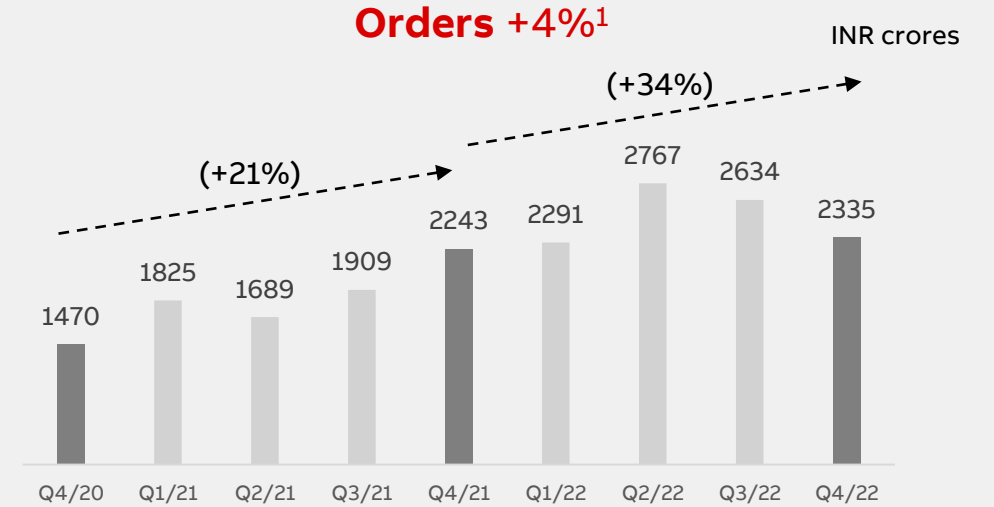
Orders +10%<sup>1</sup> growth in revenue for CY22



## Process industries and optimization

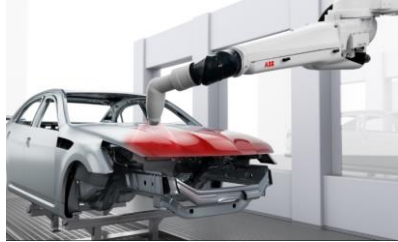
Distributed control systems, instrumentation, motors and drives packages for metal, steel, cement, oil & gas majors

1. YoY comparable



# Significant wins augmenting ABB India's growth story

## Wins in Q4CY22



**Distributed control system** for paint major



**LV MV and power distribution unit** for one of the largest Data Centers



**Tool design, simulation** for ABB Robotics for passenger E-vehicle

## Wins in CY 2022



**Commissioned Arc Proof Smart CSS & RMUs** electrifying Sri Mata Vaishno Devi route



**Instrumentation and analytical package** for Jal Jeevan Mission, Uttar Pradesh



**Traction orders** for Vande Bharat trains



First of its kind **fully automated robotics** paint line applications for an Indian auto major



# Well placed to offer sustainable, efficient solutions across market segments

High	Moderate	Moderate – low
Electronics	Water &	Power Distribution
Railways & Metro	Wastewater	Oil, Gas and
Data Centers	Food & Beverage	Chemicals
Warehouse & Logistics	Pharma &	Metals & Mining
Renewable	Healthcare	Building & Infra
	Automotive	Cement
		Rubber & Plastics
		Textile
		Marine & Ports
		Pulp & Paper

Continue focus for new opportunities

Enhance focus to gain market share

Sustain focus to retain market share

## Partnering for a Greener Economy



Intelligent automation for THINK Gas network



First automatic power factor correction for 300 MW solar plant

## Transforming Transportation Systems



IE3 motors for e-vehicle steering pump application



GIS for Pune Metro, for world's highest rail bridge in north India

## Automation & Digitalization of Indian Industry



Motors, Drives and Automation package for a steel major for galvanizing and annealing line



Robotics solutions for electronics, 5G equipment

# Theme for the quarter

Water and Wastewater – a deep-dive

## Segment Insights

- Expected to grow at 10% in 2023
- Four sub-segments:



Treatment Plants



Pumping Station & Distribution



Desalination Plants



Lift Irrigation

*ABB's offerings include LV Switchgear & components, Automation & Instrumentation, Motors, Drives, Digital solutions for treatment plants, pumping stations & lift irrigation*

## Key Drivers

- Government Initiatives such as Jal Jeevan Mission, PMKSY, Namami Gange with an outlay of ~INR 4.5 trillion in next 4 years
- Increasing demand for industrial process water
- Insufficient wastewater network coverage and treatment infrastructure
- Water shortage & declining ground water levels
- Technology & Innovation
  - Forward Osmosis & Membrane Distillation
  - Wastewater recycling
  - Zero liquid discharge systems
  - Cloud connected solutions
  - Smart leak detection technology using analytics

# India Union Budget 2023: Sectoral highlights and relevance for ABB India

Capital expenditure and sustainability are the key focus areas



## Infrastructure & Investment

- **Capex outlay at Rs. 10 trillion (+37% YoY)**
- 50-year **interest-free loans to states** for capex continued with enhanced outlay of Rs. 1.3 trillion
- **Highest ever** capital outlay for **Railways**: Rs. 2.4 trillion
- 100 critical transport infra projects
- Multimodal Logistics Parks



## Financial Sector

- Infusion of INR 90 bn for **collateral-free credit** of INR 2 trillion **to MSMEs**
- **15% corporate tax benefits** to new manufacturing units extended till Mar'24
- Continued fiscal support for digital public infrastructure



## Green Growth

- **National Green Hydrogen Mission**: outlay of INR 197 billion
- **INR 350 billion** towards sustainable energy
- Battery Energy Storage Systems, Pumped Storage Projects
- Set-up inter-state transmission system of 13GW renewable energy from Ladakh
- 500 new waste-to-wealth plants



## Unleashing the potential

- **3 AI centers, 100 labs** in engineering institutions
- National Data Governance Policy



## Reaching the last mile

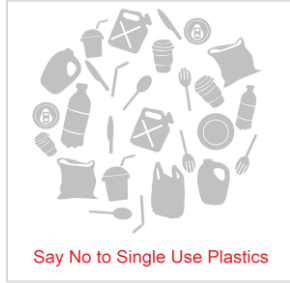
- **PM Awas Yojana: +66 %** to INR 790 billion
- Jal Jeevan Mission Scheme: +27% allocation over FY23RE

# ABB India's ESG Journey: Highlights 2022

Moving towards sustainable business



100% of major factories are **certified Green factories** Building by 2022



100% of factories are **Certified Single use plastic (SUP) free** in 2022



**RE100** goal realized from 2022 (including major offices) (>70% of GHG reduction)



100% of factories are **Zero Liquid Discharge** in 2022 and moving water positivity



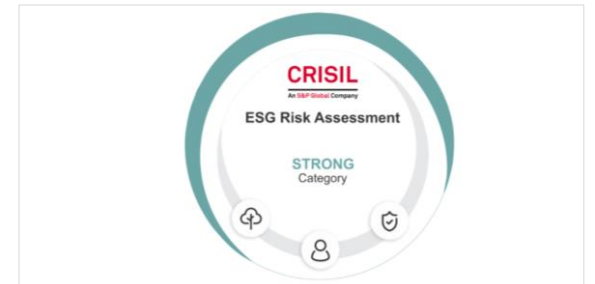
Enhancing **waste recyclability (~95%)** with Zero waste to landfill goal in 2022



**Engaged with suppliers & logistic (~30 nos.)** partners on Climate change actions in 2022



**Awarded** as 'Pioneer in large scale adoption of Green Factory Buildings in India' by IGBC



Rated as "**Strong ESG Performer**" by CRISIL rating agency

# Community building through outreach programs for education, diversity & inclusion, and healthcare



Phase-2 Peenya external road and infrastructure upgradation



Paryavaran Mitra Program Teachers training to concerned nominated teachers across 98 schools completed, Nelamangala



Distribution of customized disability aids for identified underprivileged specially abled people in Maneja, Vadodara



More community members access ABB HelpAge's Mobile Healthcare facilities across communities in and around ABB India locations



Completed water check dams, for water shed management in drought prone areas near Nashik

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# Financial highlights

02



# Financial Performance

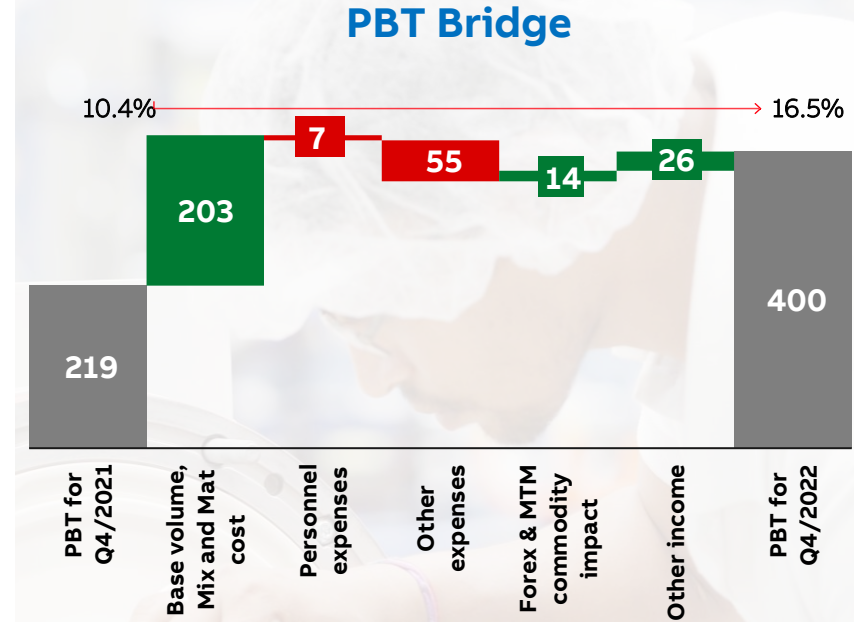
Strong Q4/22 delivering growth

INR crores

Q3 2022	Performance Indicator	Q4 2022	Q4 2021	Change vs Q4 21	CY 2022	CY 2021	Change vs CY 21
2,634	Total Orders Received	2,335	2,243	+4%	10,028	7,666	+31%
6,519	Order Backlog (end of period)	6,468	4,912	+32%	6,468	4,912	+32%
2,120	Revenue	2,427	2,101	+15%	8,568	6,934	+24%
229	Profit Before Exceptional and Tax (PBT)	400	219	+83%	1,024	603	+70%
10.8	PBT before Exceptional %	16.5	10.4		11.9	8.7	
275	Profit After Exceptional and Before Tax (PBT)	400	265	+51%	1,363	724	+88%
13.0	PBT after Exceptional %	16.5	12.6		15.9	10.4	
203	Profit After Tax (PAT)	306	194	+58%	1,026	532	+93%
9.6	PAT %	12.6	9.2		12.0	7.7	
256	Operational EBITA	301	207	+45%	897	575	+56%
12.1	Operational EBITA%	12.4	9.9		10.5	8.3	
3,181	Cash balance	3,616	2,688		3,616	2,688	

# Financial summary

	(INR Crores)									
	Quarter ended on 31.12.2022		Quarter ended on 30.09.2022		Quarter ended on 31.12.2021		Year ended 31.12.2022		Year ended 31.12.2021	
	Crs	%	Crs	%	Crs	%	Crs	%	Crs	%
<b>INCOME</b>										
Revenue from Operations	2,426.9	100.0	2,119.7	100.0	2,101.5	100.0	8,567.5	100.0	6,934.0	100.0
Other Income	70.0	2.9	46.9	2.2	43.8	2.1	179.5	2.1	119.1	1.7
<b>Total Income</b>	<b>2,496.9</b>	<b>102.9</b>	<b>2,166.6</b>	<b>102.2</b>	<b>2,145.3</b>	<b>102.1</b>	<b>8,747.0</b>	<b>102.1</b>	<b>7,053.1</b>	<b>101.7</b>
<b>EXPENDITURE</b>										
Material cost	1,551.3	63.9	1,381.9	65.2	1,428.8	68.0	5,542.6	64.7	4,626.3	66.7
Personnel Expenses	158.5	6.5	156.1	7.4	151.3	7.2	635.3	7.4	588.2	8.5
Other Expenses	383.3	15.8	340.6	16.1	336.1	16.0	1,378.9	16.1	1,162.7	16.8
Exchange & commodity variation (net)	(30.6)	-1.3	30.2	1.4	(16.2)	(0.8)	48.8	0.6	(40.6)	(0.6)
Depreciation	26.8	1.1	26.9	1.3	22.7	1.1	104.7	1.2	102.7	1.5
Interest	7.2	0.3	1.6	0.1	3.9	0.2	13.1	0.2	10.7	0.2
<b>Total Expenditure</b>	<b>2,096.7</b>	<b>86.4</b>	<b>1,937.2</b>	<b>91.4</b>	<b>1,926.8</b>	<b>91.7</b>	<b>7,723.5</b>	<b>90.1</b>	<b>6,450.1</b>	<b>93.0</b>
<b>Profit before Tax and exceptional</b>	<b>400.2</b>	<b>16.5</b>	<b>229.4</b>	<b>10.8</b>	<b>218.5</b>	<b>10.4</b>	<b>1,023.5</b>	<b>11.9</b>	<b>602.9</b>	<b>8.7</b>
Exceptional item	-	-	45.9	-	46.8	-	339.3	4.0	121.3	-
<b>Profit before Tax and after exceptional</b>	<b>400.2</b>	<b>16.5</b>	<b>275.3</b>	<b>13.0</b>	<b>265.3</b>	<b>12.6</b>	<b>1,362.8</b>	<b>15.9</b>	<b>724.3</b>	<b>10.4</b>
Tax Expense	94.3	3.8	72.8	3.4	71.7		337.2		191.8	2.8
<b>Profit after tax</b>	<b>305.9</b>	<b>12.6</b>	<b>202.5</b>	<b>9.6</b>	<b>193.6</b>	<b>9.2</b>	<b>1,025.6</b>	<b>12.0</b>	<b>532.5</b>	<b>7.7</b>

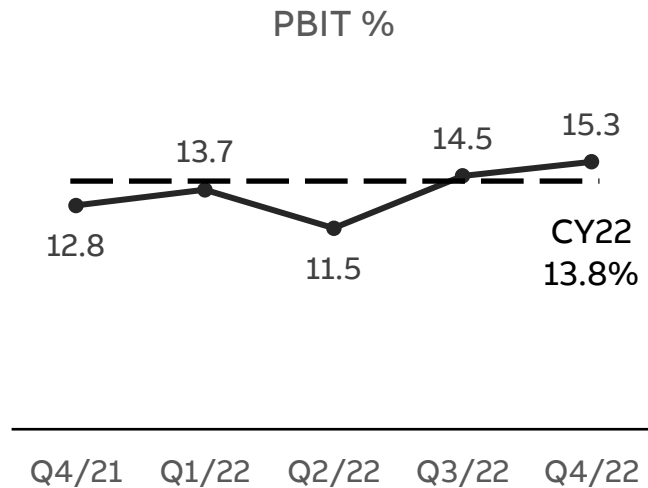
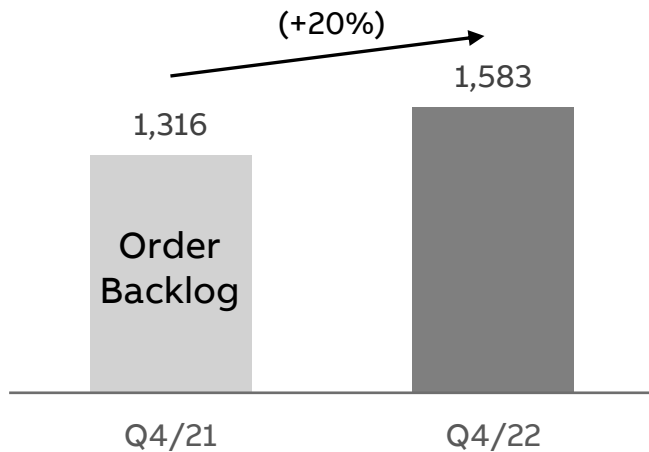
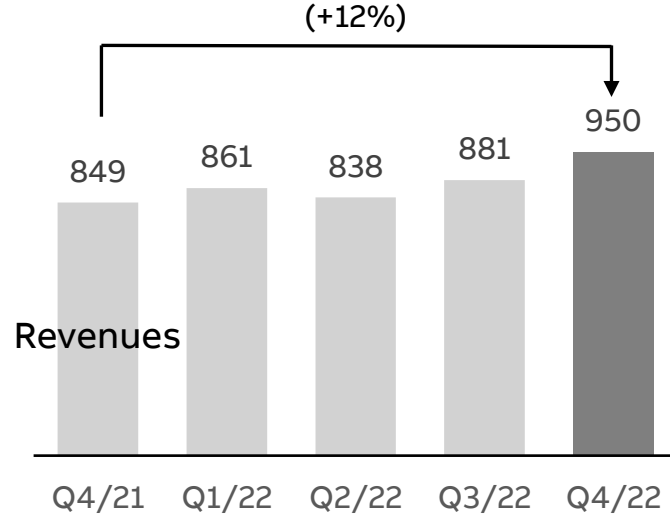
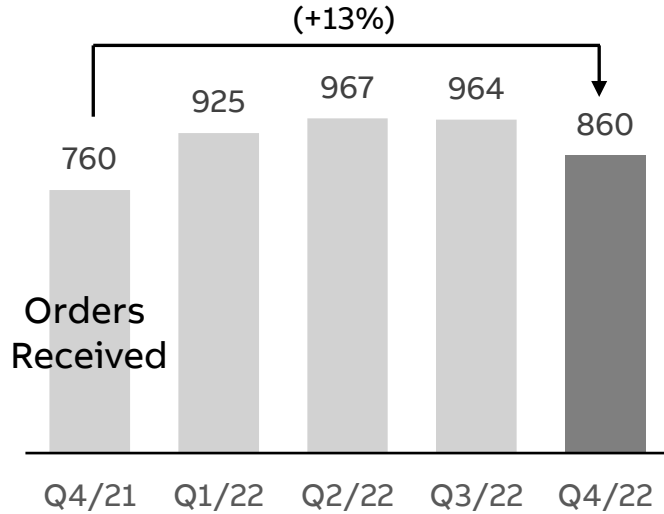


- Revenue mix, operational efficiencies coupled with cost optimization and favourable forex fluctuation



# Electrification

INR crores



## Orders Received

- Increased order intake backed by high growth segments
- Large value orders in industrial solutions

## Revenues

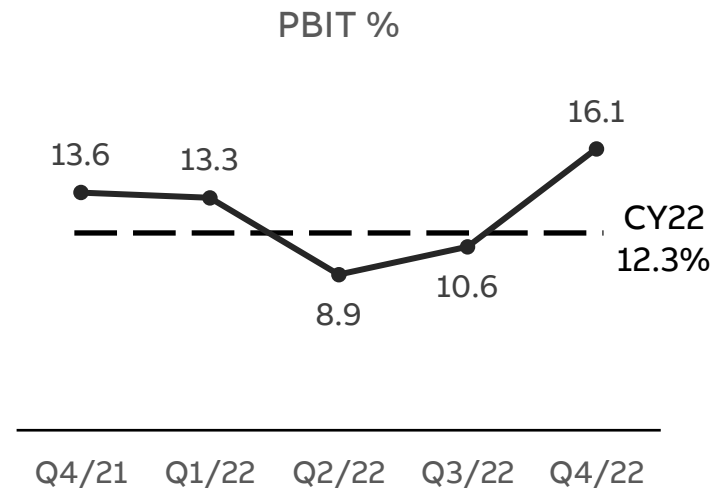
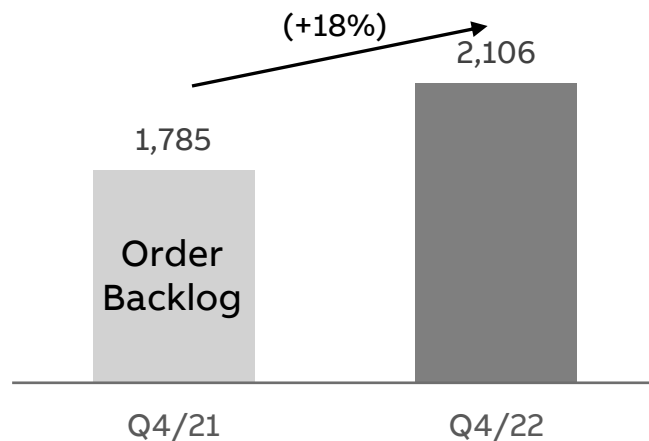
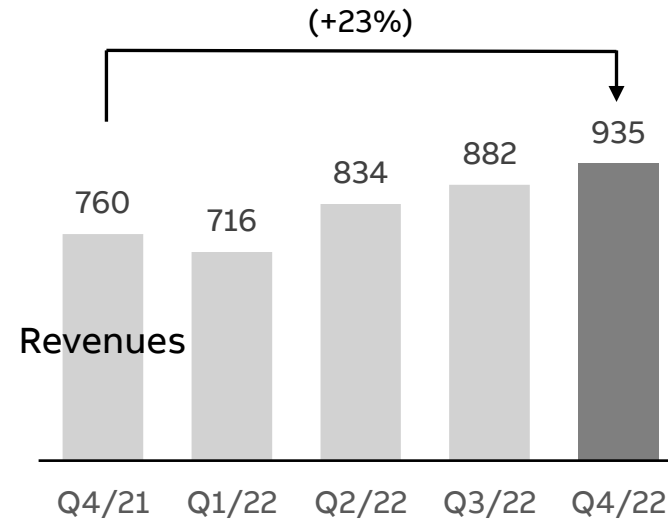
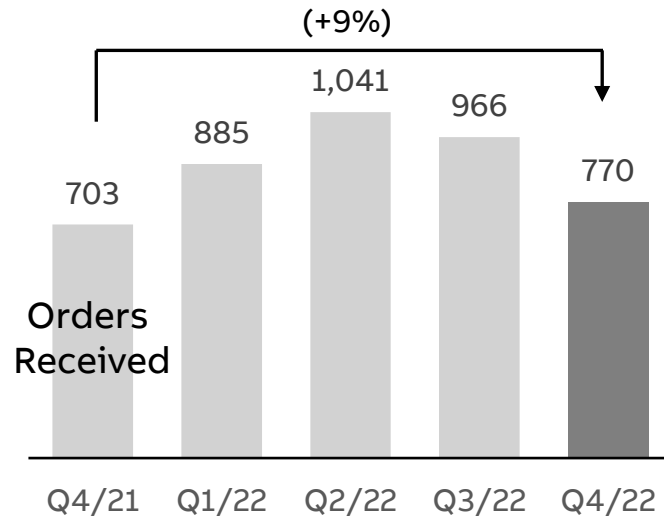
- Efficient supply chain management enabled uninterrupted operations
- Strong backlog execution

## PBIT

- Better product mix
- Volume growth and improved price realization

# Motion

INR crores



## Orders Received

- Growth driven by traction convertors and large motors orders
- High value order win from Railways

## Revenues

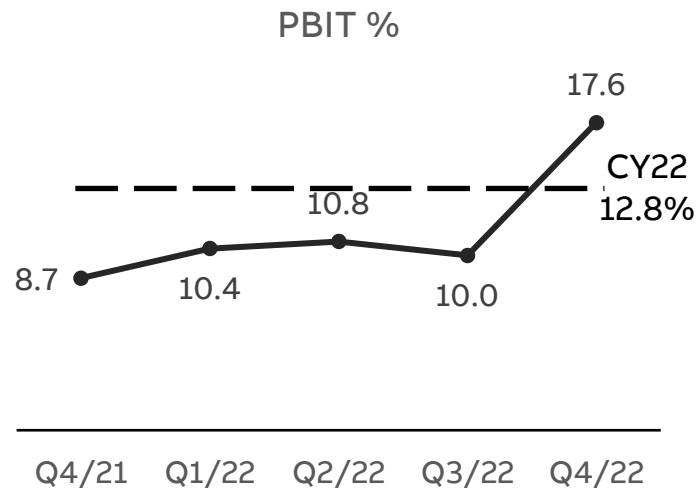
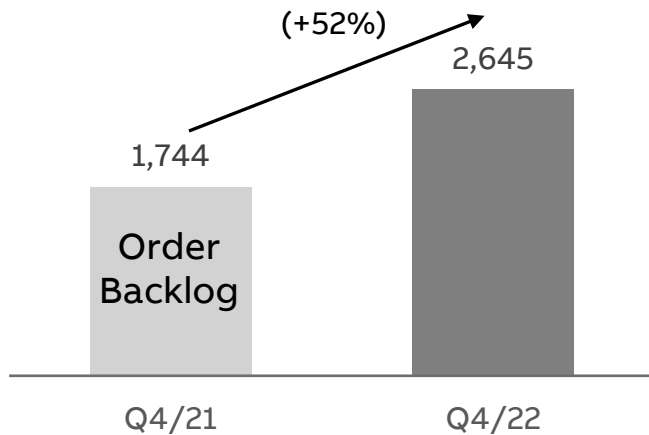
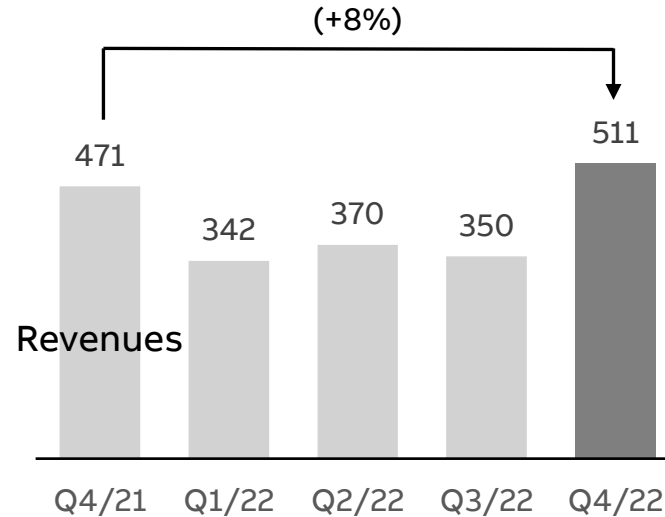
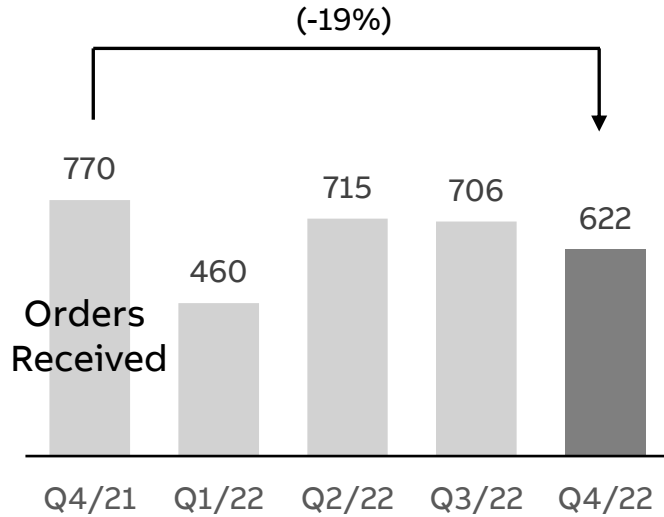
- Export market allocation leading to enhanced growth in large motor business
- Recovery of traction converter business
- High focus on customer engagement, segment, and higher penetration to Tier I & II cities

## PBIT

- Higher volumes and superior price realization
- Stronger execution resulting in improvement in products and service sales

# Process Automation

INR crores



## Orders Received

- Large wins for control systems, rectifiers, instrumentation
- High-value orders from paint, steel, energy companies, etc.

## Revenues

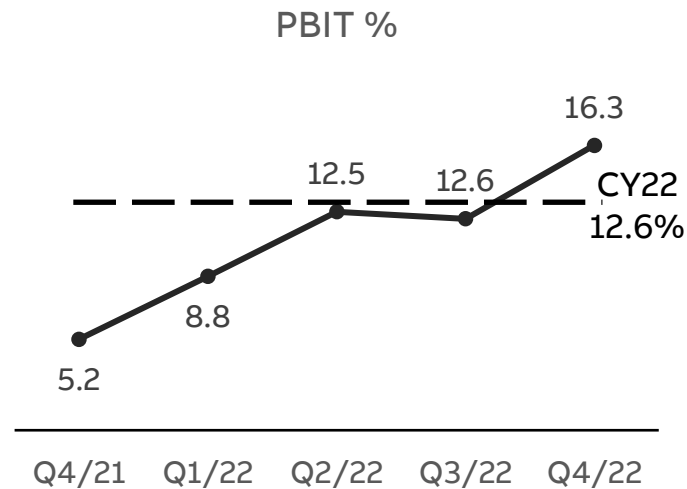
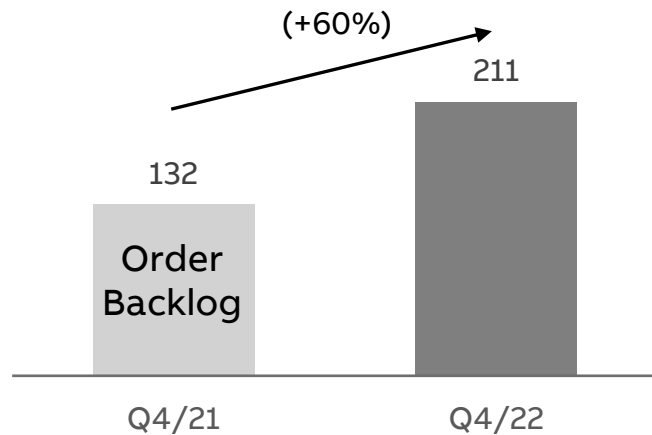
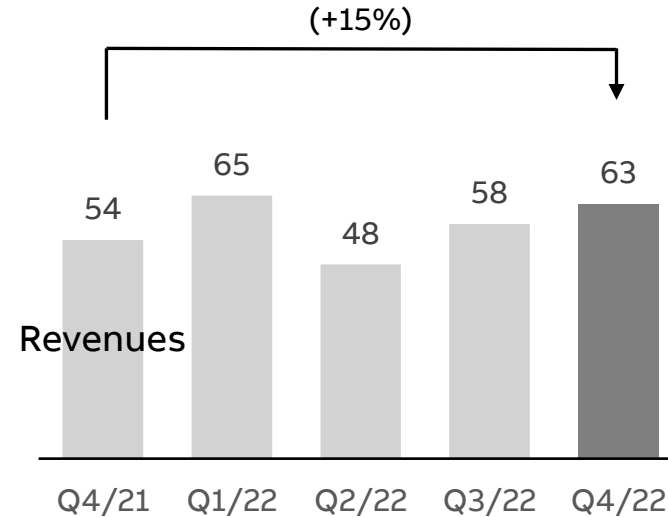
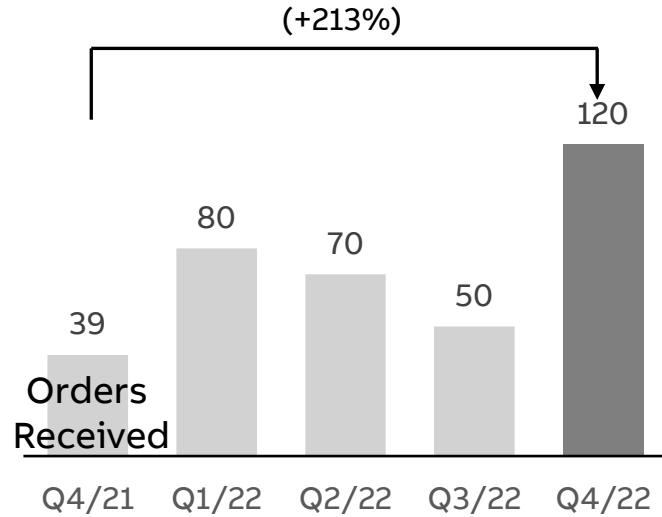
- Milestone based execution for project orders
- Sustained backlog execution across all businesses

## PBIT

- Higher revenue, superior margins

# Robotics and Discrete Automation

INR crores



## Orders Received

- Orders in automotive segments witnessed significant uptick
- Higher service orders
- Electronics market looking to gain momentum

## Revenues

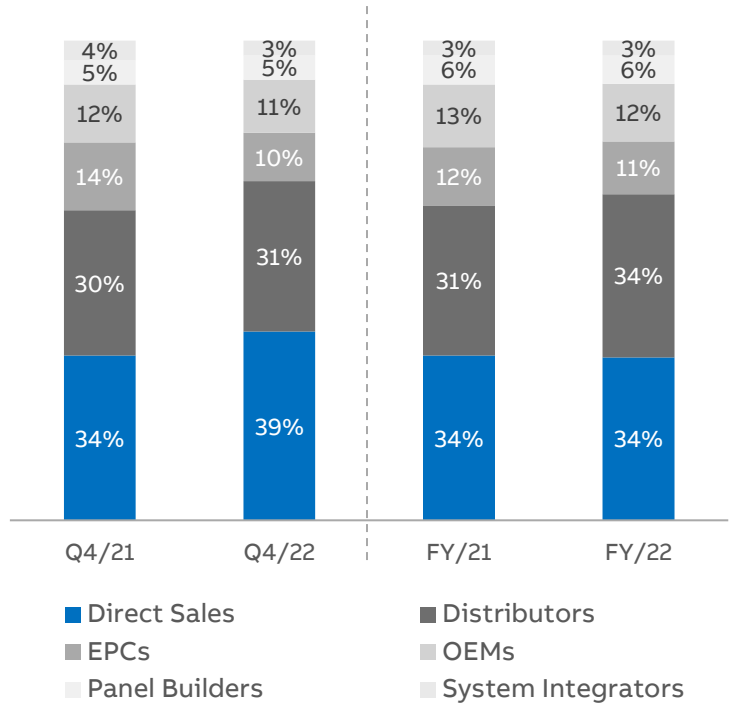
- Higher contribution from service revenue

## PBIT

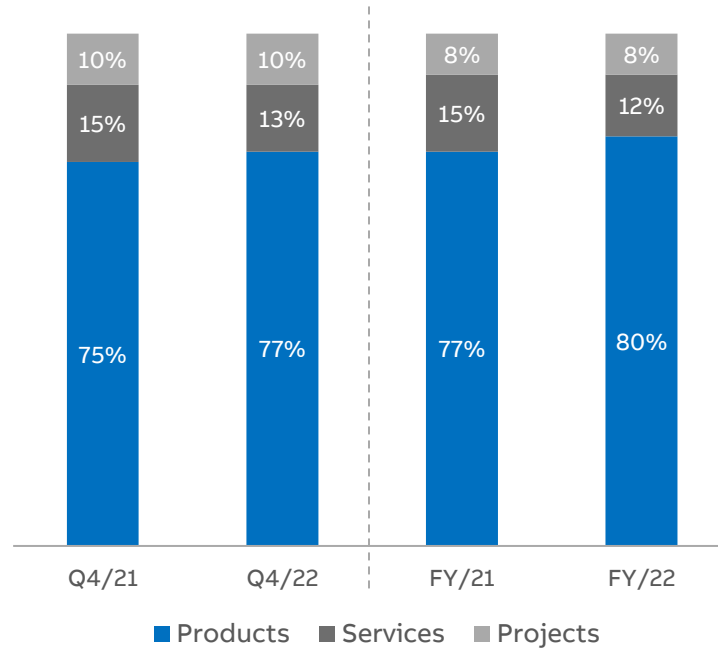
- Better margins from automotive and service revenues

# Well-structured, diversified business model

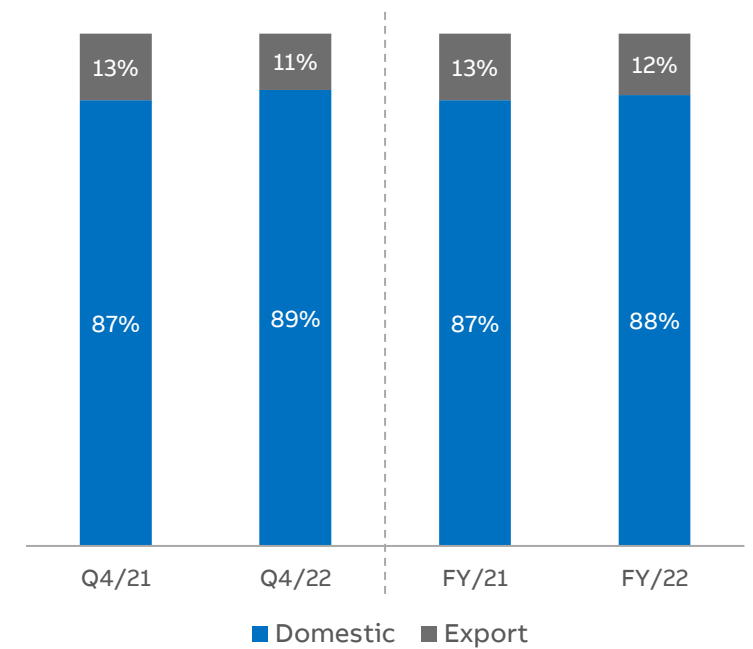
## Channels



## Offering



## Geography



Note: Category distribution by Revenue

# CY2023 – Looking ahead

## Opportunities



Government policy for capex and infrastructure focus



Sound Balance Sheet



Focused engagement with:

- identified high growth segments
- higher Tier 2 and Tier 3 market penetration



Global Technology and Local Engineering

## Risks



Trajectory of commodity prices and tightening crude on higher demand



Geopolitical developments and volatilities in global trade balance and forex



Development of supply chain constraints

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**Writing the future: together**

**ABB**