

February 26, 2021

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

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

Dear Sirs

**Subject: Presentation to be made to Analysts/ Investors on Friday, February 26, 2021 as per Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Audited Financial Results of the Company for the quarter (Q4) and year ended December 31, 2020**

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

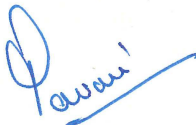
We are sending herewith a copy of presentation to be made to Analysts today, Friday, February 26, 2021 for the information of the Stock Exchanges.

Please note revised call coordinates as enclosed.

You are requested to take the same on record.

Thanking you.

Yours faithfully,  
For ABB Power Products and Systems India Limited



Poovanna Ammatanda  
General Counsel and Company Secretary



Encl: As above

## Invitation Q4 2020 – Analyst Conference Call



Following the announcement of our Q4 CY2020 numbers, we have organized a conference call for investors and analysts, addressed by:

N Venu - Managing Director  
Ajay Singh - Chief Financial Officer  
Poovanna Ammatanda - General Counsel, Company Secretary & Compliance Officer

**Date:** February 26, 2021

**Time:** 16:30-17:30hrs Indian Standard Time

**Link to presentation:** <https://links.ccwebcast.com/?EventId=ABB210226>

### Dial in details:

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UK	+44 2034785524
USA	+1 3233868721

Log in with Diamond Pass [here](#).

Best regards,  
Manashwi Banerjee  
Head of Communications  
ABB Power Products and Systems India Ltd



**HITACHI**

**ABB**

# Q4 analyst update

Strong performance shows recovery underway

POWERING GOOD FOR SUSTAINABLE ENERGY

HITACHI ABB POWER GRIDS

## 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 (“APPSIL”). 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:

- COVID-19 crisis associated disruption risks
- 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 APPSIL’s filings with the stock exchanges and Securities and Exchange Board of India (SEBI), including its Annual Report.

Although APPSIL 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.

# 2020 highlights: Incredible team effort pays off

1.

## Laying a strong foundation

- building a new entity
- successful listing, open offer and share transfer\*
- a new culture of fusion

2.

## Agile response to pandemic

- protect our people
- preserve business continuity
- prepare for the new norm

3.

## Credible performance in a complex year

- orders on par with previous year
- on-time delivery, relentless cash focus stabilize revenue
- **maiden dividend of INR 2 per share (100%)**



\*share transfer effected on February 05, 2021



## Q4 highlights: Recovery to pre-Covid levels continue

Orders	INR 826 crore	↓ (7.2%) QoQ, ↑ 34.2% YoY
Revenue	INR 1,043.7 crore	↑ 10.3% QoQ, ↓ (7.5%) YoY
PBT*	INR 75.6 crore	↑ 1,028% QoQ, ↑ 80% YoY
PAT	INR 55.0 crore	↑ 1,045% QoQ, ↑ 54.9% YoY

Robust cash collection in Q4 despite challenging market

Company remains debt-free at close of Q4 and year

\*after exceptional items

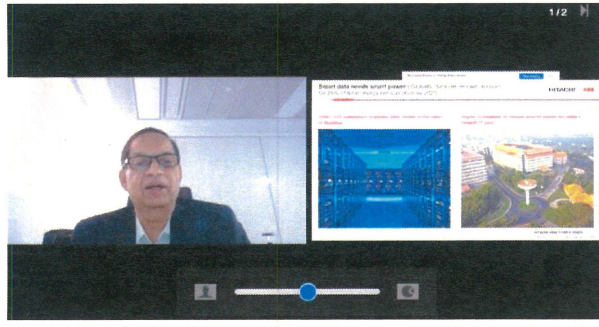
### Key order wins in Q4

- **INR 54 crore** transformer order for national utility
- **INR 47 crore** transformer orders from railways & city metros
- **INR 43 crore** order to enhance power quality for India's dedicated freight train network
- **INR 43 crore** green energy transmission order
- **INR 39 crore** substation and transformer orders for powering datacenters

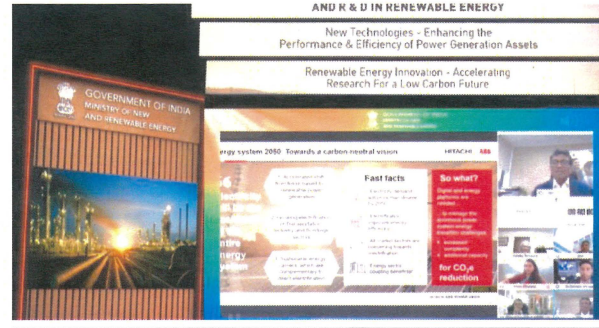
~INR 300 crore of orders where ABB Power Products and Systems India Ltd. was L1 have been deferred by customers

# Q4: Customer engagement, thought leadership & digital wins

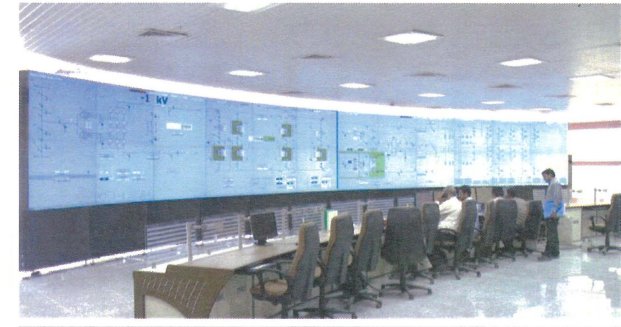
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Energy & Digital World - Cement



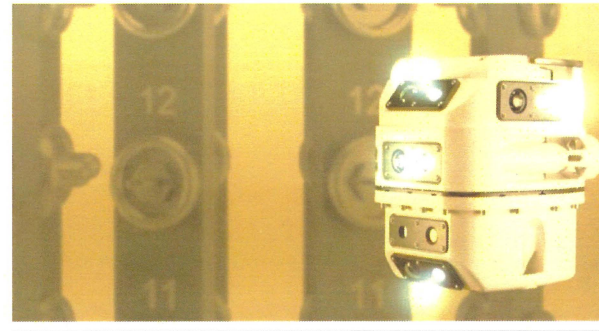
Government focus – MNRE’s Reinvest



Remote execution, commissioning of HVDC software for NE Agra



Power Quality pilot project for metro rail



TXplore™ project for steel major – world’s first submersible inspection robot



First order win for RELCARE in India from O&G company

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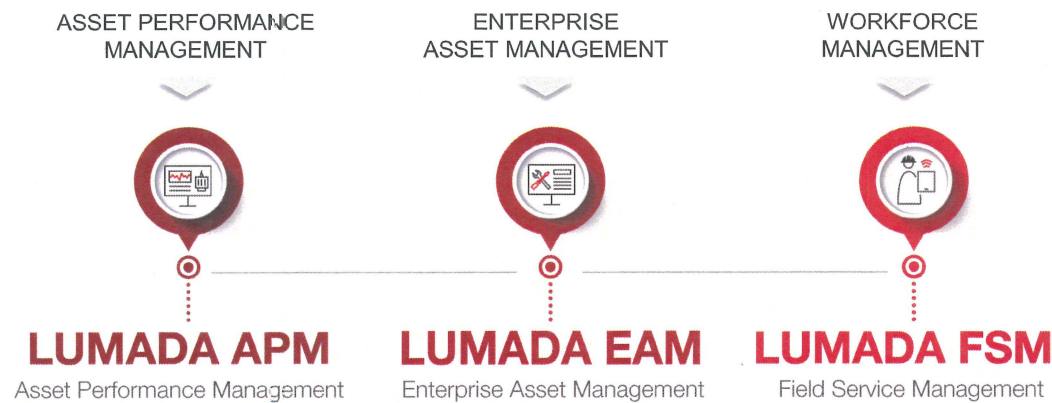




# Digital Enterprise joins the Lumada ecosystem launched

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On January 27, 2021, Digital Enterprise software solutions became flagship applications within Hitachi's Lumada ecosystem and have been rebranded as Lumada Enterprise Asset Management (EAM), Lumada Asset Performance Management (APM), and Lumada Field Service Management (FSM).



## SYNERGIES IN ACTION

- Similar DNA: modern software architecture
- Interoperability
- Cloud, on-premises, hybrid deployment options

## CUSTOMERS WILL BE ABLE TO:

- Leverage Hitachi's industry-leading IoT platform, analytics, data capabilities, and more...
- While retaining all the capabilities of our proven solutions...
- With no impact to current installed base but a clear migration path when they are ready

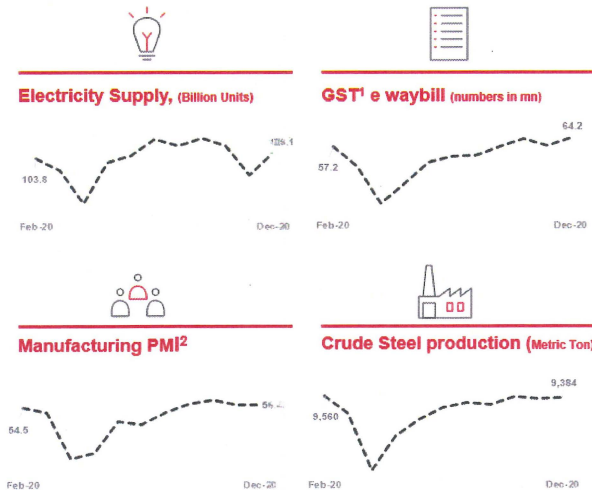


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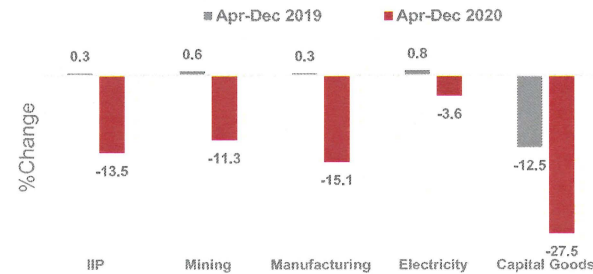
# Broad range of market parameters indicate recovery

## Macro-economic snapshot

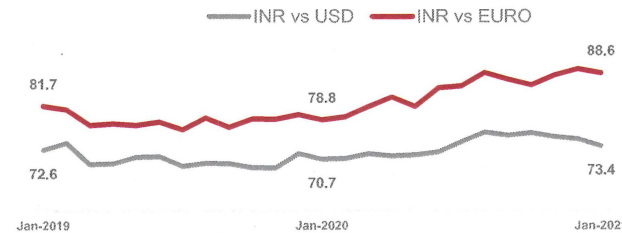
- COVID-19 cases on decline, vaccination campaign initiated
- V-shaped recovery in indicators - electricity & GST<sup>1</sup> e-way bill, PMI\*



## Industry growth (IIP<sup>2</sup>) – recovery in last few months, overall, still negative for the FY



## Rupee depreciates ~6% against the USD in 2020



## Key projections from Union Budget for FY22

	<b>GDP%</b>	India GDP to grow by 11% in FY22
	<b>Fiscal Deficit</b>	To be 6.8% in FY 22 vs 9.5% FY 21
	<b>Inflation</b>	Within RBI's target corridor of 4(+/-)2%
	<b>Tax/GDP Ratio</b>	10.9% in FY22 vs 9.9% in FY 21
	<b>Capital Expenditure</b>	34% increase to 5.5lakh cr over BE <sup>3</sup> 2020-21

\* PMI – Purchase Manager Index; <sup>1</sup>-GST – Goods & Services Tax; <sup>2</sup>-IIP – Index of Industrial Production; <sup>3</sup>- BE – Budget Estimates



# Segments that power growth: Budget 2021-22

Sector	Key Announcements	Central Budgetary Allocations BE 2020 vs RE 2020 vs BE 2021 (INR cr)			Impact
<b>Power</b>	<ul style="list-style-type: none"> <li>Monetization of PGCIL's transmission assets</li> <li>More than one distribution company for all</li> <li>Revamped, reform-based, results-linked scheme with an outlay of INR 3,05,982 crore over five years for DISCOMs</li> </ul>	15,874 BE 2020	-31% 10,835 RE 2020	+41% 15,322 BE 2021	●
<b>Renewables</b>	<ul style="list-style-type: none"> <li>Allocation of INR1,000 cr SECI, INR 1,500 cr IRDA</li> <li>Customs duty increase to encourage domestic production – 20% for solar inverters; 15% on solar lanterns</li> <li>Manufacturing plan for solar cells and solar modules to be announced</li> <li>National Hydrogen Energy Mission from Green Power Sources</li> </ul>	5,753 BE 2020	-37% 3,591 RE 2020	+37% 5,753 BE 2021	●
<b>Railways</b>	<ul style="list-style-type: none"> <li>100% electrification of the broad-gauge network by December 2023</li> <li>National Rail Plan for India (2030)</li> <li>Commissioning of EDFC and WDFC by June 2022. Further DPR for East, East-West &amp; North-South freight corridors.</li> <li>150 private trains project to be finalized in H1 2021.</li> </ul>	72,215 BE 2020	+54% 111,233 RE 2020	-1% 110,054 BE 2021	●
<b>Urban Transport – Metro/ RRTS</b>	<ul style="list-style-type: none"> <li>Expansion of Metro network and introduction of Metro Neo and Metro Lite for Tier 2 cities and peripheral areas of Tier 1 cities.</li> <li>Budgetary allocation to 5 metro projects (Kochi, Chennai, Bengaluru, Nagpur, Nashik)</li> <li>To induct over 20,000 city buses in five lakhs plus cities.</li> <li>Continued support to E-Mobility under FAME program</li> </ul>	20,693 BE 2020	-55% 9,318 RE 2020	+160% 24,257 BE 2021	●

BE – Budget Estimates ; RE – Revised Estimates

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10-8

# Segments that power growth: Key trends

## Transmission

- ~11,000 cr investment planned via various central schemes in FY22
- 5 TBCB projects awarded in Jan-21 which were won by PGCIL.
- Growth in GIS s/s to continue due to land constraints
- Green Energy Corridor Project



## Distribution

- Discoms dues to power GENCO's rises to 1.3 lakh crore in November 2020
- Performance oriented Assistance to DISCOMs for Prepaid, Feeder Separation, Upgradation.
- Consumers to have choice of more than one DISCOM



## Renewables

- ~9 GW of solar and 2 GW of wind addition in 2021 expected
- Increase in import duty on Solar inverters, a dampener
- India's solar park power tariffs hit a record low of ₹1.99 per unit at an auction conducted by GUVN



## Industry

- Industry capex revival nascent
- Select industries announcing capex & opex plans in anticipation of demand pick-up



## Infrastructure

- Budget proposes setting up of Development Financial Institution - to lend 5 lakh cr in 3 years
- New airports like in Navi Mumbai and Jewar to create opportunities
- National highway projects (8,500 km) and additional 11,000 km of National Highway Corridor



## Rail

- Railways target 100% electrification by 2023
- Growth in Metro Rail continues
- Opportunities expected in High-Speed Rail and Regional Transport Networks



## Electric mobility

- Continued support to E-Mobility under FAME program
- Indian Oil to procure 15 fuel cell electric buses for Delhi
- No of E-buses on Indian roads expected to reach 7,500 by 2025



## Datacenters

- Digitalization and local data regulation key demand drivers.
- Amazon Web Services to spend \$2.8B on Data Centers in India in Hyderabad



# Segments that power growth: Our technology offering

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## Datacenters

High voltage s/s; Air-/gas-insulated s/s; engineered packages; Grid connection studies; Digital substations; Dry type transformers

Electrification: Power distribution; Back-up power; Data center automation; Battery storage; Power quality; Power consulting; cybersecurity



## Electric Mobility

- Grid-eMotion™ Fleet: Large-scale EV charging
- Grid-eMotion™ Flash: Flash-charging
- e-mesh™: Energy Mgmt System; Network Automation; Protection & Control; Grid-eMotion™ Fleet and PowerStore™
- Charging and power Infrastructure; Stationary Energy Storage



## Renewable energy

- Preconstruction services: advisory services and FEED
- Fit for purpose products and components
- Grid connection: product and engineered packages
- Grid code compliance and power quality
- HVDC
- BESS
- Monitoring, Control and automation
- Asset management and service



## Power Quality

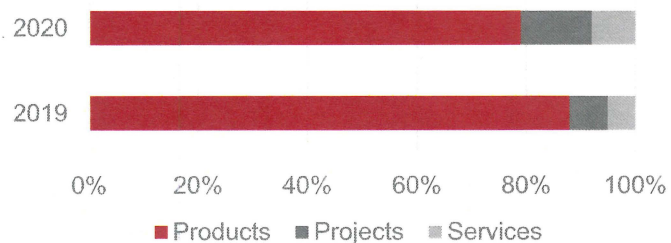
- FACTS
- Fixes Series Compensators
- Static Frequency Convertors
- Phase shifting transformers
- Reactors and inductors
- Transformers with Transient Voltage Protection Technology
- Capacitors and filters
- Power Consulting

Making in India for India and the world, for over six decades. More than 80% of portfolio today is locally manufactured

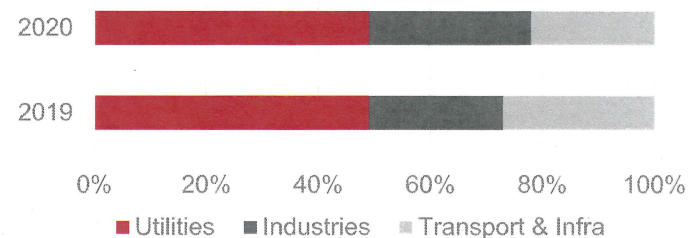
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# Order distribution in Q4: stability through diversity

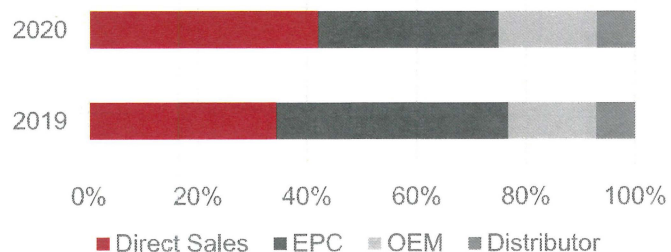
## SEGMENTS



## SECTORS



## CHANNELS



### Driving growth in Q4

#### Datacenters

Orders from Asia's Largest Rated  
4 certified data center

#### Renewables

~8.5 GW of cumulative solar  
orders catered for in 2020

#### Power Quality

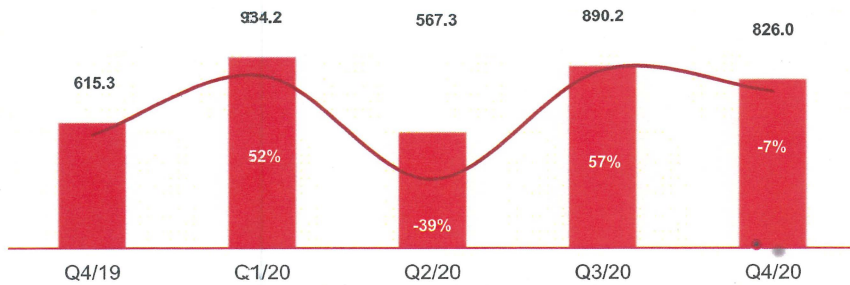
Power Quality solutions for  
freight corridor

#### Railways & Metros

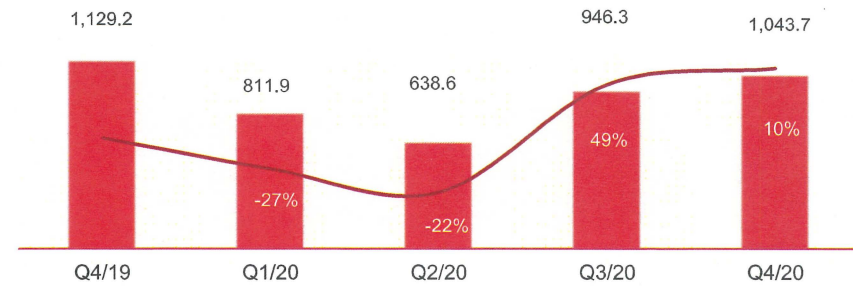
Traction transformer  
orders for RRTS

# Five quarter trend: Overcoming the challenges

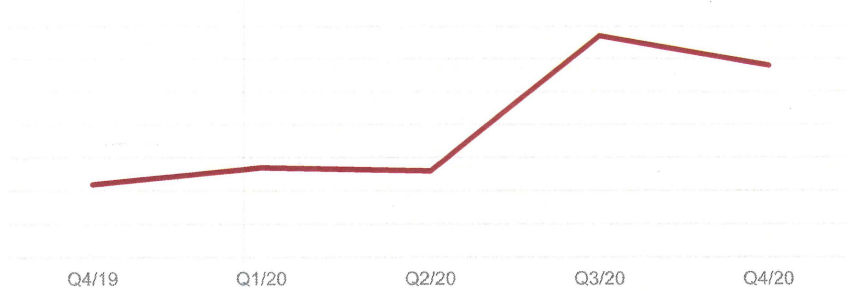
Orders (INR crore)



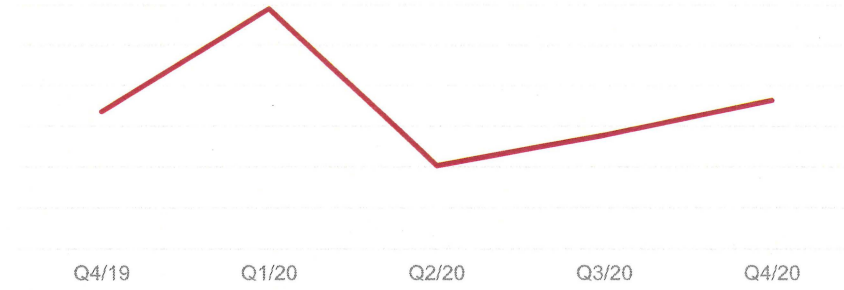
Revenue (INR crore)



Service: 12% growth in full year base orders



Exports: up 8% in Q4 and 2020



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# Profit & Loss Statement

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INR crore

9M 2019	12M 2020	Performance Indicator	Q4, 2020	Q3, 2020	QoQ %	Q4, 2019	YoY%
2,642	3,217.7	Total Orders Received	826.0	890.2	(7.2)	615.3	34.2
5,101	4,954.8	Order Backlog (end of period)	4,954.8	5,175.3		5,100.7	
3,231.2	3,438.9	Revenue	1,043.7	946.3	10.3	1,129.2	(7.5)
261	171.8	Profit Before Tax (PBT) before exceptional item	46.1	69.3	(33.5)	81.0	(43.0)
na	28.1	Exceptional Item (customer receivables provision)	(32.4)*	60.5		-	
41	7.4	Exceptional Item (demerger expenses)	2.9	2.1		39.0	
221	136.3	Profit Before Tax (PBT) after exceptional item	75.6	6.7	1028	42.0	80
8.1%	5.0%	PBT % before exceptional item	4.4%	7.3%		7.2%	
6.8%	4.0%	PBT % after exceptional item	7.2%	0.7%		3.7%	
165	99.8	Profit After Tax (PAT)	55.0	4.8	1045.8	35.5	54.9
5.1%	2.9%	PAT %	5.3%	0.5%		3.1%	
291.5	194.5	Operational EBITA	65.9	68.1	(3.2)	92.8	(28.9)
9.0%	5.7%	Operational EBITA%	6.3%	7.2%		8.3%	

**Zero-debt** company as of December 31, 2020

**CRISIL** rating in January 2021

**A1+** short-term facilities; **AAA/Stable** long-term banking facilities

\*Realization of old receivables previously provided for

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## Transfer of shares

Delayed transfer of ownership in the Company concluded on **February 5, 2021**

31,786,256 equity shares aggregating to 75 percent of paid-up capital were transferred to Hitachi ABB Power Grids Ltd.

Frank Duggan and Sanjeev Sharma have stepped down as Directors.

New Directors to represent new ownership

## Dividend recommended

INR 2 per share (100%) dividend recommended by the Board of Directors, subject to the approval of shareholders

## Change of fiscal

Financial year will change from Jan-Dec to Apr-Mar. The current year will have five quarters.

## Ismo Antero Haka



### CFO of Hitachi ABB Power Grids

Prior to assuming his current responsibility, Ismo held several senior financial positions with ABB, including CFO roles with the Power Grids business, the Power Products division, US and North America Region.

Ismo holds an M.Sc. degree in Economics from the Hanken School of Economics, Finland.

## Achim Michael Braun



### Head of Human Resources at Hitachi ABB Power Grids

Prior to joining Power Grids, Achim worked in different leadership roles at Continental, Schaeffler and Lear Corporation.

Achim holds a master degree in Business Administration from the University of Regensburg, Germany

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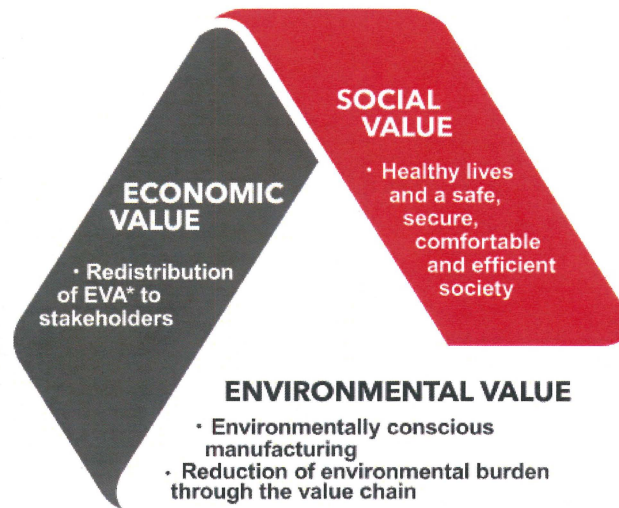
# Creating value in 2020; investing in a sustainable future

Virtual commissioning of products and projects to ensure customer timelines

Digital offerings to extract higher efficiencies

Robots to minimize downtime

Smart investment to remotely service and support digital-ready products and solutions



15,000 man-hours of safety training, zero serious injuries in the 30mn man hours

Covid training & testing, resilience training for employee & families

Contribution to frontline workers, rural communities and government

Industry-academia partnership to pilot emobility for public transport

Industry-academia partnership to shape India's education system to ready talent to manage smart grids

### Our operations

70% of waste generated recycled; 155 tonnes of scrap co-processed

40% of electricity used in factories from renewable sources

20% less freshwater consumption than 2020 at Mysore

### Customer operations

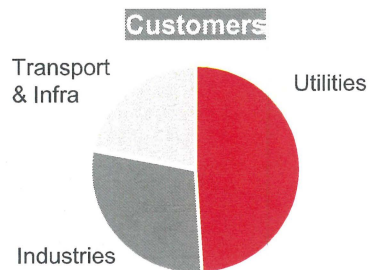
Reduced diesel consumption with solutions for rail electrification

Eco-efficient alternatives to SF6 for high voltage products

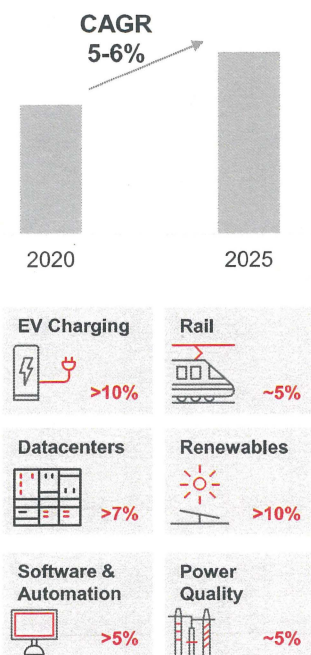
# Transition positions us for profitable growth

## Well positioned...

- INR 4,955 crore** order book
- 2,200+** employees
- 16** factories in 5 manufacturing locations
- 17** sales offices
- Huge installed base



## in attractive markets



## Transformation underway...

### 3 pillars

**Becoming a growth engine**  
World-class front-end performance

**Sharpening our winning portfolio & business models**  
Service penetration & digitalization

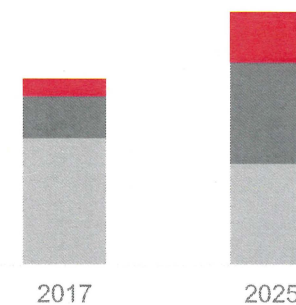
**Driving world-class execution**  
Industry leading performance, cost efficiency & quality

### 2 foundations

Innovation

People

## ... to deliver profitable and sustainable growth



- Consultancy, Service, Software
- Digitalized products and systems (incl. automation)
- Conventional products & Systems

**Strengthen leadership position & grow faster than the market**

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uf

“  
**Electricity  
will be the  
backbone  
of the  
entire  
energy  
system**

**01**

Accelerated shift from fossil-based to renewable power generation

**02**

Growing electrification of Transportation, Industry and Buildings sectors

**03**

Sustainable energy carriers, complementary to direct electrification

## Fast facts

- “ Electricity demand will more than triple by 2040\*
- “ Electrification improves energy efficiency
- “ All market sectors converting towards electrification
- “ Energy sector-coupling beneficial

## So what?

Digital and energy platforms are needed...

...to manage the enormous power system energy transition challenges:

- increased complexity
- additional capacity

**for CO<sub>2</sub>e  
reduction**

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