



REF:INABB:STATUT:LODR:PRESS REL:

May 4, 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

Attn: Listing Dept.


Dear Sirs

Sub: Press Release

We are sending herewith a copy of Press Release, which is being issued by the Company today to the media, for the information of the Stock Exchanges, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you

Yours faithfully  
For ABB India Limited



Trivikram Guda  
Company Secretary and Compliance Officer  
ACS 17685

Encl: as above

BENGALURU, MAY 4, 2022

# Solid performance in an uncertain environment

ABB India Limited (standalone) posts Q1 CY2022 results

## Q1 2022 HIGHLIGHTS

- Strong growth in orders (26%) and revenue (21%)
- Emerging sectors & core sector recovery create momentum
- Capacity utilization & operation efficiencies yield traction in profit
- Published the first Business Responsibility and Sustainability Report (BRSR) 2021 as early adopters

“I am very proud of the team at ABB India who delivered a good start to the year by not only building but accelerating the growth momentum in the face of multiple external uncertainties. All parameters have posted solid growth in the first quarter of CY2022. The surge in orders and one of the strongest order backlog in recent times, demonstrate the high preference for ABB products and the deep customer connect. Factors like ABB technology advantage, our diverse portfolio, and global leverage have enhanced our resilience amidst geopolitical challenges and inflationary pressures,” said Sanjeev Sharma, Country Head and Managing Director, ABB India. “ABB India’s ESG commitments are on-track, and we published our first Business Responsibility and Sustainability Report (BRSR) as a best practice in the industry. We made good progress in our green building certification and working with resource efficiency for our customers,” he added.

## KEY FIGURES *(standalone)*

INR Crores *(for continuing business)*

|  | Q1 2022 | Q4 2021 | Q1 2021 | CY 2021 | CY 2020 |
|--|---------|---------|---------|---------|---------|
| Orders                                     | 2291    | 2243    | 1825    | 7666    | 5932    |
| Order backlog                              | 5229    | 4912    | 4328    | 4912    | 4114    |
| Revenues                                   | 1968    | 2101    | 1629    | 6934    | 5821    |
| PBT before exceptional / one off and tax   | 198     | 219     | 129     | 603     | 338     |
| PBT before exceptional / one off and tax % | 10.1    | 10.4    | 7.9     | 8.7     | 5.8     |
| Profit before tax                          | 491     | 265     | 204     | 724     | 304     |
| Profit before tax %                        | 25      | 12.6    | 12.5    | 10.4    | 5.2     |
| Profit After Tax                           | 370     | 194     | 151     | 532     | 230     |
| Profit after tax %                         | 18.8    | 9.2     | 9.2     | 7.7     | 4.0     |
| Operational EBITA*                         | 167     | 207     | 111     | 575     | 293     |
| Operational EBITA%                         | 8.5     | 9.9     | 6.8     | 8.3     | 5.0     |

## Orders

Total orders surged to INR 2,291 crore, the highest for the first quarter in the last five years. The year also started with a healthy increase in export orders across multiple businesses. This demonstrates consistency in leveraging the growth momentum and customer connect across segments, in domestic markets and globally. Electrification was marked by higher orders across divisions especially in smart power and distribution business. Motion Business Area witnessed uptick in systems drives and HV and LV motors continuing the short cycle opportunities. Process Automation gained from conversions in steel industry and refinery segment with higher focus on resource efficiency and clean energy transitions. Energy management systems was another area for order inflows. Service comprising of system upgrades made up a significant portion of the order basket for Robotics and Discrete Automation.

Key orders include:

- Rectifiers for a global diversified natural resources major
- Cloud deployed SCADA, AI tools and remote terminal units for a leading city gas company
- Distribution solutions and equipment for steel and grouting companies
- Electrification panels and building automation for IT campuses in Hyderabad
- Renewables: Doubly fed induction generator for the wind sector, solar SCADA automation and switchgears for solar projects
- System drives and motors solutions for tyre and metals (tier 1 and 2) majors
- Flowmeters for water distribution applications
- Robotics order for electronics major

ABB India continues to have a strong order backlog as of March 31, 2022, at INR 5,229 crore, which provides revenue visibility and is well aligned to support growth plans in the coming quarters.

## Revenue and operations

The company posted a revenue of INR 1,968 crores revenue for the first quarter, a growth of 21 percent year-on-year. Seamless backlog execution, contribution from exports and growth of service business contributed to the traction despite geo-political uncertainties. Electrification & Motion registered higher revenue across all its divisions. Growth in service business comprised a significant portion in growth of Process Automation revenues. Robotics business gained from higher service revenues and general industry deliverables being on track.

The quarter was marked by:

- new and expanded facility for digital substation products and systems factory in Electrification business in Vadodara, which will be exporting to more than 50 countries
- energy efficiency projects for hospitality major JW Marriott and the Wonder Cement
- launch of specialized products like flame proof motors for explosive atmospheres and smart electric metering and energy monitoring solutions
- successful completion of upgradation activities of ABB EWS (engineering workplaces) across 11 locations of an energy major including unmanned platforms
- remote commissioning and installation of a software development project at a key renewable resource and packaging group in South Africa

### **Profit and cash flow from operating activities**

The company reported a profit before tax (before exceptional items and one-offs) of INR 198 crore mainly driven by higher volumes, better product mix, and higher service content. The growth in profit reflects 53 percent uptrend year on year. The Company continued to focus on value chain improvements to address headwinds of commodity price change and inflation.

The Company reported Profit after tax of INR 370 crore at the end of Q1 2022.

During the quarter, the Company has sold the turbocharger business to its wholly owned subsidiary Turbocharging Industries and Services India Private Limited. In this regard, profit on sale amounting to INR 293 crore has been disclosed as exceptional item in the financial results for the first quarter ended March 31, 2022.

The company's cash position continues to remain robust at INR 2,707 crore at the end of Q1 2022.

### **Sustainability in practice**

Aligned with ABB Group Sustainability targets 2030, ABB India progressed well on its ESG, sustainability agenda. Though mandated only from the next financial year, the Company published its first Business Responsibility and Sustainability Report (BRSR) as an industry best practice with the Annual Report. ABB India's Peenya campus in Bengaluru became single use plastic free and certified for gold green building rating. The Nelamangala, Bengaluru campus also received the highest rated – platinum green factory building certification, one among only 63 campuses in India to have achieved the same. It earlier also became water positive with 1.24 on the water positive index demonstrating that the facility replenishes more water for the environment than what is withdrawn for the operations.

### **Outlook**

Geopolitical uncertainties, supply chain disruptions, inflationary impact on fuel and food prices along with other commodities are key factors which are being monitored across the globe. ABB India will also look out for inflationary pressures, resurgence signs of the virus, currency fluctuations, the trajectory of supply chain disruptions and its impact on the identified market segments in the country. The various government projects incentivizing local production, fast tracking infrastructure projects, housing and water for all, specific measures for various sectors like solar, water, data centers, metros, etc. is likely to have incremental positive impact and provide some cushion for the macro uncertainties. ABB India will continue to focus on profitable execution of our large and diversified order book and leverage the strong growth momentum in our identified fast recovering sectors. Also, the Company is benefitting from business opportunities to render greater sustainability and efficiency in certain core sectors of energy, metals, railways & metro, and cement. ABB is reasonably confident of building on the current business momentum and is committed to the creation of sustainable returns for our stakeholders.

*The results are basis standalone numbers, for consolidated numbers including Turbochargers, please refer to SEBI publication.*

ABB (ABBN: SIX Swiss Ex) is a leading global technology company that energizes the transformation of society and industry to achieve a more productive, sustainable future. By connecting software to its electrification, robotics, automation and motion portfolio, ABB pushes the boundaries of technology to drive performance to new levels. With a history of excellence stretching back more than 130 years, ABB's success is driven by about 105,000 talented employees in over 100 countries. [www.abb.com](http://www.abb.com)

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*\*Operational EBITA*

*Operational EBITA margin is Operational EBITA as a percentage of Operational revenues. Operational EBITA is Operational earnings before interest, taxes and acquisition-related amortization. Operational EBITA represents income from operations excluding:*

- acquisition-related amortization (as defined below),*
- restructuring, related and implementation costs,*
- changes in the amount recorded for obligations related to divested businesses occurring after the divestment date (changes in obligations related to divested businesses),*
- changes in estimates relating to opening balance sheets of acquired businesses (changes in pre-acquisition estimates),*
- gains and losses from sale of businesses,*
- acquisition- and divestment-related expenses and integration costs,*
- certain other non-operational items, as well as*
- foreign exchange/commodity timing differences in income from operations consisting of: (a) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), (b) realized gains and losses on derivatives where the underlying hedged transaction has not yet been realized, and (c) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).*

*Certain other non-operational items generally include: certain regulatory, compliance and legal costs, certain asset write downs/impairments as well as other items which are determined by management on a case-by-case basis.*

*Operational EBITA is our measure of segment profit but is also used by management to evaluate the profitability of the Company as a whole.*