



“ABB Power Products and Systems India Limited
Conference Call”

April 03, 2020



ANALYST: MR. RISHITH KAPADIA - ICICI SECURITIES LIMITED

MANAGEMENT OF ABB POWER PRODUCTS AND SYSTEMS INDIA LIMITED:

MR. FRANK DUGGAN - CHAIRMAN

MR. N VENU - MANAGING DIRECTOR

MR. AJAY SINGH - CHIEF FINANCIAL OFFICER

MS. MANASHWI BANERJEE - HEAD OF COMMUNICATION

**MR. POOVANNA AMMATANDA - GENERAL COUNSEL,
COMPANY SECRETARY & COMPLIANCE OFFICER**



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Moderator: Ladies and gentlemen good day and welcome to investor conference call for ABB Power Products and Systems India Limited, hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call please signal an operator by pressing “*” and then “0” on your touchtone phone. I now hand the conference over to Mr. Rishith Kapadia. Thank you and over to you Sir!

Rishith Kapadia: Thank you. Good evening everybody and welcome to the investor call of ABB Power Products and Systems India Limited hosted by ICICI Securities. I would now like to hand over the call to Mr. Frank Duggan who is chairman and thank you and over to you Sir!

Frank Duggan: Thank you operator and Rishith. Good evening everybody and thank you for joining us. My name is Frank Duggan. I am the Chairman of ABB Power Products and Systems India Limited. And it is my pleasure to speak to you all. Despite the difficult circumstances in India and around the world, I hope you all stay safe and keep your families safe. Today is of course a formal interaction between ABB Power Products and Systems India with the investor community and I would like to introduce the management team. First of all, N Venu, who is the Managing Director, Ajay Singh, Chief Financial Officer, Manashwi Banerjee, Head of Communication and Poovanna Ammatanda - General Counsel, Company Secretary & Compliance Officer. Before we start the business of the call, I would like to clarify three points. Today we will not be talking about Hitachi transaction process. This transaction is still conditional upon receiving approvals of various authorities. If and when there is such a transaction, there will be further communications from ABB in Switzerland and/or Hitachi on this topic. Two, we will still have another discussion when the first quarter results are available after the next board meeting of ABB Power Products & Systems India Limited and we will communicate the results after this. Three, we will not talk about Q1 2020 and forecast quarter ended March 31, 2020 on the performance of the financial results. So, I would kindly ask you to wait on these three matters. Now we want to focus on ABB Power Products and Systems- what they actually do, so we have a better view of how exciting this business is for the future. With these clarifications I would like to hand over the floor to N Venu, Managing Director of ABB Power Products and Systems India Limited. Thank you very much and Venu over to you!

N Venu: Thank you Frank. Good evening ladies and gentlemen. It is really a pleasure talking to you and thank you for joining us on the first meeting by ABB Power Products and Systems India Limited for investors and analyst community. I hope you and your families are keeping well and staying safe and my sincere request to all of you please, please stay home and stay safe.



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We uploaded the presentation, which I am going to use now in the stock exchange website, yesterday. In case you have not seen, my suggestion would be that you quickly go there and download it and have a look at it because I will refer to the slide numbers during my talk. My plan is just to take you through who we are and what kind of portfolio we have. Many of them you know but I just want to give more clarity on that and on our management team, the kind of projects we do it, and other things. Thereafter we will have time for Q&A.

So, let me refer to slide #3 and slide #4 of my presentation that basically show who we are and our history, our heritage in India. We have six decades of innovation in India. As you know, ABB Power Products and Systems India Limited is the Indian arm of ABB Power Grids, a global leader in power technologies with a rich heritage of 130 years. While our products reached Indian shores earlier, we set up our first manufacturing facilities in Maneja, in Vadodara, in 1965 and since then have been part of several nation-building projects. We did the first HDVC transmission project in Vindhyaachal in 1989, end-to-end power solutions as well as product for India's first metro projects – the Delhi Metro – in 2015, world's largest multi-terminal ultra-high-voltage DC link of 6000 megawatts from North-East to Agra in 2017 and so on and so forth. We have been part of several nation-building projects contributing significantly to the growth of the power sector in India and continue to invest in India, developing world-class manufacturing base, commissioning landmark projects and shaping future talent.

If I go to slide #5, about ABB Power Products and Systems Limited in India, we have 16 manufacturing units across five locations and 17 sales offices where our sales engineers are very close to our customers. We have an employee base of more than 2000, serving over 1000 customer groups. As you know ours is a new company, we started our operations on April 1 last year. In nine months to December, we have revenue of roughly 3230 crores.

If I take you to the next slide, we have the most comprehensive grid portfolio across the value chain. Our world-class manufacturing facilities strengthened by access to local R&D engineering resources has enabled us to provide the most comprehensive grid portfolio across the entire value chain. Our products, systems, services and software solutions help meet growing demand for power with a minimum environment impact. We partner with our customers whether they are from utility industry or transport infrastructure, right from the planning stage through building and operating and maintaining their power infrastructure in a sustainable manner. Our technologies facilitate the safe, reliable and efficient integration, transmission and distribution of bulk and distributed energy generated from conventional and renewable sources.

In a nutshell, we are active in the entire power value chain - be it generation, be it transmission, be it distribution or the consumption side of it. We can just look at the slide



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#7. It is our management team. As Frank introduced, out of this four of us are present in the call today. Our management team comes with a rich industry experience and is dedicated to delivering value in our core sectors and is striving to create value proportions for our customers. And the slide after this is just to show you the board of directors. Frank, the Chairman of our board. Our board members have been contributing with their insights and experience, enabling us to play a leading role in shaping the future of energy, leveraging diversity in thought and experience to help us shape the future of energy. So, ladies and gentlemen, so far what I talked about is just introducing us and our portfolio, our management team and our board of directors.

Let me just take a pause and take you back to the mega trends in the next one or two slide: the global trends impacting market and customers. I am sure I do not need to reiterate all that but just wanted to touch base on couple of them: how they are going to impact efforts at shaping the future of sustainable energy. So, the best minds of our time anticipate a rapid growth in population, change in consumption, higher use of technology and the consequent pressure on resources. They estimate from OECD shows the world population to increase from 7 billion today to over 9 billion in 2050. And India is expected to add another 238 to 240 million. More than 3/4 of it will live in cities. We are already experiencing in our country and also in our countries. With the number of devices we use today and their interconnection, take for example your laptop is connected with your iphone, ipad and so on and so forth, it is not hard to imagine that in another three decades there will be more than 500 billion devices connected to the internet spread across where we live and work. All this will significantly increase pressure on natural resources, especially energy. Electricity is a key enabler of new-age work models. The U.S. Energy Information Administration (EIA) projects world energy consumption will grow by nearly 50% by 2050, with the largest growth coming from Asia. Fact of the matter is that the growth is in a huge number, with all countries looking for alternative sources of energy to reduce climate change and build a sustainable world. That is where our focus is very clearly defined in slide #11. ABB Power Products and Systems India Limited, which is the Indian arm of ABB Power Grids, can enable a stronger, smarter and greener grid that can help address the growing demand of electricity with minimum environmental impact and shape the future of sustainable energy with its pioneering technology as the partner of choice.

So, from here let me just speak a bit on market overview: how we at ABB Power Products and Systems India Limited see the big shift in power and energy and why it is happening. Many changes are happening in the power sector and in the grid to meet high energy demand, rising aspiration for a better standard of living as well as to address increasing climate concerns. The slide I am talking about is #13, where we are talking about the grid, its evolution from today to the near future. The energy and grid are transforming. They are changing how electricity is being generated, transported and consumed. The world is fast



moving to new and various sources of clean energy, India is no exception, meaning a low-carbon sustainable energy future that no longer relies predominantly on age-old fossil fuel to produce power. Renewable energy sources are becoming more distributed allowing end-consumers to contribute to the energy mix. They are becoming prosumers - consumers are who are also producers of power. As more and more distributed energy resources are being added, there has been a gradual transition from centralized to distributor grid, and you know the reasons for that: global warming, ecological threats, rise in renewables and exponential reduction in photovoltaic and battery energy costs. Of course, battery energy costs are still not where we want them to be, but both volume effect coupled with a technology evolution has brought changes in the grid in every part of the world. With consumers becoming producers, energy prices will also be rationalized. Several business models like pay-per-use are already being discussed and implemented even though on a pilot basis. As you see, grid complexity is increasing, you can plug multiple sources into the grid at any voltage at any point in time, flowing in multiple direction, they are more environmentally friendly. This is the complexity of the grid evolution we see for the near future.

The next slide is quite interesting. It is power sector transformation – at the center of energy and industry evolution. You can see on the left side of the slide, these are the figures from India of how renewables are going to be in the next 10 years - not more than double, but more than three times. The shift in growth of generation mix and bulk versus distributed. While the growing shift in electricity sources is taking place, customer and consumer can be more diverse. This model of power generation and distribution is supported by the fourth industrial revolution as well as energy revolution. It is the foundational stone that makes the entire system flexible, sustainable. Making real difference is digitalization that gives real-time insight into the health and performance of mission-critical assets. While the shift in growth of electricity sources is taking shape, customers and consumers are diversifying. The suppliers like ABB Power Products and Systems India Limited are creating the differentiation. Differentiation in terms of automation, in terms of the design control, in terms of the digitalization, and enabling the flow of bits and bytes in much more transparent way. Thanks to innovative technologies, whether it is artificial intelligence, IOT and smart sensors, power infrastructure can be monitored, regulated remotely. The need for physical presence to man or manage assets has been greatly reduced while power availability has increased, ensuring there is an uninterrupted supply of power for every house and every business in this time of crisis.

If I will take you to the next slide on the market side, market opportunities so with the changes what I talked about in the last two slides, both in the energy evolution side shifting their generation mix while the customers are diversifying, suppliers are creating differentiation and all these are creating a huge challenge as well as opportunities for companies like us. The new layer of digitally enabled solutions not only addresses many of



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the challenges but also create new opportunities for stakeholders along the value chain. ABB Power Grids is the digital solution leader with the legacy of building sustainable partnerships and increased collaboration with stakeholders across the diverse sectors. Supply demand evolution is inevitable like the railways are electrifying at a rate of more than 7000km per year and EV buses can increase at 10-folds in the next five years, such a swift change in the nature of supply demand and big complexity will result in new markets, new investors and new business models. As you can see the next slide how we are creating value for our customer.

Slide #17 shows owing to a strong legacy of innovation and future ready technology, we are powering the energy evolution for over 1000 customer groups across utilities, industries, transportation and infrastructure. As you can see you name a customer, you name any organization in India whether it is PGCIL, BHEL, Tata Power, Adani, Reliance and JSW and Indian Railways, Alstom, Bombardier, L&T we are very happy that we are partnering with our esteemed customers, powering the energy revolution across the value chain. Also, to touch base on our portfolio, we are supplying our product system, services and software across the entire power value chain and we operate across four businesses. The first and for most business is grid automation which is a clear differentiator in front of our customers and this portfolio includes the traditional automation products, automation systems, communication networks and into the more recent applications for example grid-edge solutions, battery energy solution, microgrids, etc part of the grid-edge and enterprise software, asset management, energy portfolio management, work force management solution just to name a few about this particular business.

The next one is a grid integration. Here we integrate to the grid any voltage right from 33 mega voltage right up to high-voltage and extra-high voltage. We integrate by conventional substation or the GIS substation or HDVC or FACTS and we also have a technology for e-bus charging such as TOSA. The third business is the high-voltage products. Both switchgear, GI switchgear and instrument transformer, disconnecter and power quality like capacitors and filters and hybrid switchgear are part of this particular business. The last is very important in our entire transformer portfolio, going right from low-voltage to the distribution transformer to the 1200 kV transformers. So, we have power transformer, dry transformer, reactors and the bushings and insulation components. All in all, we have the complete portfolio to address our customer needs, be it in the utility, industry or infrastructure space.

I take you to slide #19 which is a very important slide. We are further investing in the future by building state-of—the-art training cum experience center for our customers and future engineers and ABB Power Tech, which is located in Maneja in Vadodara focuses on core technologies, regularly partner with the industries body and many of the industry regulators



to not only create a training program to share the current and future workforce but also creating thought leadership. The second one which we very recently inaugurated, ABB Power Digital Experience Center, in Bangalore, is an immersive experience center to demonstrate our solutions real time and is also a digital collaborative space to co-create solution with our customers. This is a very, very interesting digital experience center which we have recently opened to our customers. As you can see in the slide, we are piloting programs to develop and test world-class technologies that can support sustainable infrastructure growth in budding markets such as e-mobility.

We are pushing boundaries of e-mobility with cross charging technology source for buses to contribute to a cleaner, greener and sustainable future. TOSA technology enables the buses to charge in 30 seconds while the passengers get on and off the bus. We have recently announced in the month of January a pilot project with Ashok Leyland to develop this fastest charging ebus solution in the city of Chennai. So, from here let me just take you through slide #20 showing our world-class manufacturing facilities and agile capability building to cater to cater to market needs has meant that we not only Make-in-India, for India, but also for the world, exporting our products, systems, services and expertise to over 75 countries. Power Grid India is home to a few global feeder factories for the power grid global, which means that we are the only factories that support our power grids' global requirements. So, we are supplying product, systems, service and expertise to our customers across the world. We have orders in the range of 15 to 20% coming from exports. The next lever for profitable growth is service. And our services and service quality are our pride. It is also central to our growth strategy. We have an installed base going back six decades, a huge installed base, and dedicated engineers and service centers close to our customers. Leveraging this with our winning lifestyle cycle service portfolio, footprint and expertise, we provide our customers valuable business foundation to boost system reliability.

So, the next couple of slides show you our contribution to India's sustainable development and the landmark projects in making the grid stronger, smarter and greener. Slide #23 talk about how our technologies are playing a leading role in the transition to green energy sources. We connected the largest single solar plant in a single location at 648 megawatt where we provided not only grid connection but also automation and other things and similarly for our wind projects.

Slide #24 is a very interesting slide. So, we are enabling the integration of renewable resource into the grid as well as ensuring that transmission of power over long distances with minimum losses with our pioneering HDVC technology. Today we are very proud to say that 50% of HDVC projects in India run through our technology. We recently commissioned North-East and Agra project HDVC project transferring 6 gigawatts of clean hydropower over 1700 km to demand centers in north India. The ongoing Raigarh and



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Pugalur HDVC project can transmit power either way depending on demand and solar generation. Resilient and reliable technologies like HDVC make the grid stronger.

The next slide is also a testimonial and is a very important project where we have done landing solutions for the world's largest oil refinery. For sectors like refinery, steel, mining, cements, we are providing a reliable power for quality industry output while reducing environmental footprint of the Make-in-India initiative. We are very proud of our solutions powering the future of mobility. Every place you go, it will be touched with our technology, from railways to metro - almost all metros are powered through ABB Power Grids SCADA systems. Last but not the least, we are also ahead of the curve with the smart offering like digital substation. We are empowering data centers that are expected to account a quarter of the country's total energy consumptions in the next five years. We are well-poised to remain ahead of the curve in the power sector with our foresight and future-ready products and services that will help shape a stronger, smarter and greener grid.

So, ladies and gentlemen in the next two to three slides I would like to touch upon the joint venture with Hitachi. As you know that this is subject to the satisfaction of various conditions and is still conditional upon receiving approvals of various authorities. Our Chairman, Frank, has already talked about it. But I just wanted to give a very high-level summary of the joint venture. The joint venture announced in December 2018 sent a clear signal of continuity in terms of our business. In case we are referring to the slide and the slide is #29 Hitachi investing in strengthening a global leader in power grids. I ensure that ABB Power Grid can build on its strong heritage and leverage Hitachi's wider portfolio from rails and mobility to renewables, smart cities and e-mobility, etc. Hitachi defines emerging areas like renewable, mobility and smart cities as strategic pillars. ABB Power Grid can contribute significantly to these areas through its leading technology solutions which complement Hitachi's technology portfolio. The attractive feature for customer and employees is that the joint venture presents a unique opportunity for ABB Power Grid in its already rich corporate history. As you know Hitachi has more than 100 years of legacy. With more than 230 years of combined experience, a comprehensive portfolio, a global reach, the new entity is well-positioned to shape the future of energy.

Ladies and gentlemen, the next slide is on the financial overview. As you know we have started the new company in February 2019 and we started our nine months from April 1st to December 31st. We already announced the results on completion of last December which are also published and we can also refer to our website for a detailed idea. But to get you little bit of high-level of our financial: the total order for nine-month period from April 1, 2019 to December 31, 2019, was Rs.2642 crores and these orders are primarily from utility, transportation and infrastructure. The order backlog as of December 31, 2019 is Rs.5100 crores and is expected to provide revenue visibility for the coming quarters. Revenue for the



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nine month period was Rs. 3231 crores. Commitment to our various transformation initiatives has helped shape a leaner, faster and more agile organization that helps better meet our customer needs. Strong execution and delivery stabilized a net cash position supporting our revenue momentum. Investments in the ongoing transition and strong foundation for a standalone legal entity's operations, we have taken a onetime demerger expense of around Rs. 40 crores which is also reflected in our profit numbers. As you can see, our profit-before-tax, before exceptional items, is Rs. 261 crores which translates to 8.1% in that and profit after tax - that is net after the exception item - is coming to 5.1% so we are in the operation EBITDA margin of 9%.

Let me just spend few more minutes before opening the question and answer in the last slide. It is on our vision and strategy. We have worked hard to define and create our future organization. As you can see, we would like to grow in the market while growing our portfolio. We have seen the portfolio of digital moving in that direction and we are excited about the strategic direction and the additional opportunities for collaboration and innovation we can now create for our customers. Over the next five years, our vision is to expand our digitalized products and systems as well as significantly build on our consultancy, services and software through best-in-class quality, delivery and operation. Conventional products and system will continue to play an important role in our portfolio. Our ambition is to see that we are fully digitized on our portfolio, while we also build on our high-growth segments such as the EV infrastructure, rail, microgrid and energy storage, data centers, software, grid automation, power quality and HDVC. These segments are growing faster than the market and we want to strength our number one position and grow faster than the market using some key levers like expanding revenue from service, as we have a huge installed base and digitalized portfolio, grid automation and software and focus on the renewable integration and storage that pave way for predictable earnings and cash returns. We are excited about opportunities ahead in shaping sustainable energy with pioneering technology as a partner of choice to our customers to enable a stronger, smarter and greener. So, ladies and gentlemen with this I really thank you and I will now hand over to the operator so that both myself as well as my colleagues could address some of your questions.

Moderator:

Thank you very much Sir. Participants, we will now begin the question and answer session. We have first question from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani:

Thank you for the opportunity. I have a couple of questions. One is if you can just help with the high-level numbers for the calendar year 2019. You have given the nine months incomes of revenue, EBIT and orders - that is the first question. The second question is from vision 2025. First if you can help us how do you break up the revenues between the



conventional product, digitization products and consultancy. And when we talk about digitalization products if you can throw more light on this, it will be helpful. And the last question is when we speak about India, the market actually is flattish for long period of time, so for the ABB India to move to a next level, can we expect exports to become pretty large opportunity and so if you can throw more light on how large exports can be from the current levels? Thank you. These are my questions.

N Venu:

Thank you for your questions. Let me just take one by one. First question you wanted visibility for 12 months. As you know, we are a new company formed only from February 2019. So our annual reports are from April 1st to December 31st. Our company was not existing before that. So based on that, we will not be in a position to share. But you can always derive the comparative number from ABB India's Annual Report where they have declared as discontinued operations in that. We have only what we have published to the stock exchange that is nine-month period which is what we go by. If I go to your second question on the digitalization - our 2025 strategy - I think this is a very interesting question. Just to give an example how the digitalization has really been in a smart phones which we are engaged and do the business, we are seeing the same way in our industry. ABB Power Grids has seen early how digitalization is sharpening and started globally ensuring that all our portfolio is digitalized. For example, all our transformers will have more intelligence added to them, all our system will be more intelligent. So when that happens with many of our assets, deployed in the field be in substation or industrial plant, we will be able to get the information online. We can have digital solution on asset management, workforce management, so on and so forth, where you can see the asset monitoring and the life expectancy of the assets. These are things we are looking at. So if you really ask for quantification of that, I am not in a position to give you at this point in time but as we go ahead, we will slowly give you the view. Your third question is the market in India itself... Our fast-charging technology is one of our portfolio and we are able to see the visibility in the coming month of deploying this technology, and exports has always been one of the focus areas, we are continuously looking at the opportunity from exports.

Bhavin Vithlani:

One follow-up question if I may, you spoke products in the global feeder factory if you can give some color on which are the products where India will be part of the global feeder factory and how do you see this growing?

N Venu:

Yes. So, while I won't give you the list of all the products but some of the things for example – our live tank breaker of 63kV, our combiflex offering is a global feeder factory - so this is also continuously evolving, and the market will also slowly expand in that.

Bhavin Vithlani:

Yes. Thank you so much.



Moderator: Thank you. We have next question from the line of Vishal Biraia from Aviva Insurance. Please go ahead.

Vishal Biraia: My question is on the new technologies especially on the EV charging side, digitization automation on the grid so bulk of these technologies have been developed by the parent. So how will the value capture happen in the Indian entity? Do we have some agreements? Will this entail higher royalty because lot of it would be imported?

N Venu: Yes, I think the digital, if you are talking about, you are talking about the chargers that is not our portfolio. What we talked about is TOSA technology, a charging system that enables mass transit rapid buses to power in less than 20 seconds while the people are getting in or off the bus. So, these kinds of technologies have to meet various aspect of that and depending upon each case, one actually looks at how much it will cost and to make it successful commercially. That is why we have signed a pilot with Ashok Leyland which is also a public domain information. You can go through our press release on that. We have been using this technology and we are looking at deploying it and look at various other options going forward.

Vishal Biraia: Okay. Sir in the automation and digitization of the grid that we are talking about on the electricity infra, what proportion of our business would be from imported components, imported equipment - any perspectives there?

N Venu: Our parent companies provide the base on the technology side and is continuously evolving. These kinds of technologies would not have 100% localization in a short period of time. So it takes time and that is where we will work together with our customers and parent organization to deploy the technology in various pilots as well as in the commercial basis. That is evolving continuously.

Vishal Biraia: Thank you very much.

Moderator: Thank you. We have the next question from the line of Rajendra Mishra from IDFC Mutual Fund. Please go ahead.

Rajendra Mishra: Hi. Good evening Sir. Thanks for very useful update. I understood what you have shared in terms of 2025 vision. What I want to know is that product wise when you say transformers, high voltage products, grid integration, grid automation, which one you think is likely to grow faster over next five years and also if we have to take industry wise application - let's say, mobility or power grids or some other segments - which industries are going to drive the maximum demand for your product services?

N Venu: I did not hear your second question, there was some disruption.



Rajendra Mishra: Second is industry wise for example you're catering to renewable, get into mobility, electric vehicles, power grids - so which segment is likely to grow faster for your product and services?

N Venu: Thanks for your interesting question. So, when we talk about digitalization of future grids, it's not limited to digital products solely. If are on transmission, distribution, or industrial consumption side, you need transformers, you need switchgear, you need relay control. So it is across the business. If the market is in the same way, there could be growth potential varying from place to place or depending upon the structure or segment we are placed in. But I would say it is pretty well-spread across. On the second question of your segment, I think as you know Indian Railways has really taken an ambitious target of electrifying 63,000km by 2022 which is also public information, I think in that we are really leveraging both on the electrification of railways as well as the metro rail services.

Rajendra Mishra: Okay. Thanks.

Moderator: Thank you. We have next question from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani: Thank you for the opportunity. If you can help us with some data point on the HVDC RP project, what percentage of the Rs. 3200 crores or some revenue was from RP800 and what is the outstanding order book from the RP800?

N Venu: What I was telling you is that we will not be in a position to give you the numbers on a project level, but I can give you a little bit of color to it. I think this project has been awarded in 2016 in December and I would say that we are on track on this project and its execution.

Bhavin Vithlani: Would it be completely over in the current calendar year?

N Venu: In the current calendar year, yes, it could be.

Bhavin Vithlani: Okay so will actually that create a base impact for calendar year 2021 so that we might see a drop in the revenues because of the absence of this large project?

N Venu: You are absolutely right. I think these kinds of large projects were always a big part. But we are trying to see what other projects can compensate partly or fully on this project.

Bhavin Vithlani: Sure. Lastly if you can give us an update on the current lockdown situation how much could be the impact because of the current situation and is there a situation where there could be a



revenue loss, or you believe that on some orders you will be able to make good in the subsequent months?

N Venu: Thank you for the question first of all. This is an unprecedented situation. Everyone is in the same situation. Our customers also are facing it. At this point in time, our number one priority is to ensure that our employees, our partners, our customers are safe and secure. And we are doing everything possible to see that no inconvenience is caused to employees and to their families. Having said that, we are continuing to provide our support to our customers remotely and you are aware that with the rate of infections in India and also the 21-day lockdown, which we are strictly following the government guidance. We have closed down our factories, we also shut down our project sites and all of our office-going employees are working from home. They continue to be engaging with our customers in providing the technical support or the remote services to see that the mission-critical technology continue to run. So, coming to the impact, I think, at this point in time it is just not only industry phenomena but one that is impacting economies around the world while they cater to industry that ensure smooth-running of the economy. Our operations during this lockdown are not operational. We are looking at all the options and once we are back to normal, we will see how to mitigate the impact we had from this.

Bhavin Vithlani: Sure. Maybe it will be helpful if you actually give us a flavor because a lot of peers that we speak on the industrial side say that the supply chain, which is small, medium-scale vendors rely largely on the contract labors where they have actually gone back home and it will take about four to five weeks before they actually kickstart the production. Given the supply chain and also given that you have a reasonable import content from Europe, even that also might impact. So, any flavor on that side will be helpful.

N Venu: We are not in a position to quantify any particular thing but actually I fully agree and understand that this is also applicable to us. So whether it is contract labor in our sites, getting them back and restarting, and the supply chain and all these issues, are also applicable. Right now as I told you, our number one priority is to ensure that all our employees, customers and partners are safe. That is our focus. And then we are also building on the plants to see that once we are back, how do we mitigate the impact on that.

Moderator: Thank you, Sir. That was the last question of today. I now hand the conference over back to Mr. Venu for closing comments. Over to you Sir.

N Venu: Thank you once again and thank you all for listening to us. We are very happy to share with you and would continue to engage with you on a quarterly basis. After every quarter of the broad meeting, we will definitely talk to you and if anything comes well, we will meet you in person. Frank anything from your side?



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Okay, thank you once again and my last comment is ladies and gentlemen please, please stay home and stay safe. Thank you and good evening and a very nice weekend.

Moderator:

Thank you. On behalf of ICICI Securities that concludes this conference call. Thank you for joining us and you may now disconnect your lines.