

## ABB India

### Performance Highlights

(₹ cr)	4QCY11	4QCY10	% chg (yoy)	3QCY11	% chg (qoq)
<b>Revenue</b>	<b>2,200</b>	<b>2,072</b>	<b>6.2</b>	<b>1,744</b>	<b>26.2</b>
EBITDA	108.0	32.7	230.5	66.6	62.1
EBITDA margin (%)	4.9	1.6	333bp	3.8	109bp
<b>Reported PAT</b>	<b>64.1</b>	<b>6.8</b>	<b>847.4</b>	<b>22.2</b>	<b>189.4</b>

Source: Company, Angel Research

ABB India's (ABB) reported mixed set of numbers for 4CY2011. The company reported lower-than expected top-line growth; however margin expansion and low base effect of the corresponding quarter resulted into strong earnings growth. Order intake during the quarter surged by 58.5% yoy ₹2,209cr mainly constituted by large orders (~₹1,560cr), leading to a robust order book of ₹9,129cr. We expect strong order accretion in the coming quarters, which will lend improved growth trajectory. In addition, margin recovery in the long term seems likely, given the pricing in the T&D segment has bottomed out. However, overly expensive valuations don't warrant a change in our view; **we maintain Sell on the stock.**

**Growth slips; net up mainly on account of low base:** For 4QCY2011, the company's top line grew by mere 6.2% yoy to ₹2,200cr (₹2,072cr), which was 8.8% lower than our (below street) estimate of ₹2,412cr. For CY2011, the company's top line posted healthy growth of 17.1% yoy to ₹7,449cr (₹6,359cr). On the operating front, EBITDA margin expanded by 333bp yoy to 4.9%, in-line with our estimate (5.1%). Margin expansion and lower tax incidence boosted the company's PAT eight-fold (on the corresponding year's low base) to ₹64.1cr, broadly in-line with our estimate (below street) of ₹61.9cr. For CY2011, PAT grew by 191% yoy to 184.5cr (₹63.2cr).

**Outlook and valuation:** Strong order wins in past few quarters, gradual recovery in the operating profitability (due to complete exit from rural electrification projects) and a debt-free balance sheet makes a strong case for improved fundamentals going ahead. However, valuations of 47.0x CY2012 PE and 41.8x CY2013E PE remain overly expensive. We believe the market is factoring in a possible delisting that is keeping the stock at elevated levels. Hence, **we maintain sell on the stock on valuation basis with a target price of ₹503 (PE multiple of 24x CY2013E EPS).**

#### Key financials

Y/E December (₹ cr)	CY2010	CY2011*	CY2012E	CY2013E
<b>Net sales</b>	<b>6,287</b>	<b>7,452</b>	<b>8,926</b>	<b>10,220</b>
% chg	0.8	18.5	19.8	14.5
<b>Net profit</b>	<b>63</b>	<b>185</b>	<b>395</b>	<b>444</b>
% chg	(82.2)	192.1	113.7	12.4
EBITDA (%)	1.3	4.9	7.6	7.5
<b>EPS (₹)</b>	<b>3.0</b>	<b>8.7</b>	<b>18.6</b>	<b>20.9</b>
P/E (x)	293.5	100.5	47.0	41.8
P/BV (x)	7.7	7.3	6.4	5.7
RoE (%)	2.6	7.4	14.5	14.4
RoCE (%)	1.3	11.4	21.1	20.9
EV/Sales (x)	2.9	2.5	2.1	1.8
EV/EBITDA (x)	214.4	50.7	26.8	23.9

Source: Company, Angel Research. Note: \* The company has reported consolidated numbers for CY2011

## SELL

CMP	₹876
Target Price	₹503

Investment Period	12 Months
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Stock Info	
Sector	Capital Goods
Market Cap (₹ cr)	18,561
Beta	0.7
52 Week High / Low	915/541
Avg. Daily Volume	117,780
Face Value (₹)	2
BSE Sensex	18,079
Nifty	5,483
Reuters Code	ABB.BO
Bloomberg Code	ABB@IN

Shareholding Pattern (%)	
Promoters	75.0
MF / Banks / Indian Fls	13.4
FII / NRIs / OCBs	3.2
Indian Public / Others	8.4

Abs. (%)	3m	1yr	3yr
Sensex	15.1	(0.5)	4.2
ABB	49.3	25.5	(26.4)

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**Exhibit 1: Quarterly performance (Standalone)**

(₹ cr)	4QCY11	4QCY10	% chg (yoy)	3QCY11	% chg (qoq)	CY11	CY10	% chg (yoy)
<b>Net Sales</b>	<b>2,170</b>	<b>2,051</b>	<b>5.8</b>	<b>1,726</b>	<b>25.7</b>	<b>7,370</b>	<b>6,287</b>	<b>17.2</b>
Other operating income	30.2	21.4		17.2		78.7	72.2	
<b>Total income</b>	<b>2,200</b>	<b>2,072</b>	<b>6.2</b>	<b>1,744</b>	<b>26.2</b>	<b>7,449</b>	<b>6,359</b>	<b>17.1</b>
Stock adjustments	20.2	16.4		(9.0)		(84.5)	(9.9)	
Raw Material	1,515	1,578.9	(4.0)	1194.5	26.9	5,563	4,812	15.6
(% of total income)	74.3	80.8		72.0		73.5	75.5	
Employee Cost	154.7	126.9	21.9	160.1	(3.4)	586.8	490.1	19.7
(% of total income)	7.0	6.1		9.2		7.9	7.7	
Other Expenses	301.9	201.4	49.9	261.5	15.4	1022	911.1	12.1
(% of total income)	13.7	9.7		15.0		18.4	18.9	
<b>Total Expenditure</b>	<b>2,092</b>	<b>2,039</b>	<b>2.6</b>	<b>1,677</b>	<b>24.7</b>	<b>7,087</b>	<b>6,203</b>	<b>14.2</b>
<b>EBITDA</b>	<b>108.0</b>	<b>32.7</b>	<b>230.5</b>	<b>66.6</b>	<b>62.1</b>	<b>361.8</b>	<b>156.0</b>	<b>131.9</b>
(EBITDA %)	4.9	1.6		3.8		4.9	2.5	
Interest	12.9	4.8	166.9	7.1	81.8	30.7	17.4	76.4
Depreciation	12.4	14.8	(16.2)	26.3	(52.6)	79.5	51.7	54.0
Other Income	1.4	2.6		3.8		16.2	13.3	
<b>PBT</b>	<b>84.0</b>	<b>15.6</b>	<b>439.2</b>	<b>37.1</b>	<b>126.7</b>	<b>267.7</b>	<b>100.2</b>	<b>167.1</b>
(PBT%)	3.8	0.8		2.1		3.6	1.6	
Total Tax	19.9	8.8	125.8	14.9	33.6	83.2	37.0	124.9
(% of PBT)	23.7	56.6		40.2		31.1	36.9	
<b>Reported PAT</b>	<b>64.1</b>	<b>6.8</b>	<b>847.4</b>	<b>22.2</b>	<b>189.4</b>	<b>184.5</b>	<b>63.2</b>	<b>191.8</b>
(PAT %)	2.9	0.3		1.3		2.5	1.0	-
<b>EPS (₹)</b>	<b>3.0</b>	<b>0.3</b>	<b>847.4</b>	<b>1.0</b>	<b>189.4</b>	<b>8.7</b>	<b>3.0</b>	<b>192.3</b>

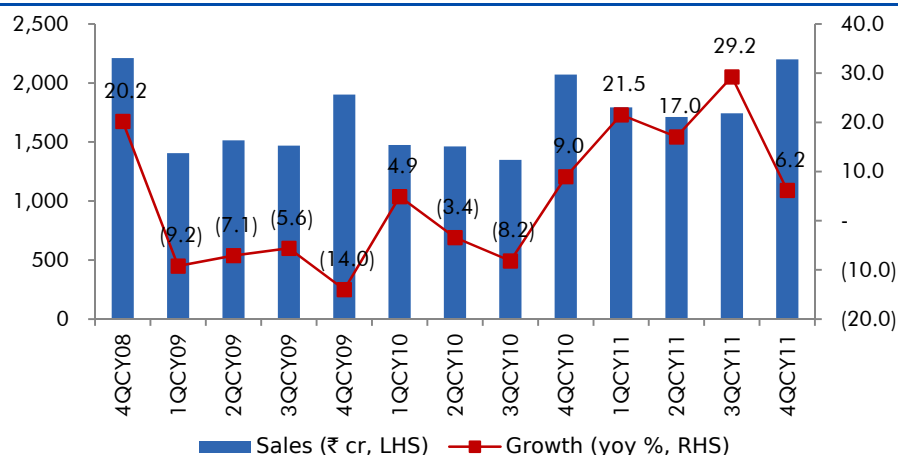
Source: Company, Angel Research

**Exhibit 2: Actual vs. estimates**

(₹ cr)	Actual	Estimates	Var (%)
<b>Revenue</b>	<b>2,200</b>	<b>2,412</b>	<b>(8.8)</b>
EBITDA	108.0	123.0	(12.2)
Interest	12.9	7.5	72.3
Tax	19.9	29.8	(33.2)
<b>PAT</b>	<b>64.1</b>	<b>61.9</b>	<b>3.5</b>

Source: Company, Angel Research

**Top line decelerates:** For 4QCY2011, the company's top line grew by mere 6.2% yoy to ₹2,200cr (₹2,072cr). Modest growth during the quarter can largely be attributed to the process automation segment, which declined by 7.1% yoy (large automation projects failed to materialize), thus overshadowing the decent growth delivered by the power systems (15.2%) and power products (10.2%) segments.

**Exhibit 3: Trend in revenue**


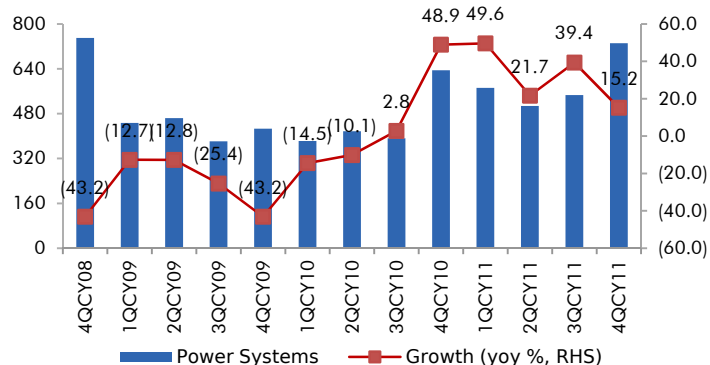
Source: Company, Angel Research

**Exhibit 4: Segment-wise performance (Standalone)**

Y/E Dec. (₹ cr)	4QCY11	4QCY10	%chg (yoy)	3QCY11	%chg (qoq)	CY11	CY10	%chg (yoy)
<b>Revenue</b>								
Power Systems	731.4	635.0	15.2	546.2	33.9	2,362	1,827	29.3
Power Products	595.2	540.4	10.1	497.5	19.6	2,001	1,816	10.2
Process Automation	425.5	458.2	(7.1)	278.1	53.0	1,322	1,189	11.2
Discrete Automation	527.1	487.5	8.1	434.4	21.4	1,799	1,593	13.0
Low Voltage Products	144.9	144.0	0.7	139.1	4.2	539.9	448.6	20.4
<b>Total</b>	<b>2,424</b>	<b>2,265</b>	<b>7.0</b>	<b>1,895</b>	<b>27.9</b>	<b>8,024</b>	<b>6,872</b>	<b>16.8</b>
<b>EBIT</b>								
Power Systems	(1.3)	(38.1)	-	2.3	-	(0.8)	(111)	(99.2)
Power Products	39.9	20.4	95.7	16.4	142.6	99.8	81.9	21.9
Process Automation	(5.4)	34.6	-	6.4	-	37.7	81.6	(53.8)
Discrete Automation	77.9	27.1	187.5	45.9	69.7	206.6	132.1	56.4
Low Voltage Products	8.3	(1.2)	-	2.9	184.3	34.1	1.8	1,786
<b>Total</b>	<b>119.3</b>	<b>42.8</b>	<b>178.8</b>	<b>73.9</b>	<b>61.3</b>	<b>377.5</b>	<b>186.9</b>	<b>102.0</b>
<b>EBIT Margin (%)</b>								
Power Systems	(0.2)	(6.0)		0.4		(0.04)	(6.0)	(0.2)
Power Products	6.7	3.8		3.3		5.0	4.5	6.7
Process Automation	(1.3)	7.6		2.3		2.9	6.9	(1.3)
Discrete Automation	14.8	5.6		10.6		11.5	8.3	14.8
Low Voltage Products	5.7	(0.8)		2.1		6.3	0.4	5.7
<b>Total</b>	<b>4.9</b>	<b>1.9</b>		<b>3.9</b>		<b>4.7</b>	<b>2.7</b>	<b>4.9</b>

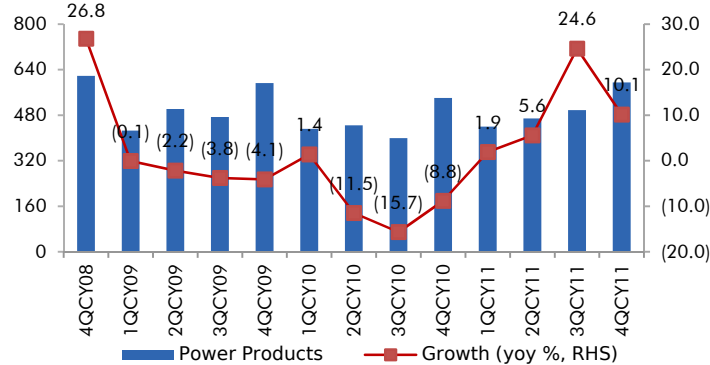
Source: Company, Angel Research

**Exhibit 5: Trend in revenues – Power systems**



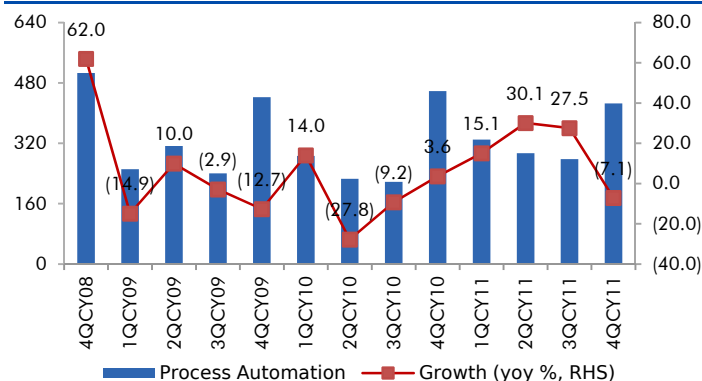
Source: Company, Angel Research

**Exhibit 6: Trend in revenues – Power products**



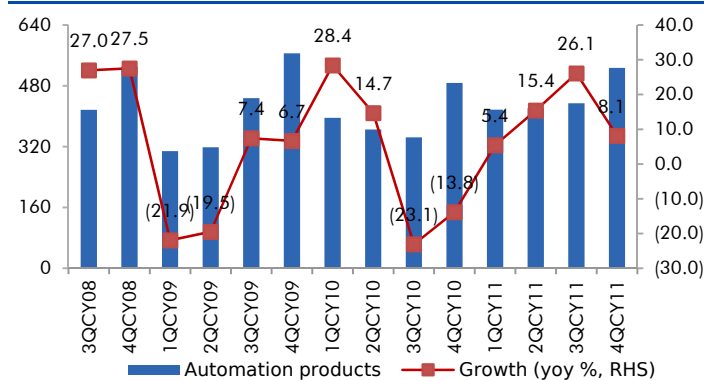
Source: Company, Angel Research

**Exhibit 7: Trend in revenues – Process automation**



Source: Company, Angel Research

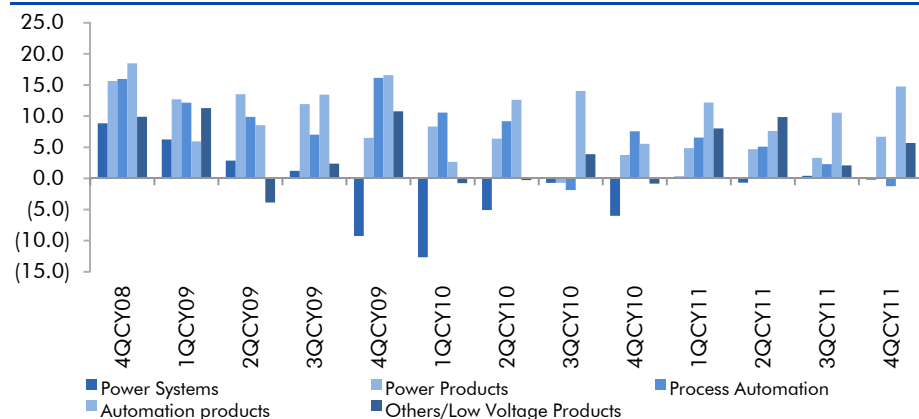
**Exhibit 8: Trend in revenues – Discrete automation**



Source: Company, Angel Research

**Margins improve:** Segment wise, the power products and discrete automation segments posted a sharp uptick in the EBITM by ~290/340bp (yoy/qoq) and ~920/420bp (yoy/qoq), respectively. On the other hand, process automation segment posted a loss, thus impacting the overall profitability. Nonetheless, the company's blended EBITDA margin expanded by 333bp yoy to 4.9%. Notably the margins improved by ~110bp sequentially, indicating gradual recovery. For CY2011, EBITDAM came in at 4.9%, registering a yoy improvement of ~360bp.

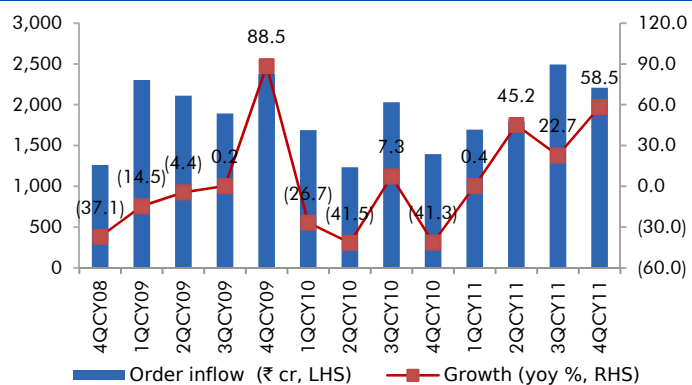
**Exhibit 9: EBIT on a gradual recovery**



Source: Company, Angel Research

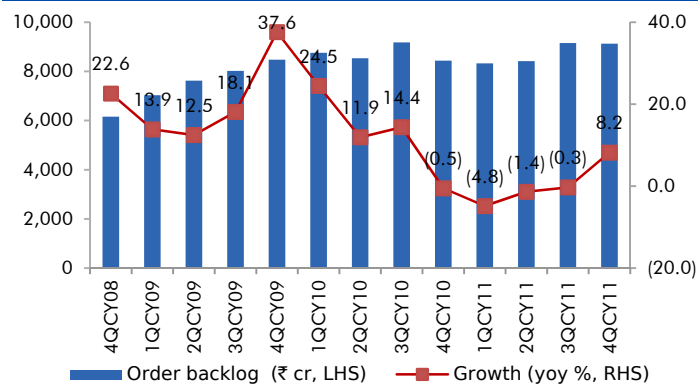
**Robust order intake:** Order intake during the quarter surged by 58.5% yoy ₹2,209cr mainly constituted by large orders (~₹1,560cr). In addition, base orders (below ₹70cr) continued to fill the shelf. For CY2011, the order intake stood at ₹8,188cr, a growth of 29% over CY2010. Amid strong intake, the company's order backlog at the end of the quarter stood at ₹9,129cr (1.2x CY2011 revenues)

**Exhibit 10: Order inflow trend**



Source: Company, Angel Research

**Exhibit 11: Order backlog trend**



Source: Company, Angel Research

### Key highlights of the conference call

- Management highlighted the impact of cost overruns in few projects and competition in for lower margins.
- Management is optimistic about order accretion both power and automation segments. Power segment order will largely driven PGCIL (12<sup>th</sup> plan orders commence shortly). Industrial automation segment is likely to witness strong ordering on back of revival across industries and traction in metro projects like DMRC-III, Bengaluru metro, airports etc.
- Management continued to lay strong emphasis on cost reduction strategies to improve overall competitiveness across power and automation segments.

**Outlook and valuation:** Strong order wins in past few quarters, gradual recovery in the operating profitability (due to complete exit from rural electrification projects) and a debt-free balance sheet makes a strong case for improved fundamentals going ahead. However, valuations of 47.0x CY2012 PE and 41.8x CY2013E PE remain overly expensive. We believe the market is factoring in a possible delisting that is keeping the stock at elevated levels. Hence, **we maintain sell on the stock on valuation basis with a target price of ₹503 (PE multiple of 24x CY2013E EPS).**

**Change in estimates:** We retain our growth and margin estimates for CY2012E; however we increase our earnings estimates for CY2012E by 4.7%, factoring in lower interest cost. In addition, we introduce CY2013 estimates and will accordingly revise the same based on the company's performance in the coming quarters.

**Exhibit 12: Change in estimates (CY2012E)**

	Earlier estimates	Revised estimates	Var (%)
Revenues	8,895	8,926	0.3
EBITDA	679	683	0.6
EBITDA (%)	7.6	7.6	1.6
PAT	377	395	4.7
EPS	17.8	18.6	4.7
Order inflows	6,800	7,428	9.2

Source: Company, Angel Research

**Exhibit 13: Angel EPS vs Consensus**

Y/E Dec.	Angel forecast	Bloomberg consensus	Var. (%)
CY2012E	18.6	18.8	(0.6)
CY2013E	20.9	24.5	(14.7)

Source: Company, Angel Research

**Exhibit 14: One-year forward P/E band**



Source: Company, Angel Research

**Exhibit 15: Peer Comparison**

Company	Reco.	CMP	Tgt. price	Upside/	P/BV(x)		P/E(x)		FY2011-13E		RoCE (%)		RoE (%)	
		(₹)	(₹)	(Downside) (%)	FY12E	FY13E	FY12E	FY13E	EPS CAGR	FY12E	FY13E	FY12E	FY13E	
<b>ABB*</b>	<b>Sell</b>	<b>876</b>	<b>503</b>	<b>(42.6)</b>	<b>6.4</b>	<b>5.7</b>	<b>47.0</b>	<b>41.8</b>	<b>55.0</b>	<b>21.1</b>	<b>20.9</b>	<b>14.5</b>	<b>14.4</b>	
BHEL	Neutral	312	-	-	3.0	2.6	11.0	13.3	(2.4)	39.5	26.5	30.6	21.1	
BGR Energy	Neutral	325	-	-	2.2	2.0	11.0	12.0	(22.1)	13.4	10.1	21.0	17.3	
Crompton Greaves	Neutral	152	-	-	2.8	2.4	23.0	14.0	(13.3)	13.7	19.5	12.5	17.9	
Jyoti Structures	Accum.	50	54	8.3	0.6	0.6	4.2	4.6	(5.3)	21.7	18.2	15.8	12.7	
KEC International	Neutral	58	-	-	1.4	1.2	8.8	6.0	10.4	17.0	19.0	23.9	27.6	
Thermax	Reduce	531	456	(14.2)	3.9	3.3	15.1	17.5	(2.6)	33.3	24.3	28.5	20.5	

Source: Company, Angel Research. Note\*: December year end

**Profit and loss statement (Standalone)**

Y/E December (₹ cr)	CY2009	CY2010	CY2011*	CY2012E	CY2013E
<b>Operating income</b>	<b>6,237</b>	<b>6,287</b>	<b>7,452</b>	<b>8,926</b>	<b>10,220</b>
% chg	(8.8)	0.8	18.5	19.8	14.5
<b>Total Expenditure</b>	<b>5,710</b>	<b>6,203</b>	<b>7,090</b>	<b>8,243</b>	<b>9,457</b>
Raw Materials	1,823	2,239	2,226	3,004	3,510
Mfg costs	2,695	2,563	3,255	3,570	4,088
Personnel Costs	389	490	587	768	818
Other Costs	803	911	1,022	901	1,042
<b>EBITDA</b>	<b>527</b>	<b>84</b>	<b>362</b>	<b>683</b>	<b>762</b>
% chg	(31.5)	(84.1)	344.3	83.4	11.7
(% of Net Sales)	8.5	1.3	4.9	7.6	7.5
Depreciation & Amortisation	49	52	80	106	119
<b>EBIT</b>	<b>479</b>	<b>32</b>	<b>282</b>	<b>577</b>	<b>643</b>
% chg	(34.7)	(93.3)	780.0	104.1	11.5
(% of Net Sales)	7.7	0.5	3.8	6.5	6.3
Interest & other Charges	24	17	31	27	20
Other Income	73	86	16	35	35
(% of PBT)	13.8	85.3	6.0	6.0	5.3
<b>Recurring PBT</b>	<b>527</b>	<b>100</b>	<b>268</b>	<b>585</b>	<b>658</b>
% chg	(36.7)	(81.0)	167.4	118.2	12.4
Extraordinary Expense/(Inc.)	-	-	-	-	-
<b>PBT (reported)</b>	<b>527</b>	<b>100</b>	<b>268</b>	<b>585</b>	<b>658</b>
Tax	173	37	83	190	214
(% of PBT)	32.8	36.9	31.1	32.5	32.5
<b>PAT (reported)</b>	<b>355</b>	<b>63</b>	<b>185</b>	<b>395</b>	<b>444</b>
Add: Share of earnings of associate	-	-	-	-	-
Less: Minority interest (MI)	-	-	-	-	-
Prior period items	-	-	-	-	-
<b>PAT after MI (reported)</b>	<b>355</b>	<b>63</b>	<b>185</b>	<b>395</b>	<b>444</b>
<b>ADJ. PAT</b>	<b>355</b>	<b>63</b>	<b>185</b>	<b>395</b>	<b>444</b>
% chg	(35.2)	(82.2)	192.1	113.7	12.4
(% of Net Sales)	5.7	1.0	2.5	4.4	4.3
<b>Basic EPS (₹)</b>	<b>16.7</b>	<b>3.0</b>	<b>8.7</b>	<b>18.6</b>	<b>20.9</b>
<b>Fully Diluted EPS (₹)</b>	<b>16.7</b>	<b>3.0</b>	<b>8.7</b>	<b>18.6</b>	<b>20.9</b>
% chg	(35.2)	(82.2)	192.1	113.7	12.4

Note: \*The company has reported consolidated numbers for CY2011.



**Balance sheet (Standalone)**

Y/E December (₹ cr)	CY2009	CY2010	CY2011E	CY2012E	CY2013E
<b>SOURCES OF FUNDS</b>					
Equity Share Capital	42	42	42	42	42
Preference Capital	-	-	-	-	-
Reserves & Surplus	2,381	2,381	2,516	2,862	3,206
<b>Shareholders' Funds</b>	<b>2,424</b>	<b>2,424</b>	<b>2,559</b>	<b>2,904</b>	<b>3,249</b>
Minority Interest	-	-	-	-	-
Total Loans	-	-	-	-	-
Deferred Tax Liability	-	-	-	-	-
<b>Total Liabilities</b>	<b>2,424</b>	<b>2,424</b>	<b>2,559</b>	<b>2,904</b>	<b>3,249</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	879	998	1,598	1,798	2,023
Less: Acc. Depreciation	206	232	311	417	537
<b>Net Block</b>	<b>673</b>	<b>766</b>	<b>1,287</b>	<b>1,380</b>	<b>1,486</b>
Capital Work-in-Progress	116	58	50	50	50
Goodwill	-	-	-	-	-
<b>Investments</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
Deferred Tax Asset	-	5	5	5	5
<b>Current Assets</b>	<b>4,749</b>	<b>4,926</b>	<b>5,594</b>	<b>6,139</b>	<b>6,746</b>
Cash	524	587	172	246	316
Loans & Advances	318	354	224	410	467
Inventories	729	698	1,054	959	1,063
Debtors	2,858	2,926	3,777	4,035	4,340
Others	320	361	367	489	560
Current liabilities	3,132	3,348	4,393	4,687	5,055
<b>Net Current Assets</b>	<b>1,617</b>	<b>1,579</b>	<b>1,201</b>	<b>1,452</b>	<b>1,691</b>
<b>Total Assets</b>	<b>2,424</b>	<b>2,424</b>	<b>2,559</b>	<b>2,904</b>	<b>3,249</b>

**Cash flow statement (Standalone)**

Y/E December (₹ cr)	CY2009	CY2010	CY2011E	CY2012E	CY2013E
<b>Profit before tax</b>	<b>527</b>	<b>100</b>	<b>268</b>	<b>585</b>	<b>658</b>
Depreciation	49	52	80	106	119
(Inc)/Dec in Working Capital	(63)	102	(37)	(177)	(169)
Less: Other income	(73)	(86)	(16)	(35)	(35)
Direct taxes paid	(173)	(37)	(83)	(190)	(214)
<b>Cash Flow from Operations</b>	<b>268</b>	<b>131</b>	<b>211</b>	<b>288</b>	<b>359</b>
(Inc.)/Dec.in Fixed Assets	(163)	(104)	(592)	(200)	(225)
(Inc.)/Dec. in Investments	44	0.1	0.1	-	-
Other income	73	86	16	35	35
<b>Cash Flow from Investing</b>	<b>(46)</b>	<b>(19)</b>	<b>(576)</b>	<b>(165)</b>	<b>(190)</b>
Issue of Equity	-	-	-	-	-
Inc./{Dec.) in loans	-	-	-	-	-
Dividend Paid (Incl. Tax)	(50)	(50)	(50)	(50)	(99)
Others	4	0.3	-	-	-
<b>Cash Flow from Financing</b>	<b>(50)</b>	<b>(50)</b>	<b>(50)</b>	<b>(50)</b>	<b>(99)</b>
Inc./{Dec.) in Cash	176	63	(415)	74	70
<b>Opening Cash balances</b>	<b>348</b>	<b>524</b>	<b>587</b>	<b>172</b>	<b>246</b>
<b>Closing Cash balances</b>	<b>524</b>	<b>587</b>	<b>172</b>	<b>246</b>	<b>316</b>

<b>Key ratios</b>					
Y/E December	CY2009	CY2010	CY2011	CY2012E	CY2013E
<b>Valuation Ratio (x)</b>					
P/E (on FDEPS)	52.3	293.5	100.5	47.0	41.8
P/CEPS	46.0	161.6	70.2	37.1	33.0
P/BV	7.7	7.7	7.3	6.4	5.7
Dividend yield (%)	0.2	0.2	0.2	0.2	0.5
EV/Sales	2.9	2.9	2.5	2.1	1.8
EV/EBITDA	34.2	214.4	50.7	26.8	23.9
EV / Total Assets	7.5	7.4	7.2	6.3	5.6
OB/Sales	1.4	1.3	1.1	1.2	1.1
<b>Per Share Data (₹)</b>					
EPS (Basic)	16.7	3.0	8.7	18.6	20.9
EPS (fully diluted)	16.7	3.0	8.7	18.6	20.9
Cash EPS	19.0	5.4	12.5	23.6	26.6
DPS	2.0	2.0	2.0	2.0	4.0
Book Value	113.7	114.4	120.8	137.0	153.3
<b>DuPont Analysis (%)</b>					
EBIT margin	7.7	0.5	3.8	6.5	6.3
Tax retention ratio (%)	67.2	63.1	68.9	67.5	67.5
Asset turnover (x)	3.5	3.4	3.6	3.6	3.7
RolC (Pre-tax)	26.6	1.7	13.5	23.0	23.1
RolC (Post-tax)	17.9	1.1	9.3	15.5	15.6
Cost of Debt (Post Tax)	-	-	21.1	-	-
Leverage (x)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)
Operating ROE	14.1	0.8	7.8	14.2	14.1
<b>Returns (%)</b>					
RoCE (Pre-tax)	21.2	1.3	11.4	21.1	20.9
Angel RolC (Pre-tax)	28.7	1.8	13.9	23.5	23.6
RoE	15.7	2.6	7.4	14.5	14.4
<b>Turnover ratios (x)</b>					
Asset Turnover (Gross Block) (X)	7.6	6.7	5.8	5.3	5.3
Inventory / Sales (days)	40	41	43	41	36
Receivables (days)	171	168	164	160	150
Payables (days)	197	181	190	189	160
WC cycle (ex-cash) (days)	62	61	49	46	46
<b>Solvency ratios (x)</b>					
Net debt to Equity	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)
Net debt to EBITDA	(1.0)	(7.2)	(0.5)	(0.4)	(0.4)
Interest Coverage	19.9	1.8	9.2	21.5	31.5

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### Disclosure of Interest Statement

### ABB India

1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors.

### Ratings (Returns):

Buy (&gt; 15%)

Reduce (-5% to 15%)

Accumulate (5% to 15%)

Sell (&lt; -15%)

Neutral (-5 to 5%)