

# HSIE Results Daily

## Contents

### Results Reviews

- **ABB India:** ABB India Ltd (ABB) reported a stable quarter with revenue/EBITDA/APAT beat/(miss) of +4.0/5%/in line respectively. ABB's Q4CY25 order inflow (OI) stood at INR 40.9bn (+52%/+19.5%YoY/QoQ) and the backlog (OB) stood at INR 104.7bn as of Dec'25 (0.77x CY25 revenue). ABB plans to expand across 23 segments with a strategic focus on renewables, electronics, data centers, and grid modernization, positioning itself to benefit from an anticipated resurgence in private capex in 2026 supported by favorable policies and trade agreements such as the India-EFTA deal. It is integrating AI and ML into automation and motion products while witnessing rising demand for premium offerings in Tier 2 and Tier 3 cities, driven by entrepreneurial growth. ABB anticipates persistent margin pressures for the next 2-3 quarters, led by a combination of rising costs, an unfavorable revenue mix, increased competitive pressure, foreign exchange volatility, and longer QCO approval cycle for new products manufactured locally, necessitating higher cost imports to meet client requirement. Further clouding the outlook, geopolitical tensions and the deferral of large project awards present tangible risks to both overall demand and pricing power. We have revised our earnings estimates upward and revised our TP to INR 5,905/sh (based on a 54x P/E multiple), driven primarily by the sustained strength in order inflows.

HSIE Research Team

[hdfcsec-research@hdfcsec.com](mailto:hdfcsec-research@hdfcsec.com)

# ABB India

## Orders surge; margins squeeze

ABB India Ltd (ABB) reported a stable quarter with revenue/EBITDA/APAT beat/(miss) of +4.0/5%/in line respectively. ABB's Q4CY25 order inflow (OI) stood at INR 40.9bn (+52%/+19.5%YoY/QoQ) and the backlog (OB) stood at INR 104.7bn as of Dec'25 (0.77x CY25 revenue). ABB plans to expand across 23 segments with a strategic focus on renewables, electronics, data centers, and grid modernization, positioning itself to benefit from an anticipated resurgence in private capex in 2026 supported by favorable policies and trade agreements such as the India-EFTA deal. It is integrating AI and ML into automation and motion products while witnessing rising demand for premium offerings in Tier 2 and Tier 3 cities, driven by entrepreneurial growth. ABB anticipates persistent margin pressures for the next 2-3 quarters, led by a combination of rising costs, an unfavorable revenue mix, increased competitive pressure, foreign exchange volatility, and longer QCO approval cycle for new products manufactured locally, necessitating higher cost imports to meet client requirement. Further clouding the outlook, geopolitical tensions and the deferral of large project awards present tangible risks to both overall demand and pricing power. We have revised our earnings estimates upward and revised our TP to INR 5,905/sh (based on a 54x P/E multiple), driven primarily by the sustained strength in order inflows.

- Q4CY25 financial highlights:** Revenue stood at INR 35.6bn (+5.7/+7.4% YoY/QoQ, a 4% beat). EBITDA came in at INR 5.5bn (-16.3/+10.1% YoY/QoQ, a beat by 5%). EBITDA margin was at 15.5% (-406/-35bps YoY/QoQ, vs. our estimate of 15.4%). RPAT/APAT stood at INR 4bn (-7.2/-3.6% YoY/QoQ, in-line). However, profitability faces near-term pressure due to the new labor code, and external risks including forex volatility, commodity price swings, geopolitical uncertainties, and competitive pricing dynamics. For CY25 business-wise, revenue grew +12/+6/-9/+57% from EL/MO/PA/RA respectively, with product offerings continuing to dominate at 79% and the balance from services (13%) and projects (8%).
- Robust order growth across all segments:** OI stood at INR 40.9bn (+52%/+19.5%YoY/QoQ) and the backlog (OB) stood at INR 104.7bn as of Dec'25 (0.77x CY25 revenue). Key wins included projects in wind energy, electric vehicle mobility, electronics manufacturing, metals, and power distribution, along with instrumentation solutions for a global player.
- Long-term growth drivers intact, near-term headwinds key challenge:** ABB is strategically positioning itself to capitalize on high-growth sectors like data centers, renewables, and electronics, supported by a resilient operational model that spans 23 market segments. However, risks include softer demand growth, global trade barriers, geopolitical tensions, and commodity price volatility.

### Standalone Financial Summary (INR mn)

Particulars	4Q	4Q	YoY	3Q	QoQ	CY24	CY25	CY26E	CY27E
	CY25	CY24	(%)	CY25	(%)				
Revenue	35,570	33,649	5.7	33,107	7.4	1,21,883	1,32,422	1,48,381	1,71,888
EBITDA	5,502	6,573	(16.3)	5,004	10.0	23,052	21,430	24,234	28,664
APAT	4,218	5,319	(20.7)	4,089	3.2	18,746	17,694	19,982	23,348
Diluted EPS (INR)	19.9	25.1	(20.7)	19.3	3.2	88.5	83.5	94.3	110.2
P/E (x)						63.2	67.0	59.3	50.8
EV / EBITDA (x)						49.0	52.4	46.4	38.6
RoE (%)						28.8	23.7	22.9	21.8

Source: Company, HSIE Research

### Change in Estimates (INR mn)

Particulars	CY26E			CY27E		
	New	Old	Chg. (%)	New	Old	Chg. (%)
Revenue	1,48,381	1,43,522	3.4	1,71,888	1,65,298	4.0
EBITDA	24,234	23,104	4.9	28,664	27,118	5.7
EBITDA (%)	16.3	16.1	23.5	16.7	16.4	27.0
APAT	19,982	19,378	3.1	23,348	22,341	4.5

Source: Company, HSIE Research

## ADD

CMP(as on 23 Feb 2026)	INR 5,918
Target Price	INR 5,905
NIFTY	25,713

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 5,505	INR 5,905
EPS change %	CY26E	CY27E
	3.1	4.5

### KEY STOCK DATA

Bloomberg code	ABB IN
No. of Shares (mn)	212
MCap (INR bn) / (\$ mn)	1,254/13,798
6m avg traded value (INR mn)	1,513
52 Week high / low	INR 6,300/4,590

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	16.2	16.9	11.8
Relative (%)	18.5	14.4	1.2

### SHAREHOLDING PATTERN (%)

	Sept-25	Dec-25
Promoters	75.00	75.00
FIs & Local MFs	8.31	9.15
FPIs	8.29	7.64
Public & Others	8.39	8.20
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

### Parikshit D Kandpal, CFA

parikshitd.kandpal@hdfcsec.com  
+91-22-6171-7317

### Jay Shah

jay.shah1@hdfcsec.com  
+91-22-6171-7358

### Aditya Sahu

aditya.sahu@hdfcsec.com  
+91-22-6171-7338

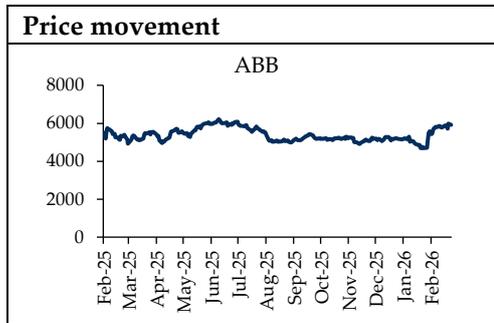
**Rating Criteria**

BUY: >+15% return potential  
 ADD: +5% to +15% return potential  
 REDUCE: -10% to +5% return potential  
 SELL: > 10% Downside return potential

**Disclosure:**

Analyst	Company Covered	Qualification	Any holding in the stock
Parikshit Kandpal	ABB India	CFA	NO
Aditya Sahu	ABB India	MBA	NO
Jay Shah	ABB India	CA	NO

**Price movement**



**Disclosure:**

Authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does have/does not have any material conflict of interest.

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

**Disclaimer:**

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. This report may have been refined using AI tools to enhance clarity and readability.

Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

Please note that HDFC Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: [complianceofficer@hdfcsec.com](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600

For grievance redressal contact Customer Care Team Email: [customercare@hdfcsec.com](mailto:customercare@hdfcsec.com) Phone: (022) 3901 9400

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

---

## HDFC Securities

### Institutional Equities

Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park,

Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Board: +91-22-6171-7330 [www.hdfcsec.com](http://www.hdfcsec.com)