

**Ujaas Energy Ltd.**  
**Q2 FY15/H1 FY15**  
**Earnings Presentation**



# Executive Summary

- Ujaas Energy Ltd (UEL) founded Mr. Shyam Sunder Mundra, and is run today along with his two sons, Mr. Vikalp Mundra and Mr. Anurag Mundra.
- Manufacturing transformers for more than 30 years, the company diversified into the generation of Solar energy and a Solar Power turn-key project called 'UJAAS' since 2010.
- UEL was listed on both BSE and NSE in October 2011.
- Company's current market capitalization is around INR 4,500 Mn.

## Company Overview



## Business Mix



### UJAAS

- 'UJAAS' is UEL's flagship brand for one stop comprehensive solar turn-key projects to any potential Solar Power Producer.
- UEL has executed more than 90MW of UJAAS projects till date for its clients.

### Solar Power Generation

- UEL also has around 15.4 MW of solar power plant under its own books.
- The Company sells this power to commercial properties in Madhya Pradesh.

### Transformer Business

- Primarily engaged in manufacture of transformers up to 25MVA capacity at 132 KV class and automatic voltage controllers.

- **UJAAS** – UEL has setup more than 65MW of Solar Power plants for several corporate and Individual clients like KRBL, SRS, Friends Group, Rockwell, Avon cycles, NALCO, SECI etc.
- **Solar Power Generation** - UEL sells its solar power to commercial consumers like hotels, malls, industries across Madhya Pradesh.
- **Transformers** – UEL was primarily engaged in Transformer business, supplies various types of transformers to clients across public sector companies such as Coal India, BHEL and also private sector companies.

## Markets



## Financials

- **Income** has grown from INR 339 Mn in FY11 to INR 5,332 Mn in FY14, 3 Year CAGR 150%
- **EBITDA** has grown from INR 34 Mn in FY11 to INR 991 Mn in FY14, 3 Year CAGR 208%
- **Net Profit** has grown from INR 8 Mn in FY11 to INR 374 Mn in FY14, 3 Year CAGR 268%





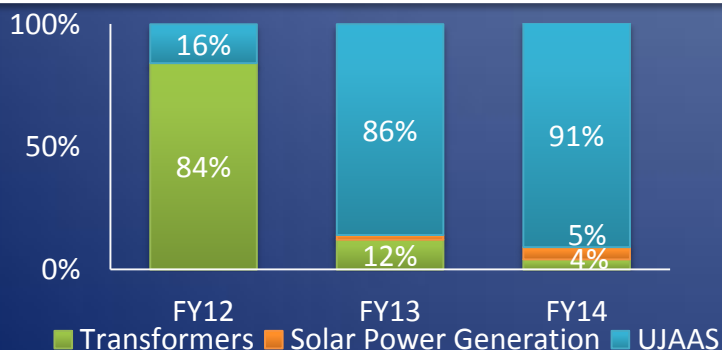


# Company Overview

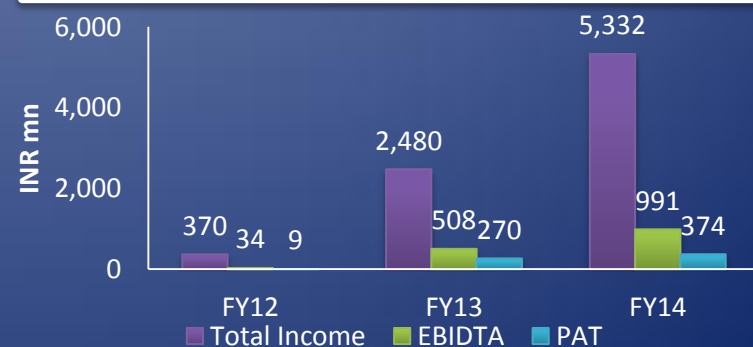
# Summary

- Founded by **Mr. Shyam Sunder Mundra** in **1976**, as a sole proprietorship firm under the name of **M And B Switchgears Limited**. Effective from 19<sup>th</sup> August 2013, M And B Switchgears Limited was re-named as **Ujaas Energy Ltd**.
- Started with the manufacturing of panel meter for energy controlling & thereafter developed a technology to transform energy with the manufacturing of **Energy Transformers** viz. Distribution, Power & Furnace.
- Initially Ujaas Energy Ltd started with a capacity to manufacture 550 transformers per annum and have grown gradually to a capacity to manufacture more than **5000 transformers per annum**. Ujaas Energy Ltd sells its **transformers in more than 15 States of India**.
- Taking from its experience in the transformers and the utilities Industry, Ujaas Energy Ltd realized the huge potential in '**Green Energy**' and ventured into the generation of Solar Power. The company became pioneer in generation of green energy by becoming one of India's first public companies to enter into the **Solar Power generation and Solar Power Turnkey project management space**. Ujaas Energy Ltd also became the **first company to register under Solar-REC Mechanism**.
- Realizing the vast potential, Ujaas Energy Ltd erected and commissioned a 2.2 MW Solar Power Plant in March 2012 and has added another 13.2 MW with the intention to divest at a suitable time and price.
- Ujaas Energy Ltd commissioned its first solar power turnkey project under its flagship brand '**UJAAS**' for M/s Gupta Sons (Jewellers, Bhopal) in March 2012. The company currently has over **105 MW** of solar power projects under management.

## Segmental Break up



## Financial Performance



# Q2-FY15 Performance Highlights

## Q2 - FY15 Financial Performance:

- Total Income (including other income) reported at INR 293 Mn;
- EBITDA of INR 106 Mn;
- EBITDA Margin at 36.16%;
- Net Profit of INR 19Mn;
- PAT Margin at 6.43%;
- Diluted EPS reported at INR 0.09 per equity share

## H1 - FY15 Financial Performance:

- Total Income (including other income) reported at INR 555 Mn;
- EBITDA of INR 202 Mn;
- EBITDA Margin at 36.44%;
- Net Profit of INR 34 Mn;
- PAT Margin at 6.06 %;
- Diluted EPS reported at INR 0.17 per equity share

## Q2 - FY15 Key Highlights:

- Q2-FY15 Financial Performance Year on Year growth was primarily impacted due to the following key reasons:
  - The Ministry of Commerce had proposed to levy anti dumping duties on modules imported from the US, China, Malaysia and Chinese Taipei. This proposal was rejected by the Ministry of Finance on August 25<sup>th</sup>.
  - The clear and prolonged lack of enforcement from the central government for the obligatory entities to purchase the required Renewable Energy Certificates.
- The Central Electricity Regulatory Commission(CERC) has finally come up with a solution to revive the dysfunctional solar REC markets by addressing the biggest challenge – the high price band for Solar RECs. In a draft proposal, the CERC has proposed to slash the floor price to INR 3.5/unit and the forbearance price to INR 5.8/unit for all solar projects after April 2014. The projects which were commissioned in the past at high capital cost and cannot take the advantage of low cost technologies, Vintage Multiplier is being proposed by CERC for recognizing the vintage of the project as and when floor price is reduced. The public hearing for this draft proposal was conducted on November 10, 2014. The management expects a favourable outcome with regards to this proposal very soon and believes that this would lift the uncertainty and result in the eventual enforcement of REC purchases by the obligatory entities.

# Quarterly Financial Performance

Particulars (INR. Mn)	Q2FY15	Q2FY14	Y-o-Y
<b>Total Income *</b>	<b>293</b>	<b>2,216</b>	<b>(86.8)%</b>
Operating Expenses	187	1,917	(90.2)%
<b>EBITDA</b>	<b>106</b>	<b>299</b>	<b>(64.5)%</b>
<b>EBITDA M(%)</b>	<b>36.16%</b>	<b>13.48%</b>	<b>2268 bps</b>
Finance Cost	45	16	181.3%
Depreciation	20	6	233.3%
<b>Profit Before Tax</b>	<b>41</b>	<b>277</b>	<b>(85.2)%</b>
Current Tax	9	57	(84.2)%
Deferred Tax	13	107	(87.9)%
<b>Profit After Tax</b>	<b>19</b>	<b>113</b>	<b>(83.2)%</b>
<b>PAT M(%)</b>	<b>6.43%</b>	<b>5.11%</b>	<b>132 bps</b>
Diluted EPS(INR)	0.09	0.57	(84.2)%

\*includes other income



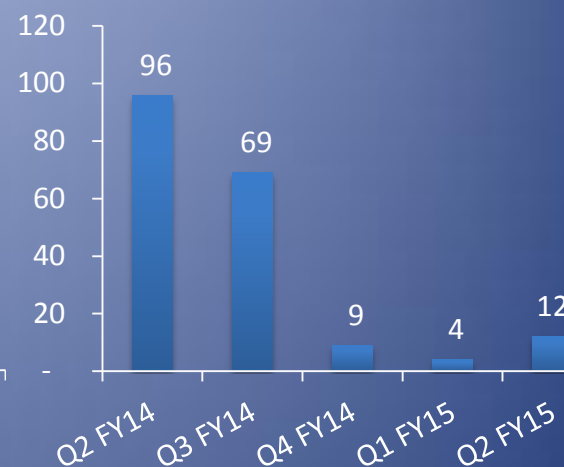
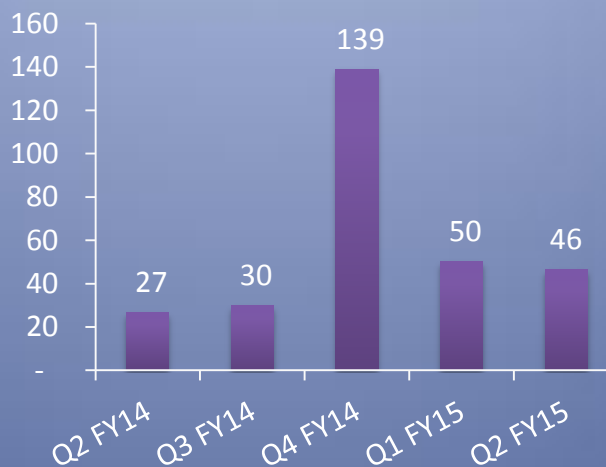
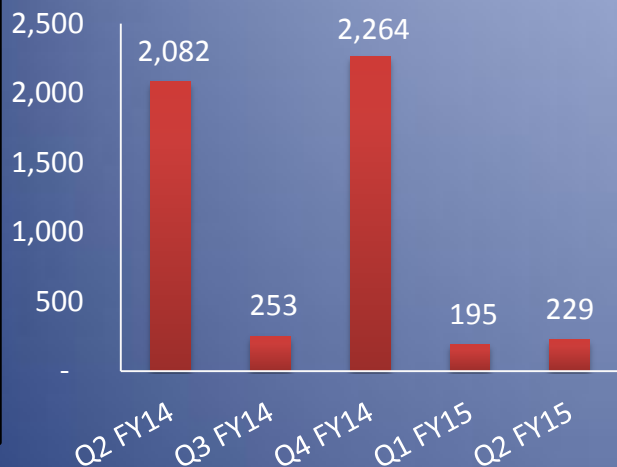
# Quarterly Performance - Segmental

## UJAAS

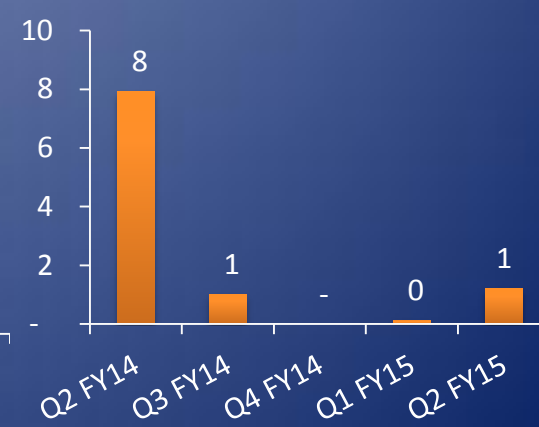
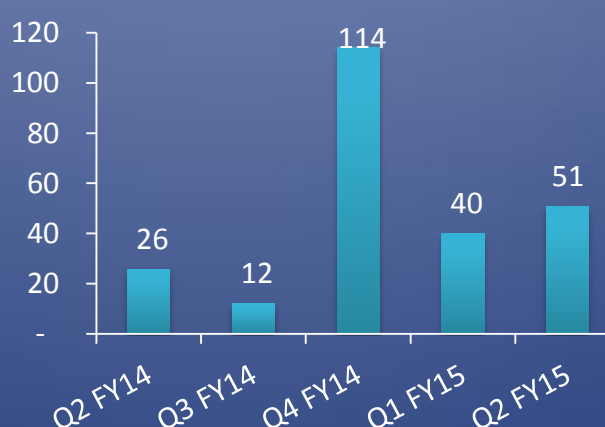
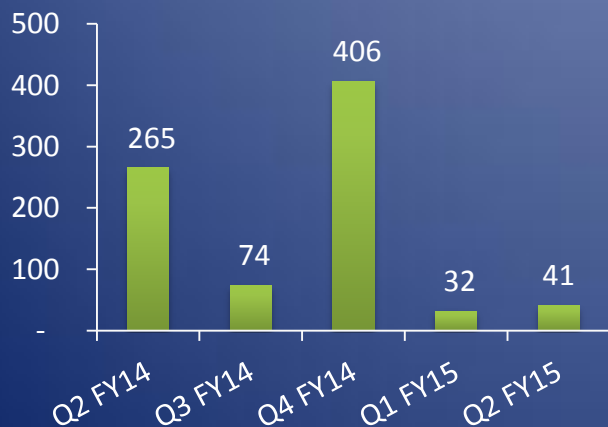
## Solar Power Plant Operation

## Transformers

Net Revenue (INR mn)



EBIT (INR mn)



# Half Yearly Financial Performance

Particulars (INR. Mn)	H1FY15	H1FY14	Y-o-Y
<b>Total Income *</b>	<b>555</b>	<b>2,513</b>	<b>(77.9)%</b>
Operating Expenses	353	2,161	(83.7)%
<b>EBITDA</b>	<b>202</b>	<b>353</b>	<b>(42.8)%</b>
<b>EBITDA M(%)</b>	<b>36.44%</b>	<b>14.03%</b>	<b>2241 bps</b>
Finance Cost	86	27	218.5%
Depreciation	41	11	272.7%
<b>Profit Before Tax</b>	<b>75</b>	<b>315</b>	<b>(76.2)%</b>
Current Tax	16	66	(75.8)%
Deferred Tax	25	108	(76.9)%
<b>Profit After Tax</b>	<b>34</b>	<b>141</b>	<b>(75.9)%</b>
<b>PAT M(%)</b>	<b>6.06%</b>	<b>5.61%</b>	<b>45bps</b>
Diluted EPS(INR)	0.17	0.71	(76.1)%



# Historical Income Statement

Particulars (INR. Mn)	FY11	FY12	FY13	FY14	H1FY15
<b>Revenue *</b>	<b>339</b>	<b>370</b>	<b>2,480</b>	<b>5,332</b>	<b>555</b>
Operating Expenses	305	336	1,972	4,341	353
<b>EBITDA</b>	<b>34</b>	<b>34</b>	<b>508</b>	<b>991</b>	<b>202</b>
<b>EBITDA Margin (%)</b>	<b>10.03%</b>	<b>9.19%</b>	<b>20.48%</b>	<b>18.58%</b>	<b>36.44%</b>
Finance Cost	19	10	50	91	86
Depreciation	3	4	19	47	41
Exceptional Item	0	-	-	-	
<b>Profit Before Tax</b>	<b>12</b>	<b>20</b>	<b>439</b>	<b>853</b>	<b>75</b>
Taxation	4	11	169	479	41
<b>Profit After Tax</b>	<b>8</b>	<b>9</b>	<b>270</b>	<b>374</b>	<b>34</b>
<b>PAT Margin (%)</b>	<b>2.36%</b>	<b>2.43%</b>	<b>10.89%</b>	<b>7.01%</b>	<b>6.06%</b>
Diluted EPS (INR)	0.04	0.05	1.35	1.87	0.17

\* Including Other Income

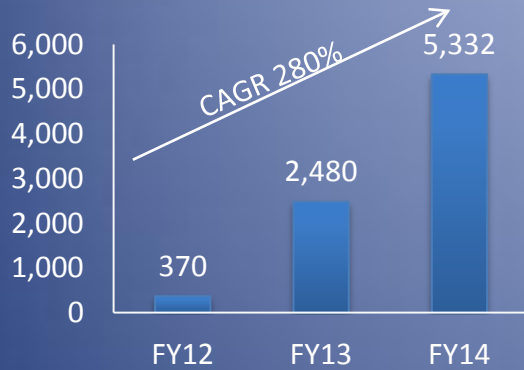
# Balance Sheet & Cash Flow

	Particulars (INR Mn)	FY13	FY14	H1FY15		Particulars (INR Mn)	FY13	FY14	H1FY15
A	EQUITIES & LIABILITIES				B	ASSETS			
Part-1	<u>Shareholder Funds</u>				Part -1	<u>Non-Current Assets</u>			
	(a) Share Capital – Equity	200	200	200		Fixed Assets			
	(b) Reserves & Surplus	1,101	1,428	1,461		(a) Tangible Assets	400	1,904	1,866
	Total - Shareholder Funds	1,301	1,628	1,661		(b) Intangible Assets	0	3	2
Part-2	<u>Non-Current Liabilities</u>					(c) Capital Work-in-Progress	122	-	-
	(a) Long term Borrowings	210	1,112	1,056		(d) Intangible Assets under development	3	0	0
	(b) Long term Provisions	1	1	404		(e) Long Term Loans & Adv.& other current assets	370	29	35
	(d) Deferred Tax Liability	90	379	2		Total - Non – Current Assets	895	1,936	1,903
	Total - Non – Current Liabilities	301	1,492	1,462	Part-2	<u>Current Assets</u>			
Part-3	<u>Current Liabilities</u>					(a) Inventories	255	423	745
	(a) Short-Term Borrowings	15	91	88		(b) Trade Receivables	870	1,770	925
	(b) Trade Payables	805	1,428	745		(c) Cash and Bank Balances	376	654	182
	(c) Other Current Liabilities	92	146	162		(d) Short-term loans and advances	175	168	262
	(d) Short-term provisions	69	181	16		(e) Other current assets & Current Investments	12	15	117
	Total – Current Liabilities	981	1,846	1,010		Total – Current Assets	1,688	3,030	2,231
A	GRAND TOTAL	2,583	4,966	4,134	B	GRAND TOTAL	2,583	4,966	4,134

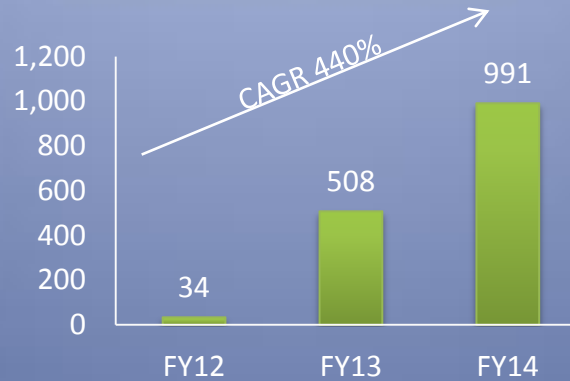
	FY13	FY14
<b>Cash Flow (INR Mn)</b>		
Cash and Cash Equivalents at Beginning of the year	124	268
Cash Flow From Operating Activities	(153)	388
Cash Flow from Investing Activities	(69 )	(1,306)
Cash Flow From Financing Activities	366	939
Net Inc.//(Dec.) in Cash and Cash Equivalent	144	21
Short Term Bank Deposits	108	365
Cash and Cash Equivalents at End of the year	376	654

# Financial Performance

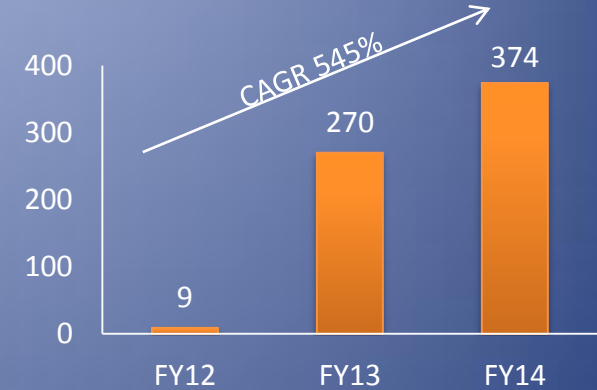
Income (INR Mn)



EBITDA (INR Mn)



PAT (INR Mn)



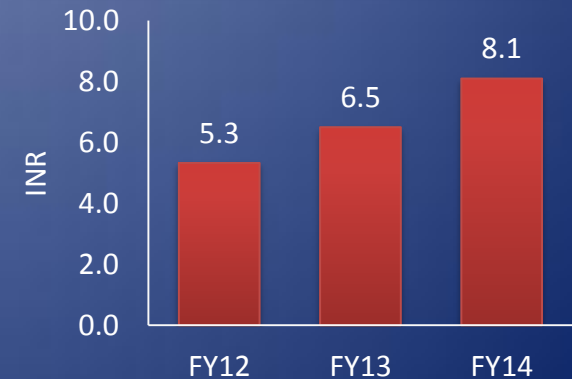
ROE & RoCE



Net Debt Equity (X)



Book Value per share





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