

**Ujaas Energy Ltd.**  
**Q1-FY16**  
**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 market capitalization as on 30<sup>th</sup> June 2015 was around INR 3,290 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.

### Solar Power Generation

- UEL also has a 15.4 MW solar power plant on 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 110 MW 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



- **Total Income** in FY15 reported at INR 1,113 Mn
- **EBITDA** in FY15 reported at INR 445 Mn; **EBITDA Margins** reported at 39.28%
- **Net Profit** in FY15 reported at INR 117 Mn; **PAT Margins** reported at 10.33%



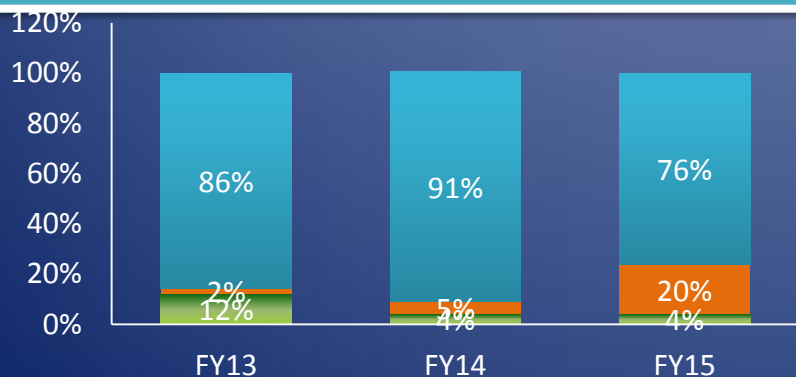
# Company Overview



# Summary

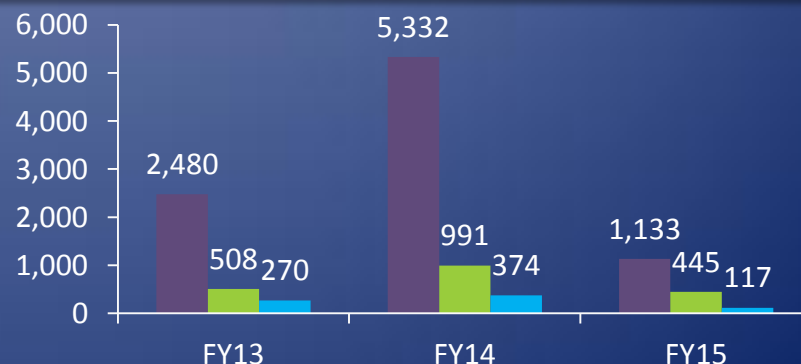
- Founded by **Mr. Shyam Sunder Mundra** in **1976**, as a sole proprietorship firm under the name of **M And B Switchgears Limited**. Effective from 19<sup>th</sup> August 2013, M And B Switchgears Limited was re-named as **Ujaas Energy Ltd.**
- Started with the manufacturing of panel meter for energy 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 in 2014 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 more than **110 MW** of solar power projects under management.

## Segmental Break up



■ Transformers ■ Solar Power Plant Operation ■ UJAAS

## Financial Performance (INR mn)



■ Income ■ EBITDA ■ PAT

# Performance Highlights

## Q1 - FY16 Financial Performance:

- **Total Income\*** reported at INR 122 Mn;
- **EBITDA** of INR 106 Mn; **EBITDA Margin** at 86.89%;
- **Net Profit** of INR 14 Mn; **PAT Margin** at 11.48%;
- **Diluted EPS** reported at INR 0.07 per equity share

## Q1 FY16 Key Highlights:

- The company has a current bid book of ~100 MW for solar power plant EPC.

# Regulatory Highlights

## Regulatory Updates

- CERC has recently proposed amendments to REC regulations to address the oversupply in the REC market. Highlights are below:
  - Captive generators and portion of power for self-consumption will no longer be eligible for RECs
  - If an open access (OA) project avails concessional wheeling, banking or cross-subsidy benefits, it will not be eligible for RECs
- The thinking behind proposal was explained in a memo as under:
  - “Lack of RPO enforcement has been one of the major reasons for the high level of unsold REC inventory. However, it is also important to analyze the supply side aspects and understand whether the right beneficiaries (as was envisaged while introducing REC framework) are participating and able to compete in the REC market. It remains a fact that a major portion of the REC inventory is contributed by the CGPs. Also, developers under third party model are able to leverage the concessional benefits while participating under REC framework.”



# Quarterly Financial Performance

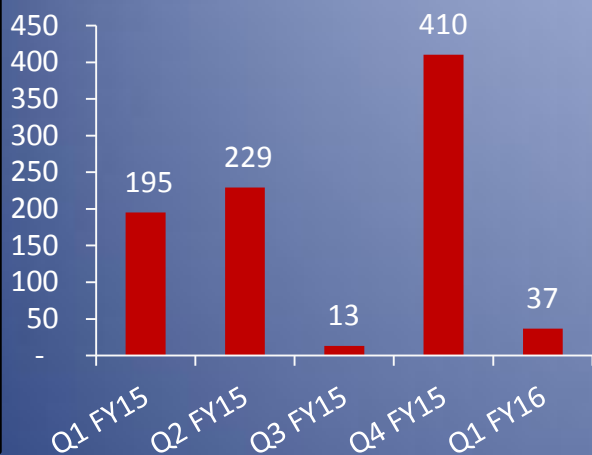
Particulars (INR. Mn)	Q1FY16	Q1FY15	Y-o-Y	Q4FY15	Q-o-Q
<b>Total Income *</b>	<b>122</b>	<b>262</b>	<i>(53)%</i>	<b>503</b>	<i>(76)%</i>
Operating Expenses	16	166	<i>(90)%</i>	340	<i>(95)%</i>
<b>EBITDA</b>	<b>106</b>	<b>96</b>	<i>10%</i>	<b>163</b>	<i>(35)%</i>
<b>EBITDA M(%)</b>	<b>86.89%</b>	<b>36.64%</b>	<i>5,025 bps</i>	<b>32.41%</b>	<i>5,448 bps</i>
Finance Cost	35	41	<i>(15)%</i>	51	<i>(31)%</i>
Depreciation	20	21	<i>(5)%</i>	20	<i>0%</i>
<b>Profit Before Tax</b>	<b>51</b>	<b>34</b>	<i>50%</i>	<b>92</b>	<i>(45)%</i>
Current Tax	11	7	<i>57%</i>	20	<i>(45)%</i>
Deferred Tax	26	12	<i>117%</i>	(6)	<i>NA</i>
<b>Profit After Tax</b>	<b>14</b>	<b>15</b>	<i>(7)%</i>	<b>78</b>	<i>(82)%</i>
<b>PAT M(%)</b>	<b>11.48%</b>	<b>5.73%</b>	<i>575 bps</i>	<b>15.51%</b>	<i>(403) Bps</i>
Diluted EPS(INR)	0.07	0.07	<i>0%</i>	0.39	<i>(82)%</i>

\*includes other income

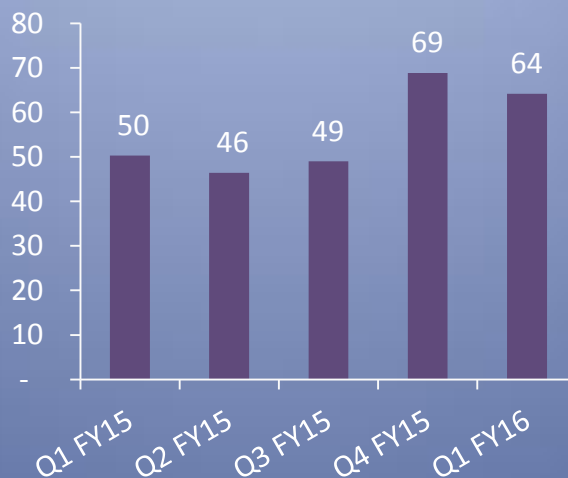
# Quarterly Performance - Segmental

## UJAAS

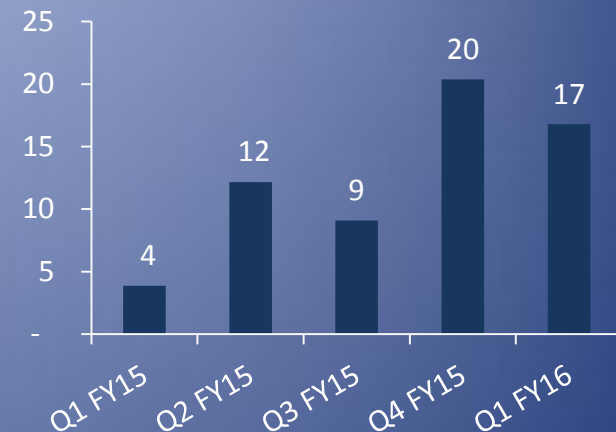
Net Revenue (INR mn)



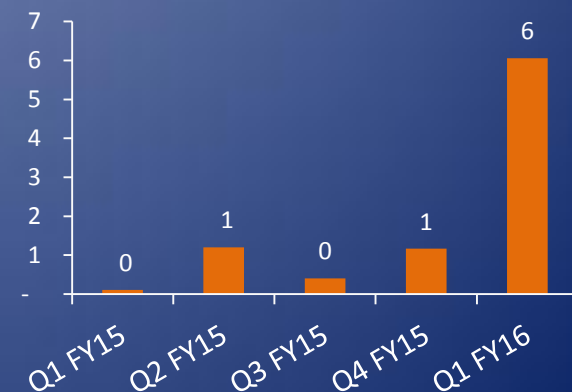
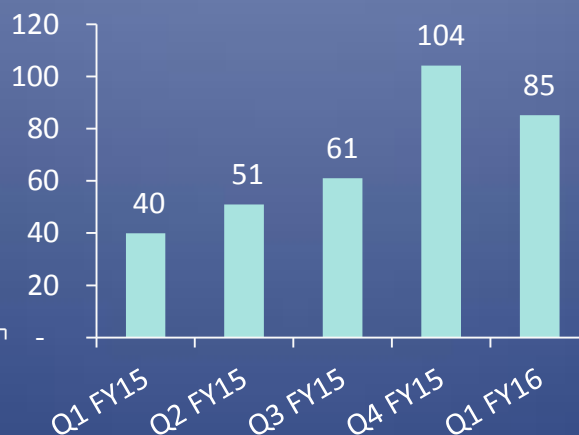
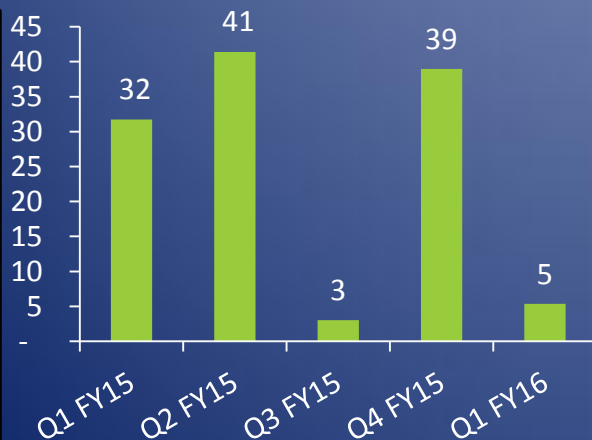
## Solar Power Plant Operation



## Transformers



EBIT (INR mn)





# Historical Standalone Income Statement

Particulars (INR. Mn)	FY11	FY12	FY13	FY14	FY15
<b>Total Income *</b>	<b>339</b>	<b>370</b>	<b>2,480</b>	<b>5,332</b>	<b>1,133</b>
Operating Expenses	305	336	1,972	4,341	688
<b>EBITDA</b>	<b>34</b>	<b>34</b>	<b>508</b>	<b>991</b>	<b>445</b>
<b>EBITDA Margin (%)</b>	<b>10.03%</b>	<b>9.19%</b>	<b>20.48%</b>	<b>18.58%</b>	<b>39.28%</b>
Finance Cost	19	10	50	91	180
Depreciation	3	4	19	47	81
<b>Profit Before Tax</b>	<b>12</b>	<b>20</b>	<b>439</b>	<b>853</b>	<b>184</b>
Taxation	4	11	169	479	67
<b>Profit After Tax</b>	<b>8</b>	<b>9</b>	<b>270</b>	<b>374</b>	<b>117</b>
<b>PAT Margin (%)</b>	<b>2.36%</b>	<b>2.43%</b>	<b>10.89%</b>	<b>7.01%</b>	<b>10.33%</b>
Diluted EPS (INR)	0.04	0.05	1.35	1.87	0.59

\*includes other income

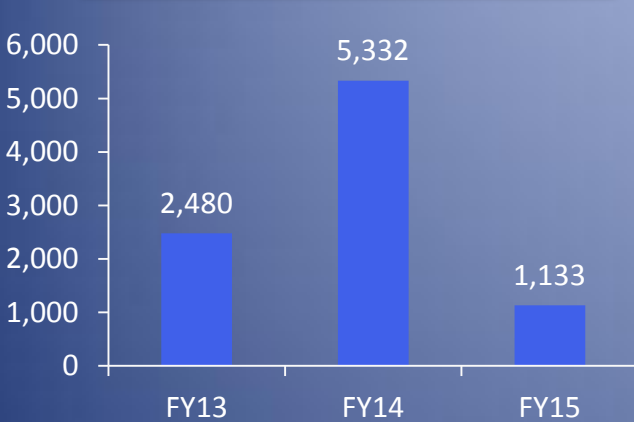
# Standalone Balance Sheet

	Particulars (INR Mn)	FY13	FY14	FY15
A	EQUITIES & LIABILITIES			
Part-1	<u>Shareholder Funds</u>			
	(a) Share Capital – Equity	200	200	200
	(b) Reserves & Surplus	1,101	1,428	1,533
	<b>Total - Shareholder Funds</b>	<b>1,301</b>	<b>1,628</b>	<b>1,733</b>
Part-2	<u>Non-Current Liabilities</u>			
	(a) Long term Borrowings	210	1,112	994
	(b) Long term Provisions	1	1	1
	(d) Deferred Tax Liability	90	379	407
	<b>Total - Non – Current Liabilities</b>	<b>301</b>	<b>1,492</b>	<b>1,402</b>
Part-3	<u>Current Liabilities</u>			
	(a) Short-Term Borrowings	15	92	1
	(b) Trade Payables	805	1,431	344
	(c) Other Current Liabilities	92	142	138
	(d) Short-term provisions	69	181	16
	<b>Total – Current Liabilities</b>	<b>981</b>	<b>1,846</b>	<b>499</b>
A	<b>GRAND TOTAL</b>	<b>2,583</b>	<b>4,966</b>	<b>3,634</b>

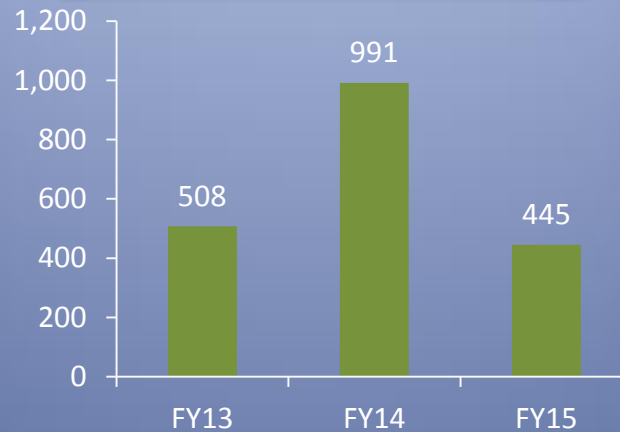
	Particulars (INR Mn)	FY13	FY14	FY15
B	ASSETS			
Part -1	<u>Non-Current Assets</u>			
	Fixed Assets			
	(a) Tangible Assets	400	1,904	1,828
	(b) Intangible Assets	0	3	2
	(c) Capital Work-in-Progress	122	-	NA
	(d) Intangible Assets under development	3	0	NA
	(e) Long Term Loans & Adv.& other current assets	370	29	41
	<b>Total - Non – Current Assets</b>	<b>895</b>	<b>1,936</b>	<b>1,871</b>
Part-2	<u>Current Assets</u>			
	(a) Inventories	255	423	637
	(b) Trade Receivables	870	1,770	824
	(c) Cash and Bank Balances	376	654	160
	(d) Short-term loans and advances	175	168	121
	(e) Other current assets & Current Investments	12	15	21
	<b>Total – Current Assets</b>	<b>1,688</b>	<b>3,030</b>	<b>1,763</b>
B	<b>GRAND TOTAL</b>	<b>2,583</b>	<b>4,966</b>	<b>3,634</b>

# Financial Performance

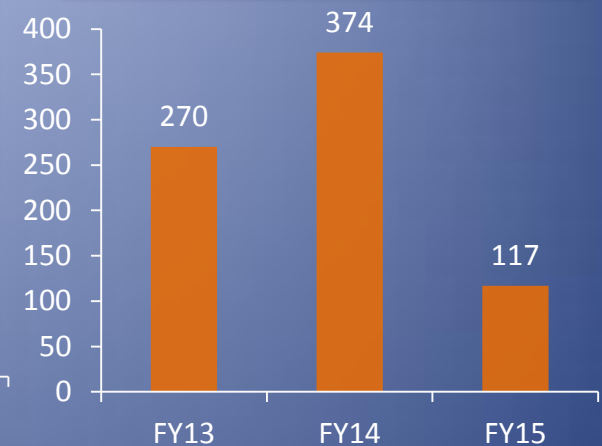
Income (INR Mn)



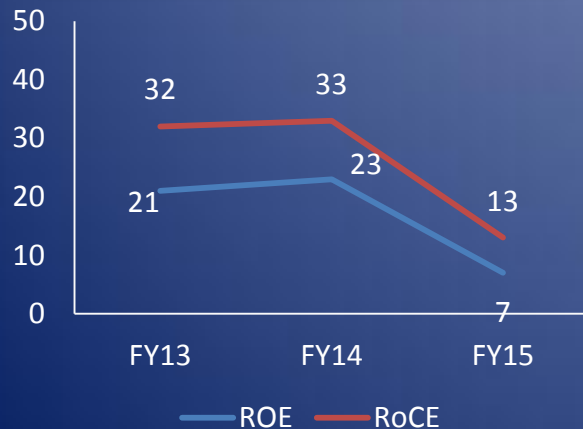
EBITDA (INR Mn)



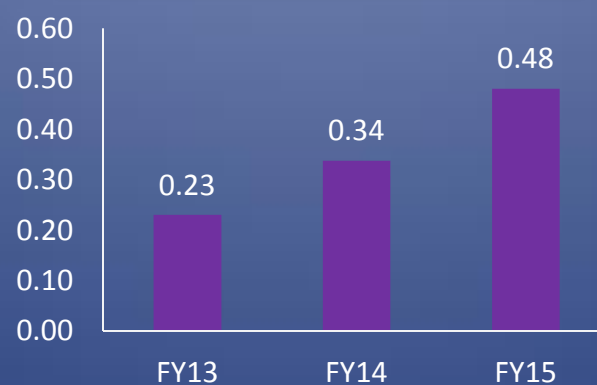
PAT (INR Mn)



ROE & RoCE (%)



Net Debt Equity (x)



Book Value per Share (INR)





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