

**Ujaas Energy Ltd.**  
**Q3 / 9M 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 market capitalization as on 31<sup>st</sup> December 2014 was around INR 3,230 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 90MW 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%



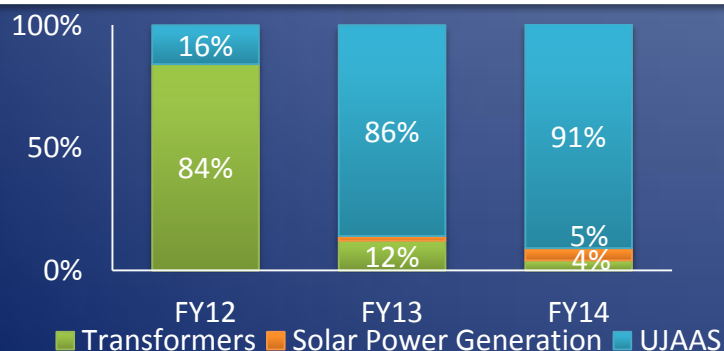
# Company Overview



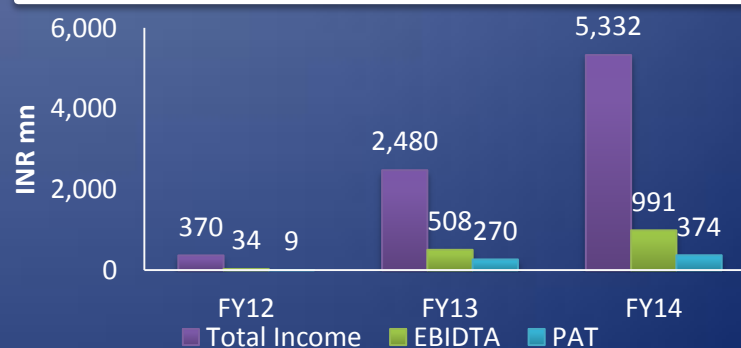
# Summary

- 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 **108 MW** of solar power projects under management.

## Segmental Break up



## Financial Performance



# Q3-FY15 Performance Highlights

## Q3 - FY15 Financial Performance:

- Total Income (including other income) reported at INR 75 Mn;
- EBITDA of INR 80 Mn;
- EBITDA Margin at 106.67%,
- Net Profit of INR 6 Mn;
- PAT Margin at 8.00%;
- Diluted EPS reported at INR 0.03 per equity share

## 9M - FY15 Financial Performance:

- Total Income (including other income) reported at INR 630Mn;
- EBITDA of INR 283 Mn;
- EBITDA Margin at 44.92%,
- Net Profit of INR 39 Mn;
- PAT Margin at 6.19%;
- Diluted EPS reported at INR 0.20 per equity share

## Q3 - FY15 Key Highlights:

- The operating expense in Q3FY15 is negative due to revaluation of the inventories

## Regulatory Updates

- Pre-Term reduction in Solar Floor/Forbearance Price. The new Floor price now stands at Rs.3500/MWh and Forbearance Price at Rs. 5800/MWh.
- Vintage Multiplier for Solar RECs has been introduced. Solar projects registered under REC Mechanism before 1st Jan, 2015 would get 1 REC for every MWh of generation. Projects registered before that would get 2.66 RECs for every MWh of energy.

The following are the important Draft Amendment to electricity Act 2003:

- Open Access:
  - The Bill proposes that OA will be available to all consumers with load of more than 1 MW by default. Such consumers will be allowed to enter into a bilateral agreement for procurement of power.
- Change in the role of the DISCOM:
  - At present the DISCOM provides the service of last mile connectivity through the distribution system and also supply of power. This role is proposed to be broken up. A consumer will therefore have the choice to choose his supplier.

# Quarterly Financial Performance

Particulars (INR. Mn)	Q3FY15	Q3FY14	Y-o-Y
<b>Total Income *</b>	75	400	(81.3)%
Operating Expenses	(5)	295	(101.7)%
<b>EBITDA</b>	80	105	(23.8)%
<b>EBITDA M(%)</b>	<b>106.67%</b>	<b>26.25%</b>	<b>8042 bps</b>
Finance Cost	43	23	87.0%
Depreciation	20	13	53.8%
<b>Profit Before Tax</b>	<b>17</b>	<b>69</b>	<b>(75.4)%</b>
Current Tax	3	14	(78.6)%
Deferred Tax	8	23	(65.2)%
<b>Profit After Tax</b>	<b>6</b>	<b>32</b>	<b>(81.3)%</b>
<b>PAT M(%)</b>	<b>8.00%</b>	<b>8.00%</b>	<b>0 bps</b>
Diluted EPS(INR)	0.03	0.16	(81.3)%

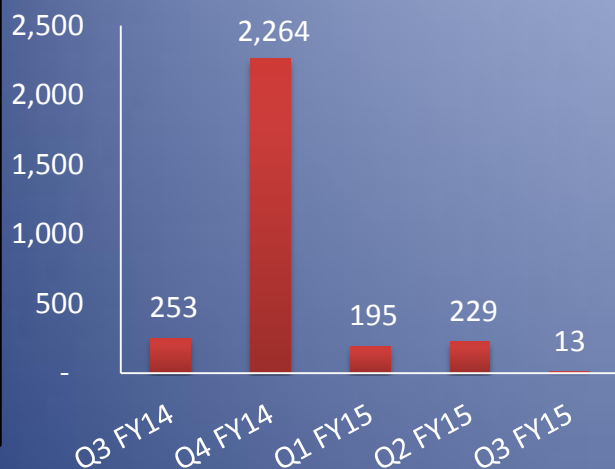
\*includes other income



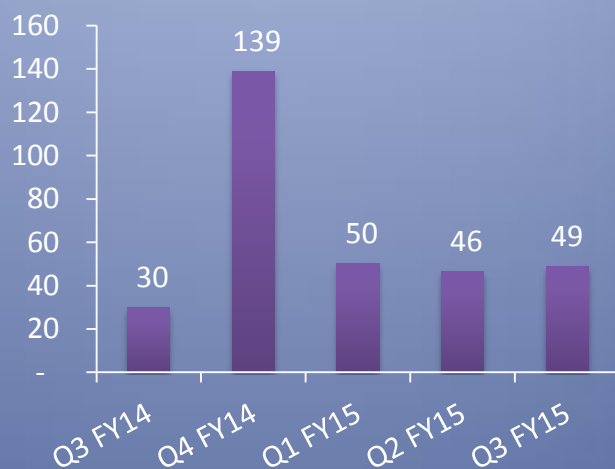
# Quarterly Performance - Segmental

## UJAAS

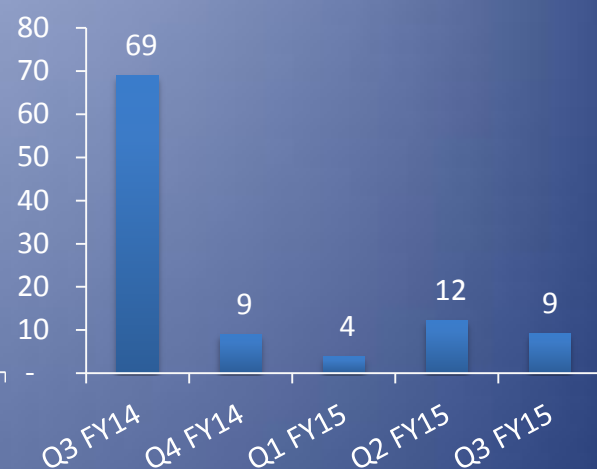
Net Revenue (INR mn)



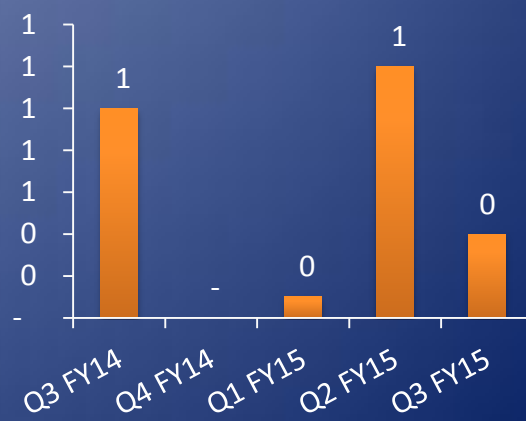
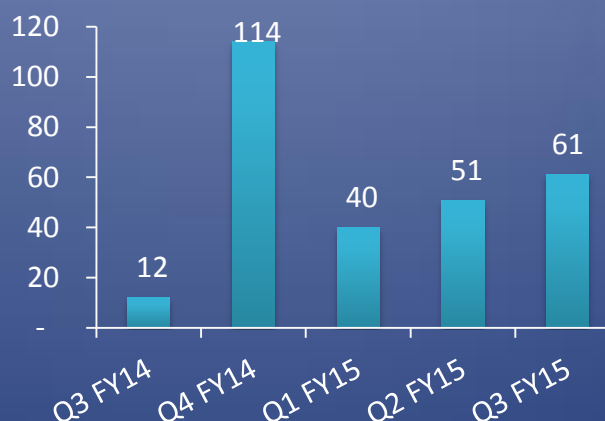
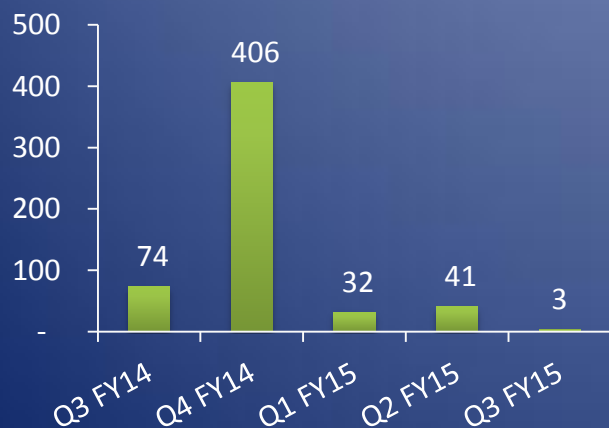
## Solar Power Plant Operation



## Transformers



EBIT (INR mn)



# 9M FY15 Financial Performance

Particulars (INR. Mn)	9MFY15	9MFY14	Y-o-Y
<b>Total Income *</b>	<b>630</b>	<b>2,914</b>	<b>(78.4)%</b>
Operating Expenses	347	2,456	(85.9)%
<b>EBITDA</b>	<b>283</b>	<b>458</b>	<b>(38.2)%</b>
<b>EBITDA M(%)</b>	<b>44.92%</b>	<b>15.72%</b>	<b>2920 bps</b>
Finance Cost	130	50	160.0%
Depreciation	61	24	154.2%
<b>Profit Before Tax</b>	<b>92</b>	<b>384</b>	<b>(76.0)%</b>
Current Tax	20	80	(75.0)%
Deferred Tax	33	131	(74.8)%
<b>Profit After Tax</b>	<b>39</b>	<b>173</b>	<b>(77.5)%</b>
<b>PAT M(%)</b>	<b>6.19%</b>	<b>5.94%</b>	<b>25 bps</b>
Diluted EPS(INR)	0.20	0.86	(76.7)%

\*includes other income



# Historical Income Statement

Particulars (INR. Mn)	FY11	FY12	FY13	FY14	9MFY15
<b>Total Income *</b>	<b>339</b>	<b>370</b>	<b>2,480</b>	<b>5,332</b>	<b>630</b>
Operating Expenses	305	336	1,972	4,341	347
<b>EBITDA</b>	<b>34</b>	<b>34</b>	<b>508</b>	<b>991</b>	<b>283</b>
<b>EBITDA Margin (%)</b>	<b>10.03%</b>	<b>9.19%</b>	<b>20.48%</b>	<b>18.58%</b>	<b>44.92%</b>
Finance Cost	19	10	50	91	130
Depreciation	3	4	19	47	61
Exceptional Item	0	-	-	-	-
<b>Profit Before Tax</b>	<b>12</b>	<b>20</b>	<b>439</b>	<b>853</b>	<b>92</b>
Taxation	4	11	169	479	53
<b>Profit After Tax</b>	<b>8</b>	<b>9</b>	<b>270</b>	<b>374</b>	<b>39</b>
<b>PAT Margin (%)</b>	<b>2.36%</b>	<b>2.43%</b>	<b>10.89%</b>	<b>7.01%</b>	<b>6.19%</b>
Diluted EPS (INR)	0.04	0.05	1.35	1.87	0.20

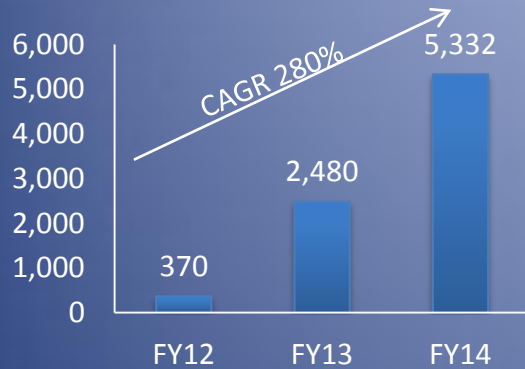
\*includes other income

# Balance Sheet & Cash Flow

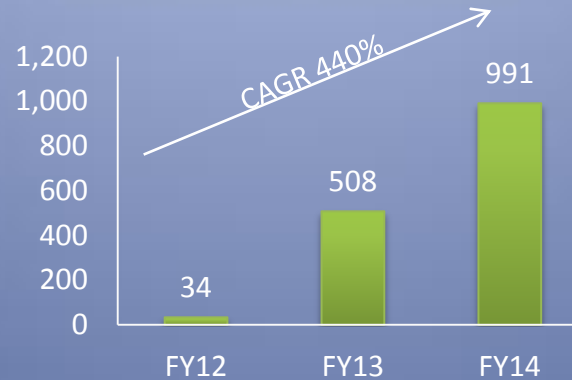
	Particulars (INR Mn)	FY13	FY14	H1FY15		Particulars (INR Mn)	FY13	FY14	H1FY15
A	EQUITIES & LIABILITIES				B	ASSETS			
Part-1	<u>Shareholder Funds</u>				Part -1	<u>Non-Current Assets</u>			
	(a) Share Capital – Equity	200	200	200		Fixed Assets			
	(b) Reserves & Surplus	1,101	1,428	1,461		(a) Tangible 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
<b>Cash Flow (INR Mn)</b>					<b>FY13</b>		<b>FY14</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

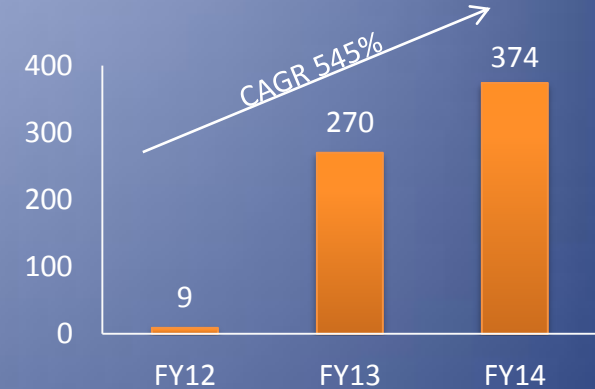
Income (INR Mn)



EBITDA (INR Mn)



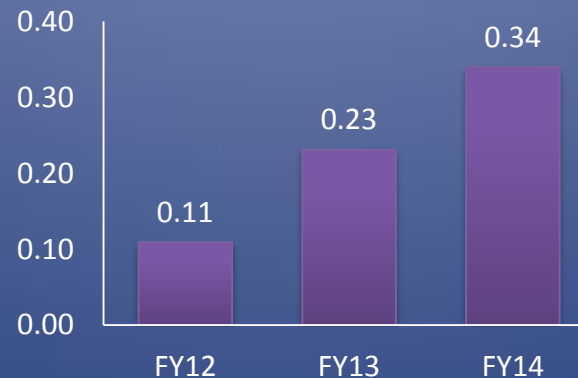
PAT (INR Mn)



ROE & RoCE



Net Debt Equity (X)



Book Value per share





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