

SHILCHAR TECHNOLOGIES LIMITED



Date: 24th August, 2024

**To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400001**

Scrip Code: 531201

Dear Sir/ Mam,

Sub: Investor Presentation for the 2nd quarter and half year ended 30th September 2024

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Please find enclosed herewith the copy of Investor Presentaion for the 2nd Quarter and half year ended 30th September 2024.

Kindly take on your record.

**Thanking you
For, Shilchar Technologies Limited**

**Mauli Mehta
Company Secretary & Compliance officer**

Encl: As above



Shilchar Technologies Limited

The Power of **Performance**



Q2 & H1FY25
October 2024

BSE: 531201
Bloomberg: SCTE-IN



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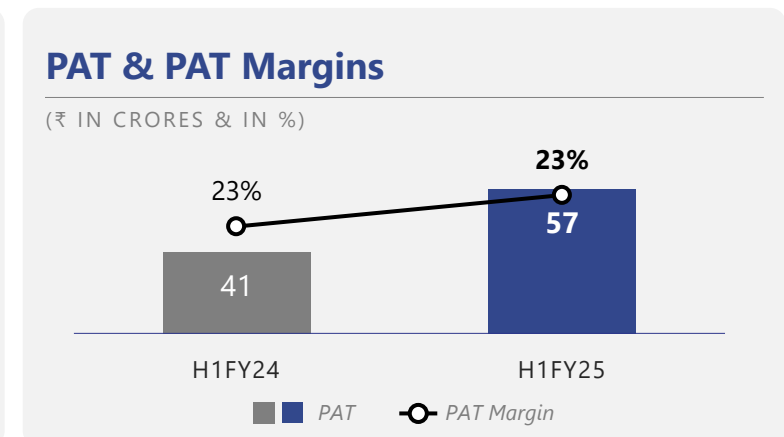
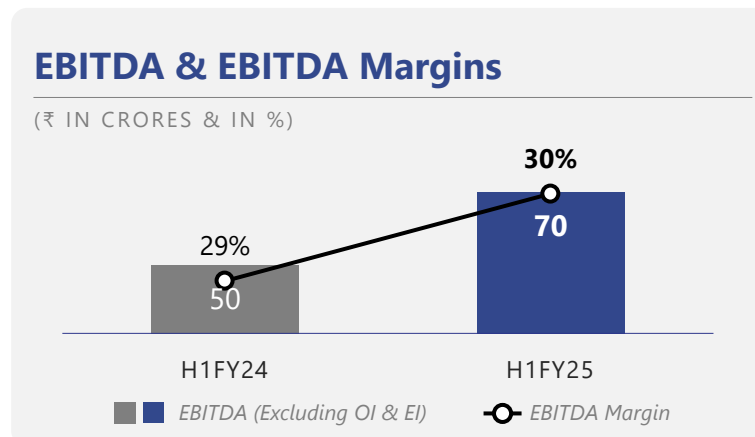
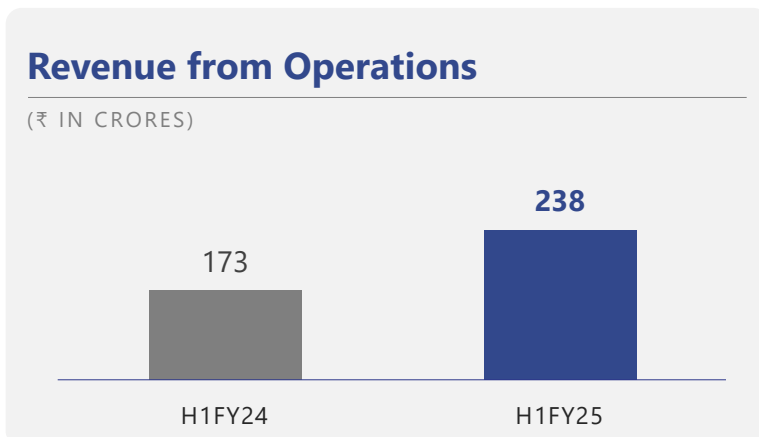
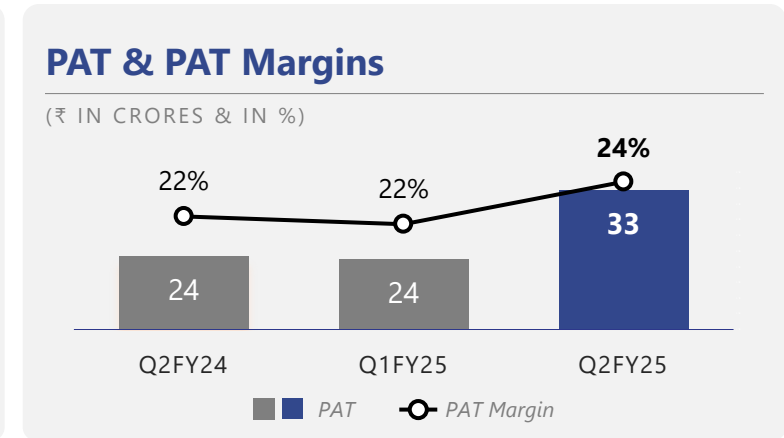
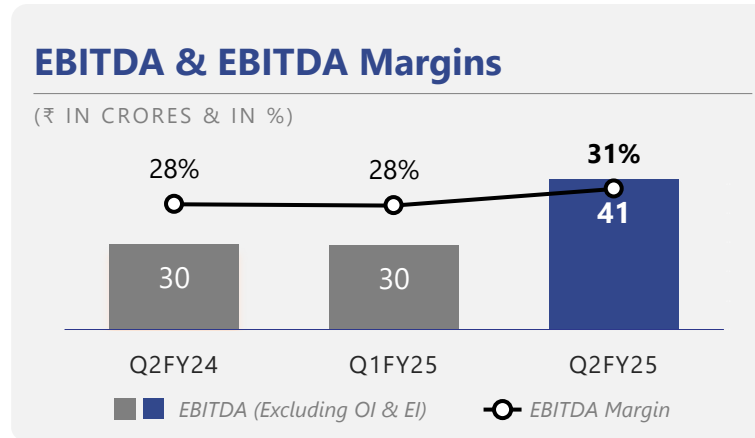
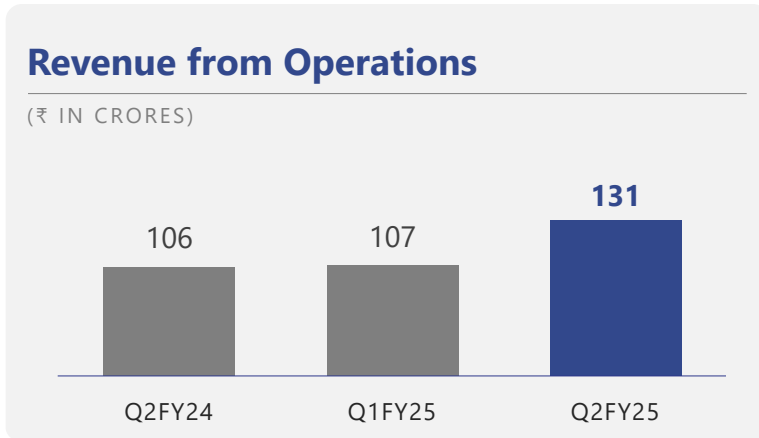
Quarterly Performance

SHILCHAR TECHNOLOGIES LIMITED
INVESTOR PRESENTATION 2024

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Management Commentary	06



Q2 & H1FY25 Performance Highlights



Q2 & H1FY25 Income Statement

(₹ IN CRORES)

PARTICULARS	Q2FY24	Q1FY25	Q2FY25	YoY Change (%)	H1FY24	H1FY25	YoY Change (%)
Revenue from Operations	106.27	106.99	130.56	23%	173.49	237.55	37%
Total Income	109.90	110.38	134.34	22%	179.69	244.72	36%
Operating Expenses	76.59	77.49	89.63	17%	123.90	167.13	35%
EBITDA (Excluding OI & EI)	29.68	29.50	40.93	38%	49.59	70.42	42%
EBITDA %	27.9%	27.6%	31.3%	+342 BPS	28.6%	29.6%	+106 BPS
Finance Cost	0.07	0.08	0.11	63%	0.13	0.19	53%
Depreciation & Ammortization	0.64	0.69	0.79	23%	1.30	1.48	14%
PBT	32.60	32.11	43.81	34%	54.37	75.92	40%
PAT	24.40	23.98	32.73	34%	40.78	56.71	39%
EPS (₹)	31.99	31.44	42.92	34%	53.46	74.36	39%

Management Commentary

Alay J. Shah

CHAIRMAN & MANAGING DIRECTOR

“ Following up on the performance of Q1, we are pleased to report a robust performance in Q2 as well, with demand remaining buoyant across key market segments.

With the commercialization of our new capacity in August 2024, we experienced an increase in production during September. This ramp-up has significantly contributed to both YOY and QOQ growth in Q2, reflecting our ability to meet growing market demand effectively.

The increase in our top line has facilitated positive operating leverage, resulting in improved operating margins and higher profitability growth. This financial strength positions us well to capitalize on future opportunities as well.

Looking ahead, the results of incremental capacity will be seen in H2FY25, and we are fully geared to make the most of it as capacity utilization rates increase each quarter.

We are actively onboarding & training new talent to align with our expanded operations. Streamlining production processes at the new plant is a priority as we ramp up production, ensuring efficiency across our manufacturing operations.

We remain committed to achieving our target of ~₹550 Cr for FY25 and are poised to fully utilize the incremental capacity by FY26. As we assess further investments in our plants, we will keep our investors apprised about any material developments at the appropriate time.

Our current business pipeline reflects strong domestic and export enquiries across various applications, including our established strongholds. We aim to maintain a balanced revenue mix between domestic and export markets for the upcoming financial year as well.



Company Overview

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Shilchar Technologies at a Glance



Premier Brand

OF POWER & DISTRIBUTION
TRANSFORMER SINCE LAST
4 DECADES

PRODUCTION CAPACITY OF
4,000 MVA RECENTLY
EXPANDED TO
7,500 MVA

EXPORTED TRANSFORMERS
TO OVER
25+ Countries
ACROSS 5 CONTINENTS

Debt-Free

BALANCE SHEET WITH
SUBSTANTIAL CASH RESERVES

SPECIALIZES IN CUSTOM-
MADE TRANSFORMERS FOR
**Renewables &
Industrial**
APPLICATIONS

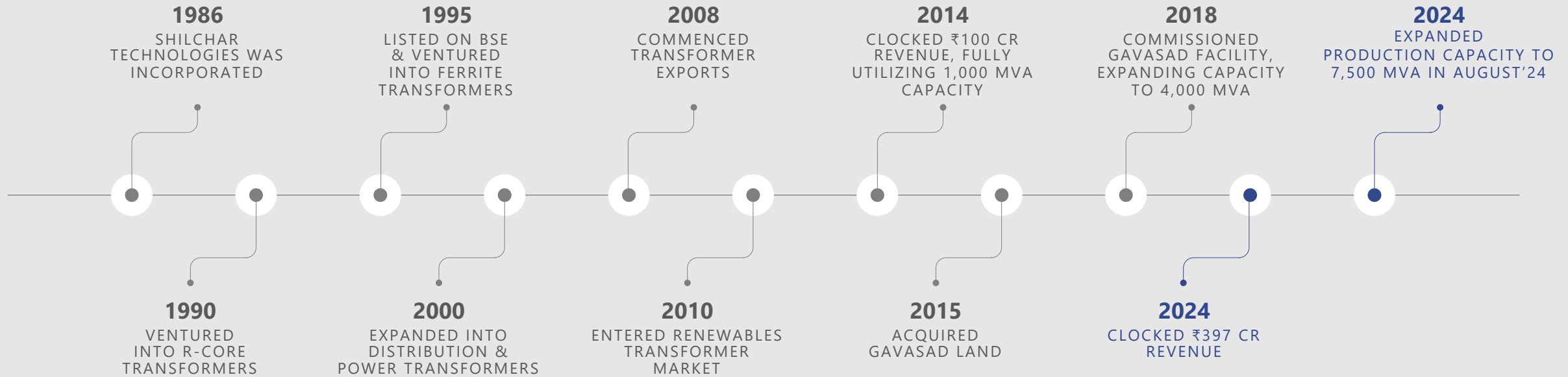
FOCUSED ON
TRANSFORMERS UP TO
50 MVA & 132 KV
CLASS

FLAGSHIP GAVASAD
FACILITY LOCATED ON
AN EXPANSIVE
17 Acres Plot

Industry-Leading

PROFITABILITY & CAPITAL
RETURN RATIOS

Key Milestones



~24 years
OF EXPERTISE IN POWER & DISTRIBUTION TRANSFORMERS

~17 years
OF EXPERIENCE IN TRANSFORMER EXPORTS

~15 years
OF SPECIALIZATION IN RENEWABLES TRANSFORMERS

Our Facilities

SHILCHAR'S FLAGSHIP FACILITY IS IN GAVASAD, VADODARA

OLD FACILITY LOCATED IN BIL, VADODARA

ALL OPERATIONS FROM BIL SHIFTED TO GAVASAD AFTER RECENT EXPANSION

ANNUAL CAPACITY POST-EXPANSION IS 7,500 MVA

SITUATED ON A 17-ACRE LAND PARCEL, WITH 2/3RD LAND AVAILABLE FOR FUTURE EXPANSION

TOTAL BUILT-UP AREA OF 1.6 LAKH SQ.FT. POST RECENT EXPANSION

EMPLOYS OVER 450+ PEOPLE

Certifications



Manufacturing Philosophy

Specialising in design & ideation of quality transformers as per customer specifications

Made-to-order approach over stock-and-sell

Possesses strong in-house design and engineering capabilities

Utilizes domestic supply chain with an assembly mindset; outsources lower value-add components

Prioritizes quick order fulfilment and turnaround time

State-of-Art Infrastructure

2 Production Shops

One each for 5 MVA, 33 KV class & 50 MVA, 132 KV class



Dust-free Environment

Featuring positive air pressure using HVAC system & epoxy flooring across the plant



State-of-art Testing Laboratory

NABL accredited testing lab with advanced equipment's



Dedicated Winding Shop



Automatic Foil Winding Technology

PLC based fully automatic foil winding machines along with automatic argon gas based brazing facility



Warehouse

Material storage facility with traceability, identification, and integrated with SAP ERP.



Quality Assurance

3 Testing Laboratories for Simultaneous Testing

Equipped with automatic testing panels



In-house Impulse Generator

With chopping up to 900 KVP/90 KJ

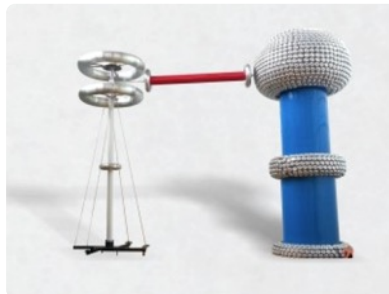


NABL Accredited Lab



Automatic High Voltage Tester

Up to 300 KV/1 Amp



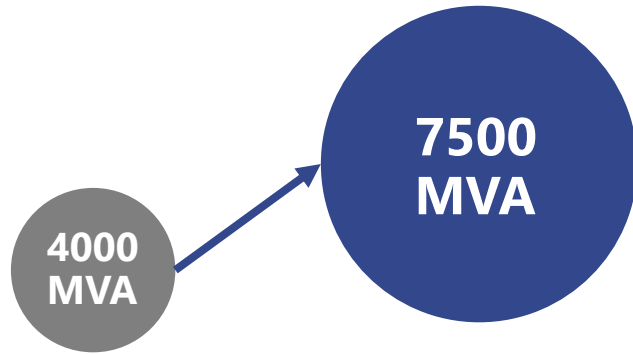
Partial Discharge Free Testing Lab

Suitable for up to 132 KV class transformer



Capacity Expansion

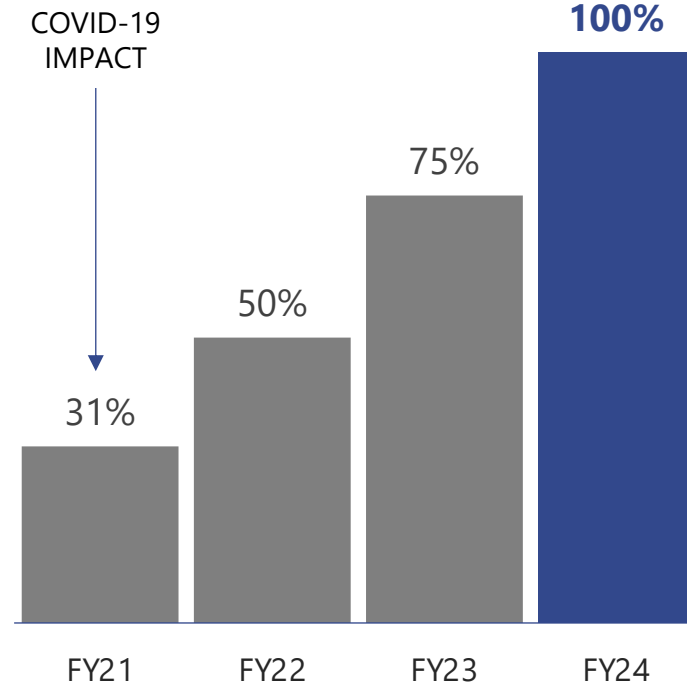
Recent capacity expansion



- New capacity operational from August 2024
- Sufficient land parcel for potential 4X capacity increase from 7,500 MVA
- Brownfield expansions enable faster project execution based on industry demand

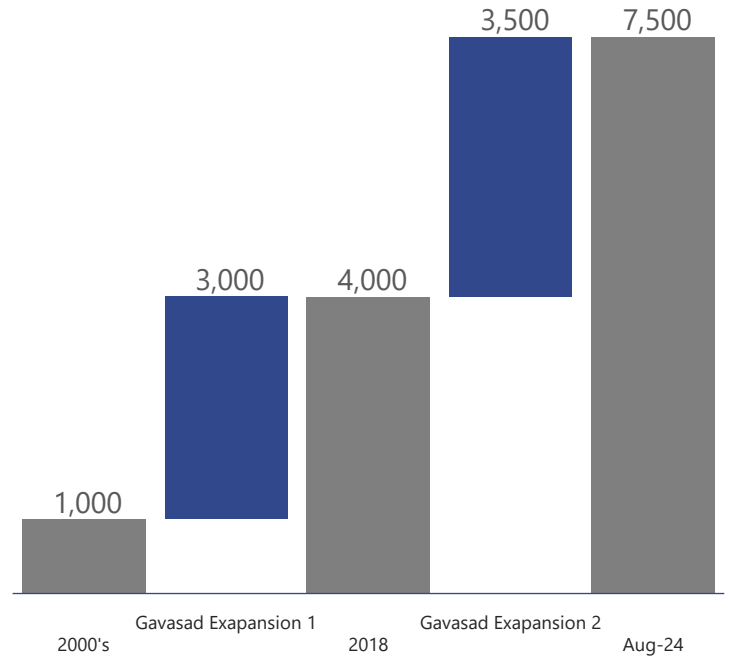
Capacity Utilisation

(IN %)

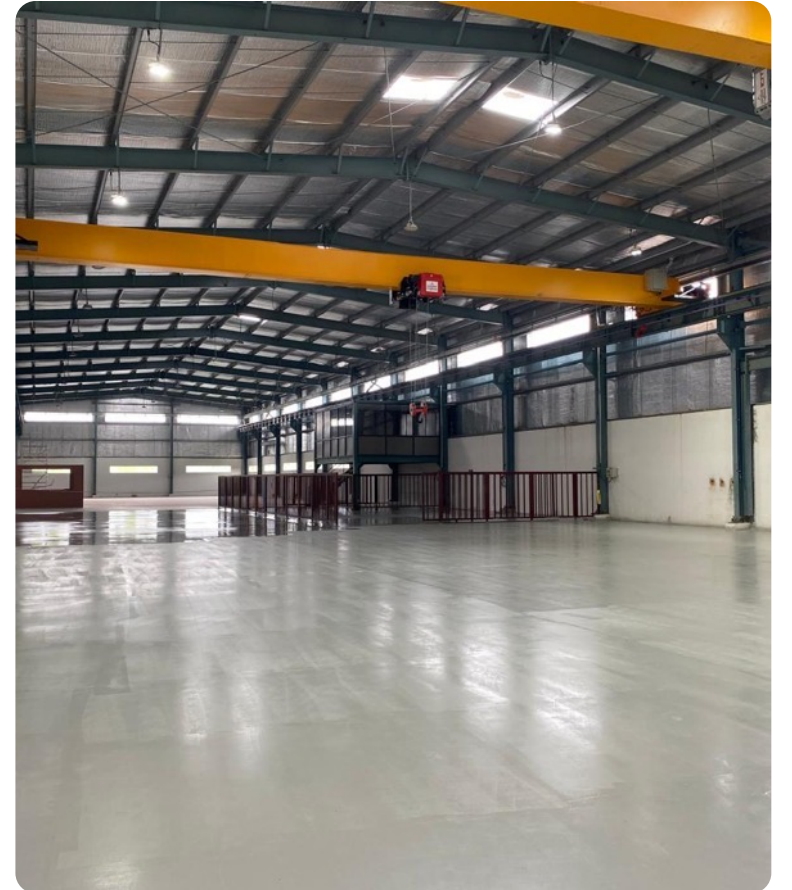


Capacity expansions over the years

(IN MVA)



New Plant Building



Generational Talent

Alay J. Shah

CHAIRMAN & MANAGING DIRECTOR

- **Qualifications**

Bachelor of Science in Electronics Engineering Technology

- **Experience**

35 years

- **Roles & Responsibilities**

Design, Production, Finance, and Marketing

Aashay A. Shah

EXECUTIVE DIRECTOR

- **Qualifications**

Bachelor of Science in Electrical Engineering from University of Illinois, Urbana-Champaign, USA and Masters in Business Administration from Cass Business School, London, UK

- **Experience**

8 years

- **Roles & Responsibilities**

Marketing, Production, Procurement and Design

Aatman A. Shah

MANAGER OPERATIONS

- **Qualifications**

Bachelor of Science in Mechanical Engineering from University of Illinois, Urbana-Champaign, USA

- **Experience**

5 years

- **Roles & Responsibilities**

Marketing, Production, Procurement and Design

Diversified Product Profile

Power Transformers



Used at the point of power generation

Up to
66 KV
class

Distribution Transformers



Use in power distribution networks

Up to
33 KV
class

Inverter Duty Transformers – Solar



Used in solar power projects along with inverters

Up to
33 KV
class

Generator Transformers - Wind



Used in wind power projects along with windmill generator

Up to
33 KV
class

Hydro Transformers



Used in hydro power projects along with turbine

Up to
132 KV
class

Furnace Transformers



Used in steel plants for powering the furnace

Up to
33 KV
class

Diversified Applications



Global Footprint



1

AMERICA

- USA
- Chile
- Canada

2

EUROPE

- Iceland
- Slovenia
- Romania

3

MIDDLE EAST

- Kuwait
- Saudi Arabia
- Oman
- UAE
- Yemen
- Iraq

4

AFRICA

- Egypt
- Togo
- Uganda
- Namibia
- Ecuador
- Nigeria
- Burkina Faso
- Kenya
- Botswana

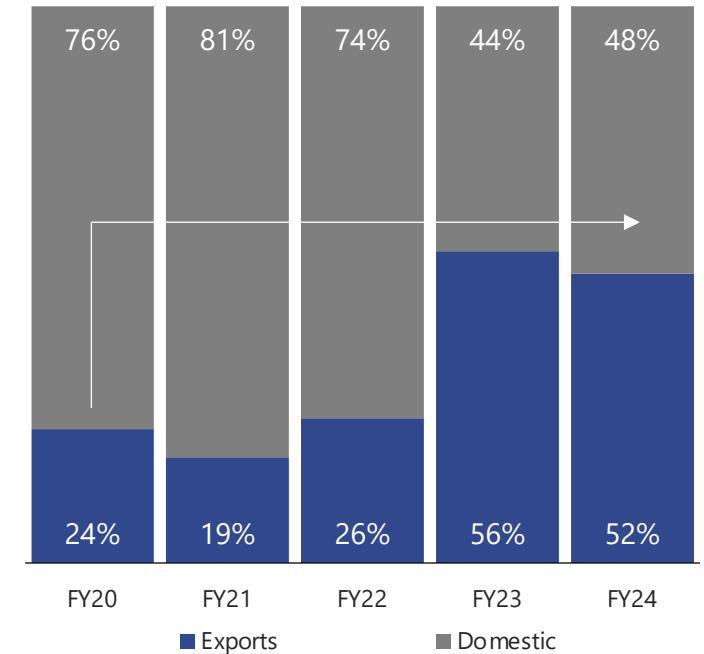
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ASIA

- Vietnam
- Malaysia
- Indonesia
- Bangladesh

Meaningful Export-Mix

(IN %)



~17 years

OF EXPERIENCE IN TRANSFORMER EXPORTS

25+

INTERNATIONAL MARKETS

5

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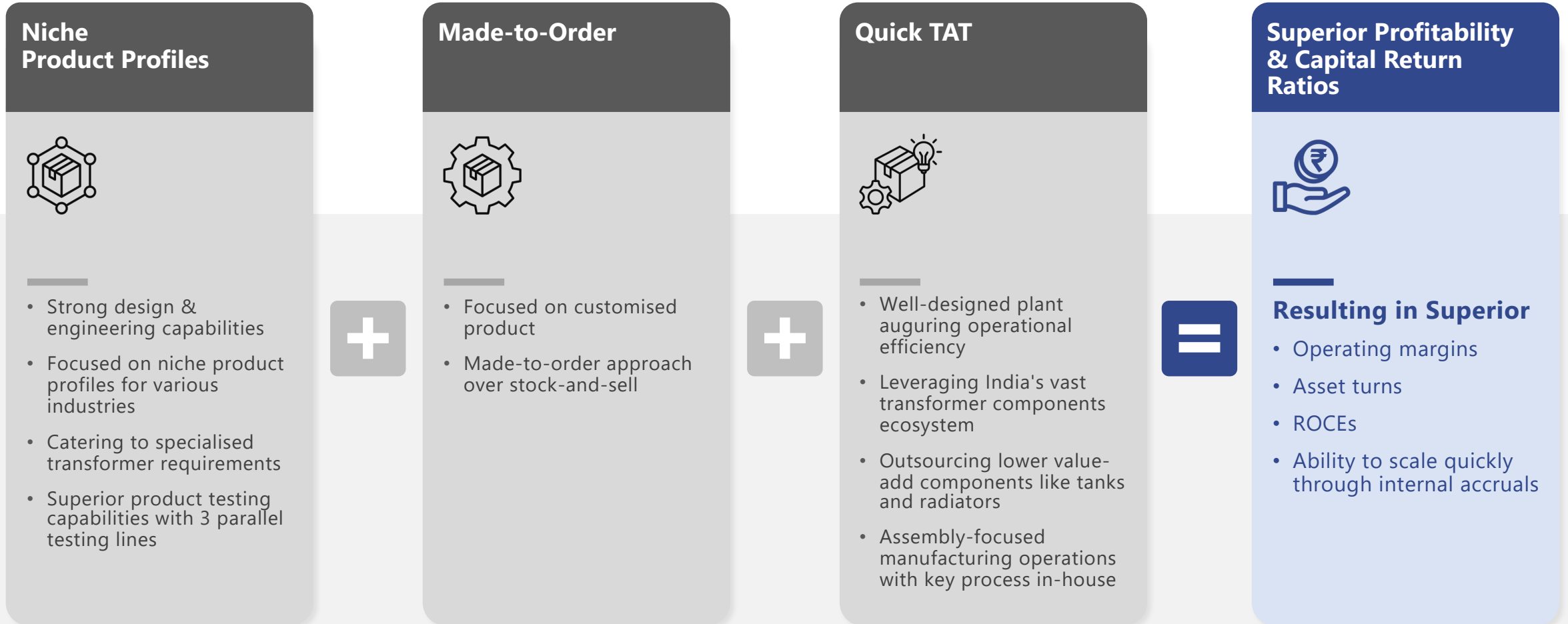


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Business Model Positioning



Competitive Strengths



Mass Customization



Ability to deliver custom-solutions at scale

Robust Capital Structure



Debt-free balance sheet & surplus cash reserves to finance growth initiatives



Catering to emerging opportunities & growing industry segments

Diversified Across Various



Customers, applications, geographical markets

Entry Barriers for Niche Products



Trust earned over decades of performance

Demand Drivers



Growing Global Electricity Demand



Energy transition to renewables with utility-scale build-out



Continued thrust towards conventional energy, especially in emerging economies like India



Investments in ageing grid infrastructure worldwide, especially in the US & EU



Global transformer supply shortage creating significant export opportunities



Private sector CAPEX in traditional sectors (steel, cement) and new-age sectors (data centres, captive green energy)

Business Outlook

1

New capacity has become operational in **August 2024**

2

New capacity utilization has begun, results to be seen from **H2FY25**

3

Geared for further CAPEX if industry scenario remains buoyant

4

Order pipeline for FY25 – **₹550 Cr**

5

Robust order inquiries from domestic & export clients

6

Conductive macro-environment

- Significant investments in grid & T&D
- Significant investments in power generation: convention & renewables
- Global transformer demand surge & limited supply
- Quality transformer supplier can command better pricing





Financial Performance

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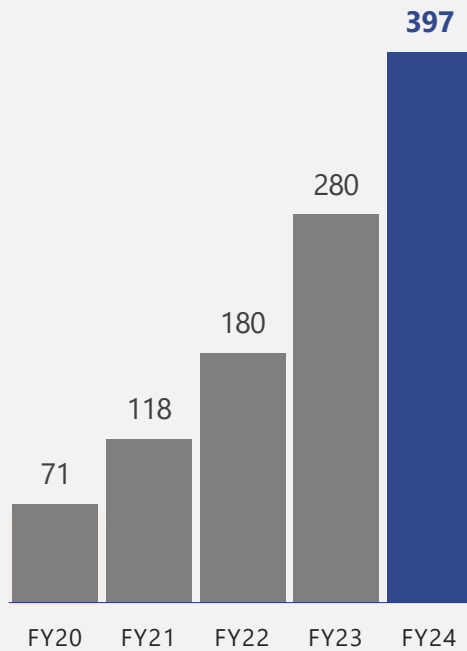


5 Year Summary

Revenue from Operations

(₹ IN CRORES)

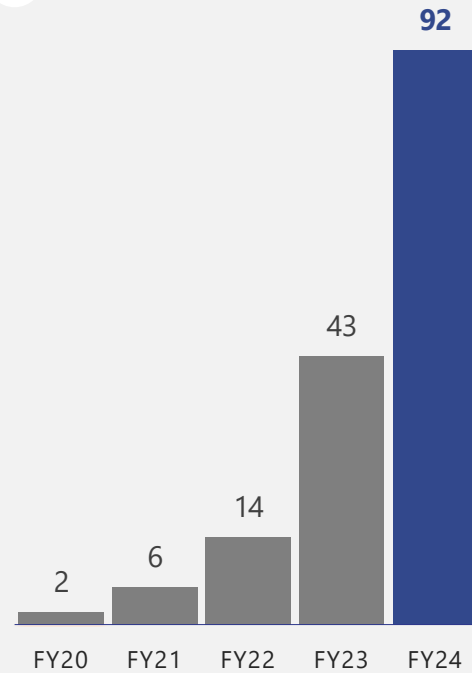
↑ **54%** CAGR GROWTH



Profit After Tax

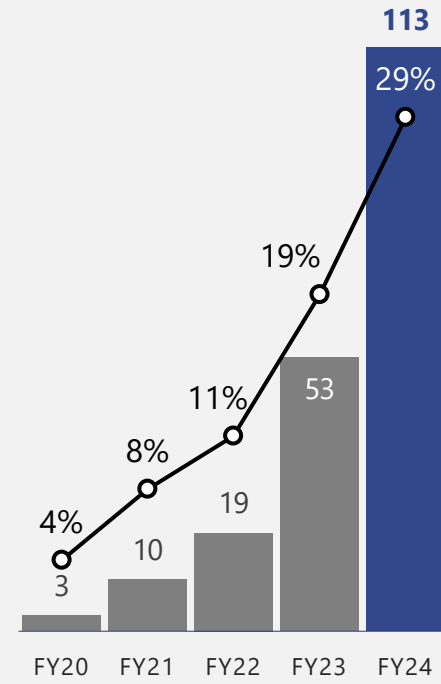
(₹ IN CRORES)

↑ **180%** CAGR GROWTH



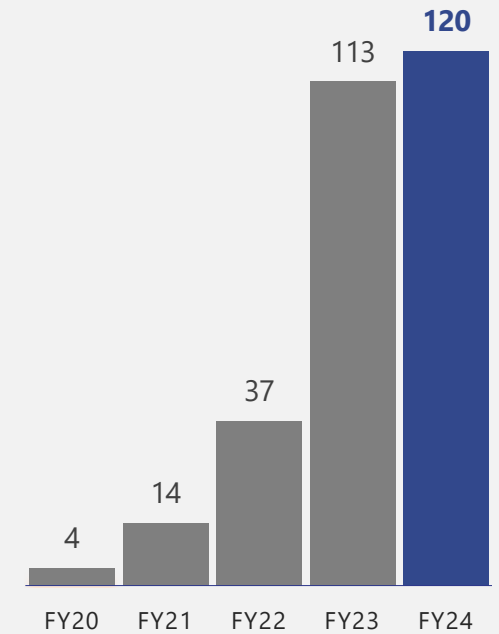
EBITDA & EBITDA Margins

(₹ IN CRORES & IN %)



EPS

(IN ₹)

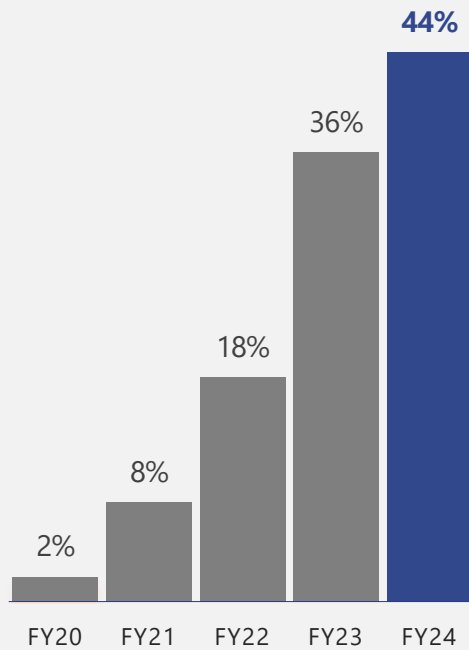


■ EBITDA (Excluding OI & EI) ○ EBITDA Margin

Key Performance Indicators

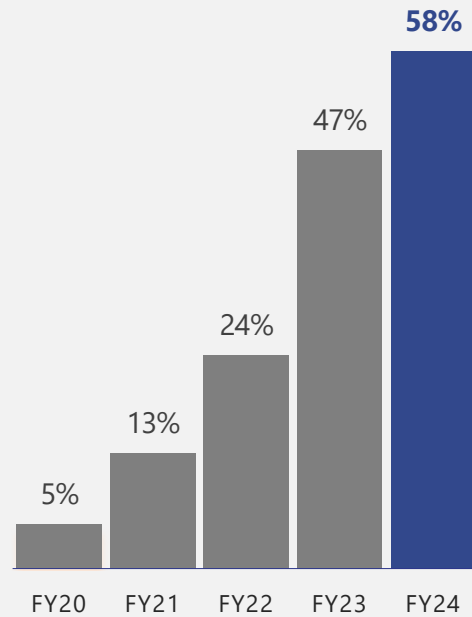
ROE

(IN %)



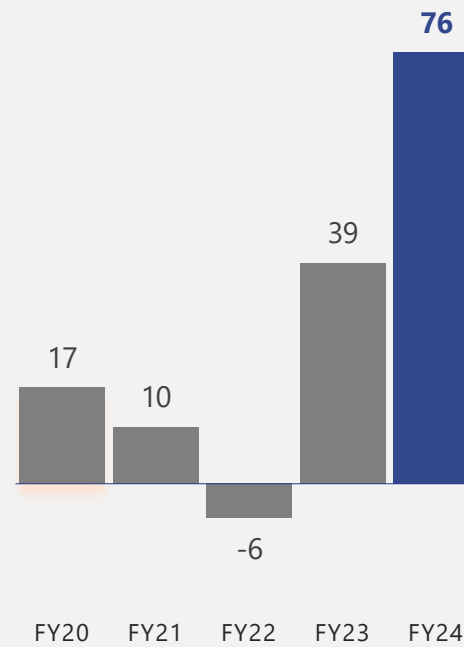
ROCE

(IN %)



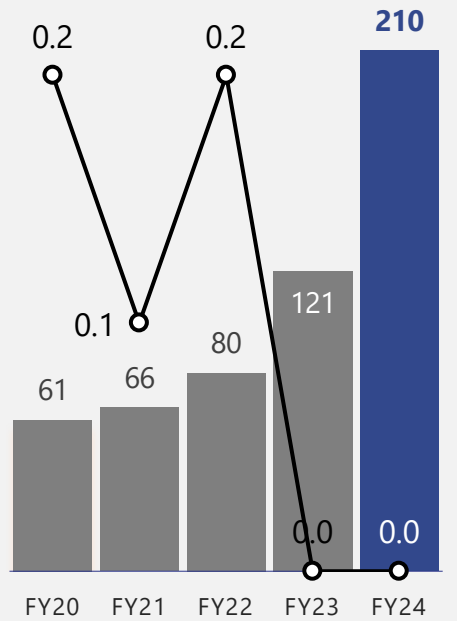
Cash From Operating Activities

(₹ IN CRORES)



Equity & Debt to Equity

(₹ IN CRORES & TIMES)



■ Equity

○ Debt to Equity

Profit and Loss Summary

(₹ IN CRORES)

PARTICULARS	FY20	FY21	FY22	FY23	FY24
Revenue from Operations	71.28	117.81	180.18	280.24	396.88
Total Income	74.27	120.21	183.54	288.32	409.71
Operating Expenses	68.23	108.30	160.77	227.16	283.58
EBITDA (Excluding OI & EI)	3.05	9.51	19.42	53.08	113.30
EBITDA %	4.3%	8.1%	10.8%	18.9%	28.5%
Finance Cost	1.46	2.16	1.07	0.60	0.21
Depreciation & Ammortization	2.59	2.51	2.58	2.40	2.60
PBT	1.99	7.23	19.12	58.16	123.32
PAT	1.50	5.57	14.01	43.12	91.89
EPS (₹)	3.93	14.48	36.82	113.08	120.48

CAGR (FY20-24)

54%

Revenue

147%

EBITDA

180%

Profit After Tax

Balance Sheet Summary

(₹ IN CRORES)

PARTICULARS	FY20	FY21	FY22	FY23	FY24
Shareholders' Funds	61.15	66.34	79.77	121.44	209.59
Non-Current Liabilities	11.29	7.93	3.24	3.23	3.33
Long Term Borrowings	8.58	5.28	2.51	0.00	0.00
Current Liabilities	32.60	32.89	60.46	53.09	79.57
Short Term Borrowings	3.26	2.87	14.52	0.00	0.00
Trade Payables	22.63	27.99	35.68	36.30	54.91
Total Equity and Liabilities	102.56	107.15	145.98	177.77	292.48
Non-Current Assets	41.63	39.51	39.62	42.06	48.53
Tangible Assets	38.42	36.49	35.14	38.18	39.95
CWIP	0.00	0.00	0.05	0.06	4.53
Current Assets	60.93	67.64	106.36	135.71	243.95
Inventories	21.22	27.21	31.53	23.12	59.56
Trade Receivables	32.63	30.88	69.00	92.11	93.62
Cash & Bank Balances	1.87	1.98	0.89	9.28	60.16
Total Assets	102.56	107.15	145.98	177.77	292.48

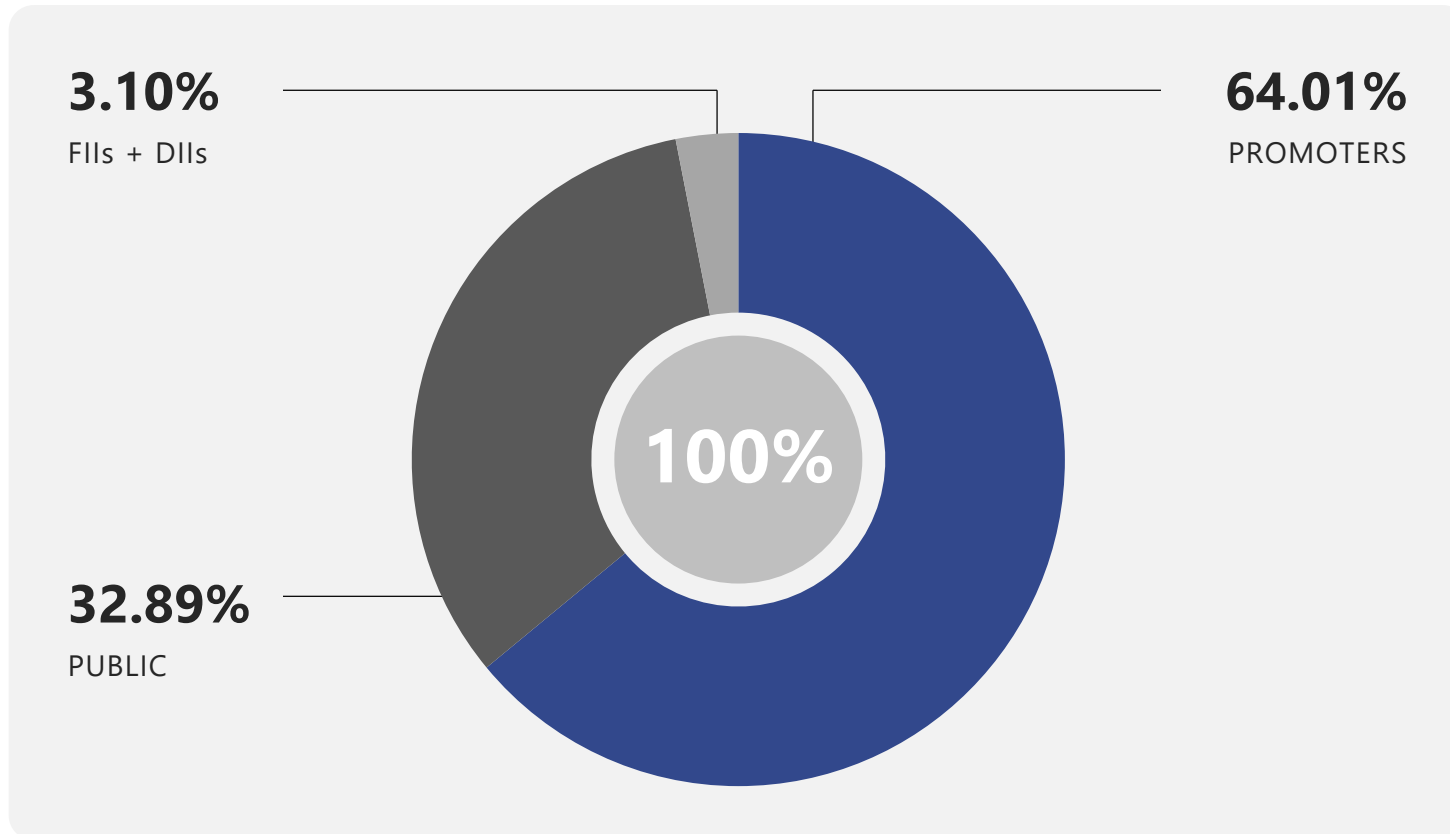
Cash Flow Summary

(₹ IN CRORES)

PARTICULARS	FY20	FY21	FY22	FY23	FY24
Cash from Operating Activities	17.14	10.37	(6.45)	39.22	76.48
Cash from Investing Activities	(2.61)	(1.26)	(0.87)	(12.10)	(22.63)
Cash from Financing Activities	(16.79)	(9.64)	6.06	(18.59)	(28.99)
Net Cash Flow	(2.26)	(0.52)	(1.25)	8.54	24.86
Cash at the Beginning of Year	3.54	1.83	1.31	0.06	8.60
Cash at the End of Year	1.28	1.31	0.06	8.60	33.46

Capital Markets Overview

Shareholding Pattern



Shareholding data as of 30th September 2024

CURRENT MARKET PRICE	₹6,993
52 WEEK HIGH/LOW	₹7,757 / ₹2,211
MARKET CAPITALIZATION	₹5,333 Crore
SHARES OUTSTANDING	0.76 Crore
BSE SCRIP CODE	531201

Market price data as of 24th October 2024

For More Information

Contact Us

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