



8<sup>th</sup> May, 2023

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, NSE Building,  
Bandra Kurla Complex,  
Bandra East, Mumbai-400051

**Trading Symbol: SERVOTECH**

**Sub.: Shareholders Letter on the Audited Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2023**

Dear Sir/Madam,

In accordance with the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Shareholders Letter on the Audited Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2023.

The Shareholders Letter is also available on the website of the Company i.e. [www.servotech.in](http://www.servotech.in).

Kindly take the above information on record and oblige.

Thanking You,

**FOR SERVOTECH POWER SYSTEMS LIMITED**

**PRIYA PANDEY**  
**COMPANY SECRETARY**  
ICSI MEMBERSHIP NO.: A35815

**Servotech Power Systems Limited**

CIN : L31200DL2004PLC129379  
REGISTERED OFFICE: 806, 8<sup>th</sup> Floor, Crown Heights, Hotel Crown Plaza, Sector-10, Rohini, New Delhi -110085  
PLANT AND R&D : 76A, Sector-57, Kundli Industrial Area, Sonapat, Haryana-131028  
Tel No : 011-41183117, • Sales: +91 9717691800, • Email : [servotech@servotechindia.com](mailto:servotech@servotechindia.com) , • Website:  
[www.servotech.in](http://www.servotech.in)

# Earnings Release & Share Holders' Letter

Q4 FY23 | MAY 06, 2023



## In This Report, We Cover

1. Who are we?
2. Segmental Revenue
3. Our Strengths
4. What Next?
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# Who are we?

- Servotech Power Systems Ltd. (SPSL) has emerged as a pioneer in developing out-of-the-box solutions by integrating technology and innovation
  - It is engaged in end-to-end manufacturing, procurement and distribution of a range of high-end advanced solar products
  - The company has established a strong foothold in electric vehicle charging solutions space and aims to contribute increasingly to the country's transition towards the widespread adoption of electric vehicles
  - Additionally, SPSL is also engaged in the manufacturing & selling of LED, UVC, and medical-grade products in India
- SPSL has a state-of-the-art manufacturing facility spanning over 55,000 sq. ft. in Haryana, backed by an R&D center that features cutting-edge technology solutions
- Strong supply chain network with connections in over 600+ cities and presence across 21+ Indian States
- The company has two subsidiaries:
  - Rebreathe Medical Devices India Pvt. Ltd. (95.0% Holding) engaged in making Life-Critical Medical Equipment Accessible
  - Techbec Industries Limited (63.5%) engaged in manufacturing Li-Ion, Tubular Battery, and Energy Storage Solutions
- SPSL has earned a reputation for providing high-quality and reliable power solutions to a variety of industries

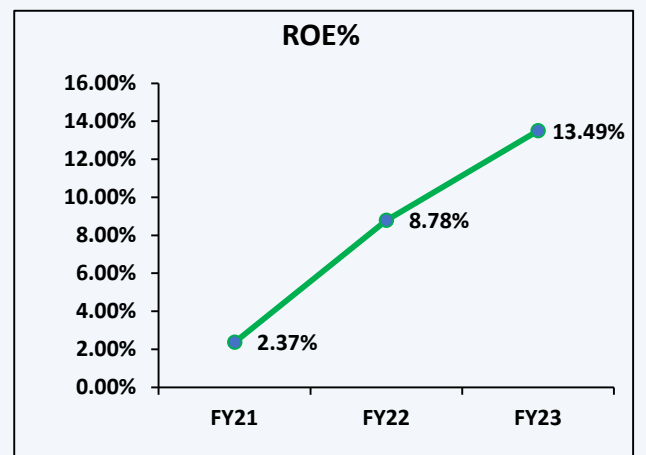
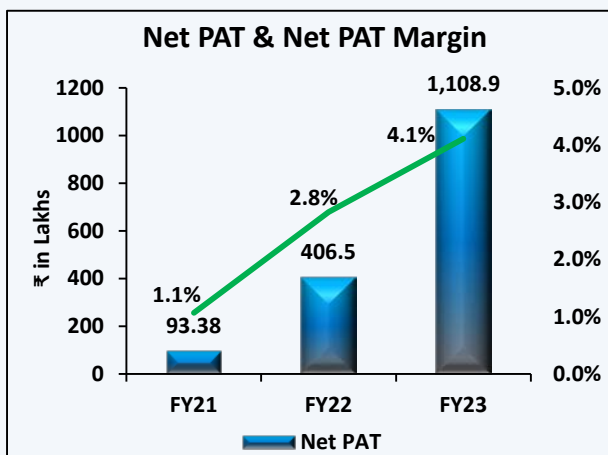
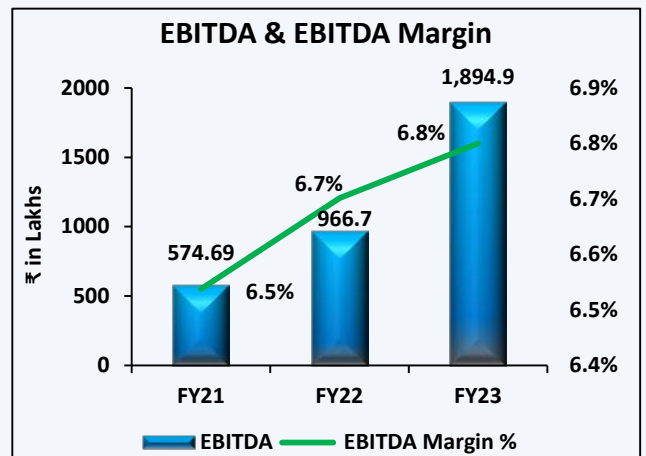
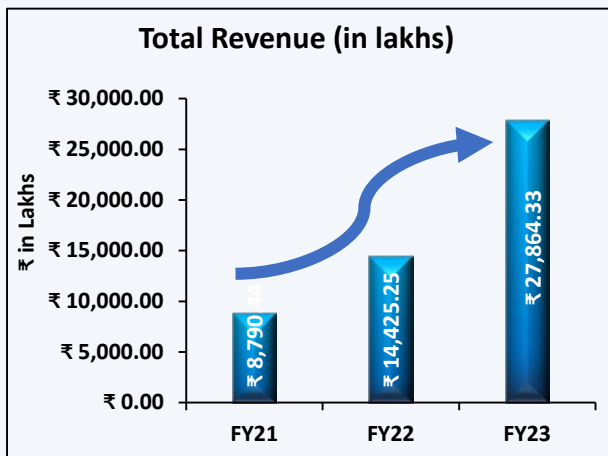
# Our Strength

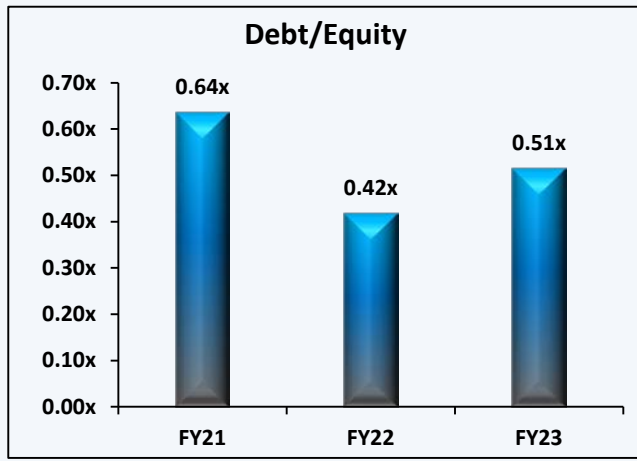
- A first mover advantage in implementation of EV charging infrastructure as reflected by a strong and growing major market share owing to continued patronage from its esteemed clients like BPCL, Nyara and other OMC's.
- A team of skilled designers and engineers, bringing their expertise and knowledge to develop high quality green energy solutions
- Successfully implemented over 15 MW of solar power plants in various locations throughout India
  - Solarised more than 1,00,000 homes in different states by installing Solar Home lighting Systems
- Serving marquee clients like IOC, BPCL, GAIL, Indian Railways, Ministry of electronics & information technology, Government of India and others

# What next?

- Further expansion plans in lithium-ion and tubular battery segment
- Aims to install 50k fast DC chargers in 2-3 years
- Broadening its network of distribution channels across India, reaching more customers in various regions
- Participating in international exhibitions and events to showcase its capabilities to contribute to emerging alternative energy trends
- Partnered with Dubai based, Al-Ansari Motors LLC to provide electric vehicles charging solutions to the Middle Eastern and African markets
- Strong Pipeline of organic growth projects as well as inorganic growth opportunities

## Key Performing Metrics





# Financial Performance

## Consolidated Income Statement

Particulars (₹ in lakhs)	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	FY23	FY22	YoY%
Revenue from operations	11,530.7	5,106.4	125.8%	8327.4	26,957.0	14,367.4	87.6%
Other income	467.5	4.2		308.3	907.3	57.9	
<b>Total revenue</b>	<b>11,998.2</b>	<b>5,110.6</b>	134.8%	<b>8635.7</b>	<b>27,864.3</b>	<b>14,425.3</b>	93.2%
Total Expenses excluding Depreciation, Amortization & Finance Cost	11,094.2	4,824.5		8023.6	25,969.5	13,458.5	
<b>EBITDA</b>	<b>903.9</b>	<b>286.1</b>	216.0%	<b>612.1</b>	<b>1,894.9</b>	<b>966.7</b>	96.0%
<b>EBITDA Margin %</b>	<b>7.5%</b>	<b>5.6%</b>	1.94%	<b>7.1%</b>	<b>6.8%</b>	<b>6.7%</b>	
Depreciation & Amortization	58.8	51.5		38.1	212.9	157.8	
Finance Cost	72.5	53.0		54.8	238.3	244.9	
<b>PBT before exceptional items</b>	<b>772.7</b>	<b>181.6</b>		<b>519.2</b>	<b>1,443.7</b>	<b>564.0</b>	
Exceptional Items	0.0	5.1		0.0	0.0	5.1	
<b>PBT</b>	<b>772.7</b>	<b>176.5</b>		<b>519.2</b>	<b>1,443.7</b>	<b>559.0</b>	
Tax Expense	167.2	45.9		131.8	337.2	153.2	
<b>PAT</b>	<b>605.5</b>	<b>130.7</b>	363.4%	<b>387.4</b>	<b>1,106.5</b>	<b>405.8</b>	172.7%
Other comprehensive income	1.8	0.8		0.0	2.4	0.8	
<b>Net PAT</b>	<b>607.3</b>	<b>131.4</b>		<b>387.4</b>	<b>1,108.9</b>	<b>406.5</b>	
<b>Net PAT Margin %</b>	<b>5.1%</b>	<b>2.6%</b>		<b>4.7%</b>	<b>4.1%</b>	<b>2.8%</b>	
Diluted EPS	0.6	0.7		0.4	1.1	0.4	

\*EBITDA includes other income

# Balance Sheet As on

Particulars (₹ in Mn)	FY23	FY22
<b>Assets</b>		
Property, Plant and Equipment	1,979.5	925.4
Other Intangible Assets	15.6	35.3
Capital Work In progress	2.0	0.0
Intangible Assets under Development	49.0	0.0
Investment Property	218.9	218.9
Other Financial Assets	0.1	0.0
Deferred Tax Assets (net)	21.0	0.8
Other-Non Current Assets	1,140.1	1,418.5
Trade Receivables	440.9	813.4
<b>Non-Current Assets</b>	<b>3,867.1</b>	<b>3,412.3</b>
Inventories	2,085.7	1,377.6
Trade Receivables	8,556.1	2,765.5
Cash & Cash Equivalents	1,194.9	13.9
Other bank balances	430.3	781.7
Other Financial Assets	92.0	0.0
Other Current Assets	448.2	589.2
<b>Current Assets</b>	<b>12,807.2</b>	<b>5,527.8</b>
<b>Total Assets</b>	<b>16,674.3</b>	<b>8,940.1</b>

Shareholders Fund	FY23	FY22
<b>Equity &amp; Liabilities</b>		
Equity Share Capital	2,126.5	1,866.5
Other Equity	6,090.7	2,761.2
<b>Shareholders Fund</b>	<b>8,217.2</b>	<b>4,627.8</b>
Borrowings	751.9	648.5
Other Financial Liabilities	0.0	0.0
Other Non-Current Liabilities	126.9	215.2
Deferred Tax Liabilities	0.0	0.0
Provisions	69.0	36.6
Trade Payables	7.4	233.5
<b>Non-Current Liabilities</b>	<b>955.2</b>	<b>1,133.8</b>
Borrowings	3,478.5	1,272.0
Trade Payables	2,350.3	1,134.5
Other Financial Liabilities	448.0	0.0
Other Current liabilities	821.1	616.6
Provisions	404.0	155.4
<b>Current Liabilities</b>	<b>7,501.9</b>	<b>3,178.5</b>
<b>Total Equity and Liabilities</b>	<b>16,674.3</b>	<b>8,940.1</b>

## Business Update

- Entered into an agreement with Dubai based, Al-Ansari Motors LLC to provide electric vehicles charging solutions to the Middle Eastern and African markets
- The company declared and paid an Interim dividend of ₹0.20/share for FY23 and also approved stock split of ratio 1:5 with the record date as on 3<sup>rd</sup> Feb, 2023

## Management Commentary

Commenting on the performance of Q4 FY23, Mr. Raman Bhatia, the Managing Director of Servotech Power Systems Ltd. stated:

*“We are delighted to share our financial and business performance for Q4 & FY23. Our total revenue witnessed a stellar growth of 134.8% in Q4 & 93.2% in FY23 on YoY basis led by robust demand for our products in the Solar and EV space. EBITDA increased by 216.0% to Rs. 903.9 lakhs in Q4 FY23 and Rs. 1,894.9 lakhs in FY23, margins increased by 194 bps in Q4 FY23 on the back of increase in scale of operations led by improving efficiencies. Additionally, the increase in other expenses is attributable to our continued investment in increasing our scale of operations which will be reflected in sustainable topline and bottomline growth over upcoming quarters.*”

*As we strive towards promoting a greener and more sustainable future, we are pleased to announce that our latest tech enabled offerings in the Solar and EV space are being well-received in the market. Further, our state-of-the-art charging solutions are designed to deliver fast and efficient charging, while ensuring safety and reliability. We are proud to have contributed to the growth of the EV industry and will continue to innovate and improve our offerings.*

*In addition to our EV solutions, our solar products have also gained traction in the market. With a focus on sustainable and renewable energy, we have successfully implemented over 15 MW of solar power plants across India that are characterized by features such as ease of installation, cost-effectiveness, and reliability.*

*We would also like to highlight our recent involvement in a prominent exhibition focused on smart cities, automation, and IoT solutions in the country, where we had the opportunity to showcase our diverse range of technologically advanced solutions for embracing green energy technology throughout the nation.*

*Looking ahead, we see tremendous potential in the markets that we cater to, and we are well-positioned to take advantage of the growth opportunities as reflected in our strong pipeline of orders.”*

## **Management Outlook**

- Management expects the revenue to grow by 90%-110% for the year FY24, mainly on account of increased share in revenue from EV and Solar divisions
- EBITDA margin for FY24 to remain in the corridor of 9.0%-11.0%

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### **Disclaimer**

*Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Servotech Power Systems Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance*

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