



Voltamp Transformers Limited

REF.: VTL/SEC/NSE-BSE/2024

02nd May, 2024

To,
NATIONAL STOCK EXCHANGE OF INDIA LTD
Listing Department "Exchange Plaza,"
Bandra –Kurla Complex,
Bandra (E),
Mumbai 400 051

Scrip Code: VOLTAMP EQ

Dear Sir,

Sub.: Press release

Please find enclosed Press Release issued by the Company in connection with the financial results for the quarter and year ended 31st March, 2024, announced today.

Kindly take this on your record and oblige us.

Thanking you,

Yours faithfully

For Voltamp Transformers Limited

SANKET KANUBHAI RATHOD
Digitally signed by SANKET KANUBHAI RATHOD
Date: 2024.05.02 18:59:15 +05'30'

Sanket Rathod
Company Secretary & Compliance Officer

Encl: As above

Regd. Office & Works: Makarpura, Vaddara-3900 14, Gujarat, India **Phone :** + 91 265 6 141403-480, 3041403-480, +91 8 128675078 , 8128675080
Fax : + 91 - 265 6141499 , 304 1499 **Email :** voltamp@voltamptransformers.com **Web :** www.voltamptransformers.com **CIN :** L31100GJ1967PLC001437

Branches:

Ahmedabad / Bangalore / Bhubaneshwar / Chandigarh / Chennai / Coimbatore / Guwahati / Jaipur / Jamshedpur / Kolkata / Mumbai / Nagpur / New Delhi / Pune / Secunderabad



VOLTAMP TRANSFORMERS LIMITED

COMMENTS ON WORKING RESULTS AND BUSINESS SCENARIO

1) SALES & SERVICES REVENUE :

Date : 02.05.2024

(Rs. In Crores)

Sr. No.	Particulars	Q4 FY: 24	Q4 FY: 23	% age increase / (decrease)	FY: 24	FY: 23	% age increase / (decrease)
I	Total Revenue from Operation (I+II)	504.16	439.86	15%	1616.22	1385.10	17%
II	Volume (MVA)	4105	3653	12%	13070	11883	10%

2) SUMMARISED FINANCIAL RESULTS :

Particulars	Q4 FY: 24	Q4 FY: 23	% age increase / (decrease)	FY :24*	FY :23	% age increase / (decrease)
Net Sales and Services Income	504.16	439.86	15%	1616.22	1385.10	17%
Other Income	23.24	10.83	115%	88.98	40.08	122%
Total Income	527.40	450.69	17%	1705.20	1425.18	20%
Net Profit before Tax	119.38	100.85	18%	397.88	260.36	53%
Less: Investment Income	22.39	9.61	133%	84.25*	35.76	136%
Operating Profit	96.99	91.24	6%	313.63*	224.60	40%
EBIDTA MARGIN	19.83%	21.10%	-6%	19.90%	16.67%	19%

* Investment Income and reported profit during the FY:2023-24 includes Rs.53.67 crores towards appreciation in value of investment being marked to market adjustment (Previous year : Rs. 17.08 crore), being book entry.

- The operating performance for the year under review was in line with the Company's business plan to improve revenue and volume. During the year, the Company delivered excellent performance with the ever highest sales revenue and profit in its vibrant history. Despite challenging macro-economic environment driven by volatile raw material price environment., the Company has reported its highest ever revenue,

EBIDTA and PAT with the highest return on capital employed @ 75.87% on business operations segment (excluding investments).

- Reflecting on the Company's stellar performance, the Board of Directors proposed payment of dividend of Rs.90 per equity share on face value of Rs.10 per share, the ever highest in its history entailing total payout of Rs.91.05 crores, representing 38.55% payout of after tax profit, adjusted for marked to market gain (being book entry).

3) **RETURN ON CAPITAL EMPLOYED :**

		FY: 2023-24 (Rs./Lakhs)	FY: 2022-23 (Rs./Lakhs)
I)	ON BUSINESS OPERATIONS:	75.87%	59.08%
a)	Profit Before Tax	31,414	22549
b)	Average Capital Employed in business	41402	38166
II)	ON INVESTMENT:	10.28%	5.58%
a)	Income from Investment	8425	3567
b)	Average Investment	81968	63944

4) *Break up of OTHER INCOME (Investment) of Rs. 84.25 crores for the year 2023-24:

	Rs. /crores
a) Interest Income (Tax Free Bond + Taxable Bond + FDRs)	20.86
b) Dividend Income (Mutual Fund + PMS)	0.01
c) Capital Gain (Short term + Long term) (Debt + Equity) Actual realised capital gain (with original acquisition cost: Rs. 15.69 crore)	9.71
d) Net Gain arising on Financial assets (designated as FVTPL) (Marked to Market adjustment) (BOOK ENTRY)	53.67

5) **INCREASE IN INVESEMENT INCOME:**

Treasury Team of the Company achieve with:

- Partial liquidation of past debt funds' investments having completed 3 years duration.
- Rise in interest income from the govt. securities having deployed larger corpus.
- Timely call on investing in long term debt funds, during the months of February and March 2024: yields have softened, resulted in increase in marked to market gain.
- Parking of short-term money (3-6) months in Arbitrage fund having tax efficiency.

6) **WORKING CAPITAL :**

Updated status of receivables, inventory, creditors and investments:

(Rs. in crores)						
Sr. No	Particulars	Mar:23	Jun-23	Sep-23	Dec-23	Mar:24
I	Receivables	226.42	95.55	206.53	146.55	238.75
II	Inventory	174.77	205.30	206.02	232.29	226.21
III	Investments	717.61	854.21	809.37	854.80	921.74
IV	Creditors	3.01	33.16	16.12	18.38	8.46

Inventory and receivables level are under control.

7) **Recasted Employee cost :**

Particulars	FY :24 (Rs. in crores)	FY :23 (Rs. in crores)
Employee Cost		
a) Under the head : Employee Benefit Expenses	53.86	40.13
b) Under the head : Other Expenses – Labour Charges	23.09	16.40
Total	76.95	56.53

8) **UPDATE ON OPERATIONS AND MARKET:**

- As the nation grapples with the dual challenges of meeting its burgeoning power demand and committing to a sustainable future, the power sector's dynamics are rapidly evolving. In the near to medium term, the outlook for the power sector in India is promising and transformative. The ongoing shift towards renewables should continue, with a focus on capacity addition. The Indian Power sector is slated for sustainable growth and will be one of the key sectors enabling the country's future development.
- The current economic environment across the world is marked by geopolitical uncertainty. From the rising interest rates to geopolitical conflicts including the Russia-Ukraine war, crises in the red sea region, and ongoing tensions between Israel -Palestine/ Iran may have impacts on the supply chain.
- The present Government seeking fresh mandate has pledged to transform India in to a global manufacturing hub with various initiatives like:
 - Expand domestic defence manufacturing, making India a electronics manufacturing hub by 2030, investing in nationwide EV charging infra etc.
 - Strengthening India's position as a "pharmacy of the world" by boosting manufacturing and research capacities of pharma sector.

- PM Mega Integrated Textile region and Apparel parks (PM MITRA), clusters setting up.
- Revamp PLI Scheme to push investment in select sectors to push export and make country Atmanirbhar.
- Solar power and National Green Hydrogen Mission.

If succeed with fresh clear mandate, the ruling party in their 3rd term will take forward all above policy initiatives which will facilitate investment in manufacturing and services sectors to create employment and this will lead to private investments gaining momentum from 2025 onwards. This will be further aided by huge infra spending expected from the central and state governments beginning 2025-26 onwards and further supported by planned monetisation of national assets.

- The Company expects current demand momentum to sustain in the mid term due to economic expansion, rise in Government and private capital expenditure. With commodities price rise and on-going election season, order closing tempo at present is bit slow. Enquiry pipeline continued to be healthy. As reported earlier, with increased competition realisation (margin) will get normalised going forward.
- Although factors on the demand front are holding up well, there are multiple cost headwinds. The geo-political situation may impact the supply-chain issues and costs related to logistics and freight.

9) **NEW FACTORY LAND:**

The Company has identified suitable land parcel to put up new power transformer factory near Jarod village on Vadodara – Halol road in Gujarat. Requisite permission / approval will be in place by end of June 2024. The new CAPEX will be funded from internal accruals.

10) **ORDER BOOK & REVENUE VISIBILITY:**

Order book during the FY: 2023-24 was Rs.1859 crores (15284 MVA), increase of 37% compare to previous year.

The Company is aiming for full utilisation of manufacturing capacity ensuring healthy growth of SALES & SERVICES revenue, in value and volume terms. The opening order book at 01st April, 2024 is Rs. 840.66 crores (7839 MVA). The Company will continue pursuing only profitable growth opportunities ensuring balance sheet health.