



May 30, 2023

**To**

**BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400001.**

**Scrip Code – 543597**

**Subject – Investors Presentation for the March 2023.**

**Dear Sir/Madam,**

**Ref: Update under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

With reference to the above captioned subject, we Virtuoso Optoelectronics Limited, hereby submits the Updated Investor Presentation for all our stakeholders of the company and public at large the Investor Presentation for the March 2023.

This aforesaid presentation will also be made available on the companies' Website.

We request you to kindly take the same on your records,

Thanking you,

Yours faithfully ,

For **Virtuoso Optoelectronics Limited**

**Hariom Kushawaha  
Company Secretary & Compliance Officer  
Mem. No. ACS 68173**



**VIRTUOSO** Optoelectronics Limited

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Email : [Info@voepl.com](mailto:Info@voepl.com)

Website : [www.voepl.com](http://www.voepl.com)

Tel Number: +91253 2309016 / 2309017

Company CIN No: U74999MH2015PLC268355

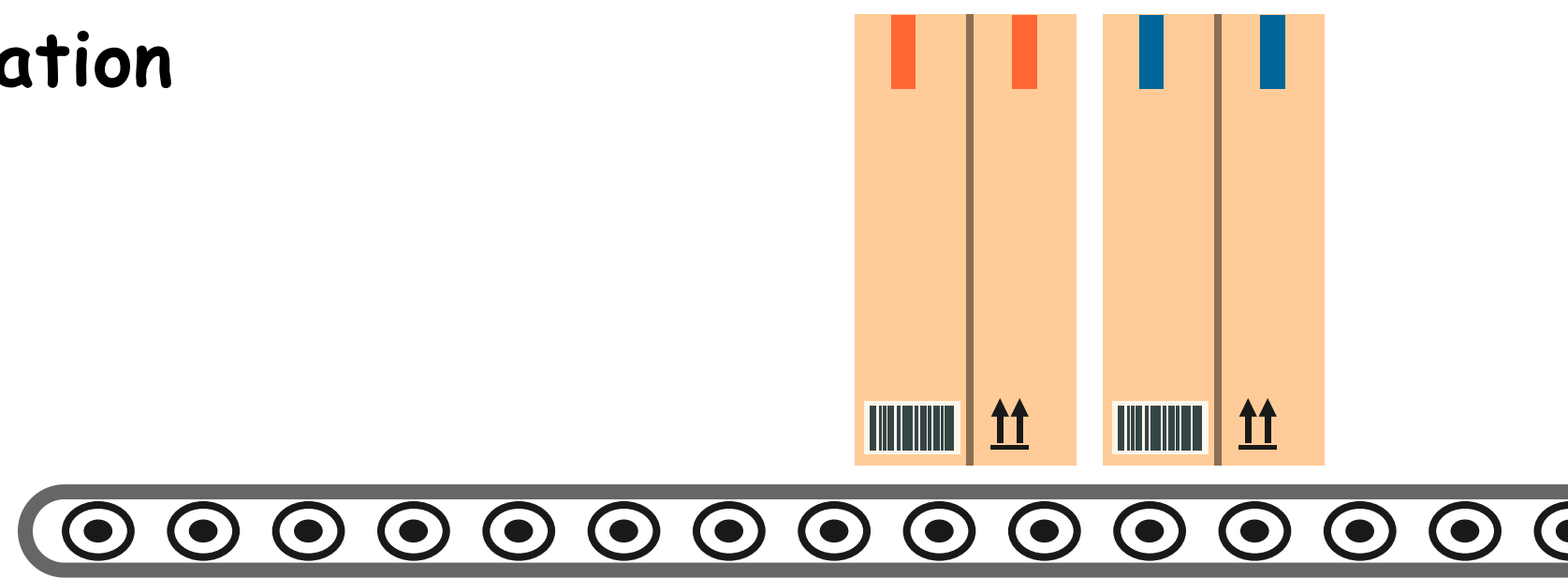
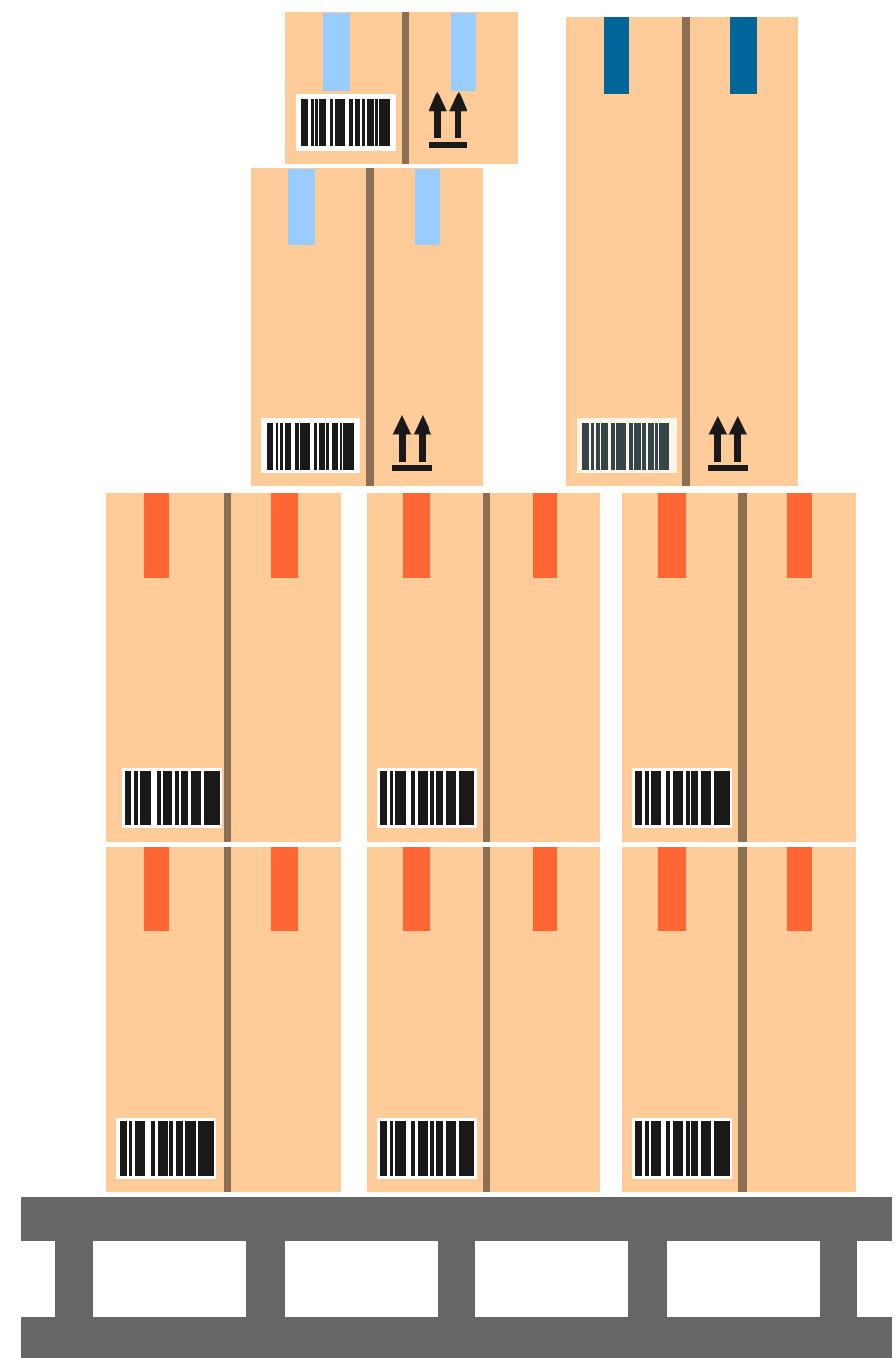


VIRTUOSO OPTOELECTRONICS LIMITED

# VIRTUOSO OPTOELECTRONICS LIMITED (VOEPL)

## Investor Presentation

May 2023

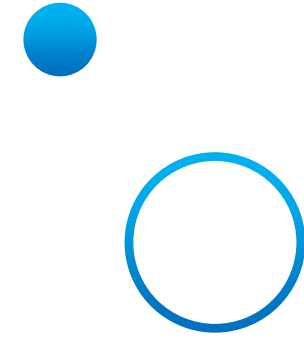




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- 01 Company Profile
- 02 Business Overview
- 03 Industry Overview
- 04 Financial Highlights
- 05 Way Forward



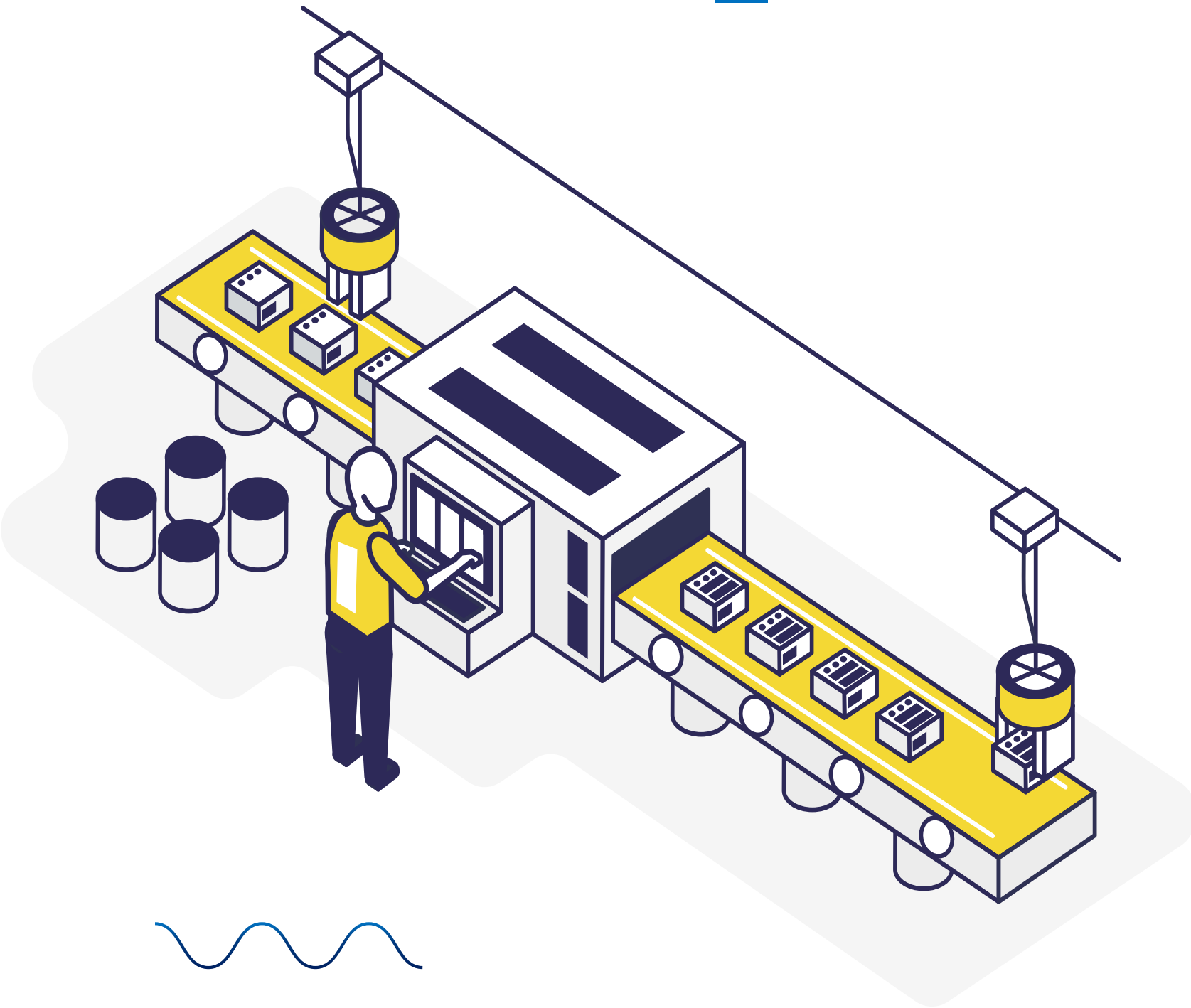


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# Company Profile

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# About Us

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Virtuoso Optoelectronics Limited (VOEPL) was incorporated in 2015 at Nashik, India. The company started its operation with Electronic Manufacturing and then grew from strength to strength with the help and support of its customers, team and partners. Over the last few years VOEPL has established itself as a strong OEM/ODM in the manufacturing industry for white goods & electronic items especially air conditioners.

- ✔ **Key Manufacturer of Air Conditioners in India**
- ✔ **Based in Nashik, Maharashtra, India**
- ✔ **4 manufacturing facilities around Nashik**
- ✔ **Backward Integrated**
- ✔ **Blue-Chip Customer Base**





## Sukrit Bharati

- 13+ years of experience.
- A qualified technocrat with education background of Masters in Science - Engineering Technology from BITS Pilani; Diploma courses in Management subjects from Harvard Business School and NMIMS, Mumbai.
- Further, he has completed a certification course from the Seed Transformation Program, from Stanford University which is a year long, on-the-ground leadership program for established founders and CEOs in emerging economies focused on growing their businesses and increasing the positive impact they have in their communities.
- He looks after the management and operations of the company and is focused on new client acquisition, new product manufacturing technologies and setting the growth vision of the company

**"We are a growing vibrant community that aims to delight consumers and clients by innovating and manufacturing amazing consumer products."**

# Core Team



## Sajid Shaikh

Chief Financial Officer (CFO)

MBA with over 25 years of experience across banking & finance sector. Strong experience in financial modelling, debt financing, networking and fund raising.



## Nitin Shewale

Chief Operating Officer (COO)

A veteran of the consumer durables industry with more than 33 years of experience, has worked with Videocon as AVP and COO for Liebherr India.



## K Ramesh

GM - Manufacturing

Mechanical Engineer with over 30 years of experience in AC Industry. Worked nationally and internationally with industry leaders like - Amber , Videocon, Allwyn Refrigerators.



## Kedar Aphale

GM - Operations

Mechanical Engineer with over 24 years of experience. Worked with LG Electronics, Franke Faber India, KLT Automobile across departments & areas.



## Hariom Kushwaha

Company Secretary

Qualified Company Secretary. Commerce and Law graduate. Diverse experience across multiple areas in corporate law & secretarial compliance.



# Our Milestones



## 2015

Incorporation

## 2016

Commenced production of electronic products (Unit 1)

## 2017

ISO 9001 Quality Certification

## 2018

Started production for PANASONIC

Launched Emergency Lighting Range & ventures in appliances

## 2019

Estab. 40,000 SqFt. (Unit 2) facility for IDU (AC); started manf for Voltas

## 2020

UL Certification received for Export to USA

Added EMS And LED Facility Of 48,000 Sqft.

Expansion Of IDU Unit By 60,000 Sqft.

## 2021

Added In-house Heat Exchange & Plastic Injection Molding Lines

Developed Remote & Electronic Parts For ACs

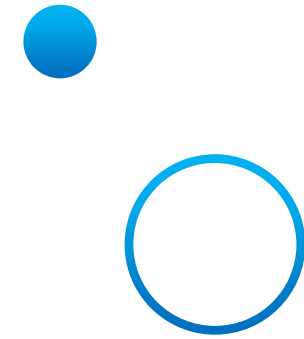
Achieved Top Line Of INR 200 Cr.

## 2022 & 2023

Setup Unit 3 for manufacturing of ODU

Setup Unit 4 for Cross Flow Flans and Plastic Components

Expanding capacities for IDU and ODU



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# Business Overview

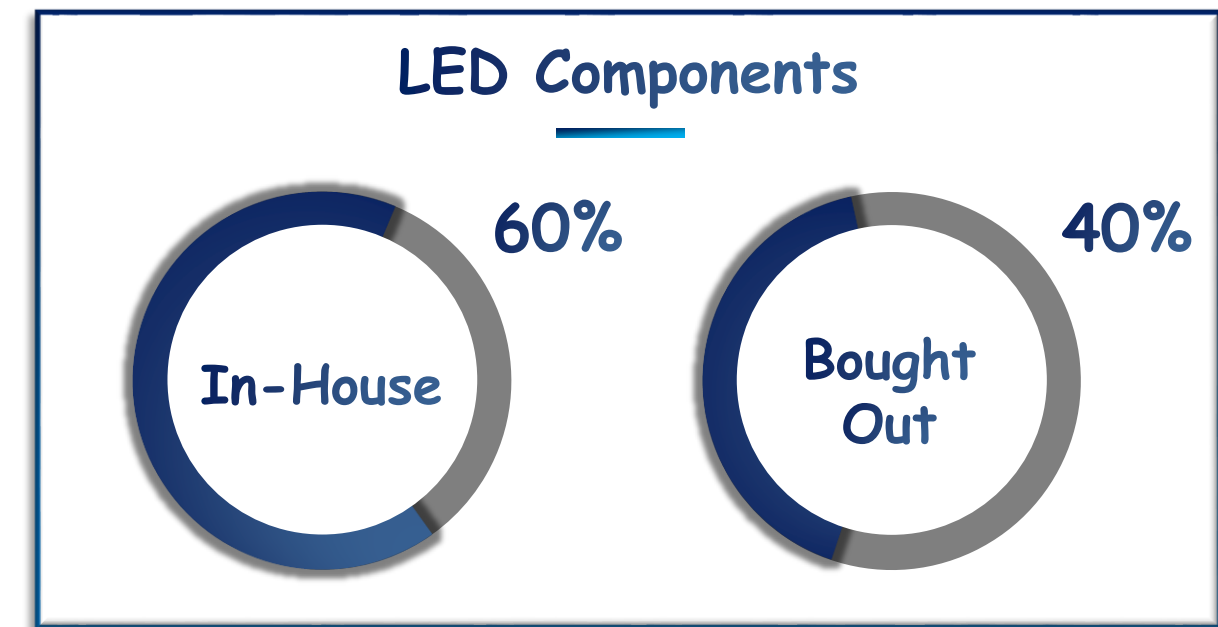
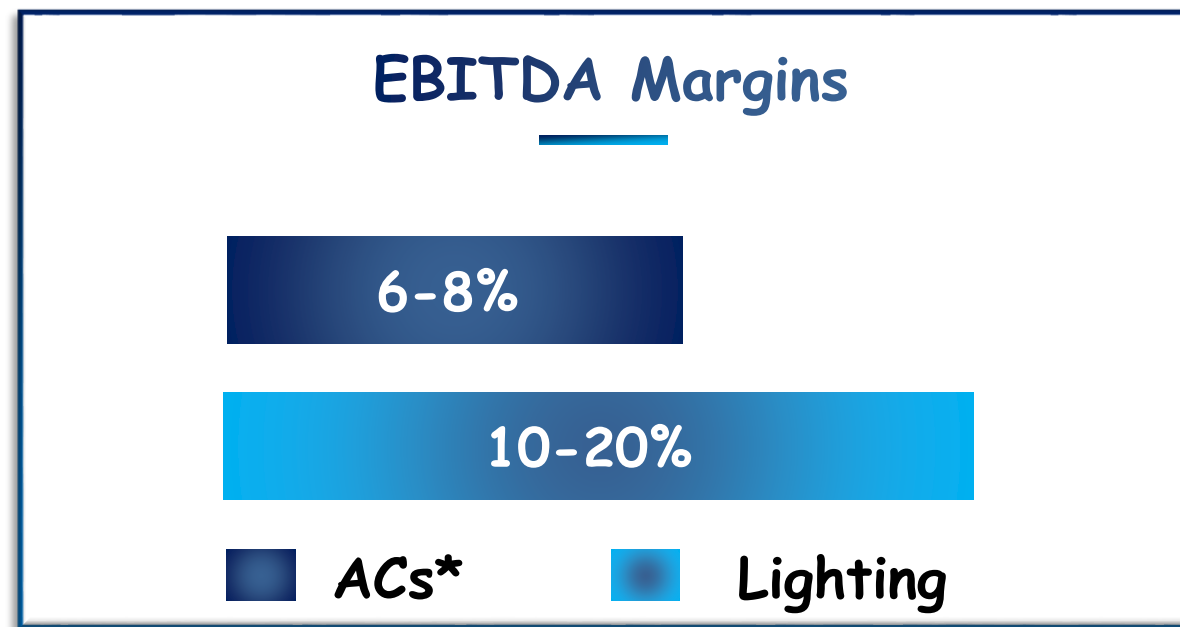
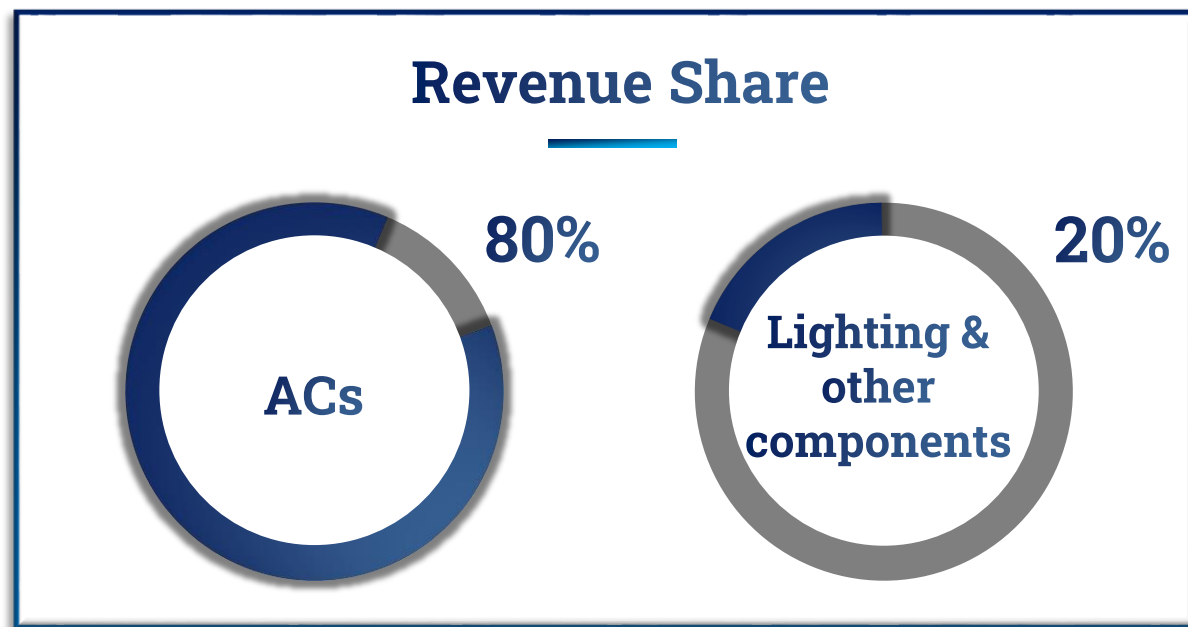
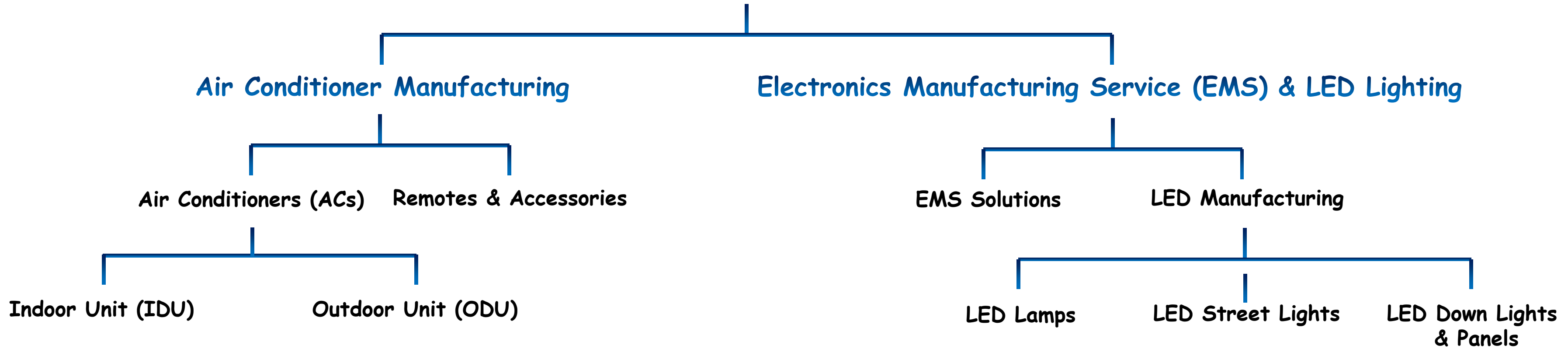
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# BUSINESS MIX



## VIRTUOSO OPTOELECTRONICS LIMITED



\* New manufacturing unit has PLI benefits



# Manufacturing Units



## Unit 1

EMS and LED Lighting  
48,000 sqft.  
Satpur, Nashik



## Unit 2

IDU - AC Manufacturing  
100,000 sqft.  
Janori, Nashik



## Unit 4

Plastic Components & Cross  
Flow Fans (CFF)  
Manufacturing  
20,000 sqft.  
Nashik

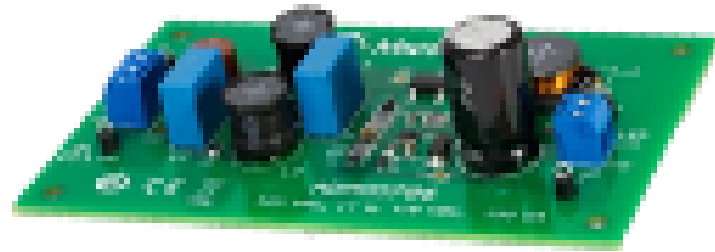


## Unit 3

ODU - AC Manufacturing  
80,000 sqft.  
Wadiware, Nashik



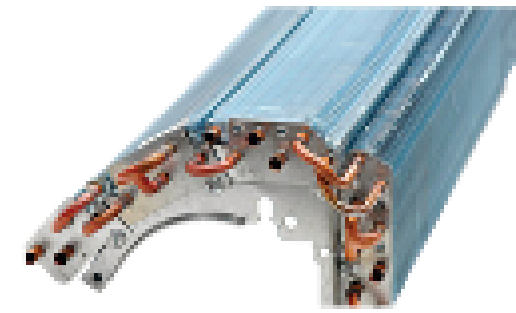
# Component Product Verticals



Controller Boards



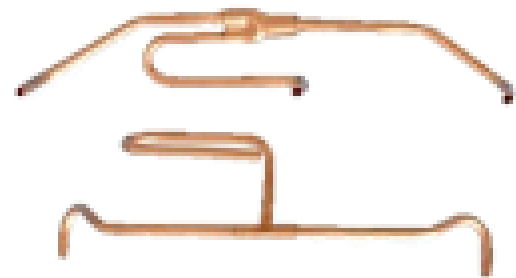
Sheet Metal Parts



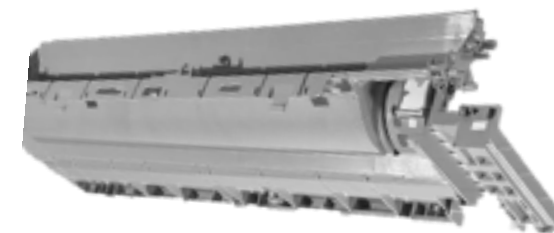
Heat Exchangers



Wire Harnesses



Copper Tubing



Plastic Injection  
Molding



Cross Flow Fan



Remotes



# Finished Product Verticals

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**Indoor AC Units (IDU)**



**Outdoor AC Units (ODU)**



**LED Lighting Products**



# Why VOEPL?



## PLI Sanction -Govt. of India

VOEPL received Rs. 50.50 Crore sanction towards backward integration of White Goods (ACs) under PLI scheme out of a total of 26 companies.



## Strong Backward Manufacturing Integration

VOEPL is maximizing its backward integration to provide maximum value addition to its customers.



## Strong, Ambitious and Focused Team

The team of VOEPL is dedicated towards the companies' vision of building a strong manufacturing company.



## Support of Current Market Leading Brands

The major customers of VOEPL are market leaders. These customers work on long term planning and vision which VOEPL is privileged to be a part of.



## Location Advantage

VOEPL is a vendor of choice in the western region for OEMs as there are limited manufacturers in the West. Also it is in close proximity to the Port which reduces its logistics costs for exports.

# Capacity Expansion



## Current Capacity FY23

(Per Annum)

### Lighting

34,000,000 lamp equivalent units

### Air Conditioners

Indoor Unit (IDU)	600,000 Units
Outdoor Unit (ODU)	250,000 Units
Cross Flow Fans	400,000 Units

## Targeted Capacity- FY24

(Per Annum)

### Lighting

34,000,000 lamp equivalent units

### Air Conditioners

Indoor Unit (IDU)	800,000 Units
Outdoor Unit (ODU)	400,000 Units
Cross Flow Fans	600,000 Units.

# Our Esteemed Customers



## Major Customers



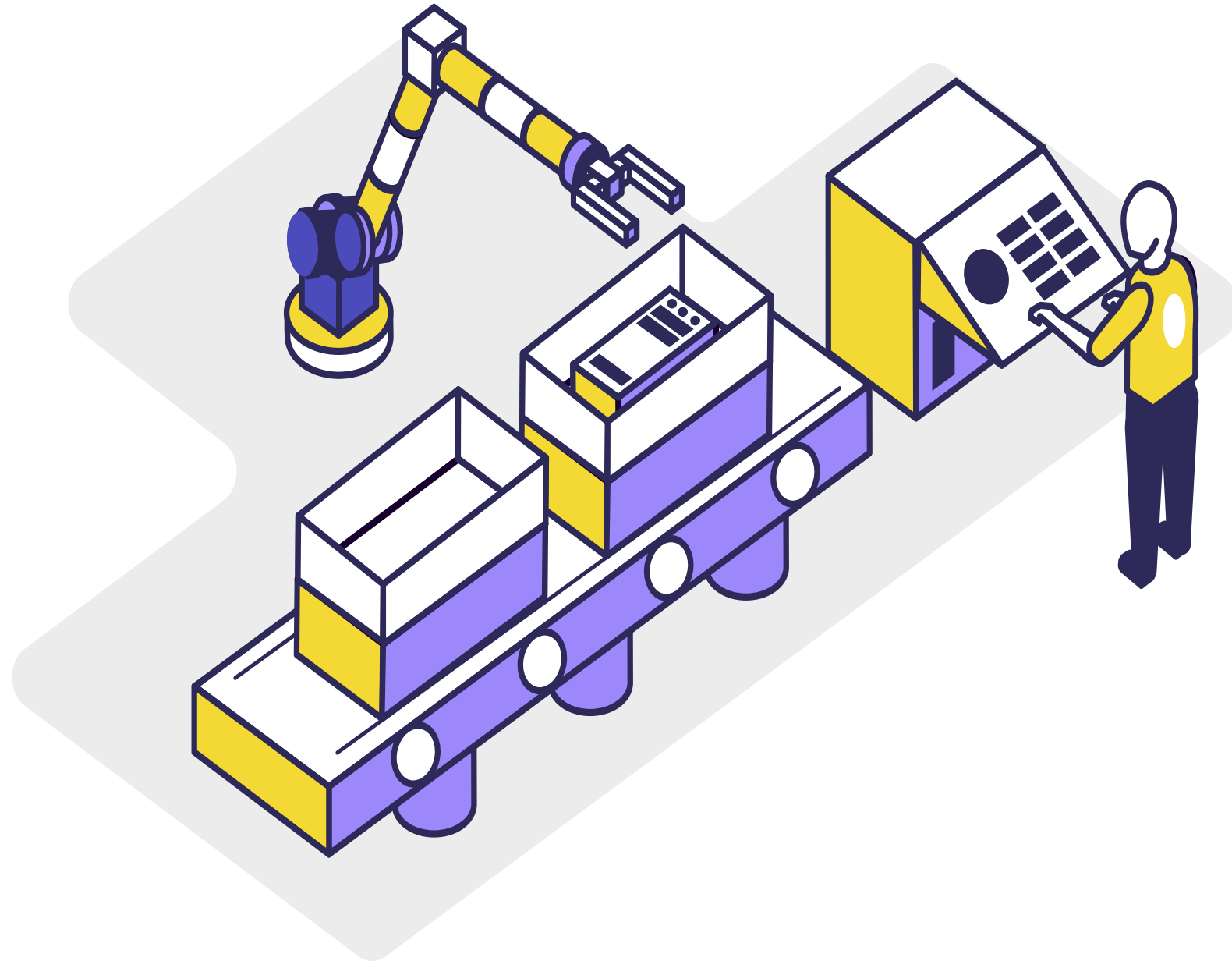
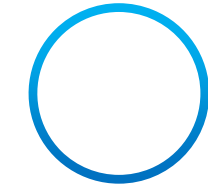
80%

## Other Customers



20%





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# Industry Overview

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# Growth Drivers



## Aggressive Market Demand

- The growing economy is boosting local demand, which is expected to continue to be strong for the coming 5-7 years.
- This demand will potentially double the local market size in the coming years.
- Further export opportunities are also opening up and India is reaching a point where it can compete with China.



## Thrust for Localization by the Government

- The policies by the government is favoring localization.
- The incentive policies like PLI, State Incentives, Export Incentives & FDI policies are helping local companies avail funding and also have access to international markets, which is creating a wealth of opportunities for all industries.



## Blue Chip Customer base

- The growth of VOEPL in the past few years is primarily due to its unique customer base.
- Most of these customers command a leading position in the market, which gives them the foresight about the market and strong YoY growth numbers, the benefits of which get filtered down to VOEPL.



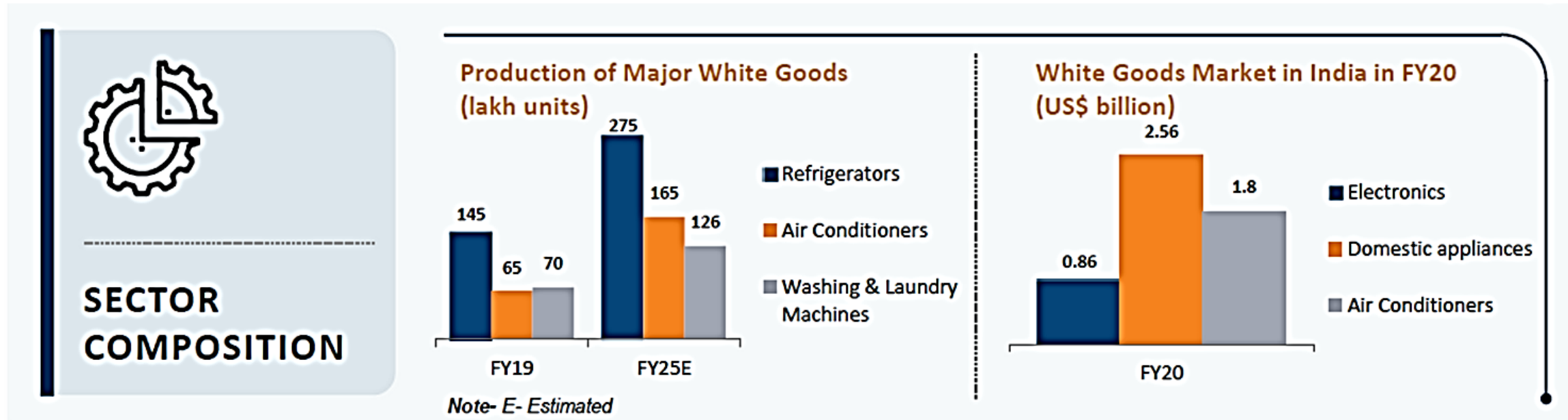
## Incentives by Central & State Government

- VOEPL has been approved for the PLI scheme for White Goods for an investment amount of Rs. 50.50 Crore which will go towards backward integration of AC Components.
- Further VOEPL is eligible for incentives under Electronics Policy of Maharashtra which it has applied for.

# Industry Dynamics (1/2)



## Projected Sector Growth

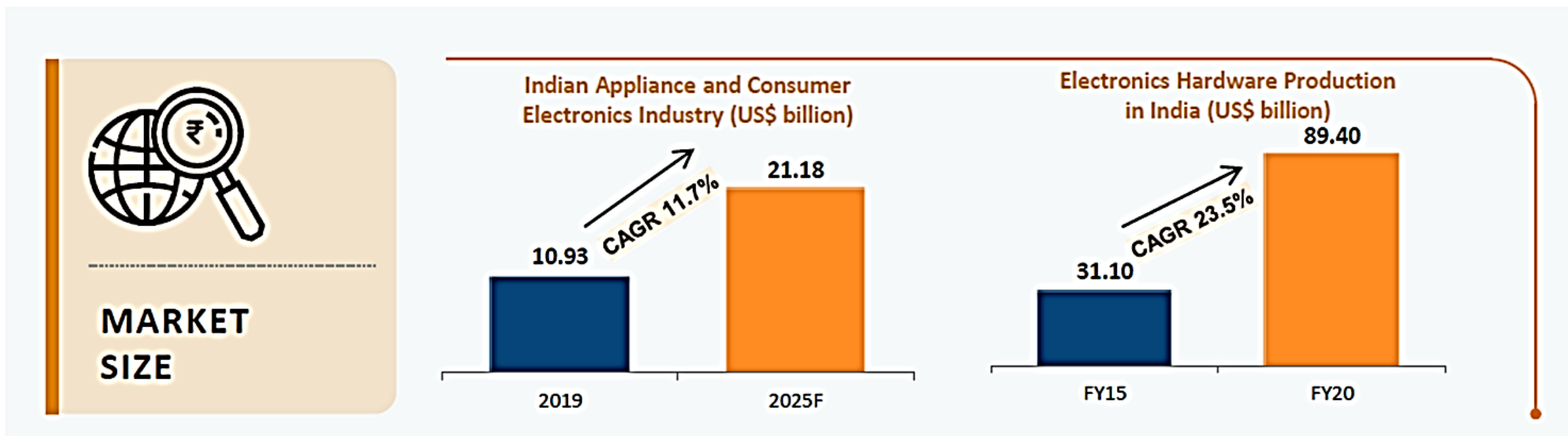


**USD 13.66 Bn**

Industry Size

**100%**

FDI Permitted



**USD 21.18 Bn**

Indian Appliance And Consumer Electronics Industry size estimated by FY2025

# Industry Dynamics (2/2)



## Indian Air Conditioner Market

**7-8 Million units**

Per annum by volume.

**70%** Share of demand

From the residential sector

- Organized sector dominates the industry.
- Adoption of latest technologies has led to the introduction of new innovative models in the market.
- Northern regions of India have the highest market share for Acs.

Source: [Invest India](#)

## AC Penetration

**4%**  
India

**30%**  
Globally

Signifying the huge potential  
for growth.

## Indian LED Market

- India is the 2nd largest LED market globally and fastest growing market in Asia-PAC region.
- The reduction in excise duty from 12% to 6% on LED components has boosted domestic manufacturing.
- The market share for LEDs has already increased from 0.3% to 46%.
- The GoI continues to focus on the Smart City development model which is expected to accelerate the demand for energy-efficient technologies, products, and services including LED lights.

Source: [Invest India](#)

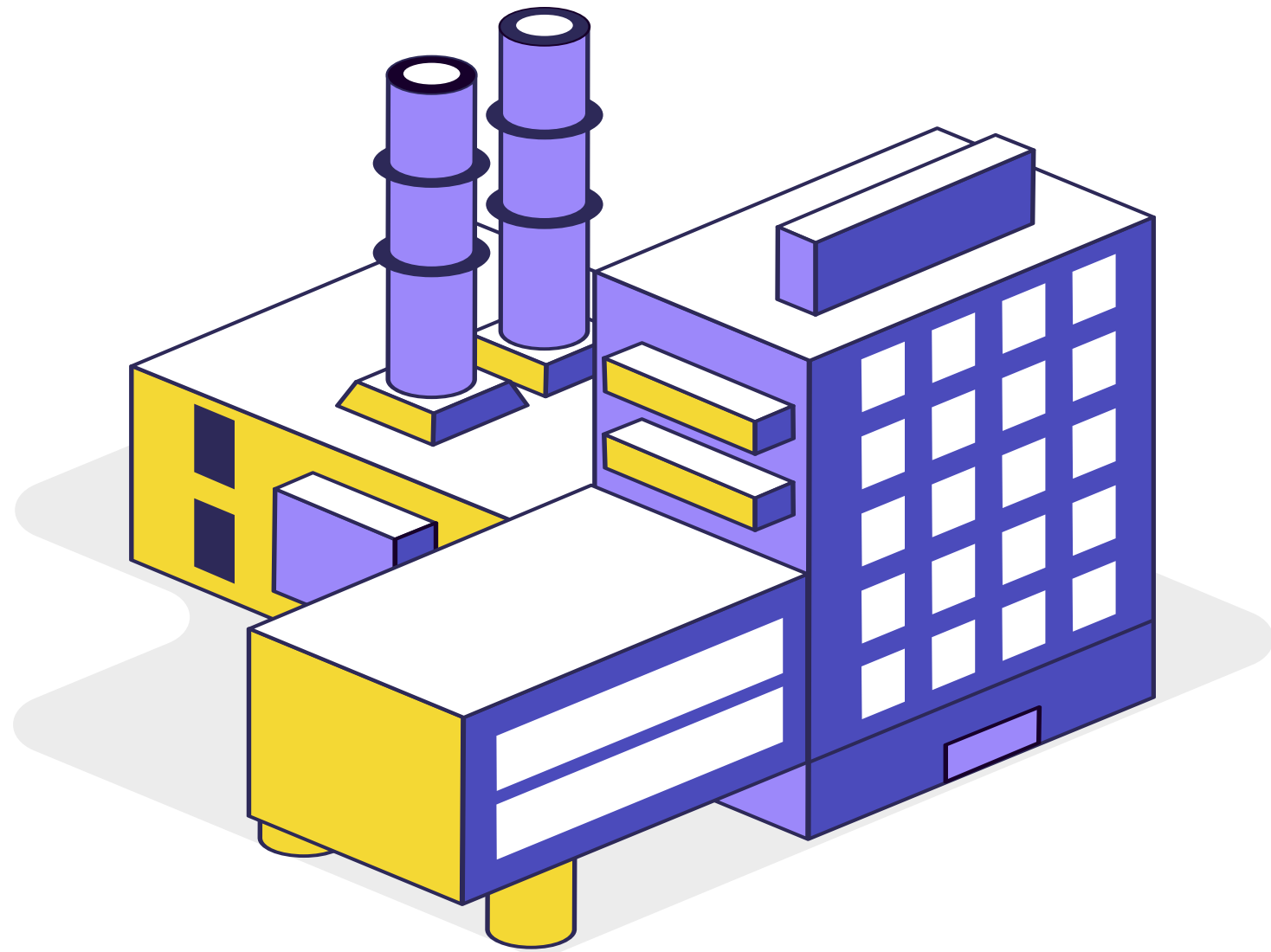
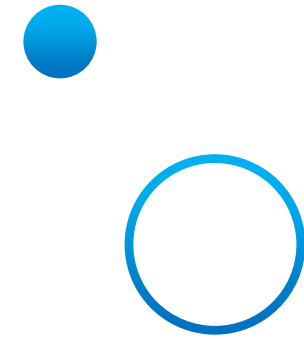
## LED Light Market

**USD 2.8 Bn**  
2021

**USD 9.8 Bn**  
2027

Estimated **CAGR of 23.31%** for the  
period 2022-2027





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# Financial Highlights

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# Annual Highlights



**Rs 3,380.7 Mn**  
Net Revenue from Operations



**68.5%**  
YoY

**Rs 342.6 Mn**  
EBITDA



**72.0%**  
YoY

**10.1%**  
EBITDA Margin (%)



**+19**  
bps

**Rs 77.7 Mn**  
Profit After Tax (PAT)



**97.1%**  
YoY

**2.3%**  
PAT Margin (%)



**+33**  
bps

## Other highlights

- Added 2 new manufacturing units in Nashik:
  - Manufacturing of **Outdoor Units (ODU)** for Air Conditioners for capacity of 250,000 units p.a.
  - Manufacturing of **Cross Flow Fans (CFFs)** which are used in Indoor Unit (IDU) of Split Air Conditioners for a capacity of up to 400,000 units p.a.
- Raised Rs 35 crores from marquee investor Mr Ashish Kacholia and others, for growth capital.
- Acquiring 51% in YLP Solutions for a sum of Rs 3.10 lacs. Group company being acquired in line with our commitment for transparency and streamlining our business.

# Commentary on Performance

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**Commenting on the performance, Mr. Sukrit Bharati, MD, Virtuoso Optoelectronics Ltd, said**

“The company has delivered on strong revenue growth of nearly 69% year on year led by growth in volumes from existing businesses (EMS + IDU) as well as from new products added during the year (IDU) & we are hoping to continue on this growth trajectory in FY24 and FY25 led by further expansion in our manufacturing capacities, which is led by strong demand for our products from key customers. The company has successfully added Outdoor Units to its portfolio and has also become significantly stronger in backward integration.

We are looking to grow at 35-40% CAGR for the next 3 years on the revenue front led by volume growth and higher utilisations.

As part of its commitment towards transparency and streamlining activities, VOEPL will be acquiring a majority stake in YLP, a group company with annual project & online trading sales of Rs 72 Lakhs in FY 22-23. This acquisition will allow VOEPL to establish YLP as a subsidiary at a nominal cost of approx. Rs. 3.10 lacs.”

# Half-Yearly Financial Performance



Particulars (INR Mn)	H2FY23	H1FY23	FY23	FY22	YoY%
Net Sales	2,247.4	1,125.2	3,372.7	2,001.7	68.5%
Other Income	(3.6)	11.7	8.1	1.1	636.3%
<b>Total Revenue from Operations</b>	<b>2,243.9</b>	<b>1,136.9</b>	<b>3,380.7</b>	<b>2,002.8</b>	<b>68.8%</b>
Total Expenditure	2,069.1	969.1	3,038.1	1,803.6	68.4%
<b>EBITDA</b>	<b>174.8</b>	<b>167.8</b>	<b>342.6</b>	<b>199.2</b>	<b>72.0%</b>
<b>EBITDA Margin (%)</b>	<b>7.8%</b>	<b>14.8%</b>	<b>10.1%</b>	<b>9.9%</b>	<b>+19 bps</b>
Depreciation	48.2	46.1	94.3	51.4	83.5%
<b>Profit Before Interest &amp; Tax</b>	<b>126.6</b>	<b>121.7</b>	<b>248.3</b>	<b>147.9</b>	<b>67.9%</b>
Interest	83.4	52.0	135.4	90.6	49.5%
<b>Profit Before Tax</b>	<b>43.2</b>	<b>69.8</b>	<b>112.9</b>	<b>57.3</b>	<b>97.0%</b>
Tax	15.8	19.4	35.2	17.9	96.8%
<b>Profit After Tax</b>	<b>27.3</b>	<b>50.4</b>	<b>77.7</b>	<b>39.4</b>	<b>97.1%</b>
<b>PAT Margin (%)</b>	<b>1.2%</b>	<b>4.4%</b>	<b>2.3%</b>	<b>1.9%</b>	<b>+33 bps</b>
<b>Earnings Per Share (Rs)</b>	<b>1.50</b>	<b>3.31</b>	<b>4.28</b>	<b>3.11</b>	<b>37.6%</b>

Note: EBITDA Margins in H1FY23 were higher due to low cost inventory while cost of setting up new ODU plant impacted margin for H2. On a normalised basis 9-10% EBITDA Margin is sustainable



# Annual Income Statement



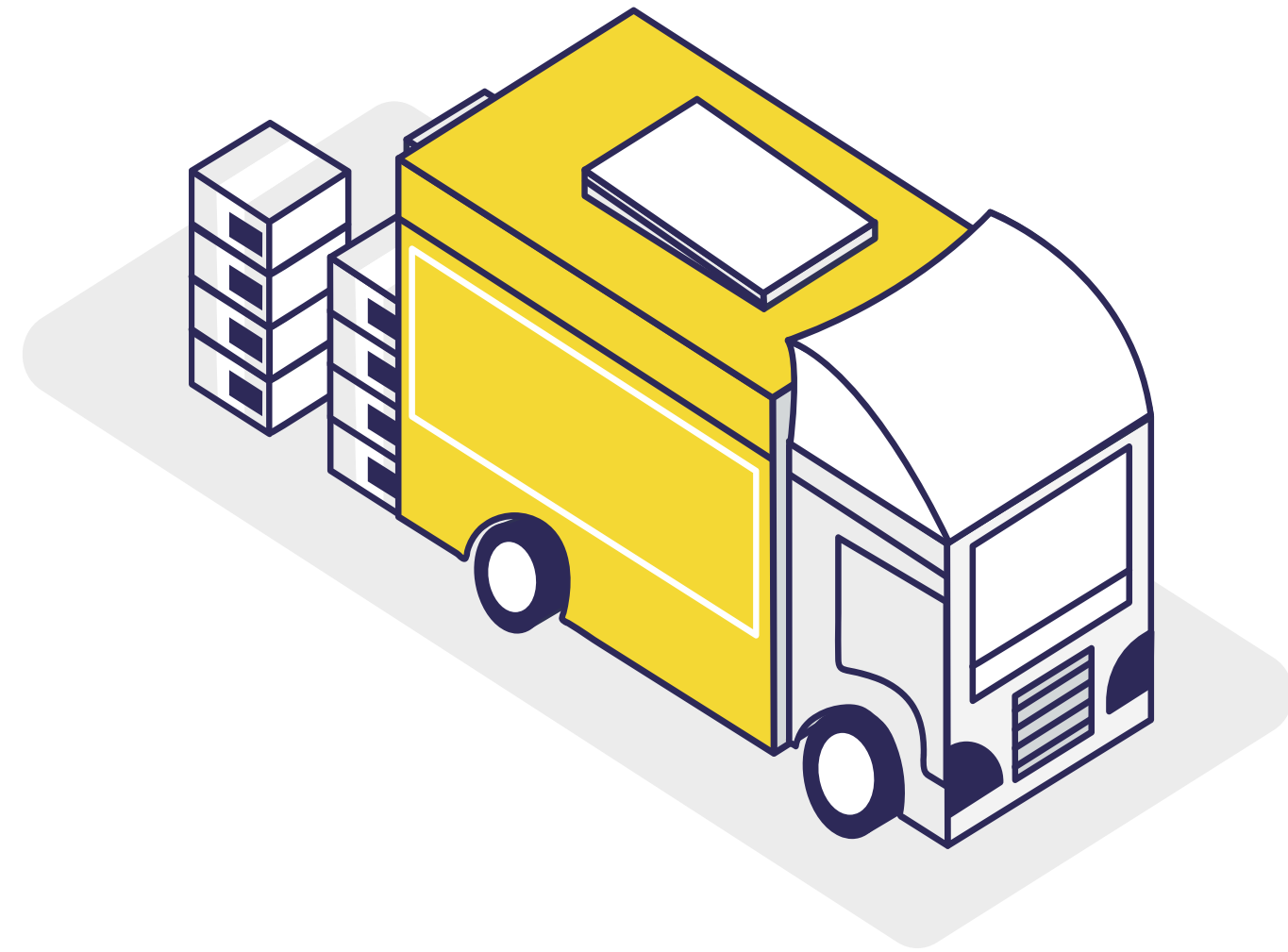
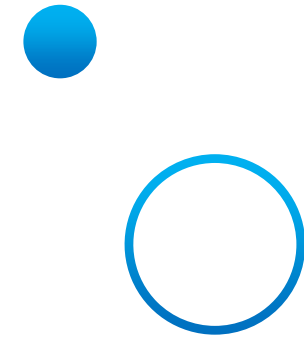
Particulars (INR Mn)	FY18	FY19	FY20	FY21	FY22	FY23
Net Sales	497.0	549.5	682.0	1,152.6	2,001.7	3,372.7
Other Income	0.2	3.1	1.9	2.6	1.1	8.1
<b>Total Revenue from Operations</b>	<b>497.2</b>	<b>552.6</b>	<b>683.9</b>	<b>1,155.2</b>	<b>2,002.8</b>	<b>3,380.8</b>
Total Expenditure	475.7	524.0	602.5	1,030.0	1,803.6	3,038.1
<b>EBITDA</b>	<b>21.6</b>	<b>28.6</b>	<b>81.4</b>	<b>125.2</b>	<b>199.2</b>	<b>342.6</b>
<b>EBITDA Margin (%)</b>	<b>4.3%</b>	<b>5.2%</b>	<b>11.9%</b>	<b>10.8%</b>	<b>9.9%</b>	<b>10.1%</b>
Depreciation	1.9	3.2	14.5	23.5	51.4	94.3
<b>Profit Before Interest &amp; Tax</b>	<b>19.7</b>	<b>25.4</b>	<b>66.9</b>	<b>101.6</b>	<b>147.9</b>	<b>248.3</b>
Interest	11.4	16.4	47.9	74.1	90.6	135.4
<b>Profit Before Tax</b>	<b>8.3</b>	<b>9.0</b>	<b>19.0</b>	<b>27.5</b>	<b>57.3</b>	<b>112.9</b>
Tax	2.2	3.6	5.0	7.9	17.9	35.2
<b>Profit After Tax</b>	<b>6.1</b>	<b>5.4</b>	<b>14.0</b>	<b>19.6</b>	<b>39.4</b>	<b>77.7</b>
<b>Profit After Tax Margin (%)</b>	<b>1.2%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>1.7%</b>	<b>1.9%</b>	<b>2.3%</b>
<b>EPS (Rs)</b>	<b>4.09</b>	<b>3.62</b>	<b>9.25</b>	<b>11.8</b>	<b>3.11</b>	<b>4.28</b>

# Annual Balance Sheet



Particulars (INR Mn)	FY23	FY22
<b>Equity and Liabilities</b>		
<b>Shareholder's Fund</b>		
Share Capital	228.38	149.82
Reserves & Surplus	708.11	62.80
<b>Total Equity</b>	<b>936.50</b>	<b>212.63</b>
<b>Share Application Pending Allotment</b>		
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Long-Term Borrowings	409.38	288.15
Deferred Tax Liabilities (Net)	31.31	15.87
Other Long Term Liabilities	-	-
Long-Term Provisions	0.99	1.01
<b>Total Non-Current Liabilities</b>	<b>441.69</b>	<b>305.04</b>
<b>Current Liabilities</b>		
Short-Term Borrowings	472.12	391.87
Trade Payables	869.09	302.61
Other Current Liabilities	-	-
Short-Term Provisions	45.58	43.39
<b>Total Current Liabilities</b>	<b>1386.79</b>	<b>737.88</b>
<b>Total Equity and Liabilities</b>	<b>2765.0</b>	<b>1255.6</b>

Particulars (INR Mn)	FY23	FY22
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant, Equipment & Intangible Assets		
- Property, Plant & Equipments	884.73	503.78
- Capital Work-in-Progress	60.04	
Non-Current Investments	102.29	7.84
Deferred Tax Assets (Net)	-	-
Long-Term Loans & Advances	-	-
Other Non-Current Assets	7.35	7.33
<b>Total Non-Current Assets</b>	<b>1054.41</b>	<b>518.96</b>
<b>Current Assets</b>		
Current Investments	-	-
Inventories	1384.22	633.09
Trade Receivables	262.41	88.79
Cash & Cash Equivalents	3.29	8.12
Short-Term Loans & Advances	0.97	0.51
Other Current Assets	59.67	6.07
<b>Total Current Assets</b>	<b>1710.57</b>	<b>736.59</b>
<b>Total Assets</b>	<b>2765.0</b>	<b>1255.6</b>



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# Way Forward

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## Expand Capacity

### Improve Capacity Utilisation

- **Expand Capacity in FY2024:**
  - ODU - From 2.5 Lac units to 4 Lac units p.a.
  - IDU - From 6 Lac units to 8 Lac units p.a.
  - CFF - From 4 lac units to 9 lac units p.a.
- **Increase Capacity Utilisation by FY25 to 100% on the expanded capacity**

## Backward Integration

### Increased Value Addition

- More investments in Machinery to increase share of backward integration.
- Adoption of newer technology to reduce costs.
- Adding further backward integration of CFF, Sheet metal & BLDC Motors.
- Developing an in-house tool room to support customer needs more effectively.

## New Product Lines

### New Customers & Geographies

- 1-2 new additional product lines under planning for launch in FY24 with multiple customers.
- Exploring manufacturing of other white goods & components thereof.
- Partner for exports with customers.
- Enter international markets in SE Asia & Africa.



# Thank You



## Contact

### **Virtuoso Optoelectronics Ltd**

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[www.voepl.com](http://www.voepl.com)

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