

Webel-SL Energy Systems Limited
Annual Report 2004-05

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Forward looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such

statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate

assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

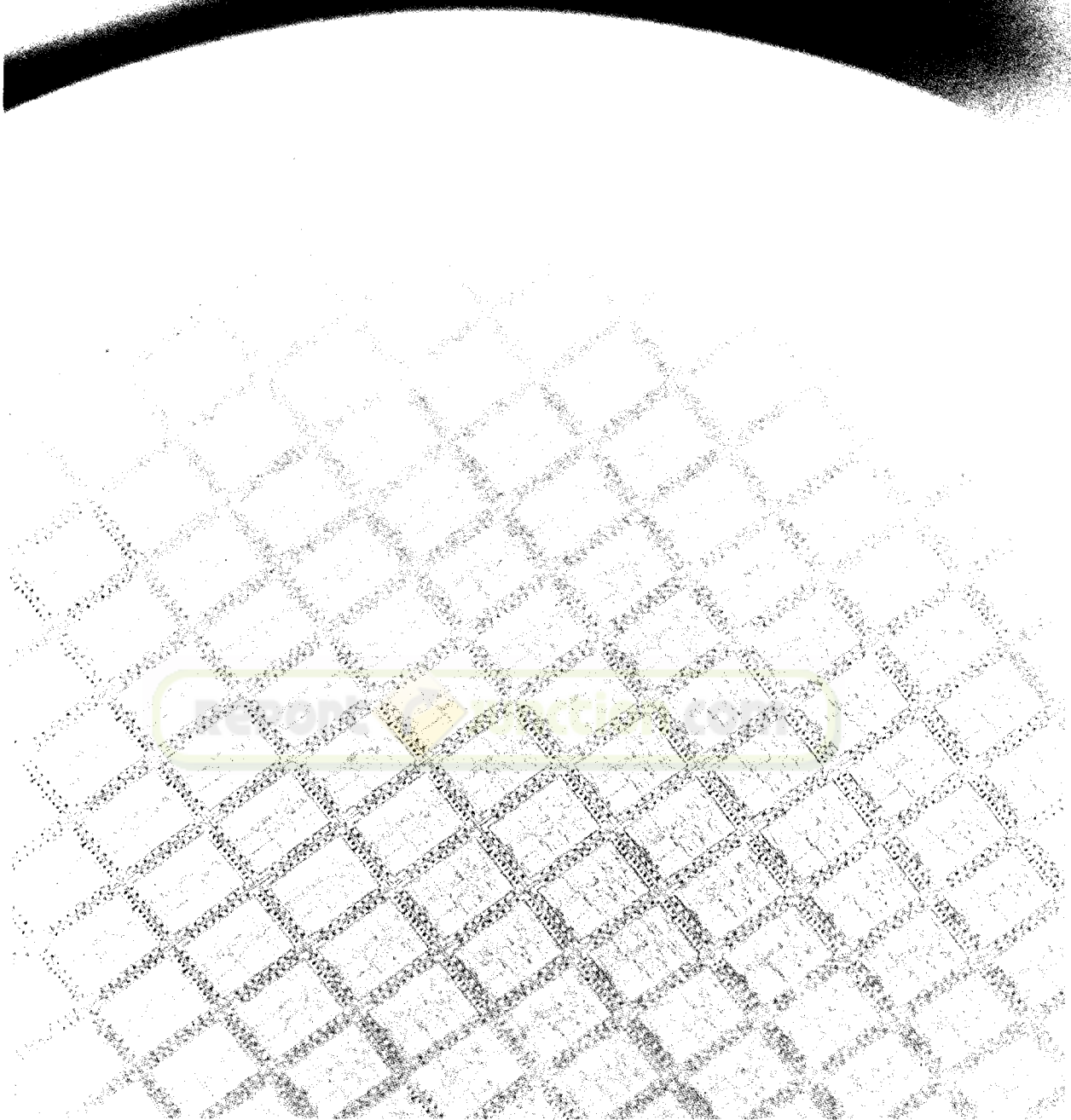
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“ I have no doubt that we will be
successful in harnessing the sun's
energy....If sunbeams were weapons
of war, we would have had solar
energy centuries ago. ”

– *Sir George Porter*



Webel-SL Energy Systems Limited is one of the fastest growing solar photovoltaic cell manufacturing companies in the world and one the few to have mastered the challenging reclaimed technology.

The 6Ps of Webel-SL Energy Systems

Parentage: Webel-SL Energy Systems Limited was promoted by the Kolkata-based Mr S.L. Agarwal in 1991. The company was created in partnership with West Bengal Electronics Industry Development Corporation (a Government of West Bengal undertaking), S.L. Industries Pvt. Ltd. and Helios Technology, SPA, of Italy.

Prominence: Webel-SL is a well-known name in the photovoltaic industry, emerging as a leading producer of solar photovoltaic cells and modules that transform sunlight into electricity. It prides on its broad product range (10 watts to 160 watts), exporting more than 90% of its output across 15 countries.

Production: Webel-SL possessed an installed

capacity of 5 MW during 2004-05 and 10 MW effective from August 2005. The company's integrated state-of-the-art production facility in Kolkata possesses automated processes around a unique reclaimed technology.

Presence: Webel-SL is one of the few players in the global monocrystalline photovoltaic cell market. The company has established a reputation for the production of reliable modules for various domestic and commercial applications. All its modules are suitable for grid-connected and stand-alone power plants requiring performance and reliability. Over the years, Webel-SL has demonstrated its excellence in the transformation of wafers to

finished solar cells to efficient solar photovoltaic modules.

Purity: The company's products enjoy quality certifications like UL, ISPR and ISO 9000; nearly 80% of the company's turnover is derived from repeat customers.

Performance: Webel-SL's revenue grew at a compounded 17.91% over the last four years leading to 2004-05 while its profit after tax grew 8.96% over the same period.

Webel-SL's shares are listed on the Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE). The company enjoyed a market capitalisation of Rs 29.44 cr as on 31 March 2005.


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What we achieved in 2004-05

Numbers

- 105.97% growth in turnover from Rs 27.49 cr in 2003-04 to Rs 56.62 cr
- 7% increase in net profit from Rs 2.05 cr in 2003-04 to Rs 2.21 cr
- 9% growth in cash

earnings from Rs 2.93 cr in 2003-04 to Rs 3.20 cr

- 37% increase in EBIDTA from Rs 5.51 cr in 2003-04 to Rs 7.54 cr
- 895 basis points increase in ROCE to 41.21%

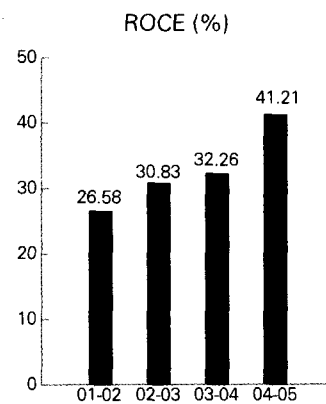
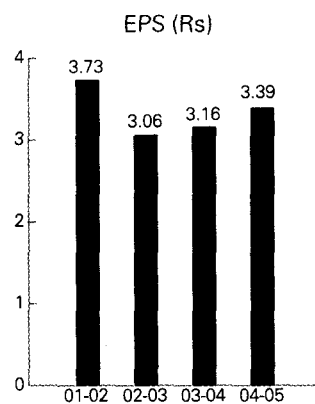
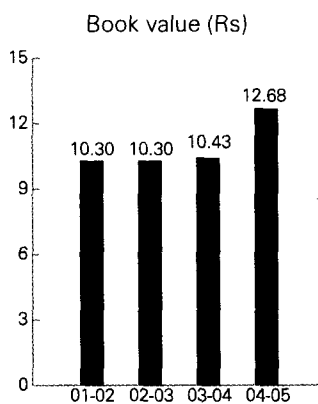
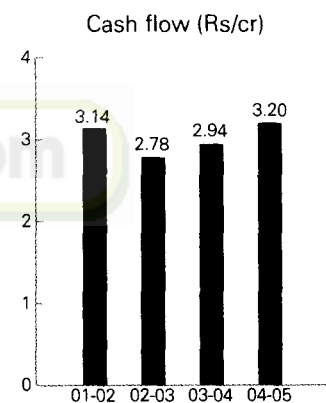
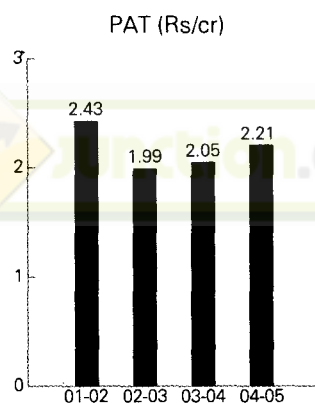
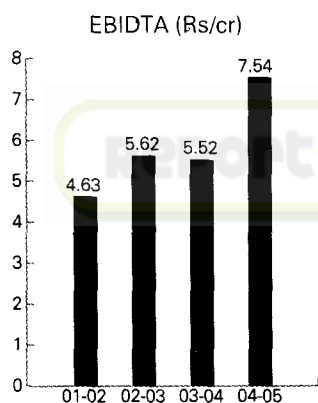
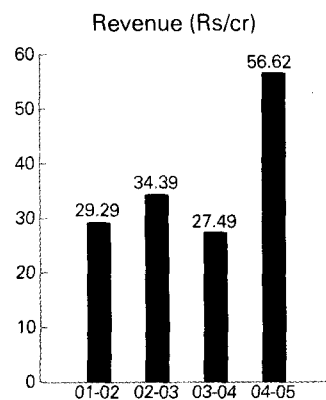
Operations

- 79.2% capacity utilisation
- 3 new products introduced

Exports

- 110% growth in export earnings
- 15 countries accessed

Financial snapshot



Milestones

	1995-97	1998-99	2000-01
	Production commenced with technical support from an Italian company. The company processed 5" wafers. Installed capacity: 1 MW.	Production evolved to 6" wafers and modules upto 95 Wp for type W900. A quality certificate for JRC-ISPRA IEC 61215 standards was obtained.	Production extended to 8" wafers. Module capacity increased to 125 Wp for type W1000. Installed capacity: 3 MW.

2002	2003	2004

The JRC-ISPRA IEC 61215 standards certificate was obtained for all W1000 modules. UL 1703 listing was obtained for all W900 type modules.

Installed capacity increased from 3 MW to 5 MW. UL 1703 listing obtained for W1000 type modules. Production of 160/190 Wp modules commenced.

Commenced commercial production of W1600 and research and development of new products.

Three new products introduced during the year including the W2000R



Managing Director's overview

"Webel-SL is one of the few companies to have mastered the monocrystalline technology, a fair foundation on which it will now build and climb into a higher league to serve the needs of mankind over the coming years"