



BUSINESS PLAN · INDIA

Power-Backup and UPS Solutions

Gensets, UPS and inverter services

ENERGY

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Power-Backup & UPS Solutions Business** in India — a firm that sells, installs & services power-backup equipment: diesel/gas gensets, UPS systems, inverters & batteries, and increasingly solar-hybrid & lithium backup, for homes, shops, offices, industry & institutions. It earns **product-distribution/sales margin + installation + a recurring AMC/service annuity**, monetising India's persistent power-reliability need (outages, voltage issues, critical-load protection) across a huge, steady market — a product-distribution + service-network business (inventory + service annuity).

Despite grid improvements, power reliability remains a real need across India — for critical loads (IT/medical/telecom), businesses (no downtime), & homes — sustaining steady demand for gensets, UPS, inverters & batteries, plus a shift toward solar-hybrid & lithium. A power-backup business is a **distribution + installation + service business**: capital in inventory & a service network, driven by dealer/B2B sales, product mix, installation & a recurring **AMC/service annuity** (maintenance, batteries, spares). Revenue is **product margin + installation + AMC/service**; success rests on brand/product tie-ups, sales/dealer network, installation & service quality, AMC attach & inventory/credit — it is sales-, service- & AMC-driven, with a recurring annuity.

This is a distribution + service business — funded by promoter equity plus bank finance (inventory + receivables + service setup). This plan models a power-backup solutions firm requiring **₹1.1 crore** (₹42 lakh promoter + ₹68 lakh bank finance), targeting **₹8 crore** revenue in Year 1 and **₹16 crore** by Year 3. (*Power-backup/UPS solutions; product margin + installation + AMC/service annuity, sales-/service-/AMC-driven — figures illustrative.*)

2. Business Description, Vision & Legal Structure

Concept: A power-backup & UPS solutions business - sales, installation & AMC/service of gensets, UPS, inverters, batteries & solar-hybrid backup, earning product margin + installation + recurring AMC/service.

Vision: To keep homes & businesses powered - reliable backup, expertly serviced.

Mission: Deliver the right backup solution & dependable service - quality products, clean installs & a strong AMC annuity.

Legal structure options

- **Proprietorship / Partnership** — common start.
- **Private Limited / LLP** — recommended for scale, brand dealerships, B2B/tenders & funding.

Regulatory anchor: a power-backup business is a distribution + service business (Shops & Establishments, GST, trade licence, brand dealer/distributor agreements, genset emission/CPCB norms, electrical/safety, battery handling/e-waste). Brand/product tie-ups, sales/dealer network, installation/service quality, AMC attach & inventory/credit determine success; it is sales-, service- & AMC-driven, with a recurring annuity.

3. Promoter & Ownership

Led by a promoter with power-backup, electrical, distribution or service expertise & brand/B2B relationships. The team includes sales/BD (dealers/B2B), installation & service technicians (the service network), stores/inventory & accounts. Brand tie-ups, sales network, service quality & AMC attach are the differentiators. Ownership & stakes are editable inputs.

4. Market Analysis — India

India's power-reliability need — outages, voltage fluctuation, critical-load protection — sustains a large, steady market for gensets, UPS, inverters & batteries across homes, businesses, industry & institutions, now shifting toward solar-hybrid & lithium. Demand is reliability-/criticality-/growth-driven & steady (counter-cyclical to grid issues). The market rewards brand/product tie-ups, sales/dealer network, installation/service quality, AMC attach & inventory/credit; it is sales-, service-, competition- & product-mix-sensitive, met with tie-ups, network, service & AMC.

Demand drivers

- **Power outages & reliability** need.
- **Critical loads** (IT/medical/telecom/data).
- **Business continuity** & growth.
- **Solar-hybrid & lithium** shift.
- **AMC/service & replacement** cycle.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Power-backup/UPS in India	Very large & steady
SAM	Region/segment & products	Substantial
SOM (Yr 1-3)	Sales + AMC base	Scaling

Target segments

- SME/commercial & offices.
- Industry & critical loads (IT/medical).
- Institutions, retail & residential.
- AMC/service & solar-hybrid customers.

5. Competition & Competitive Advantage

Landscape: other backup dealers/integrators, brand direct/OEM service, electricians & online sellers. The firm competes on brand tie-ups, product range, installation/service quality, AMC/service network, price & reliability.

The business's edge

- **Brand/product tie-ups & range.**
- **Installation & service quality.**
- **AMC/service annuity & network.**
- **Solar-hybrid/lithium & solutions.**
- **B2B relationships & reliability.**

6. Products & Revenue Model

Stream	Model	Basis
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Gensets (diesel/gas)	Sales margin	Core (larger ticket)
UPS & inverters	Sales margin	Core volume
Batteries (lead/lithium)	Sales margin + replacement	Recurring/replacement
Installation & solutions	Project/service margin	Margin
AMC / service / spares	Recurring annuity	Recurring/high-margin

Product sales (gensets/UPS/inverters/batteries) + installation give the core; batteries add a replacement cycle; the **AMC/service/spares annuity** is recurring & higher-margin, compounding with the installed base. Economics = product margin + installation + AMC/service; brand tie-ups, sales network, service quality & AMC attach drive it — the decisive power-backup levers (distribution + service annuity).

7. Go-to-Market — Sales & Service

- **B2B/SME/institution sales** & solutions selling.
- **Dealer/channel & brand tie-ups.**
- **AMC attach & service network** (recurring/referral).
- **Solar-hybrid/lithium** upsell.
- **Reliability & relationships** (repeat/replacement).

Sales approach

Sell solutions (B2B/SME/institution + dealers) → install quality systems → attach AMC/service → build the service annuity & replacement cycle → upsell solar-hybrid/lithium → grow installed base & referrals. Brand tie-ups, sales network, service quality & AMC attach build a distribution business with a recurring annuity.

8. Operations Plan (distribution + service)

- **Sales & solutions:** product range, sizing/solutioning, B2B/dealer sales, brand tie-ups.
- **Installation:** qualified technicians, clean/safe installs, commissioning.
- **Service network:** AMC/service, spares, battery replacement, response SLAs — the annuity.
- **Inventory:** product + spares/batteries stock, turns, credit.
- **Compliance:** genset emission/CPCB, electrical/safety, battery/e-waste, warranty.

Workflow

Stage	Activity	Metric
Sell	Solution/quote	Conversion/margin
Supply	Product/inventory	Availability/turns
Install	Commission	Quality/on-time
Service	AMC/spares	AMC attach/annuity
Retain	Replacement/upsell	Repeat/referral

9. Regulatory, Licences & Compliance (India)

- **Trading/service:** Shops & Establishments; trade licence; GST; Udyam.
- **Product/brand:** dealer/distributor agreements; warranty.
- **Emission/safety:** genset CPCB emission norms; electrical/safety; battery handling/e-waste.
- **General:** AMC contracts; insurance; technician training.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / manager	1	2	3
Sales / BD (B2B/dealers)	4	8	13
Installation & service technicians	6	13	24
Stores/inventory & logistics	2	4	6
Accounts & admin	2	3	5
Total	15	30	51

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0-2	Entity, brand tie-ups, inventory, service team, first sales
Ramp	Month 2-7	Sales, installations, AMC attach, service network
Traction	Month 7-12	Sales & AMC base; ₹8cr revenue
Expand	Year 2	More products/geographies, solar-hybrid, ₹12cr
Scale	Year 3	₹16cr revenue; installed base & AMC annuity

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Power-backup is distribution (product margin) + installation + a recurring AMC/service annuity; inventory + receivables are the main WC; AMC compounds with installed base.

12.1 Project cost & means of finance

Capital requirement	₹
Inventory (products + spares/batteries)	50,00,000
Working capital (B2B receivables)	30,00,000
Service setup, tools, vehicles & office	20,00,000
Brand tie-ups, brand & pre-operative	10,00,000

Total project cost	1,10,00,000
Promoter contribution	42,00,000
Bank finance (term + CC, MSME)	68,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Gensets & large systems	3,50,00,000	5,50,00,000	7,00,00,000
UPS, inverters & batteries	3,50,00,000	5,00,00,000	6,50,00,000
Installation, AMC/service & spares	1,00,00,000	2,00,00,000	2,50,00,000
Total revenue	8,00,00,000	12,50,00,000	16,00,00,000
Cost of goods sold	6,25,00,000	9,55,00,000	12,10,00,000
Salaries & service labour	75,00,000	1,25,00,000	1,65,00,000
Overheads, logistics & marketing	55,00,000	90,00,000	1,15,00,000
Interest & other	13,00,000	20,00,000	25,00,000
Total expenses	7,68,00,000	11,90,00,000	15,15,00,000
Net profit (before tax)	32,00,000	60,00,000	85,00,000
Net margin	4%	4.8%	5.3%

12.3 Unit economics & break-even

- **Product margin + installation + AMC:** product margins are moderate (distribution); installation adds margin; the **AMC/service/spares annuity** is recurring & higher-margin, compounding with the installed base & smoothing revenue.
- **AMC attach & service network:** AMC attach-rate & service quality build the annuity & replacement cycle (batteries) — the compounding lever; service reliability drives referrals & repeat.
- **Break-even:** at a sales/AMC threshold covering overheads & interest; net margins moderate (distribution), improving with AMC annuity, mix (gensets/solar-hybrid) & service.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	10,00,000	9,00,000	9,20,000	9,60,000
Collections	1,65,00,000	1,95,00,000	2,20,00,000	2,35,00,000
Purchases, salaries & operating	1,66,00,000	1,94,80,000	2,19,60,000	2,33,80,000
Closing balance	9,00,000	9,20,000	9,60,000	10,80,000

Power-backup carries inventory + B2B receivables WC; AMC/service smooths cash. Inventory turns, AMC recurring cash, milestone/advance on large systems, credit discipline, CC & the WC line manage cash; the key risks are inventory/product-mix, B2B credit, competition/margin & service-quality/technician retention — met with turns, AMC annuity, service & credit control.

12.5 Key Performance Indicators to Monitor

- **Sales:** revenue; product mix; conversion; B2B accounts.
- **Service:** AMC attach; AMC base; service SLA; replacement cycle.
- **Inventory & WC:** turns; receivable days; CC.
- **Finance:** gross margin; AMC/service share; net margin.

13. Funding Requirement & Bankability

Total ask: **₹68 lakh bank finance** against ₹42 lakh promoter contribution — term for service setup plus **CC/OD for working capital** (inventory + B2B receivables), MSME-eligible. Bankability rests on sales, brand tie-ups, the growing AMC/service annuity & B2B relationships; power-reliability demand is steady. Year-1 profit ~₹32 lakh growing to ₹85 lakh supports servicing; AMC attach, turns & service are key. Brand tie-ups, sales network, service quality & AMC attach underpin the model.

13.1 Funding utilisation

Use of funds	₹	% of total
Inventory (products + spares/batteries)	50,00,000	45.5%
Working capital (B2B receivables)	30,00,000	27.3%
Service setup, tools, vehicles & office	20,00,000	18.2%
Brand tie-ups, brand & pre-operative	10,00,000	9.1%
Total	1,10,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Inventory / product-mix / obsolescence	Turns, demand-based stocking, brand tie-ups, solar-hybrid shift
B2B credit defaults	Credit control, limits, checks; CC; relationships
Competition / margin pressure	AMC annuity, service quality, solutions, brand, B2B focus
Service-quality / technician retention	Training, SLAs, retention, service systems
Emission/e-waste/regulatory	CPCB/emission compliance, battery/e-waste handling

15. SWOT Analysis

Strengths Steady power-reliability demand; product + AMC/service annuity; installed-base replacement cycle; brand tie-ups; scalable.	Weaknesses Moderate product margins; inventory-/WC-/credit-intensive; competition; service/technician-dependent.
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Opportunities Solar-hybrid/lithium shift; critical-loads/data; AMC annuity; B2B/institution; geographic/dealer expansion.	Threats Grid improvement (long-run); competition/online; product-price; regulatory (emission/e-waste).
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16. Recommended AiSevak Tools for This Business

This power-backup business would use AiSevak's Energy vertical tools in delivery:

- **Sales & service ops:** product/inventory & solutioning/quoting, installation & AMC/service-annuity, B2B-CRM & service-SLA tools.
- **Business ops:** turns/credit & emission/e-waste-compliance, brand-tie-up & GST tools (with Finance & Legal verticals).
- **Practice:** Business Plan, product-margin/AMC-annuity and Break-even tools to model the business.

17. Key Assumptions & Notes

- Power-backup/UPS solutions: sales + installation + AMC/service of gensets/UPS/inverters/batteries/solar-hybrid; product margin + installation + recurring AMC/service annuity.
- Product margin + installation + AMC decisive; brand tie-ups, sales network, service quality & AMC attach are the levers; AMC/replacement compounds with installed base.
- Term + CC/OD (MSME); Shops-&-Establishments/GST, brand agreements, genset CPCB-emission, electrical/battery/e-waste safety.
- Sales, AMC attach, turns, service & product-mix drive economics; figures illustrative, exclude GST.

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