



Salasar Techno Engineering Limited

Dated: 12.02.2020

To,

The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza, BandraKurla Complex Bandra East Mumbai – 400051 Symbol – SALASAR	The Secretary Corporate Relationship Dept. BSE Limited P.J.Tower, Dalal Street, Mumbai – 400001 Scrip Code: 540642
---	---

**Sub : - Investor Presentation**

Dear Sir/Madam

Please find attached herewith Investor Presentation of the Company w.r.t. Financial Results of the Company for quarter and nine months ended 31<sup>st</sup> December, 2019, for your record and further dissemination.

Kindly take the same on record.

**Thanking You**

**Yours faithfully**

**Pramod Kumar Kala**  
**Chief Financial Officer**

CIN No. - L23201DL2001PLC174076



Unit 1- Khasra 265, 281-283, Parsaun-Dasna, Jindal Nagar, Distt. Hapur-201313  
Unit 2- Khasra 1184,1185, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304  
Unit 3- Khasra 686/6, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304  
Office- KL-46, Kavi Nagar, Ghaziabad-201002  
Regd Office- E-20, South Extension 1, New Delhi-110049



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



+91 8938802180, 7351991000  
+91 120 6546670  
Fax: +91 11 45823834



[towers@salasartechno.com](mailto:towers@salasartechno.com)  
[marketing@salasartechno.com](mailto:marketing@salasartechno.com)

# Salasar Techno Engineering Limited

Investor Presentation  
Q3 & 9M FY20



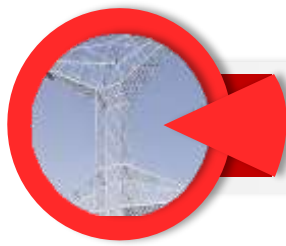


# Disclaimer

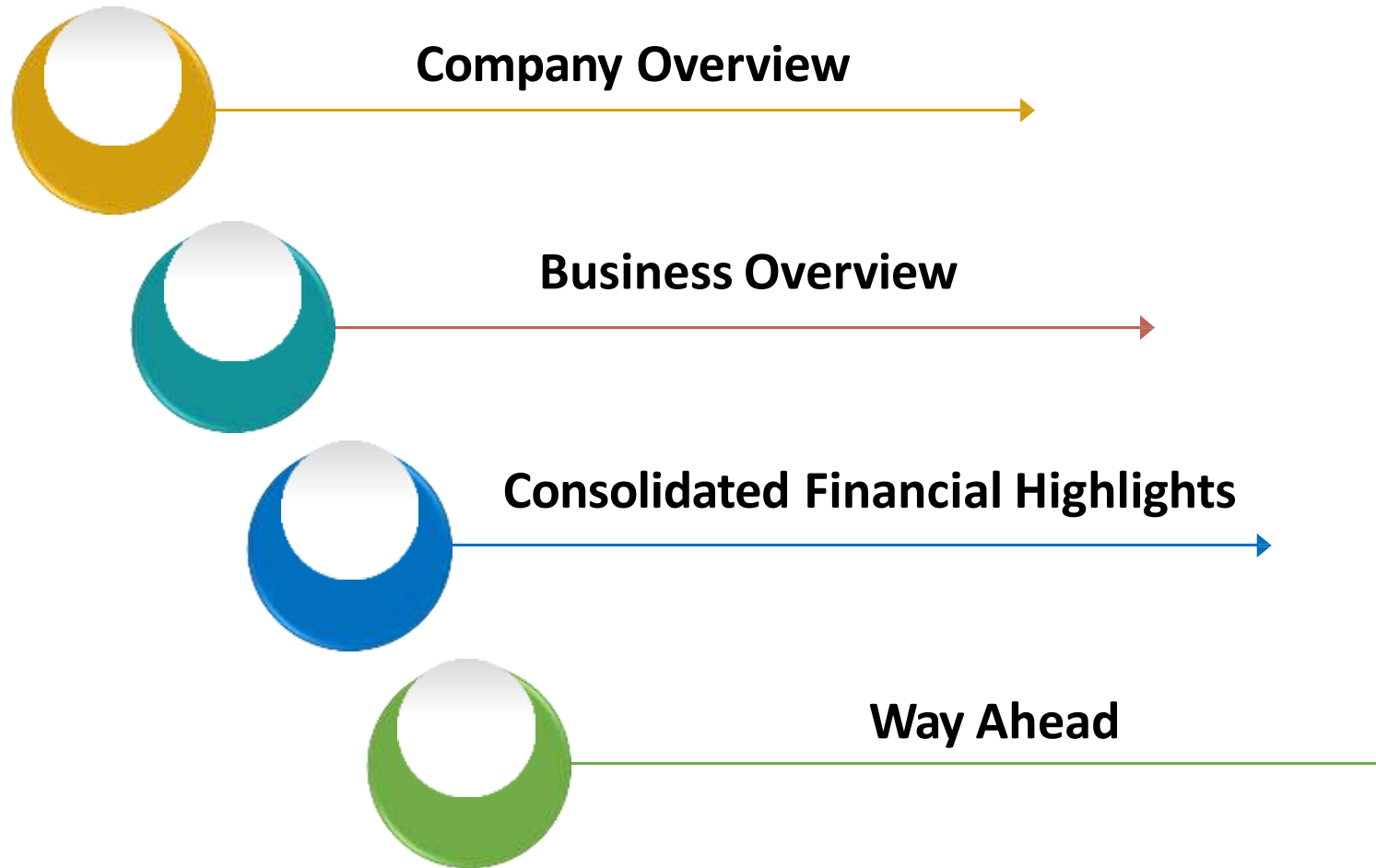
*This presentation has been prepared by Salasar Techno Engineering Limited (the “Company”) solely for information purposes and does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*



# Table of Contents





## Company Overview





# About Us



Among Leading Manufacturers & Fabricators of Steel Structures in India

## Provider of Customized Infrastructure Solutions

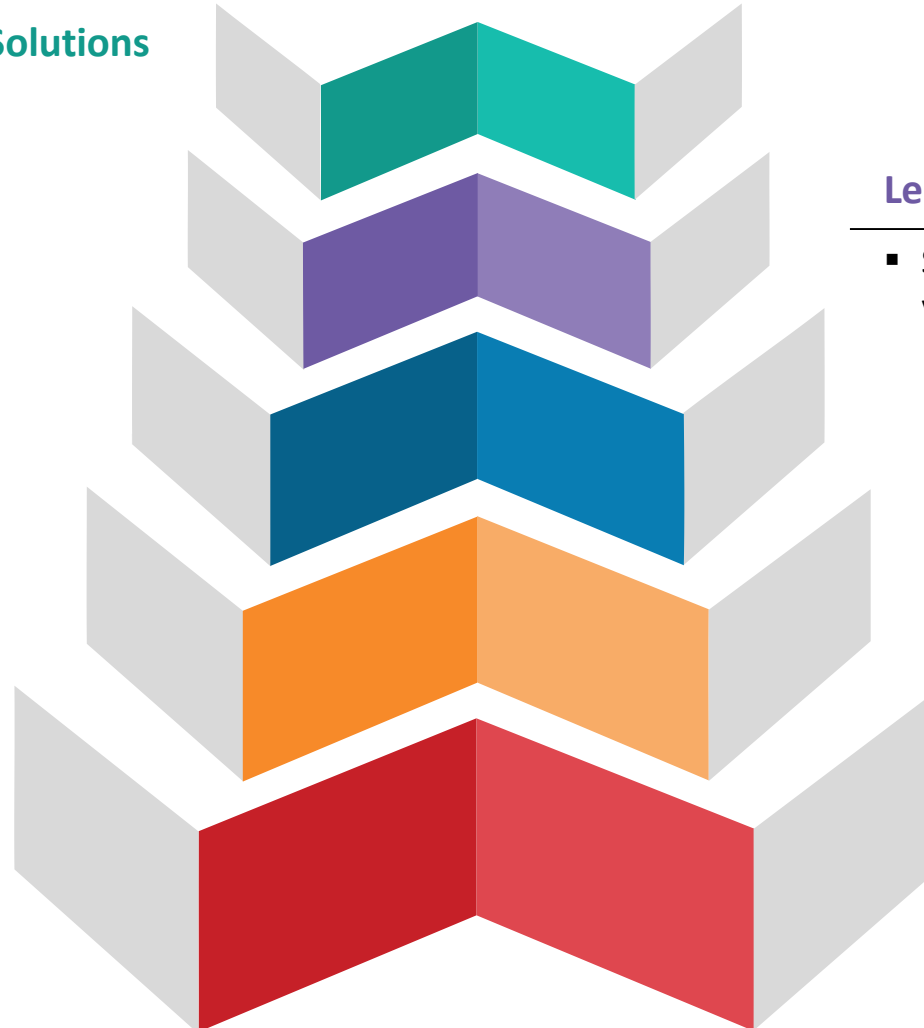
- Manufacturing and fabrication of steel structures for Telecom Towers, Transmission Towers, Substations Structures and Solar Module Mounting Structures

## Diversified Product Portfolio

- Camouflaged Towers Solution
- Cold Formed Structures
- Products for Indian Railways
- Cell on Wheels, etc.

## State of art Manufacturing Facility

- 1,00,000 MT installed capacity of Steel Galvanizing equipped with latest technology



## Leading Manufacturer of Telecom Towers

- Supplied more than 25,000 towers of various designs since inception

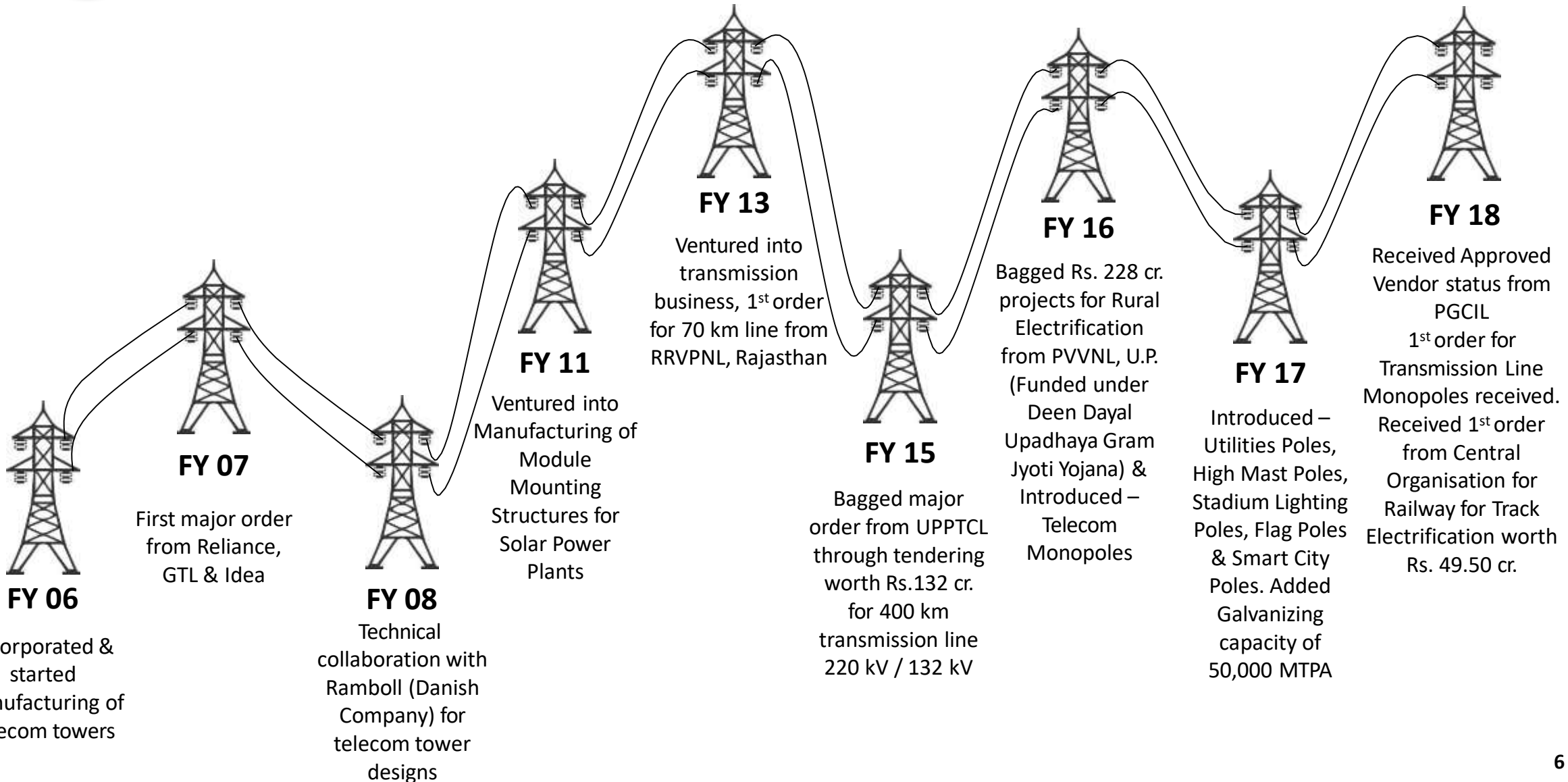
## Technical Tie-Up

- Technical tie-up with Ramboll - leading Danish Company for structural designs





# Timeline





# Management Team



**Mr. Alok Kumar**  
**Chairman & Managing Director**

- B.Sc. from Punjab University
- Over 40 years of experience in trading, manufacturing and fabrication of iron & steel products
- Responsible for purchases & finance



**Mr. Shashank Agarwal**  
**Joint Managing Director**

- B.E. (Mech.) from MIT, Manipal
- Responsible for operations, sales & marketing of telecom towers & solar mounting structures



**Mr. Shalabh Agarwal**  
**Director**

- B. Tech from MIT, Manipal
- Over 18 years of experience in sugar industry and trading, manufacturing and fabrication of iron & steel products



**Ms. Tripti Gupta**  
**Director**

- MBA in Finance & Marketing from Institute of Management Technology, Nagpur
- Over 5 years of experience in strategic Mgmt, business development, policy making & other corporate matters
- Responsible for corporate planning & HR



**Mr. Pramod Kumar Kala**  
**Chief Finance Officer**

- Member of Institute of Chartered Accountants of India
- More than 23 years of experience in Finance, Banking, Accounts & Taxation and Commercial operations



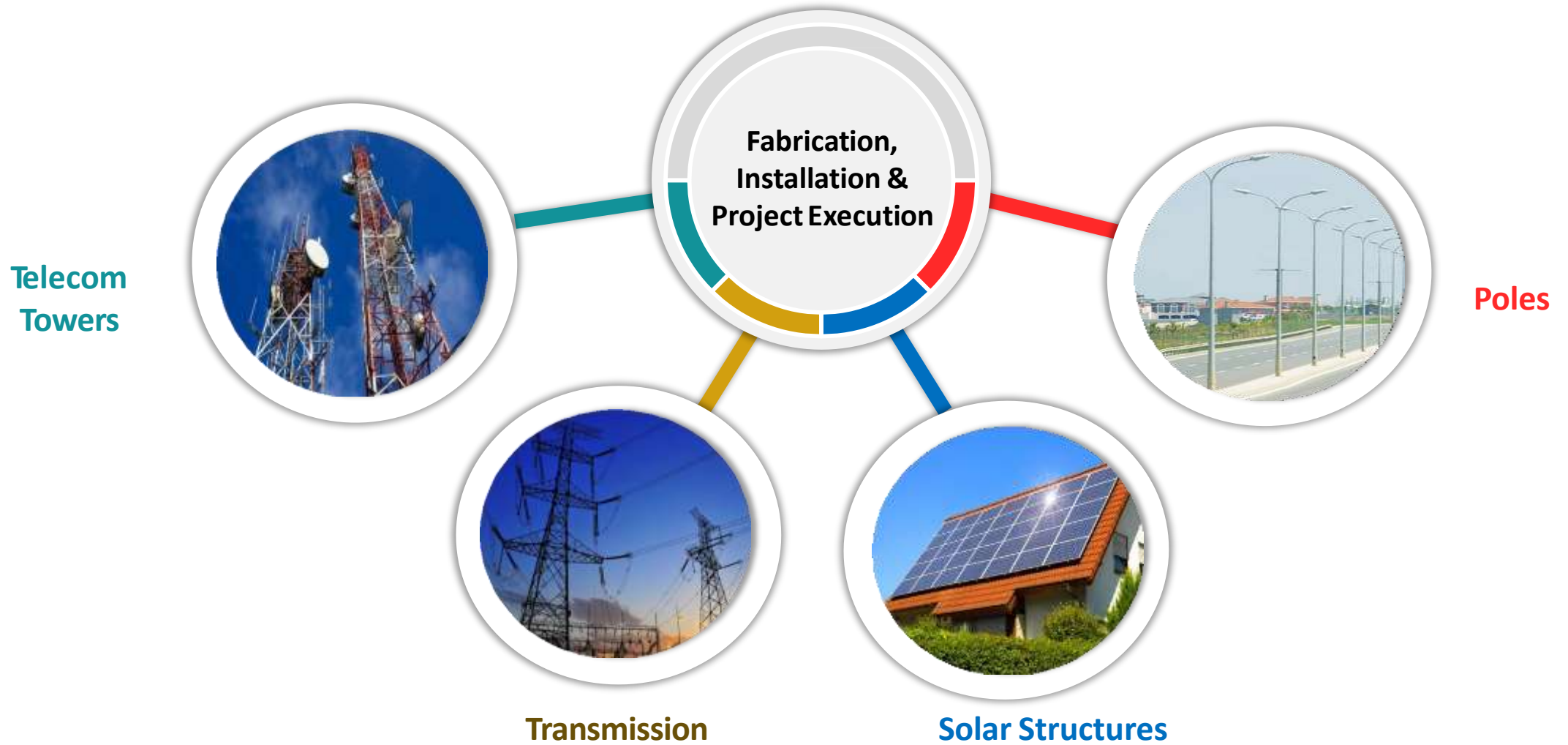


## Business Overview





# Business Verticals





# Product Portfolio

- **Customized Galvanized and Non-galvanized steel structures**
  - ✓ Process of applying protective zinc coating to steel or iron, to prevent rusting
  - ✓ Forms zinc coating - serves as sacrificial anode and protects base metal from corroding

## Angular

- Preferred for small towers with relatively light loads, mainly because of wide range of sizes, simple connections and low manufacturing cost

## Monopoles

- Designed tapered single-pole tubular section
- Least intrusive – popular tower types in wireless communication



## Tubular

- Made of bolted angles, especially used when stresses are low enough to allow relatively simple connections
- Lighter than angular towers because of reduced wind load on circular sections

## Hybrid

- Built for large sites - requires independence from grid - employ independent source of energy





# Product Portfolio contd...

## Transmission Towers and Substation Structures

- Tall structure usually steel lattice used to support overhead power line
- Used in high-voltage AC and DC systems, and available in wide variety of shapes and sizes



## Solar Module Mounting Structures

- Used to fix solar panels on surfaces like roofs, building facades or ground



## Feeder Segregation and Rural Electrification

- Carrying out separation of high feeder for agricultural and non-agricultural consumers



## Lighting Poles for Smart Cities

- Steel Structure to provide light on edge of road or walk way to provide visibility in darkness



# Product Portfolio



## Smart Poles

- Used in places where aesthetic requirements are high
- Practical substitute - combination of Telecom Poles, Wi-Fi, Smart Lighting, Local Area Monitoring and environmental census
- Designed as per requirement arising of local conditions







# Key Strengths

## State of Art Infrastructure

- State of art infrastructure facility for galvanizing steel structures
- Capability to ramp up operations in minimum time with existing facilities

## Partnership with Ramboll

- Tie up with Ramboll for technical expertise in Structural Design of Tubular Telecom Towers
- Market leader in innovative design & supply of tower solutions

## Requisite Qualifications

- Qualified to bid for Rural Electrification projects
- Qualified by CORE (Central Organization for Railway Track Electrification)

## Customer Centric

- Experienced team to work in any terrain and weather thereby attaining highest level of customer satisfaction



## Strong Financial Capabilities

- Improving EBITDA Margins
- Strong return ratios

## Operational Excellence

- Best quality raw material procurement in line with stringent industry standards
- Continually updated equipment that serve wide variety of manufacturing needs

## On time Delivery

- Capable to service and provide solutions within stipulated time frame
- Provides on time delivery of products to clients



# State of art Manufacturing Facilities



## Other Specifications

- Three state of art manufacturing units
- Approximately 1,30,000 square yards area in heart of National Capital Region's industrial hub
- Heavy overhead cranes and multiple Hydra equipment for seamless material loading and unloading
- Three fully equipped in-house Galvanizing plants
- Fabrication equipment and installed machinery is regularly upgraded

## Location

- Unit-I, Khasra No. 265, 281 & 283, Parsaun, Jindal Nagar, Dasna, Hapur-201313, Uttar Pradesh (UP)
- Unit-II, Khasra No. 1184, 1185, Khera, Pilkhuwa, Hapur-245304. Uttar Pradesh (UP)
- Unit-III, Khasra No. 686/6, Khera, Pilkhuwa , Hapur-245304, Uttar Pradesh (UP)





## Awards & Recognitions



- Best Tower Partner award from Indus Towers for 2014-15
- Excellence thru Collaboration award from Indus in 2014
- Best Partners award from Bharti Infratel for 2014-15

- One of Top PAN India Tower Supplier in VIOM and ATC
- **‘Gold Award’** in Infra Structures (category: Tower manufacturing)
- Recognised as Indus **“Platinum Partner of the Year 2018 - 19”**





# Bouquet of Satisfied Customers






## Consolidated Financial Highlights







## Joint Managing Director's Message

Commenting on this development, **Mr Shashank Agarwal**, Joint Managing Director, **Salasar Techno Engineering Ltd.** said,

*“ We present the quarterly results of M/s Salasar Techno Engineering Ltd for Dec 2019. Our telecom business contributed 59 %, whereas transmission business contributed nearly 31 %. All our business segments offer significant headroom for growth and operating leverage as they scale up. Railways electrification continues to remain a key growth segment and will remain a focus area for us.*

*The overall slow down in the economy and restructuring of Telecom Tower business model by one of our major customer Reliance Jio has impacted sales during this quarter. However now Reliance Jio has closed this exercise with its strategic partner and have started rolling out sites for further expansion. The sale to Reliance Jio in this quarter was almost negligible. We envisage a good growth overall from telecom sector , as all our existing customers in this sector have started showing signs of significant improvement as there is thrust to create and strengthen the network for 4G and 5G.*

*Further, the company has also received new orders of EPC worth Rs 150 Cr from various Govt organisations during this quarter. Apart from this the balance portion of EPC orders which are under execution pending to be billed are of a value of Rs 160 Cr. So an overall Rs.310 Cr would add to the top line during next 3 to 4 quarters.*

*Apart from above the company has won EPC tenders of a value Rs. 333.68 Cr for which LOI s are awaited. These projects are to be completed over 15 months to 60 months after receipt of formal orders. Part of this would also reflect in the top line in coming quarters.*

*I would like to thank entire team of Salasar Techno Engineering for their untiring efforts and we assure that we at Salasar tirelessly work to achieve our goals of growth and value addition for all the stake holders.*





## Key Financial Highlights – Q3 FY20

**Rs. 100.97 Cr**

Revenue from Operations

**Rs. 9.55 Cr**

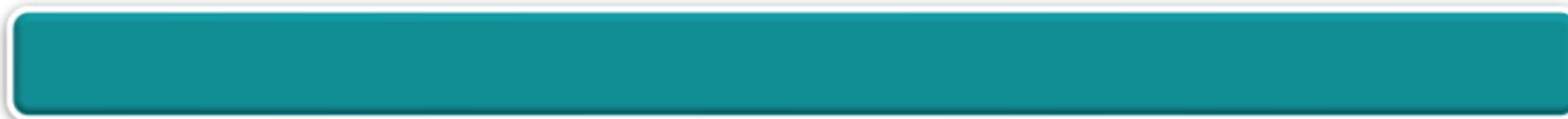
EBITDA

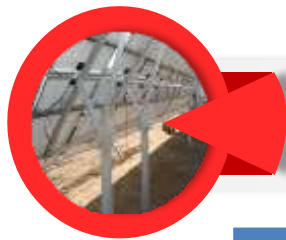
**9.46 %**

EBITDA Margin

**Rs. 2.16**

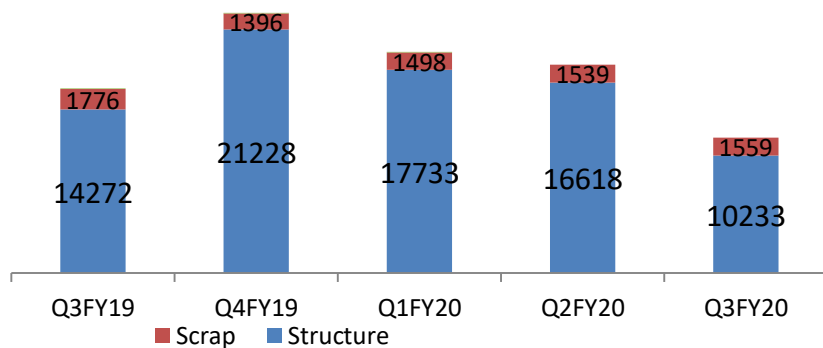
PAT



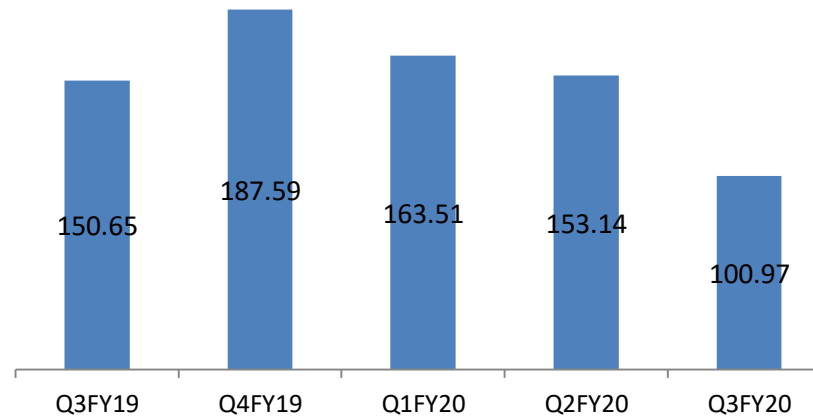


# Key Financial Highlights - Quarterly

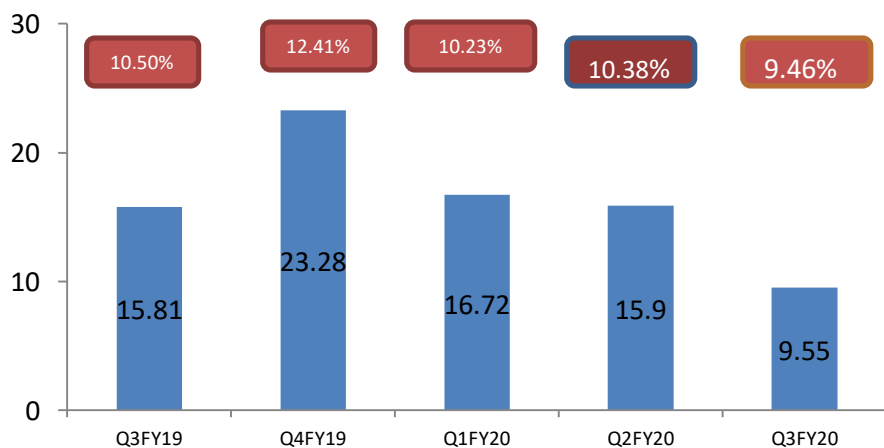
### Dispatch Volumes (MT)



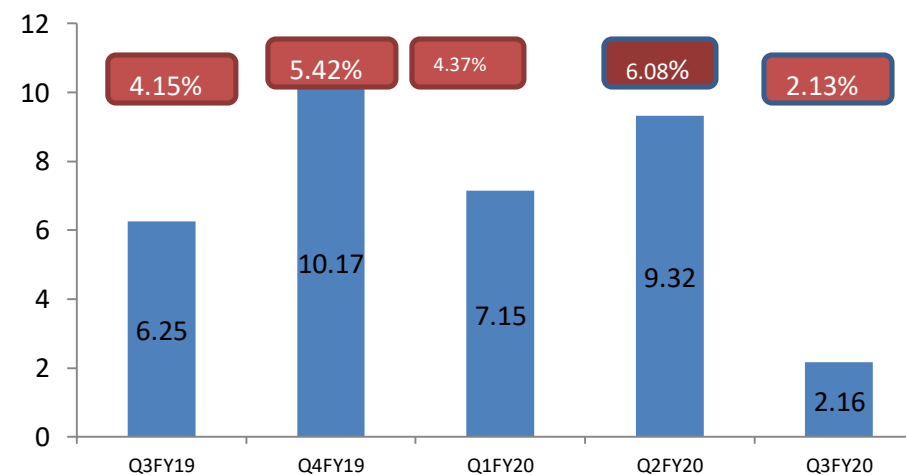
### Revenue from Operations (Rs. Crs)



### EBITDA (Rs. Crs) / Margin (%)



### PAT (Rs. Crs) / Margin (%)





## Q3 FY20 Financial Highlights

Particulars (Rs. Cr.)	Q3 FY20	Q3 FY19	Q2 FY20
<b>Income from Operation</b>	<b>100.97</b>	<b>150.65</b>	<b>153.14</b>
Other Operating Income	0.00	0.00	0.00
Excise Duty	0.00	0.00	0.00
<b>Revenue from Operations</b>	<b>100.97</b>	<b>150.65</b>	<b>153.14</b>
Cost of Material Consumed	60.87	128.94	101.03
Purchase of Traded goods	0.00	0.00	0.00
Changes in Inventories	19.82	(7.20)	20.98
<b>Raw Material Expenses</b>	<b>80.69</b>	<b>121.75</b>	<b>122.01</b>
Employee Expenses	6.28	6.87	7.71
Manufacturing & Operating Cost	0.00	0.00	0.00
Other Expenses	4.46	6.22	7.52
<b>Total Expenditure</b>	<b>91.42</b>	<b>134.84</b>	<b>137.24</b>
<b>EBITDA</b>	<b>9.55</b>	<b>15.81</b>	<b>15.90</b>
<b>EBITDA Margin</b>	<b>9.45%</b>	<b>10.50%</b>	<b>10.38%</b>
Other Income	0.34	0.34	0.17
Depreciation	1.27	1.18	1.24
Interest / Finance Cost	5.68	4.78	5.68
Exceptional Item (Gain) / Loss	0.00	0.00	0.00
<b>PBT</b>	<b>2.95</b>	<b>10.19</b>	<b>9.15</b>
Tax	0.79	3.94	-0.17
<b>PAT</b>	<b>2.16</b>	<b>6.25</b>	<b>9.32</b>
<b>PAT Margin</b>	<b>2.14%</b>	<b>4.15%</b>	<b>6.09%</b>
<b>EPS</b>	<b>1.62</b>	<b>4.70</b>	<b>7.02</b>



## Key Financial Highlights – 9MFY20

**Rs. 417.63 Cr**

Revenue from Operations

**Rs. 42.17 Cr**

EBITDA

**10.10%**

EBIDTA Margin

**Rs. 18.63 Cr**

PAT

**Delivered strong & consistent performance in telecom and transmission**





# 9M FY20 Financial Highlights

Particulars (Rs. Cr.)	9MFY20	9MFY19
<b>Income from Operation</b>	417.63	467.29
Other Operating Income	0.00	0.00
Excise Duty	0.00	0.00
<b>Revenue from Operations</b>	417.63	467.29
Cost of Material Consumed	304.21	391.11
Purchase of Traded goods	0.00	0.00
Changes in Inventories	30.16	-12.37
<b>Raw Material Expenses</b>	334.37	378.74
Employee Expenses	21.20	19.75
Manufacturing & Operating Cost	0.00	0.00
Other Expenses	19.89	18.72
<b>Total Expenditure</b>	375.45	417.21
<b>EBITDA</b>	42.17	50.08
<b>EBITDA Margin</b>	10.10%	10.72%
Other Income	0.76	0.73
Depreciation	3.71	3.41
Interest / Finance Cost	15.93	11.20
Exceptional Item (Gain) / Loss	0.00	0.00
<b>PBT</b>	23.30	36.20
Tax	4.67	13.10
<b>PAT</b>	18.63	23.10
<b>PAT Margin</b>	4.46%	4.94%
<b>EPS</b>	14.03	17.39



# Consolidated Balance Sheet as on 30<sup>th</sup> Sep 2019

Rs. Crs	Sep-19	Mar-19
<b>Equity</b>	<b>203.53</b>	<b>189.44</b>
Equity Share Capital	13.29	13.29
Other Equity	190.24	176.15
<b>Non-current liabilities</b>	<b>19.37</b>	<b>21.17</b>
<b>Financial Liabilities</b>		
(a) Borrowing	4.44	4.89
(b) Other Financial liabilities	9.73	9.26
Provisions	1.30	1.28
Deferred Tax Liabilities (Net)	3.69	5.10
Other Current Liabilities	0.21	0.63
<b>Current liabilities</b>	<b>258.89</b>	<b>261.53</b>
<b>Financial Liabilities</b>		
(a) Borrowing	167.79	145.39
(b) Trade Payables	26.50	58.27
(c) Other Financial Liabilities	2.27	0.27
Provisions	0.53	0.15
Other Current Liabilities	61.80	56.67
Current Tax Liabilities (Net)	0.00	0.79
<b>Total Equities &amp; Liabilities</b>	<b>481.79</b>	<b>472.13</b>

Rs. Crs	Sep-19	Mar-19
<b>Non-current assets</b>	<b>90.48</b>	<b>86.56</b>
Property, Plant and Equipment	82.09	77.30
Intangible Assets	0.00	0.00
Goodwill ON consolidation	0.00	0.00
Capital work in progress	0.00	0.00
<b>Financial Assets</b>		
Investments in JV	0.00	0.00
Other Financial Assets	8.39	9.27
<b>Current assets</b>	<b>391.31</b>	<b>385.57</b>
Inventories	99.03	117.93
<b>Financial Assets</b>		
Investments	1.51	2.05
Trade Receivables	236.93	217.24
Cash & Cash Equivalent	0.71	1.83
Bank Balance other than above	17.96	9.90
Other Financial Assets	9.78	9.42
Current Tax Assets	0.76	0.00
Other Current Assets	24.63	27.19
<b>Total Assets</b>	<b>481.79</b>	<b>472.13</b>



**Way Ahead**





# Industry Opportunities

- 
- Strong growth expected in telecom infrastructure industry - new technologies, 4G & expansion in rural areas to boost this growth
  - Governments initiatives to electrify rural areas and build smart cities thereby increasing demand for Smart Poles
  - Around 70 per cent of towers in India are owned and operated by tower companies
  - Global galvanized steel market to grow at CAGR of 5.18% during period 2016-2020
  - Asia & Pacific fastest-growing region galvanized steel market – expected 68% market share by 2020 across globe
  - Funding Availability
    - Innovative ways by Government to fund various projects including Smart City and others



# Way Ahead

## Utilization of Incremental Capacity and Expanding Product Portfolio

- Fully utilize additional 50,000 MT Galvanizing unit installed in FY18
- Continue to expand product portfolio by upgrading existing and introducing new products to maintain market share and engage new customers
- Continued focus on EPC esp. Power & Railway

## Expanding Design & Engineering Capabilities

- Invest in design and engineering services to provide additional value to customers
- Emphasis on process, product innovation and value engineering solutions in order to meet requirements of wider range of products

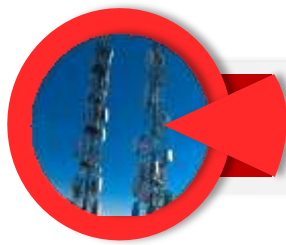
## Targeting New Customer Accounts and Expanding Existing Ones

- Customer penetration by targeting new customers and securing larger orders from existing ones
- Develop capabilities so as to be able to enter new markets

## Developing Camouflaging Capabilities for Monopoles

- Develop capabilities to provide better camouflage solution for evolving telecom industry
- To meet demands of consumers who prefers small towers





Thank You



For further information, please contact:

---

**Company :**

---

**Salasar Techno Engineering Limited**

Mr. Pramod Kumar Kala - CFO

[investor.relations@salasartechno.com](mailto:investor.relations@salasartechno.com)

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

---