

5th September, 2017

To,

The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex Bandra East Mumbai – 400051 Symbol – SALASAR	The Secretary Corporate Relationship Dept. BSE Limited P.J.Tower, Dalal Street, Mumbai – 400001 Scrip Code: 540642
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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 ended 30th June, 2017, for your record and further dissemination.

Kindly take the same on record.

Thanking you,

For **Salasar Techno Engineering Limited**



(Kamlesh Kumar Sharma)
Chief Financial Officer

SALASAR TECHNO ENGINEERING LTD.

Works : Unit-I : Khasra No. 265, 281- 283, Vill.- Parsaun- Dasna, P.O.- Jindal Nagar, Distt. Hapur- 201313 (U.P.)
Ph. : +91 8938802180 / 7351991000 **Fax :** +91-11-45823834

Unit-II : Khasra No. 1184, 1185, Vill.- Khera, P.O. Pilkhuwa, Teshil Hapur, Distt. Hapur- 245304 (U.P.) **Ph. :** +91 8938802184
Office : KL - 46, Kavi Nagar, Ghaziabad-201002 (U.P.) **Ph. :** +91 120 - 6546670, **Fax :** 91 - 11 - 45823834

CIN No. U23201DL2001PLC174076 **E-mail :** towers@salasartechno.com **Website :** www.salasartechno.com

An ISO 9001:2015, 14001:2015 & 18001:2007 CERTIFIED COMPANY

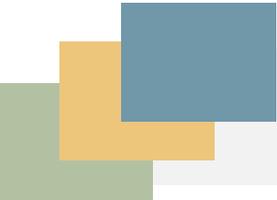
Regd office : E - 20, South Extension - 1, New Delhi - 110049

SALASAR

Salasar Techno Engineering Limited

**Investor Presentation
September 2017**





Disclaimer

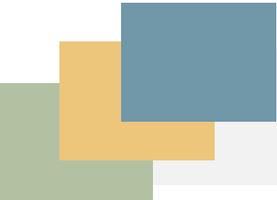


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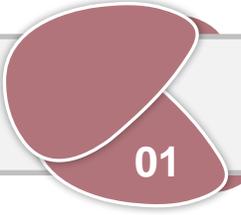
Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known 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.



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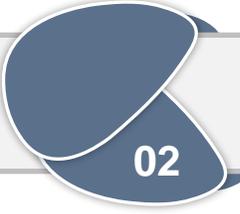


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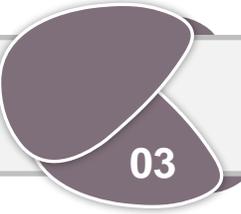
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Company Overview



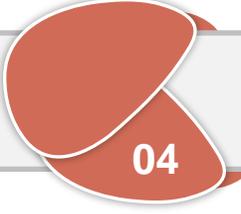
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Business Overview



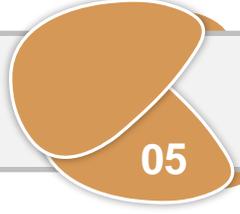
03

Industry Overview



04

Financial Highlights



05

Way Ahead



SALASAR

Company Overview

Focus on Innovative Products

Increased capacity from 50,000 MT to 1,00,000 MT

Installation of new Galvanizing Plant at its wholly owned subsidiary – Salasar Stainless Limited

**ISO 9001: 2015, 14001: 2015
OHSAS 18001: 2007 certified**

Provider of customised steel fabrication and infrastructure solutions in India

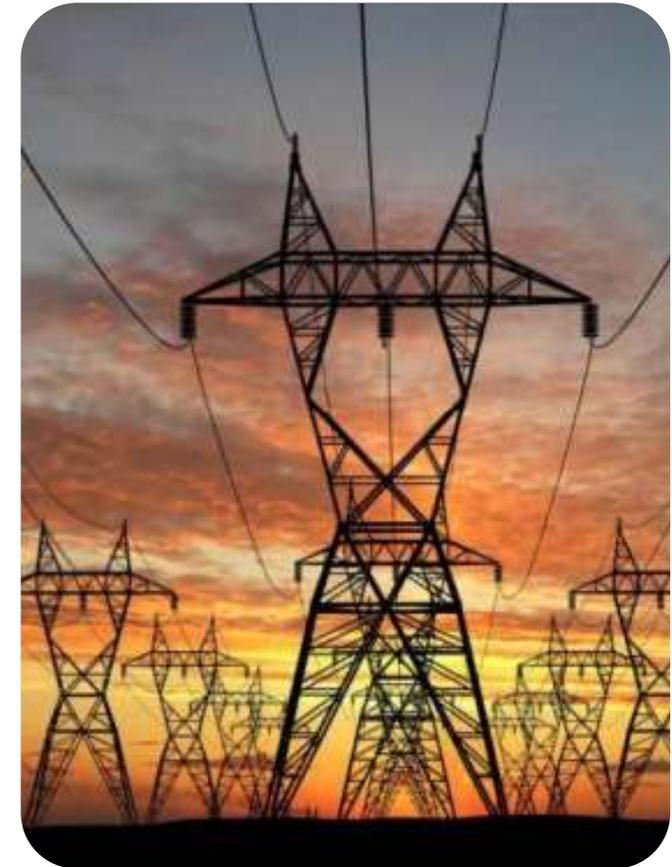
For Telecommunication Towers, Transmission Towers & Substation Structures and Solar Module Mounting Structures

One of India's face and manufacturing/fabrication partners

for Ramboll's technical expertise in Telecom towers structural design

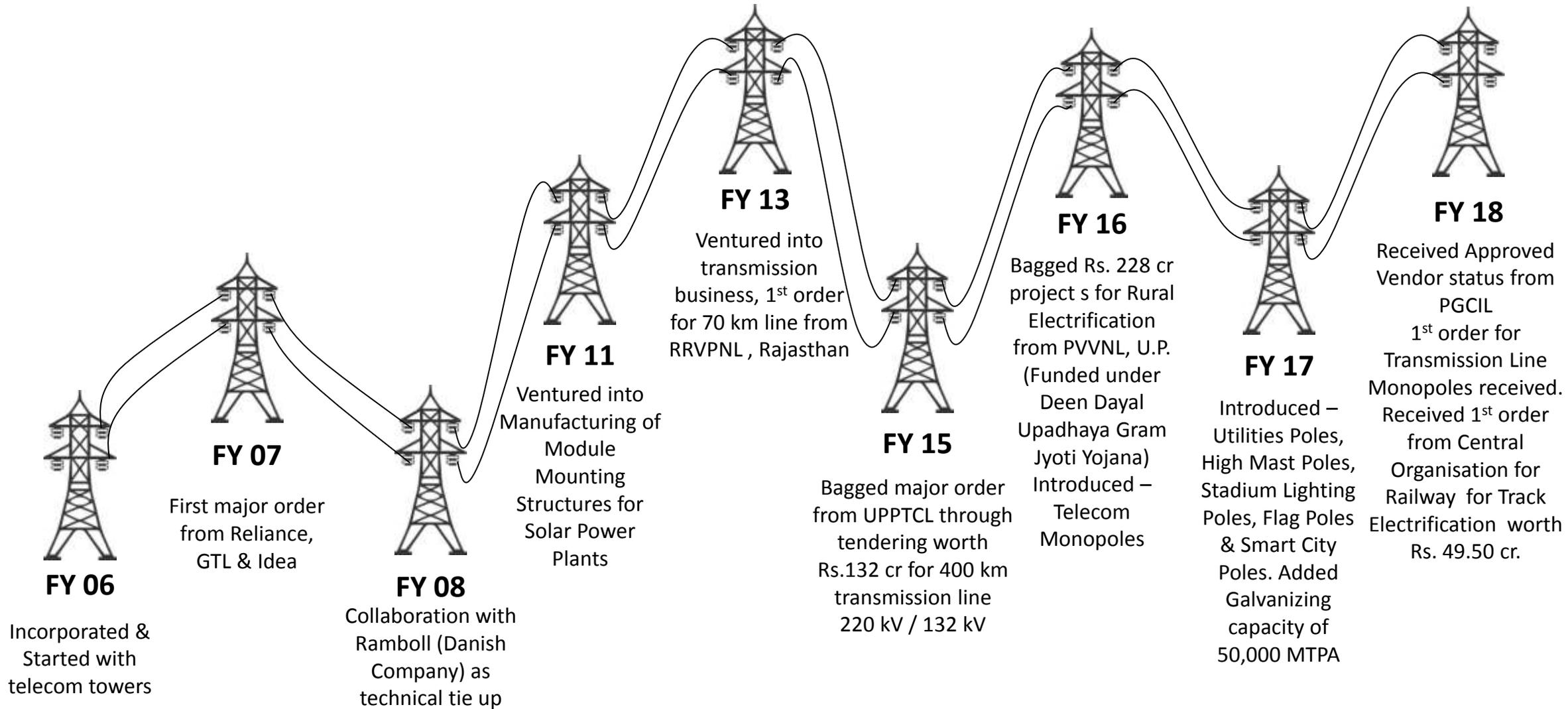
Leading player in Telecom Tower Business

Supplied more than 20,000 towers of various designs of Angular, Tubular and Hybrid Ground Based Towers (GBT) and Roof Top Towers (RTT) since inception



Timeline

SALASAR



Management Team

SALASAR



Mr. Alok Kumar

**Chairman &
Managing Director**

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



Mr. Shashank Agarwal

Jt. Managing Director

- B.E. (Mech.) from MIT, Manipal
- Has been President since takeover till August 2014
- Responsible for operations, sales & marketing of telecom towers and solar mounting structures



Mr. Shalabh Agarwal

Director

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



Ms. Tripti Gupta

Director

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



**Mr. Kamlesh Kumar
Sharma**

Chief Finance Officer

- Member of Institute of Chartered Accountants of India
- More than 5 years of experience in finance & internal auditing
- Prior association with M/s Supreme Alloys Limited as an Internal Auditor



Business Verticals



Transmission



Solar Structures



Telecom Tower

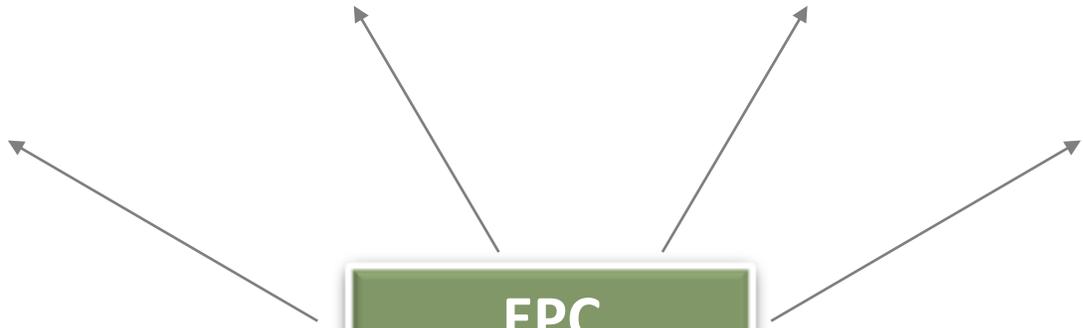


Poles



EPC

Installation and Project Execution



- **Customized Galvanized and Non-galvanized steel structures**

- Process of applying a protective zinc coating to steel or iron, to prevent rusting
- Forms a coating of zinc which serves as a sacrificial anode and protects its base metal by corroding before iron

Telecommunication Towers



- **Angular** - Angular sections are preferred for most small towers with relatively light loads, mainly because of wide range of sizes, simple connections and low manufacturing cost



- **Tubular** - Lattice towers are usually made of bolted angles can be economic, especially when stresses are low enough to allow relatively simple connections
- Towers with tubular members may be less than half weight of angle towers because of reduced wind load on circular sections



- **Hybrid** - Hybrid towers are built for large sites that require independence from grid and employ an independent source of energy such as solar or wind power



- **Monopoles** - Designed as a single-pole that can be a tubular section design or a formed, tapered pole, they are least intrusive – making them most popular tower types in wireless communication industry



- **Transmission Towers and Substation Structures** - Transmission line tower or power tower is tall structure, usually steel lattice tower, used to support overhead power line. They are used in high-voltage AC and DC systems, and come in wide variety of shapes and sizes



- **Solar Module Mounting Structures** - Solar module racking (also called Photovoltaic mounting systems) are used to fix solar panels on surfaces like roofs, building facades, or ground



- **Feeder Segregation and Rural Electrification** – Carrying out Rural Electrification projects under government through route mapping, feeder segregation and installation of transmission lines and substations



- **Lighting Poles for Smart Cities** - Lighting Pole is raised source of light on the edge of road or walk way to provide visibility in darkness made of steel



Smart Poles

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



Key Strengths

Strong Financial Capabilities

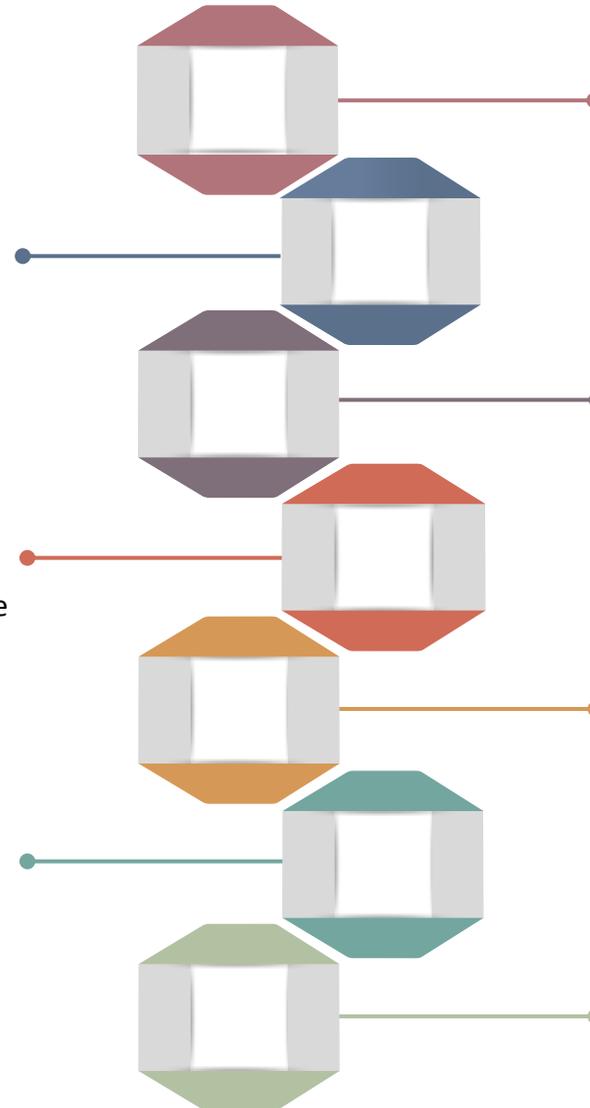
- Upward trend in EBITDA Margins
- Strong return ratios

State of the Art Infrastructure

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

Government Initiative

- Pre-qualified to bid for Rural Electrification projects
- Helps to Increase target market size



Partnership with Ramboll

- Manufacturing partner for Ramboll's technical expertise in Structural Design of Tubular Telecom Towers
- Ramboll market leader in innovative design & supply of tower solutions

Operational Excellence

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

Customer Centric

- Focus on attaining highest level of customer satisfaction

Experienced Management

- Significant experience in steel & allied industry and project management

State of the art Manufacturing Facilities

SALASAR



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) – Salasar Stainless Ltd.

Other Specifications

- 3 state of the art manufacturing units including 1 Subsidiary unit
- Approximately 1,30,000 square yards in heart of National Capital Region's industrial hub
- Heavy overhead cranes and multiple Hydra equipment for seamless material loading and unloading
- 3 fully equipped in-house Galvanizing plants including 1 at Subsidiary unit
- Average Monthly Production capacity of 8,000 MT
- Fabrication equipment and installed machinery is regularly upgraded

Certifications



**Unit 1 ISO 14001:2015
Environmental Management
System**



**Unit 2 ISO 14001:2015
Environmental Management
System**



**Unit 1 ISO 9001:2015
Quality Management System**



**Unit 2 ISO 9001:2015
Quality Management System**

Awards & Recognitions



- Best Tower Partner award from Indus Towers for the period 2014-15
- Excellence thru Collaboration award from Indus in 2014
- Best Partners award from Bharti Infratel for the period 2014-15
- One of the Top PAN India Tower Supplier in VIOM and ATC

Bouquet of Satisfied Customers

SALASAR





Industry Overview



Industry Overview

Strong economic fundamentals

- Supported by strong government reforms
- RBI's inflation focus supported by benign global commodity prices

Robust Growth Potential

- Forecasted growth of 8 % on an average from fiscal 2016 to 2020
- Powered by greater access to banking, technology adoption, urbanisation and other structural reforms

Government Initiatives

- Create 100 smart cities
- With modern infrastructure and digital connect

Strong Prospects for Telecom Industry

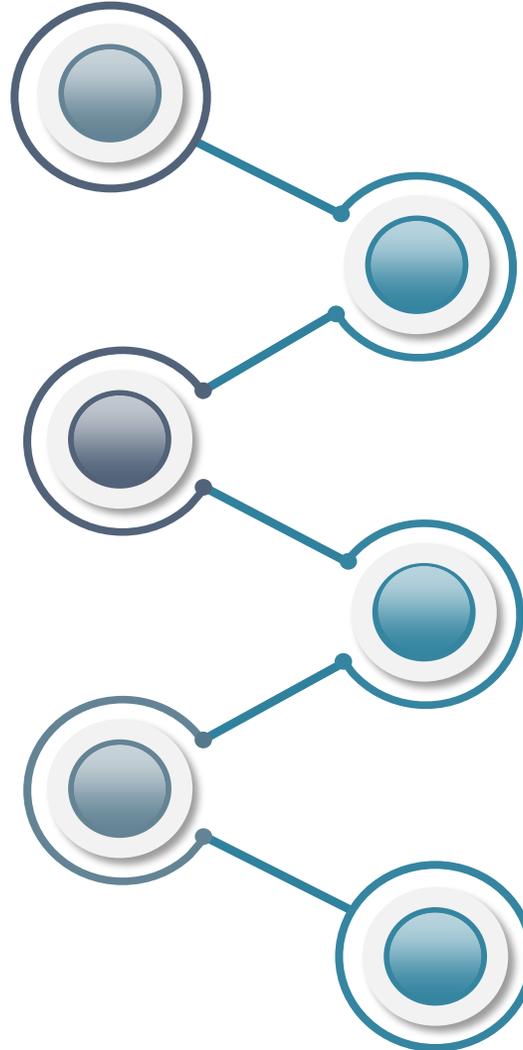
- Total mobile services market revenue in India is expected to touch US\$ 37 billion in 2017
- Compound Annual Growth Rate (CAGR) of 5.2 per cent between 2014 and 2017, according to research firm IDC
- Indian telecommunication services market will grow by 10.3 % Y-o-Y to reach US\$ 103.9 billion by 2020
- Leading player in virtual world by having 700 million internet users of 4.7 billion global users
- The Government of India also plans to auction the 5G spectrum
- It is expected that data consumption per person will increase to 200GB from current 2GB per month by 2020

Strong Prospects for Power Industry

- Total installed capacity of power stations in India stood at 315,426.32 Megawatt (MW) as of February 28, 2017
- Ministry of Power has set target of 1,229.4 billion units (BU) of electricity to be generated in financial year 2017-18
- Annual growth rate in renewable energy generation has been estimated to be 27 per cent and 18 per cent for conventional energy
- GOI has added 8.5 GW of conventional generation capacity during April 2016-January 2017 period
- Indian power sector has investment potential of Rs 15 trillion (US\$ 225 billion) in next 4–5 years

Industry Opportunities

- Strong growth expected telecom infrastructure industry - new technologies, such as 4G & expansion in rural areas to boost this growth



- Around 70 per cent of India's 4,00,000 towers are owned and operated by tower companies

- Governments initiatives to electrify rural areas and build smart cities thereby increasing demand for Smart Poles

- 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



Q1FY18 & Annual Financial Highlights



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

“We are glad to report our first quarter results after a phenomenal listing on both the exchanges. We continue to focus on profitable growth amidst challenges & headwinds.

This quarter we have delivered strong growth and demand for our products across all product segments. Our operating efficiencies combined with favorable raw material conditions and capacity expansion has benefited us a lot.

Going forward, we will continue to look at opportunities to expand in the high demand and profitable geographies in India as well as focus on consistent high quality products and timely execution. This will help us increase the customer confidence, leading to increase in the order flow.”

Consolidated Financials Highlights – Q1 FY18

SALASAR

+51.01%

Rs 125.06 Cr

Revenue

+60.88%

Rs. 12.21 Cr

EBITDA

+60 bps

9.76%

EBITDA Margin

+76.52%

Rs. 6.11 Cr

PAT

+71 bps

4.89 %

PAT Margin

+77.97%

Rs 6.14 vs Rs 3.45

Q1 FY17

EPS

Strong growth driven by increase in order book execution, higher contribution of tubular towers and higher margin business

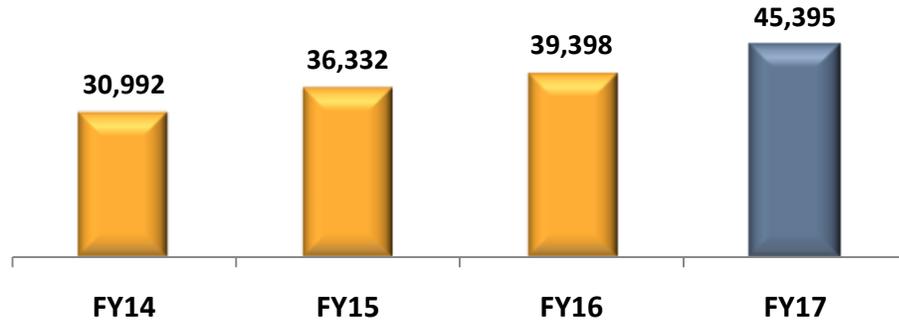
Consolidated Financials Highlights – Q1 FY18



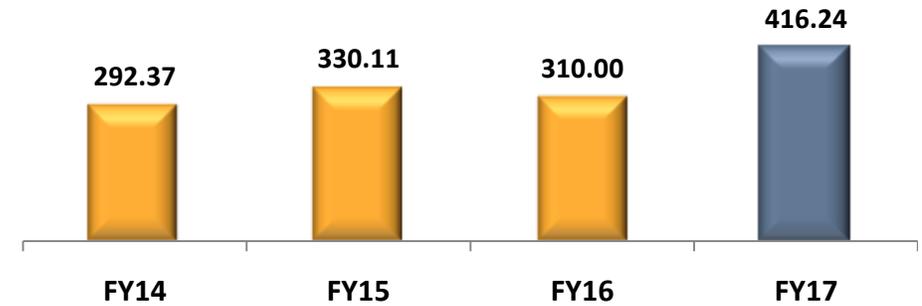
Rs. Cr	Q1 FY18	Q1 FY17	Y-o-Y(%)	Q4 FY17	Q-o-Q(%)
Revenue	125.06	82.82	51.01%	145.90	(14.28%)
Raw Materials	84.93	56.42		89.14	
Employee Cost	4.96	3.14		4.63	
Manf. & Operating Expense	14.17	12.03		26.69	
Other Cost	8.80	3.65		11.69	
Total Expenditure	112.86	75.23		132.16	
EBITDA	12.21	7.59	60.88%	13.74	(11.18%)
EBITDA Margin%	9.76%	9.16%	60 bps	9.42%	34 bps
Other Income	0.06	0.06		0.20	
Depreciation	0.92	0.79		0.86	
EBIT	11.35	6.85		13.07	
Interest	2.30	1.37		2.30	
Exceptional Item	(0.16)	0.00		0.02	
Profit Before Tax	8.89	5.48		10.80	
Tax	2.78	2.02		3.63	
PAT	6.11	3.46	76.52%	7.17	(14.77%)
PAT Margin%	4.89%	4.18%	71 bps	4.91%	(2 bps)
Other Comp. Income	0.00	(0.03)		0.00	
Net Profit	6.11	3.44		7.17	
EPS in Rs.	6.14	3.45		7.20	

Consolidated Financial Highlights - Annual

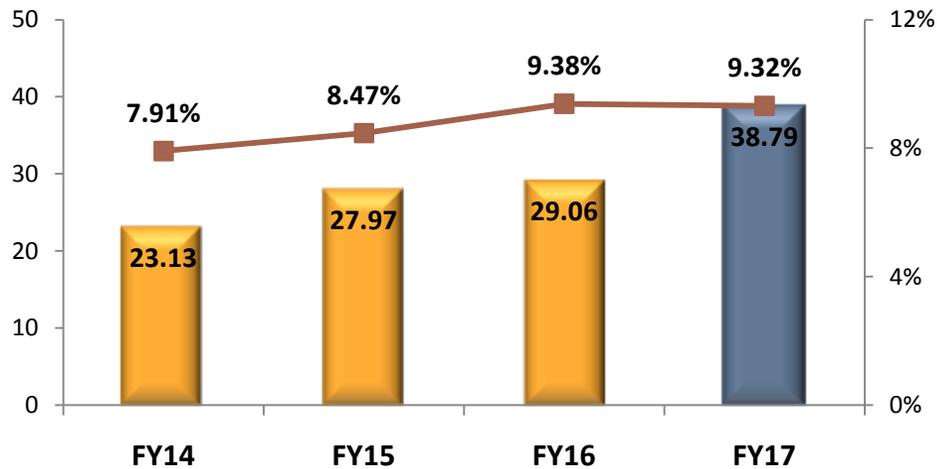
Production (MT)



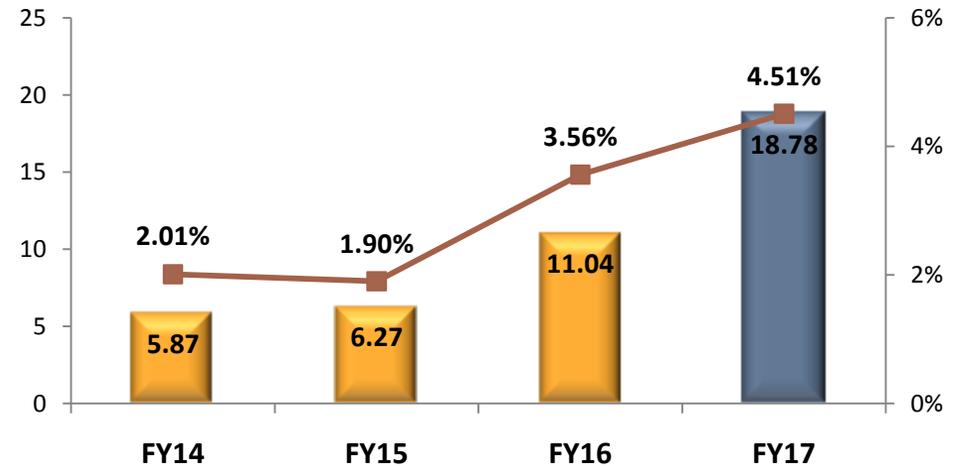
Revenue (Rs. Crs)



EBITDA (Rs. Crs) / Margin (%)



PAT (Rs. Crs) / Margin (%)



Consolidated Financial Highlights - Annual

SALASAR

+34.27%

Rs 416.24 Cr

Revenue

+33.46%

Rs. 38.79 Cr

EBITDA

+68.00%

Rs.18.78Cr

PAT

+90 bps

4.51 %

PAT Margin

+70.06%

**Rs 18.86 vs Rs
11.09 FY16**

EPS

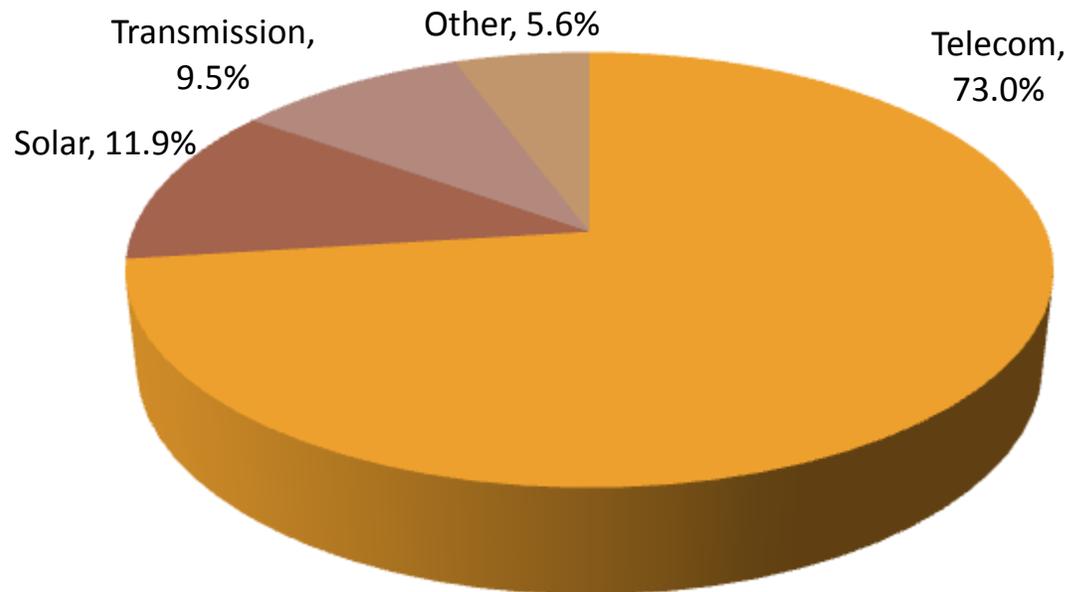
Consolidated Financial Highlights - Annual



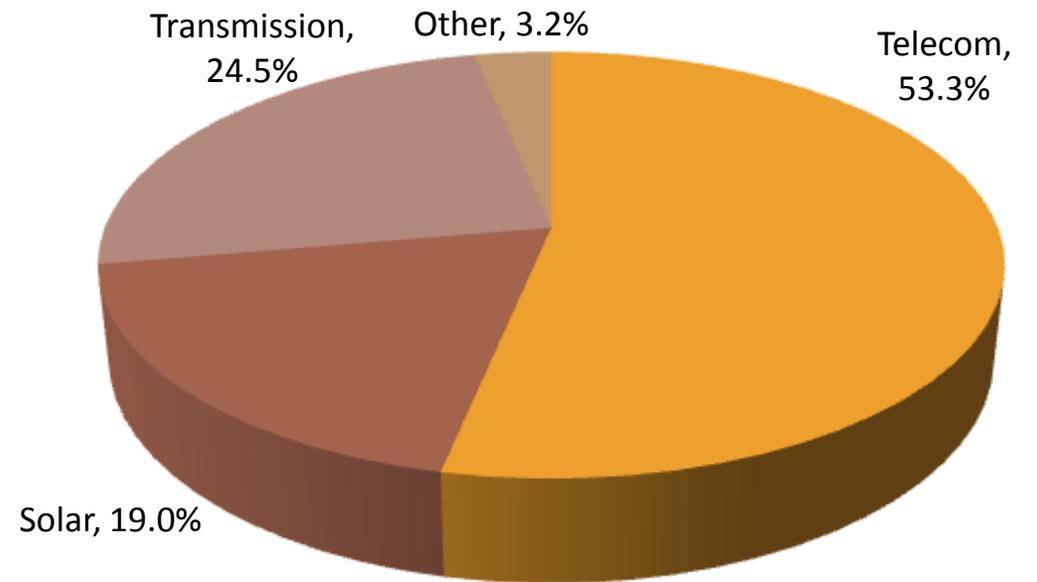
Rs. Cr	FY17	FY16	Y-o-Y (%)
Total Income from Operations	416.24	310.00	34.27%%
Raw Materials	270.93	211.00	
Employee Cost	14.25	11.14	
Manufacturing & Operating Expense	69.67	42.56	
Other Cost	22.60	16.24	
Total Expenditure	377.45	280.94	
EBITDA	38.79	29.06	33.46%
EBITDA Margin%	9.32%	9.38%	
Other Income	0.35	0.19	
Depreciation	3.29	3.09	
EBIT	35.85	26.16	
Interest	7.45	8.75	
Exceptional Item	0.48	0.00	
Profit Before Tax	28.88	17.41	
Tax	10.11	6.23	
PAT	18.78	11.18	68.00%
PAT Margin%	4.51%	3.61%	90 bps
Other Comp. Income	0.00	0.00	
Net Profit	18.78	11.18	
EPS in Rs.	18.86	11.09	

Segmental Performance

Revenue Break-up – FY16

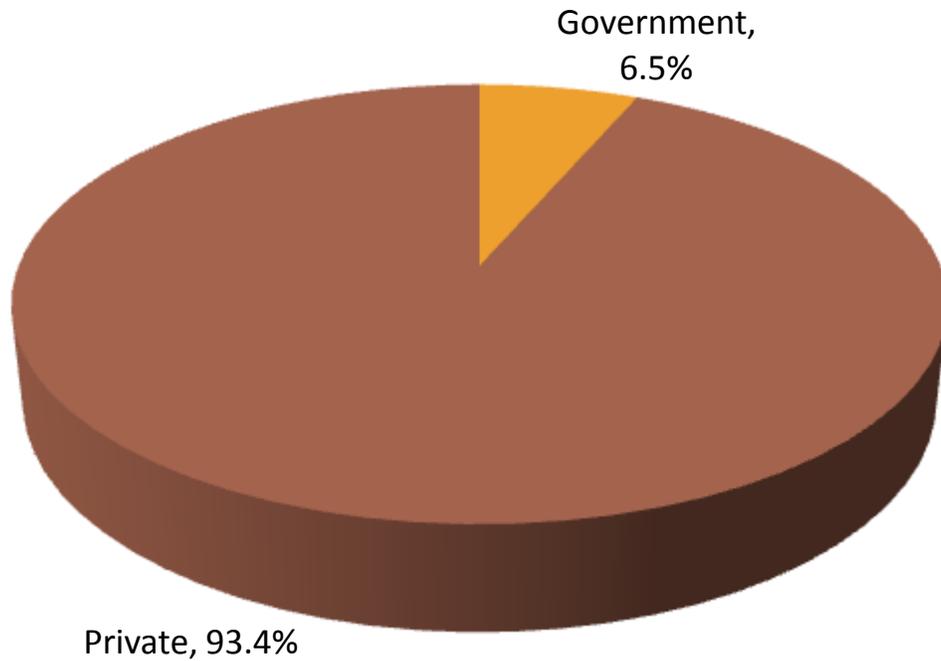


Revenue Break-up – FY17

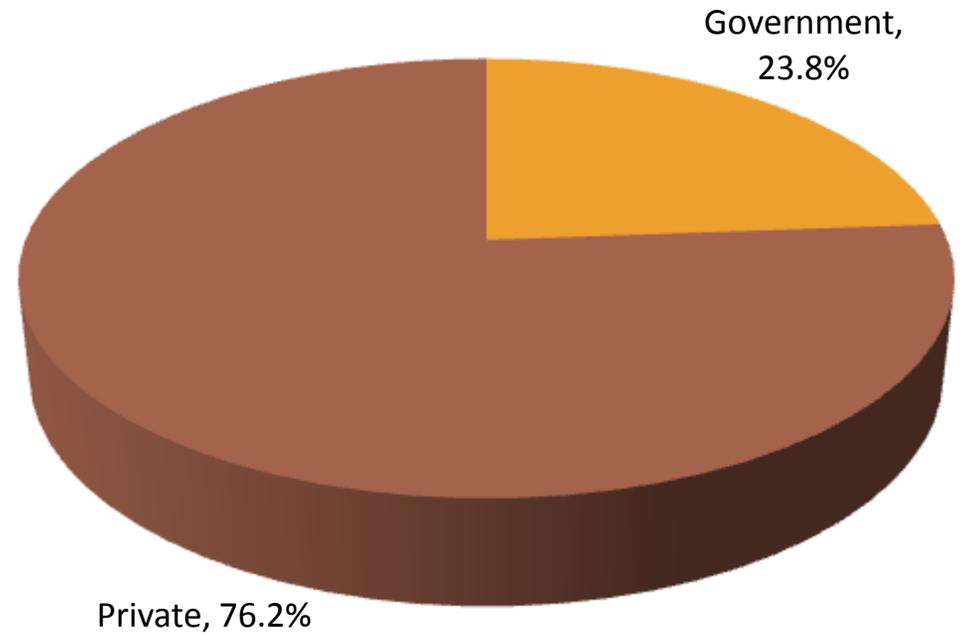


Revenue Contribution – Govt. Vs Private

Revenue Break-up – FY16



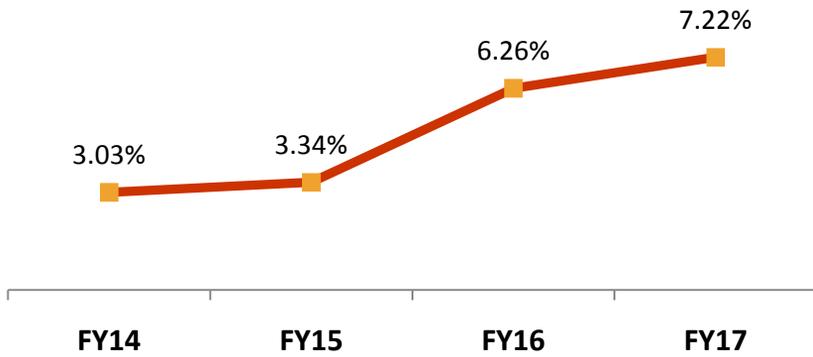
Revenue Break-up – FY17



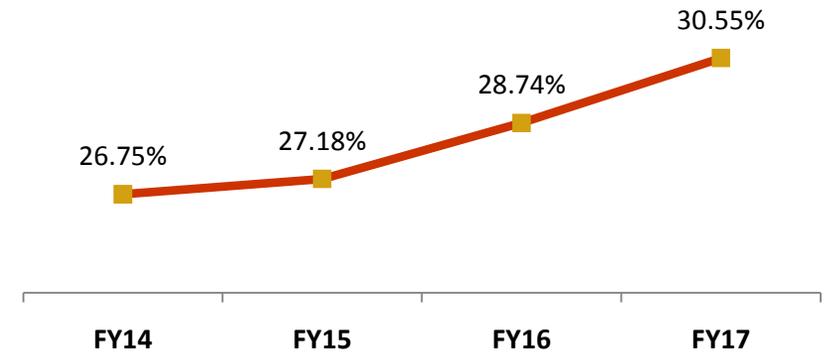
Key Financials Ratios



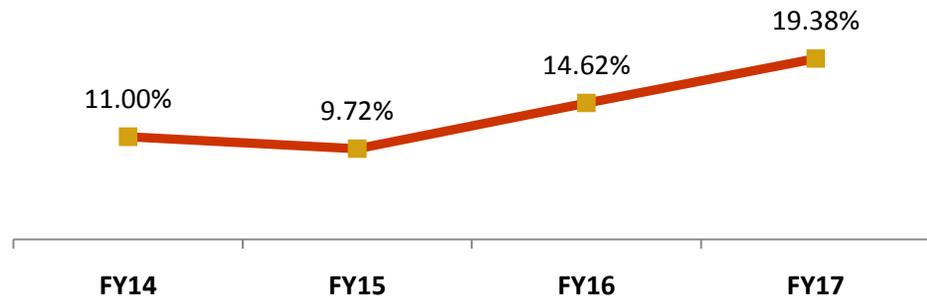
ROA (%)



RoCE (%)



RoE (%)

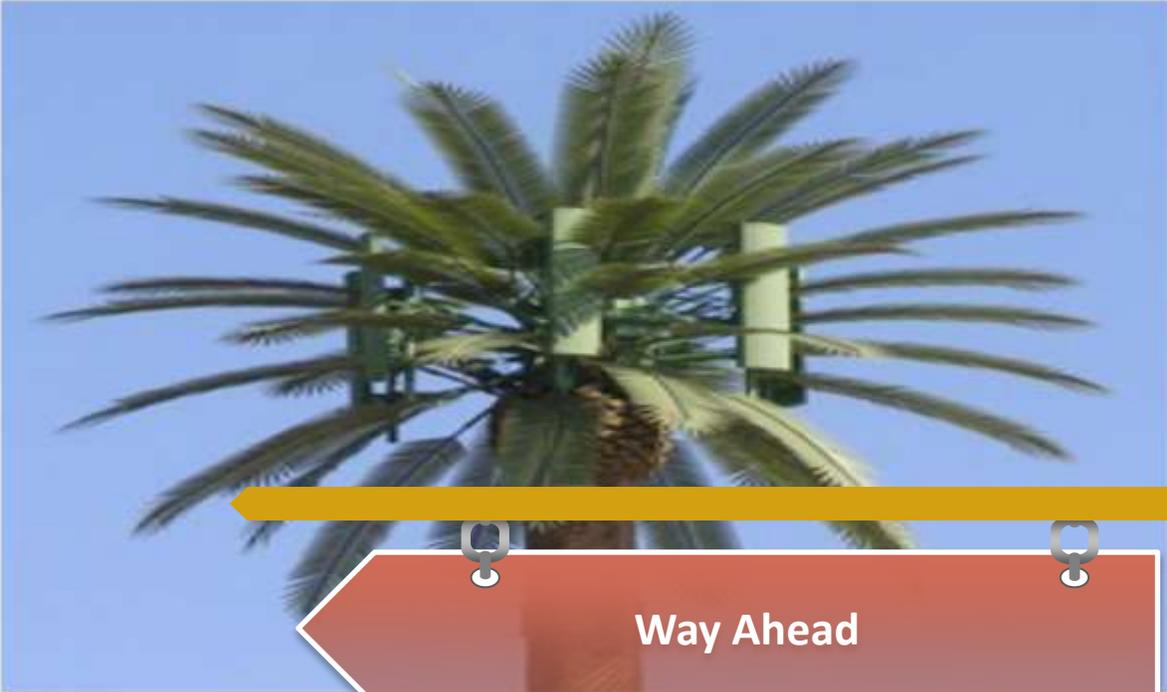


Balance Sheet Highlights



Rs. Crs	Mar-17	Mar-16
Shareholder's Funds	95.84	75.12
Share capital	9.96	4.98
Reserves & Surplus	85.88	70.14
Non-current liabilities	21.51	15.53
Long term borrowings	7.05	11.30
Defer Tax liabilities	3.71	3.71
Other Long-Term liabilities	9.85	0.00
Long-Term Provisions	0.90	0.52
Current liabilities	139.77	85.27
Short Term Borrowings	61.61	44.61
Trade Payables	34.10	15.70
Other Current liabilities	39.97	21.50
Short-term provisions	4.09	3.46
Total Equities & Liabilities	257.12	175.92

Rs. Crs	Mar-17	Mar-16
Non-current assets	67.42	56.01
Fixed assets	61.58	55.03
Goodwill on consolidation	0.00	0.03
Non-current Investments	0.00	0.00
Long-term loans & advances	5.84	0.95
Other non-current assets	0.00	0.00
Current assets	189.70	119.91
Current investments	1.29	1.70
Inventories	68.82	44.90
Trade receivables	79.71	60.59
Cash & Cash equivalents	6.38	2.39
Short-term loans & Advances	15.58	9.33
Other Current Assets	17.92	1.00
Total Assets	257.12	175.92

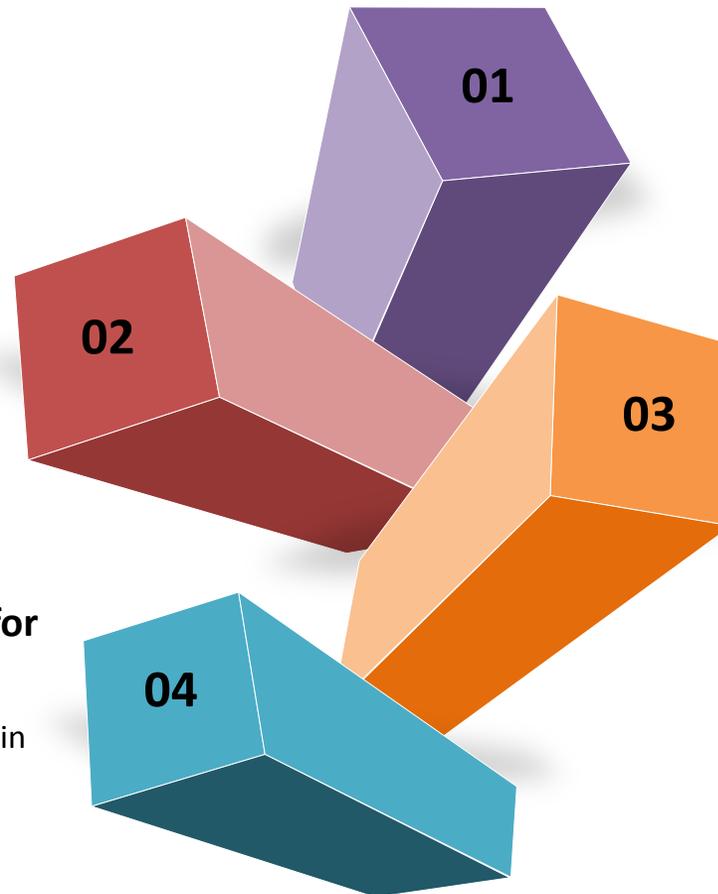


Expanding Design & Engineering Capabilities

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

Developing Camouflaging Capabilities for Monopoles

- Camouflaged monopole towers to be installed in new projects in place of regular ones
- Developing Capabilities to provide solution



Utilisation of Incremental Capacity and Expanding Product Portfolio

- Utilise additional 50,000 MT Galvanizing plant
- Continue to expand product portfolio by upgrading existing products and introducing new ones to maintain market share and engage new customers
- Continued focus on EPC esp. from Power & Railway

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

Thank You

SALASAR

NSE

SALASAR

Bombay Stock Exchange Limited
BSE
The edge is efficiency

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For further information, please contact:

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