

23<sup>rd</sup> May, 2018

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
---	---

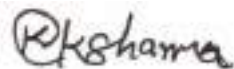
**SUB: Investor Presentation****Dear Sir/ Madam,**

Please find attached herewith Investor Presentation of the Company w.r.t. Financial Results of the Company for quarter ended and year ended 31<sup>st</sup> March, 2018, 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.- Khara, P.O. Pikhuwa, 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**

**Result Update Presentation  
May 2018**







# Disclaimer



**SALASAR**

*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.*

# Disclaimer

**SALASAR**

**Consolidated Financial Highlights**

01

**Company Overview**

02

**Business Overview**

03

**Industry Overview**

04

**Way Ahead**

05



## Consolidated Financial Highlights

# Management Comment

**SALASAR**

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

*“This financial year, we have registered a strong revenue growth of 29% and recorded significant increase in our overall profit of over 58%. Our telecom business has contributed more than 56% backed by strong demand from telecom operators to develop new sites and increase their coverage area. Also, our EPC business has contributed 32% and played a major role, as we try to increase our share of EPC business in overall revenue.*

*Our Company has continued to maintain its strong position in the manufacturing of telecom tower products. Our ability to offer a complete portfolio of angular, tubular and various other designs has made us a preferred partner with our customers.*

*Our focus will continue to deliver value to our clients; to contribute to the manufacturing drive of the nation; give career & growth opportunities to our employees and grow profitability ultimately leading to maximization of shareholder value & return. I would like to thank entire team of Salasar Techno Engineering for their untiring efforts.*

*We are confident of maintaining the current growth momentum and continuously improve with better performance as we see lot of opportunities opening up going ahead”*



# Consolidated Financial Highlights – Q4 FY18

**SALASAR**

**+7.87%**

**Rs. 145.77\*\* Cr**

Revenue

**+16.71%**

**Rs. 16.04 Cr**

EBITDA

**+83bps**

**11.00%**

EBITDA Margin

**+32.04%**

**Rs. 9.47 Cr**

PAT

**+119bps**

**6.49%**

PAT Margin

**+7.50%**

**Rs 7.74 vs Rs 7.20**

**Q4 FY17**

**EPS\***

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

\* Company raised Rs 25.87 cr via IPO of 15,71,000 equity shares of Face value of Rs 10/- in July 2017

\*\*In accordance with the requirements of IND AS18, Revenue from operations for the quarter ended 31<sup>st</sup> March 2018 is shown net of GST



# Consolidated Financial Highlights – Q4 FY18



Rs. Cr	Q4 FY18	Q4 FY17	Y-o-Y(%)	Q3 FY18
<b>Revenue from Operation</b>	145.77	145.90		132.26
Excise Duty	0.00	10.76		0.00
<b>Net Income from Operations</b>	<b>145.77</b>	<b>135.14</b>	<b>7.87%</b>	<b>132.26</b>
Cost of Material Consumed	111.76	88.03		94.25
Changes in Inventories, WIP	(17.42)	(8.72)		(2.13)
Employee Expenses	7.95	4.63		4.89
Other Expenses	27.44	37.46		20.50
<b>Total Expenditure</b>	<b>129.74</b>	<b>121.40</b>	<b>6.87%</b>	<b>117.52</b>
<b>EBITDA</b>	<b>16.04</b>	<b>13.74</b>	<b>16.71%</b>	<b>14.75</b>
<b>EBITDA Margin</b>	<b>11.00%</b>	<b>10.17%</b>	<b>83bps</b>	<b>11.15%</b>
Other Income	0.81	0.20		0.30
Depreciation	0.92	0.86		1.09
Interest / Finance Cost	1.77	2.30		2.43
Exceptional Item (Gain) / Loss	0.25	0.02		0.04
<b>PBT</b>	<b>14.42</b>	<b>10.80</b>	<b>33.51%</b>	<b>11.57</b>
Tax	4.95	3.63		3.10
<b>PAT</b>	<b>9.47</b>	<b>7.17</b>	<b>32.04%</b>	<b>8.46</b>
<b>PAT Margin</b>	<b>6.49%</b>	<b>5.30%</b>	<b>119bps</b>	<b>6.40%</b>
Other comprehensive income	0.05	0.00		0.00
<b>Net Profit</b>	<b>9.47</b>	<b>7.17</b>	<b>32.04%</b>	<b>8.46</b>
<b>EPS</b>	<b>7.74</b>	<b>7.20</b>	<b>7.50%</b>	<b>6.92</b>

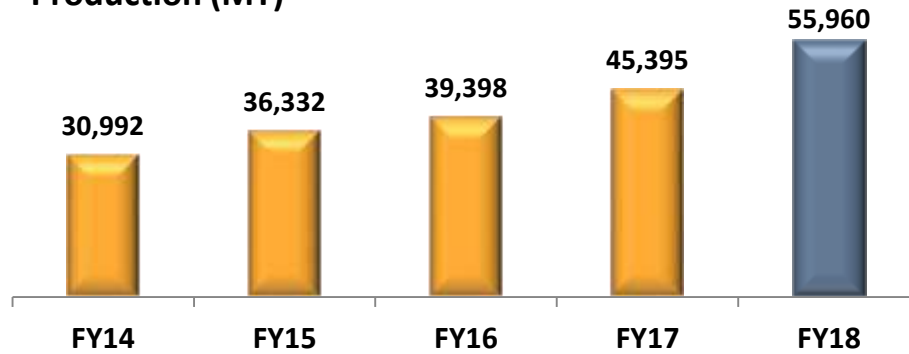
Company raised Rs 25.87 cr. via IPO of 15,71,000 equity shares of Face value of Rs 10/- in July 2017

\*In accordance with the requirements of IND AS18, Revenue from operations for the quarter ended 31<sup>st</sup> March 2018 is shown net of GST

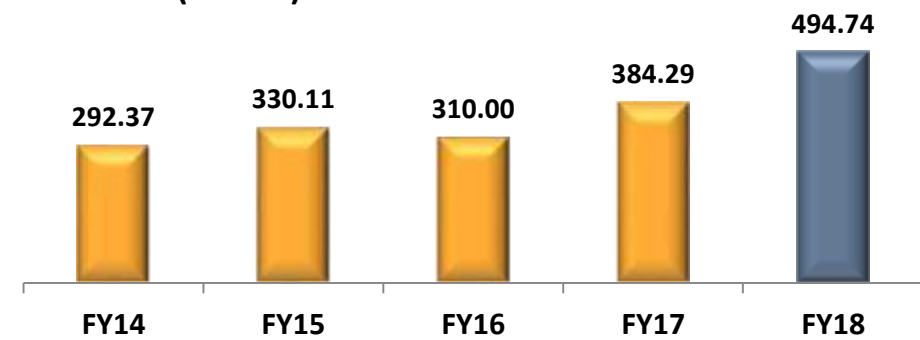


# Consolidated Financial Highlights – Annual

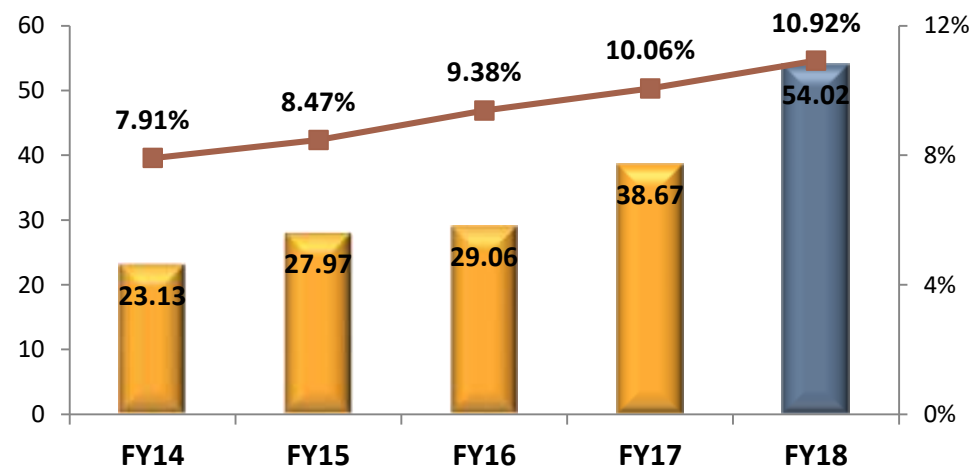
**Production (MT)**



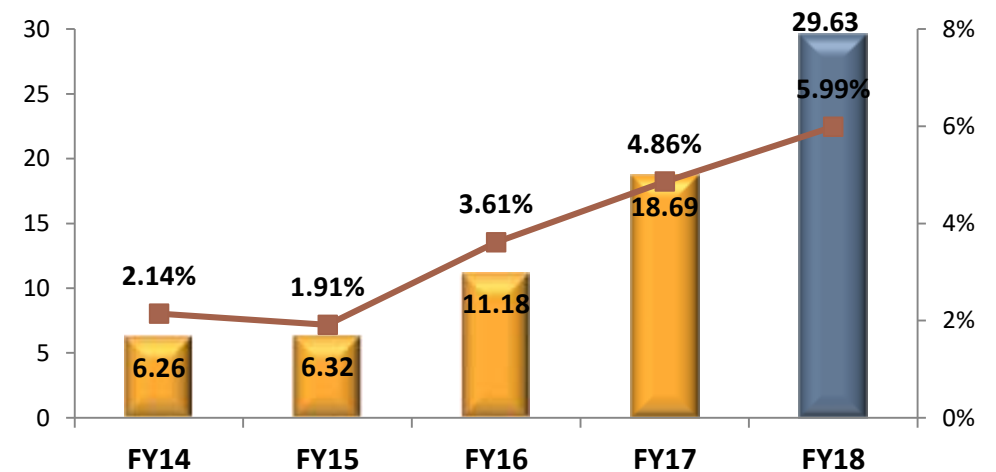
**Revenue (Rs. Crs)**



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



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



\*Company raised Rs 35.87 cr via IPO of 33,21,000 equity shares of Face value of Rs 10/- in July 2017

\*\* Numbers have been Restated as per Indian Accounting Standards (Ind AS18)

# Consolidated Financial Highlights – Annual

**SALASAR**

**+28.74%**

**Rs 494.74\*\* Cr**

Revenue

**+39.67 %**

**Rs. 54.02 Cr**

EBITDA

**+86 bps**

**10.92 %**

EBITDA Margin

**+58.48%**

**Rs. 29.63 Cr**

PAT

**+113 bps**

**5.99 %**

PAT Margin

**+28.37 %**

**Rs 24.21 vs Rs  
18.86 FY17**

EPS\*

\*Company raised Rs 35.87 cr via IPO of 33,21,000 equity shares of Face value of Rs 10/- in July 2017

\*\* Numbers have been Restated as per Indian Accounting Standards (Ind AS18)

# Consolidated Financial Highlights – Annual



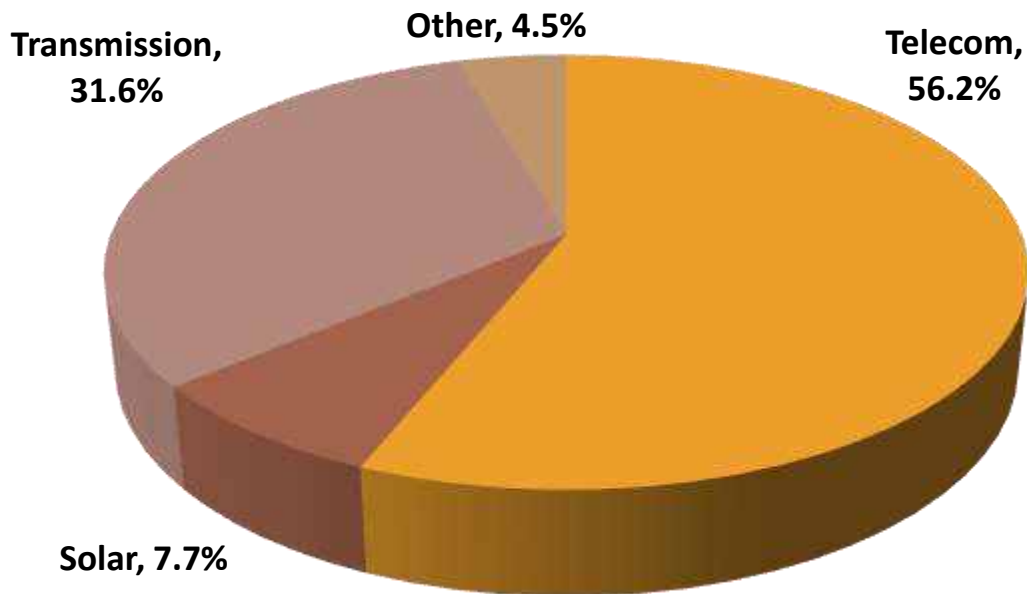
Rs. Cr	FY18	FY17	Y-o-Y(%)
<b>Revenue from Operation</b>	502.69	416.24	
Excise Duty	7.95	31.96	
<b>Net Income from Operations</b>	<b>494.74</b>	<b>384.29</b>	<b>28.74%</b>
Cost of Material Consumed	355.39	266.69	
Changes in Inventories	-19.01	-24.95	
Employee Expenses	22.96	14.25	
Other Expenses	81.39	89.62	
<b>Total Expenditure</b>	<b>440.73</b>	<b>345.61</b>	
<b>EBITDA</b>	<b>54.02</b>	<b>38.67</b>	<b>39.67%</b>
<b>EBITDA Margin</b>	<b>10.92%</b>	<b>10.06%</b>	<b>86bps</b>
Other Income	1.24	0.36	
Depreciation	3.86	3.29	
Interest / Finance Cost	8.42	7.45	
Exceptional Item (Gain) / Loss	0.26	0.51	
<b>PBT</b>	<b>43.23</b>	<b>28.80</b>	<b>50.11%</b>
Tax	13.61	10.11	
<b>PAT</b>	<b>29.63</b>	<b>18.69</b>	<b>58.48%</b>
<b>PAT Margin</b>	<b>5.99%</b>	<b>4.86%</b>	<b>113bps</b>
<b>Other comprehensive income</b>	<b>0.00</b>	<b>0.00</b>	
<b>Net Profit</b>	<b>29.63</b>	<b>18.69</b>	<b>58.48%</b>
<b>EPS</b>	<b>24.21</b>	<b>18.86</b>	<b>28.37%</b>

\* Company raised Rs 35.87 cr via IPO of 33,21,000 equity shares of Face value of Rs 10/- in July 2017

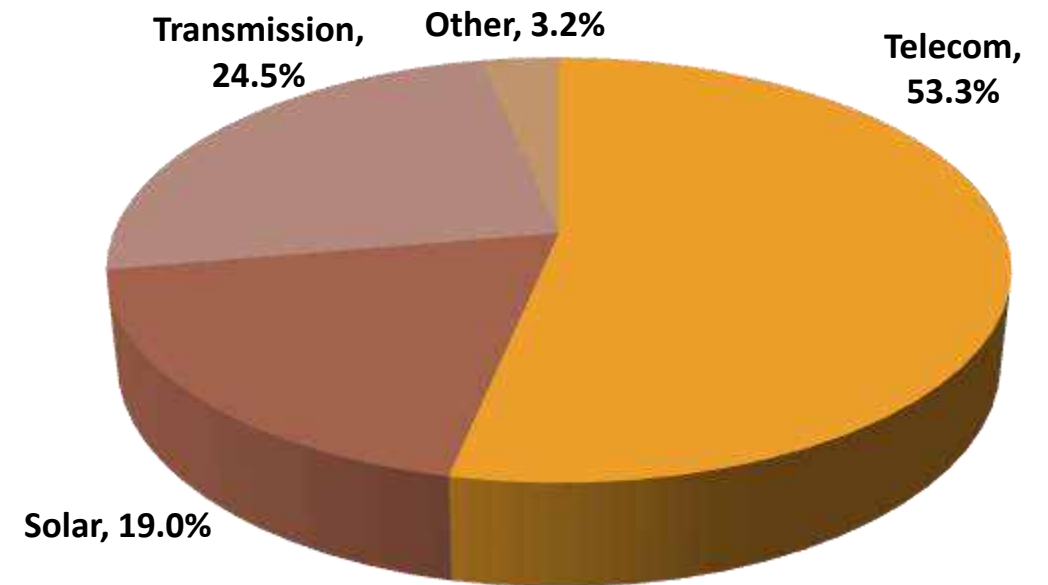
\*\* numbers have been restated as per Indian Accounting standards (Ind AS18)

# Segmental Performance

Revenue Break-up – FY18



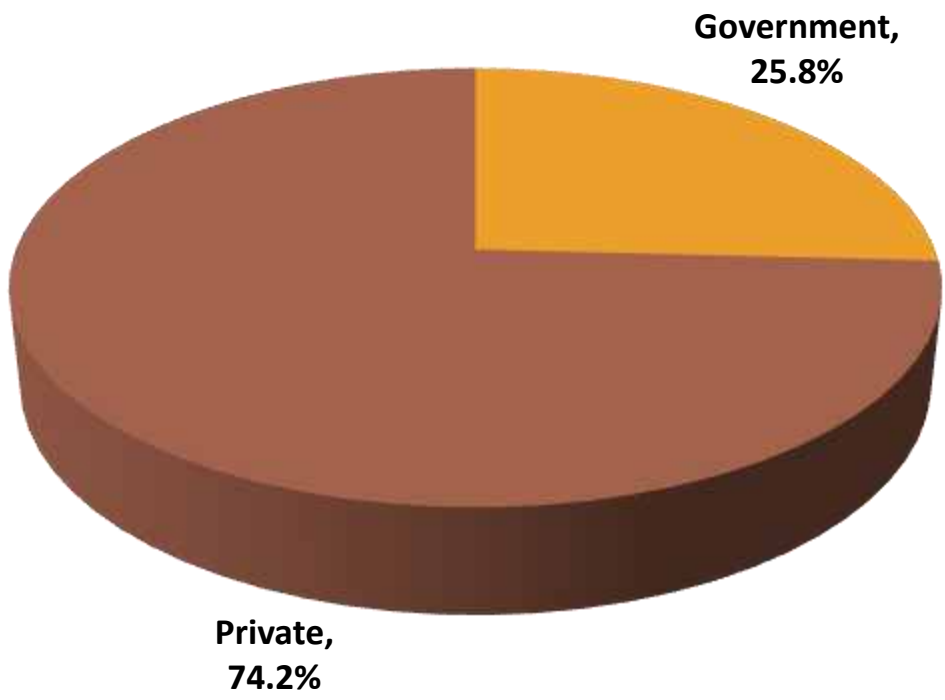
Revenue Break-up – FY17



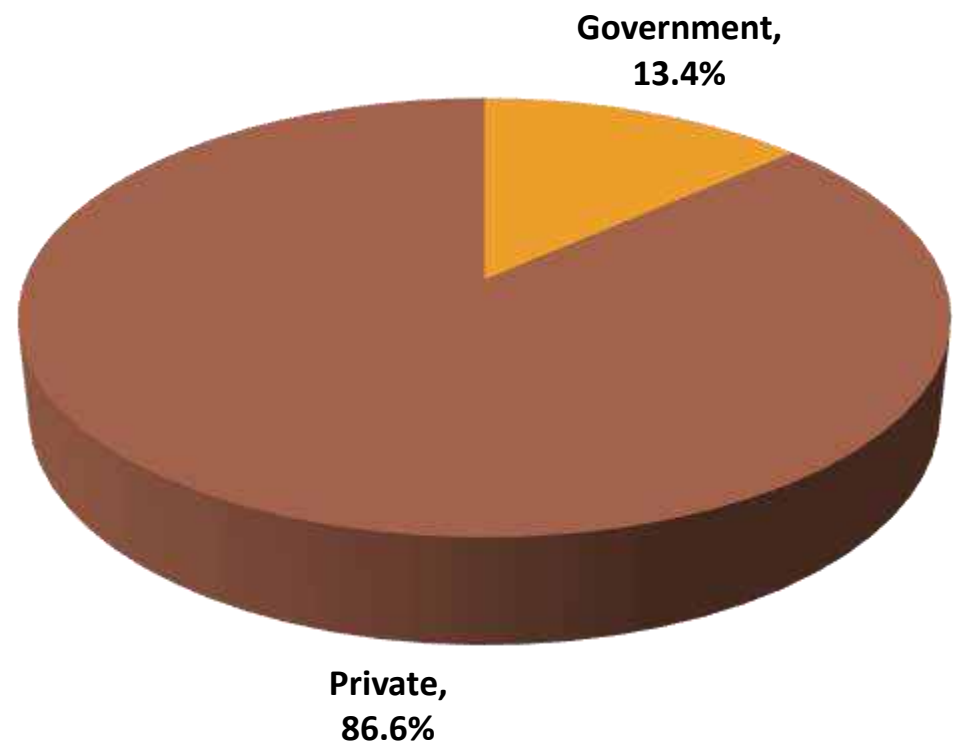


# Revenue Contribution – Govt. Vs Private

Revenue Break-up – FY18

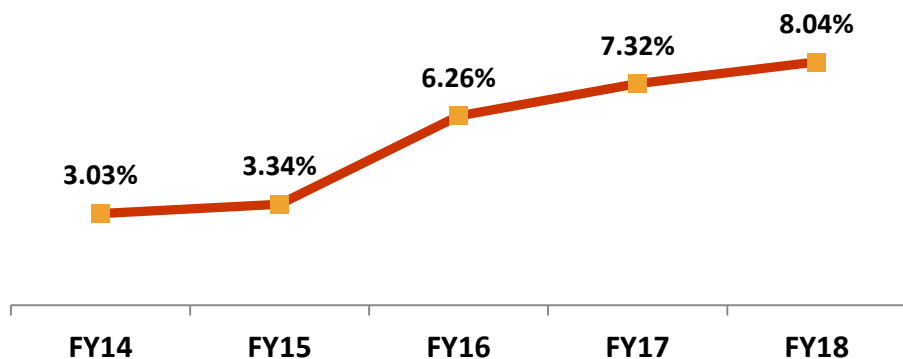


Revenue Break-up – FY17

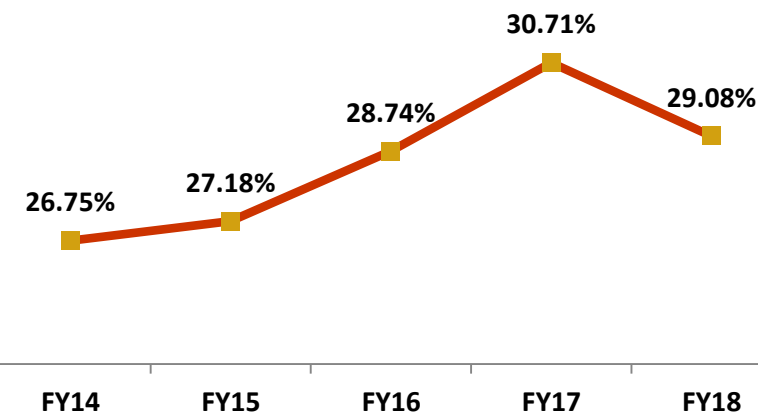


# Key Financials Ratios

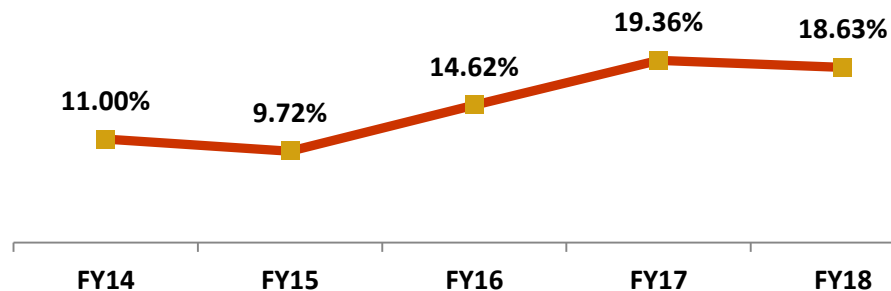
ROA (%)



RoCE (%)



RoE (%)



# Consolidated Balance Sheet as on 31<sup>st</sup> Mar'18



Rs. Crs	Mar'18	Mar'17
<b>Equity</b>	<b>158.99</b>	<b>96.56</b>
Equity Share Capital	13.29	9.96
Other Equity	145.71	86.60
<b>Non-current liabilities</b>	<b>17.74</b>	<b>19.84</b>
<b>Financial Liabilities</b>		
(a) Borrowing	4.77	7.05
(b) Other Financial liabilities	8.29	7.51
Provisions	1.23	0.90
Deferred Tax Liabilities (Net)	1.97	2.06
Other Current Liabilities	1.47	2.32
<b>Current liabilities</b>	<b>191.60</b>	<b>138.98</b>
<b>Financial Liabilities</b>		
(a) Borrowings	104.25	61.60
(b) Trade Payables	32.01	34.10
(c) Other Financial Liabilities	0.20	0.12
Provisions	0.29	1.01
Other Current Liabilities	52.21	39.85
Current Tax Liabilities (Net)	2.63	2.30
<b>Total Equities &amp; Liabilities</b>	<b>368.33</b>	<b>255.38</b>

Rs. Crs	Mar'18	Mar'17
<b>Non-current assets</b>	<b>79.10</b>	<b>67.21</b>
Property, Plant and Equipment	71.71	61.58
Intangible Assets	0.00	0.00
Capital Work in Progress	1.08	0.00
<b>Financial Assets</b>		
Investments in JV	0.00	0.00
Other Financial Assets	6.31	5.63
<b>Current assets</b>	<b>289.23</b>	<b>188.17</b>
Inventories	89.01	68.82
<b>Financial Assets</b>		
Investments	0.41	1.21
Trade Receivables	151.62	79.71
Cash & Cash Equivalent	6.15	0.23
Bank Balance other than above	8.94	6.15
Other Financial Assets	9.48	17.79
Current Tax Assets	0.00	0.00
Other Current Assets	23.63	14.27
<b>Total Assets</b>	<b>368.33</b>	<b>255.38</b>



Company Overview



# Company Overview

**SALASAR**

## 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**

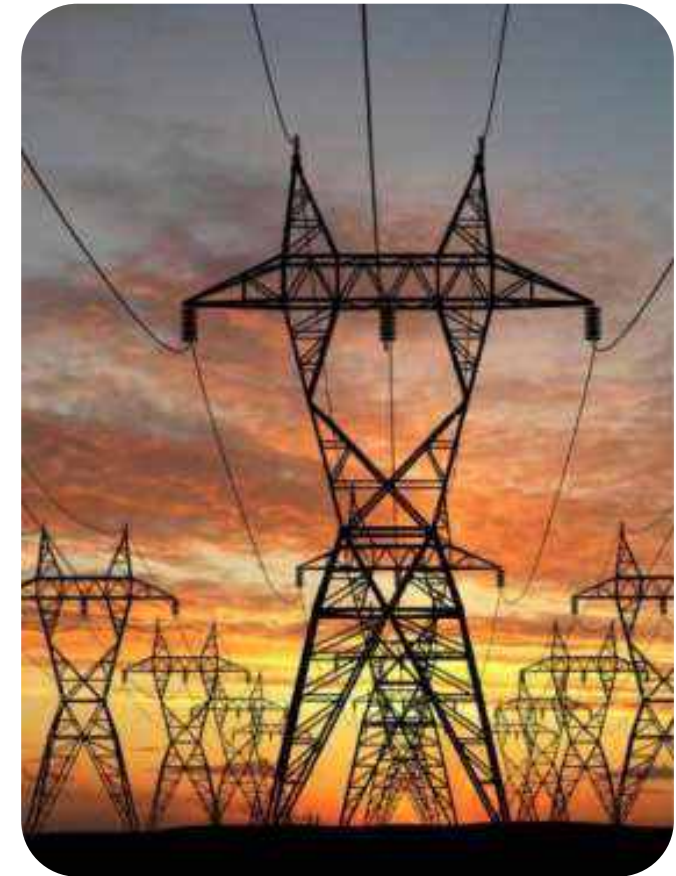
For Telecommunication Towers, Transmission Towers & Substation Structures and Solar Module Mounting Structures

**One of India's face and manufacturing/fabrication partners**

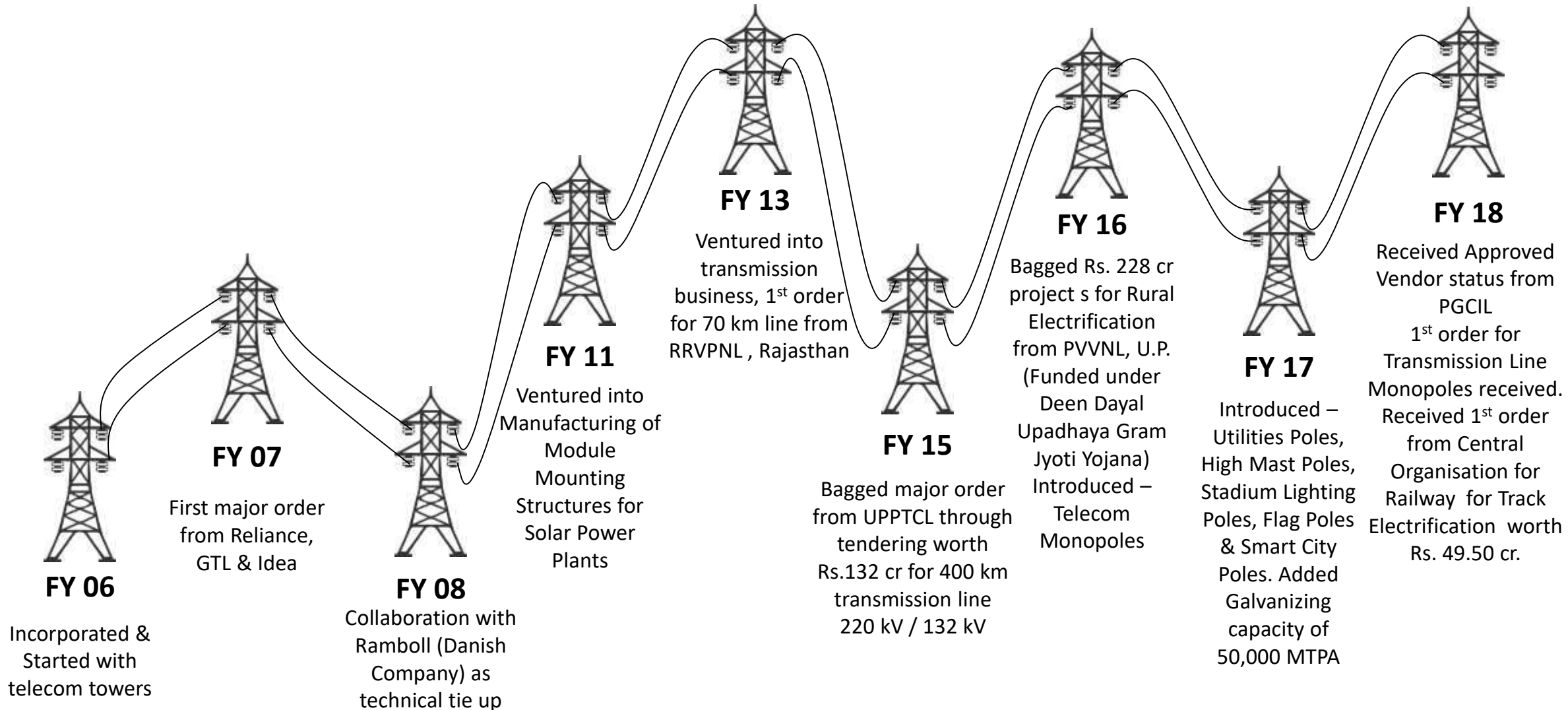
for Ramboll's technical expertise in Telecom towers structural design

**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



# 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

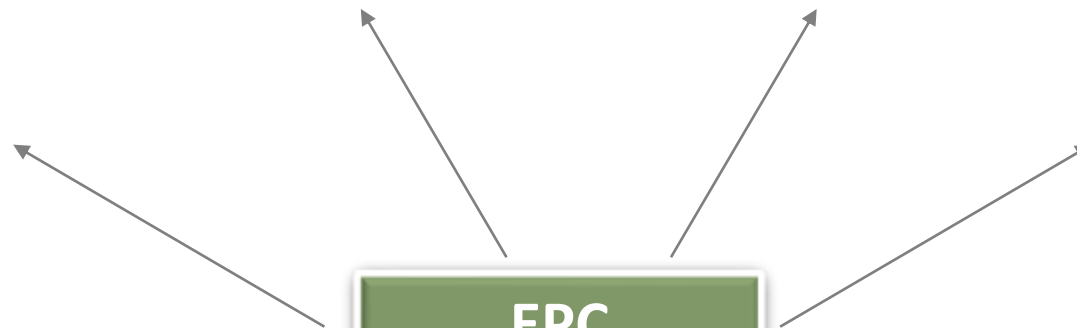


Poles



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

## Product Portfolio contd...

**SALASAR**



- **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

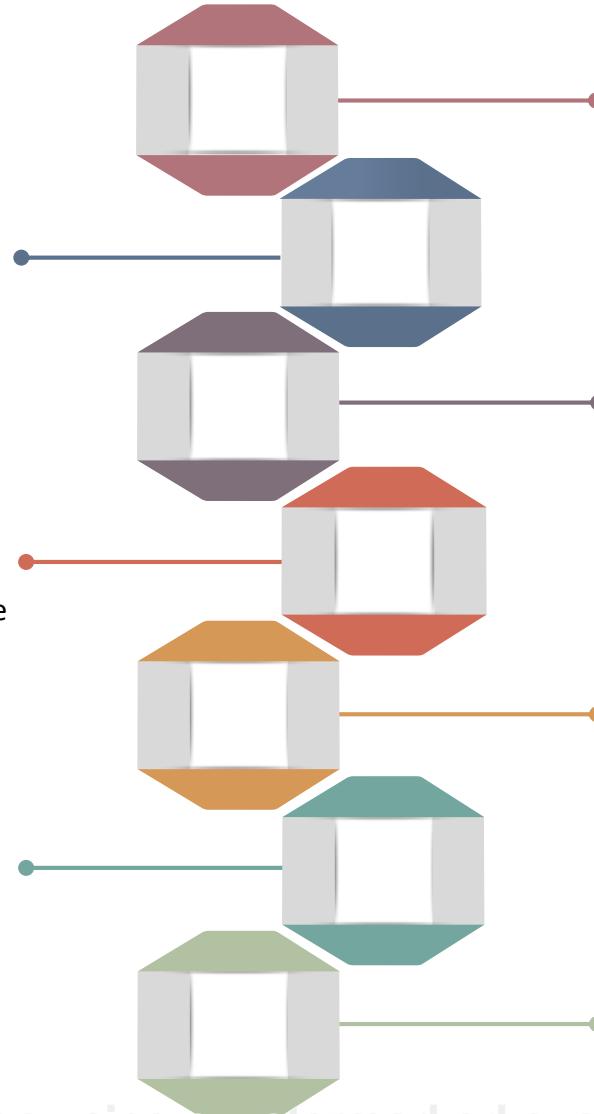
- Upward trend in EBITDA Margins
- Strong return ratios

## 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





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

- Expected to create a total economic value of Rs 14 trillion (US\$ 217.37 billion) by the year 2020
- Rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India over the next five years, creating opportunities for new businesses
- 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

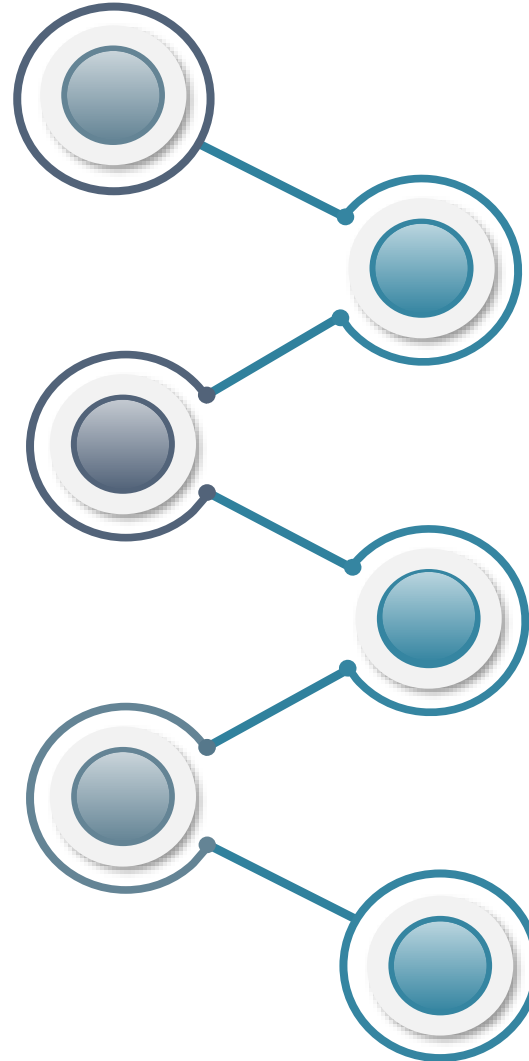
## Strong Prospects for Power Industry

- India has the fifth largest power generation capacity in the world
- The country ranks third globally in terms of electricity production
- Electricity production in India reached 1,095.756 Billion Units (BU) during April 2017-February 2018
- As per the 13th Five Year Plan, India is targeting a total of 100 GW of power capacity addition by 2022
- Indian power sector has investment potential of Rs 15 trillion (US\$ 225 billion) in next 4–5 years
- All the states and union territories of India are on board to fulfil the Government of India's vision of ensuring 24x7 affordable and quality power for all



# 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

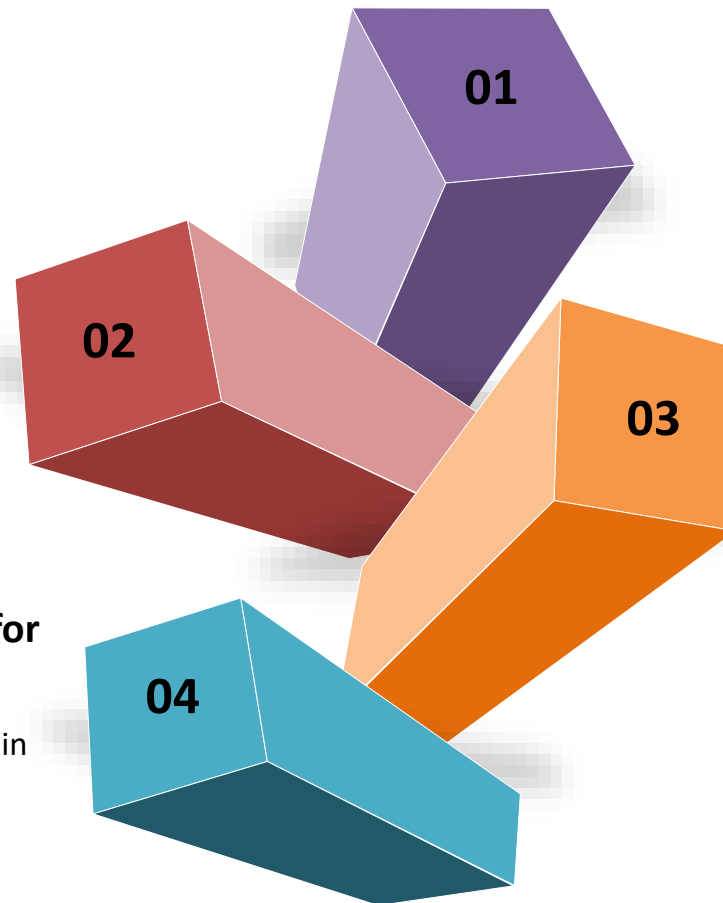


## Expanding Design & Engineering Capabilities

- 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**



**SALASAR**



**540642**

**Bloomberg SALASAR IN**

**REUTERS SALASAR BO**

**For further information, please contact:**

**Company :**

**Investor Relations Advisors :**

**Salasar Techno Engineering Limited**

**Bridge Investor Relations Pvt. Ltd.**  
CIN No. U74900MH2016PTC273679

Mr. Kamlesh Kumar Sharma  
Chief Financial Officer  
[investor.relations@salasartechno.com](mailto:investor.relations@salasartechno.com)

Mr. Amit Sharma  
022 41200439  
[amit@bridge-ir.com](mailto:amit@bridge-ir.com)

Mr. Smit Shah  
022 41200439  
[smit@bridge-ir.com](mailto:smit@bridge-ir.com)

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

[www.bridge-ir.com](http://www.bridge-ir.com)