

**19th ANNUAL GENERAL MEETING
Of
SALASAR TECHNO ENGINEERING LIMITED
SATURDAY, 26TH SEPTEMBER, 2020 AT 11.30 A.M.
THROUGH VIDEO CONFERENCING AND OTHER AUDIO VISUAL MODE**

RAHUL RASTOGI, COMPANY SECRETARY

- A very Good morning to all the Board of Directors, Auditors and Shareholders, who have joined us today, in the 19th Annual General Meeting of Salasar Techno Engineering Limited through Video Conferencing and Other Audio Video Visual Mode”
- Keeping in mind the prevalent COVID-19 Pandemic scenario, the Ministry of Corporate Affairs vide Circulars dated 8th April, 2020, 13th April, 2020 & 5th May, 2020 have allowed the Companies to conduct the Shareholders Meeting through Video Conferencing and therefore SALASAR is also holding its 19th AGM through this mode for your convenience.
- **Before commencing the official proceedings, I would like to inform all the attendees about the following points -**
- All members who have joined this meeting are by default placed on mute mode to avoid any disturbance from background to ensure smooth conduct of the meeting.
- Upon commencement of the question hour, the Management will announce one by one the name of the Shareholders who have registered to speak at the meeting. The speaker shareholder, if present, will thereafter be unmuted by the host. If such Shareholder is not able to join through video for any reason then that member

can join through the audio mode. The Shareholders are advised to use headphones for Clear Audio and switch off other background applications.

- If there is any connectivity issue from speaker shareholders end we will request the next speaker shareholder to join the meeting and he can join later. We would like to request a speaker shareholder to kindly limit their speech to 2 minutes.

Dear Shareholders,

- We have with us, Mr. Alok Kumar, Chairman and Managing Director, Mr. Shashank Agrawal, Joint Managing Director; Mr. Shalabh Agarwal, Whole Time Director, Ms. Tripti Gupta, Whole Time Director, Mr. Vijay Kumar Jain, Independent Director, Mr. Pramod Kumar Kala, Chief Financial Officer of the Company and Mr. Kamlesh Sharma, President Finance, present at our Plant No 3 at District Hapur and joining through Video conferencing.
- Apart from the above Mr. Sanjay Chandak, Independent Director, Mr. Amit Jain Independent Director; they are joining through video conferencing.
- Further, Mr. Arun Jain, Partner of M/s Arun Naresh & Co., Statutory Auditors, Mr. Praveen Jain Partner of M/s VAPS & Co, Internal Auditor and Mrs. Deepika Gaur, proprietor of Deepika Madhwal & Associates, Secretarial Auditors, are also present through Video Conferencing.
- **Now, I would like to request Sh. Alok Kumar Ji, our Chairman & Managing Director to commence the proceedings of 19th Annual General Meeting.**

MR. ALOK KUMAR (CHAIRMAN)

Good Morning Everyone,

WELCOME TO THE 19TH AGM OF SALASAR TECHNO ENGINEERING LIMITED

Dear Shareholders,

The requisite quorum being present therefore I call the meeting to order.

I am pleased to present to you the 19th Annual Report of your Company.

Dear Shareholders,

- As one of the key players in the customized steel fabrication and infrastructure solutions segment in India, your Company is continuously expanding and diversifying its product portfolio. We are focusing on optimal utilization of capacity to cater to expanding opportunities in telecom, power transmission, railway and other infrastructure segments, with an aim to increase market share and strengthen our foothold in the industry.

- The year 2019-20 was marked by various challenges, the biggest being the outbreak of COVID-19 pandemic. The pandemic brought an unprecedented shock to the World and Indian economy and brought it to a complete halt. The world-wide lockdown and the associated disruption impacted all businesses leading to loss of livelihood for millions of people, not to mention the lives lost in the pandemic.

- A humanitarian crisis of this scale has brought people and businesses across the world together in their efforts to stand by the needy and the impacted. I am proud to share that your Company, as a responsible corporate citizen, not only donated to the PM CARES fund but also provided food rations to the migrant workers. In the current year, through our CSR initiatives, we are working on bringing livelihood to people who have lost their jobs in this pandemic. I can assure you that we will continue to work on supporting our countrymen in this dire hour of need.

- The country-wide lockdown in March 2020 disrupted the demand and supply chains impacting businesses across

the sectors. The performance of your Company too has been impacted by the lockdown.

- On a consolidated basis, the Company's total income for FY2019-20 stood at Rs 528 crores. The EBIDTA stood at Rs. 52 crores with EBITDA margin being 9.84%. PAT for the year stood at Rs. 22 crores with PAT margin being 4.25%. The telecom business contributed ~60% to the revenue followed by power transmission and railway electrification verticals which contributed around 21% and 9%, respectively. As on 31st March 2020, our EPC order book stood at Rs 325 cr.

- What is driving us during these challenging times is opportunities present in the sectors we cater to. The Indian telecom sector is witnessing significant changes - there has been a shift from a voice-centric market to a data-centric market. With people increasingly working from home and the education system adapting to the new normal, the need for high speed data has increased manifold. The telecom majors are expected to make sizable investments in their infrastructure for increasing 4G penetration and rollout of 5G in India. We expect significant business

opportunities as a result of these investments in network expansion.

- The Indian power sector is also expected to attract robust investments with the Government's focus on "Power for all". A rise in demand along with regional supply gap has necessitated expansion and investments into transmission infrastructure by the government and the power companies. There is also a push by the Government into increasing renewable energy production, especially solar power. All these bode well for an infrastructure enabler like us.

- Railway segment continues to be one of the key growth segments and one of our key focus areas. The railway department has set forth plans for expansion, upgradation and modernization of its existing infrastructure. Investments in this segment along with the vision to achieve 100% railway track electrification in the next four years, should also provide us with good growth opportunities.

- We at Salasar are continuously evolving and expanding our product and service offerings to grow profitably.

Our products such as smart poles, camouflaged towers, etc., are one-of-its-kind in the industry.

- As all of us are still battling with the pandemic, we are constantly learning and coping with the situation, and remain committed to step up and efficiently respond to the challenges. We remained focused on the safety and well being of our employees, workers and other stakeholders. We have taken various precautionary measures at our offices and plants to ensure safety for all.

- I would like to conclude by reinstating that your company would continue on its growth path. On the back of strong industry opportunities, robust order book, experienced team, enhanced capabilities and excellent relationships with our customers, we are confident of successfully navigating through these tough times and strengthen our position as the leading player in the industry. I would also like to thank all our stakeholders, employees, customers and business associates for their confidence and support in us and look forward to a long association.

Thank you very much!

NOW I WOULD LIKE TO SUMMARIZE THE BUSINESS AS STATED IN THE NOTICE OF 19TH AGM.

- I, as the Chairman of this meeting, on my own motion, order Online voting be open for the next 10 minutes to enable those members **who have not opted to vote through remote E-voting which was opened from 22ND September 2020 to 25th September, 2020** on all Ordinary and Special business as set out in items 1 to 5 of the Notice of the 19th Annual General meeting, post which, we can commence the question and answer session.

- **The Notice for the 19th AGM and the Accounts for 2019-20 have already been circulated to all the members and with your permission, I take the same as read.**

- As the Auditors have not made any qualifications, observations, or comments in their Audit Report for the financial year ended March 31, 2020, I now take it as read.

- Business as stated in the Notice of 19th AGM are:

ORDINARY BUSINESS:

1.To receive, consider and adopt:

a.the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon, and

b.the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the report of the Auditors thereon;

2.To declare a dividend on Equity Shares at the rate of Rs One per share that is 10% of the face value.

3.Re-appointment of Mr. Shashank Agarwal as a Joint Managing Director liable to Retire by Rotation

➤ **Considering the fact that I am the Interested Party in the next Agenda Item, I request Mr. Shashank Agarwal, Joint Managing Director to read the same.**

SPECIAL BUSINESS:

SHASHANK AGARWAL, JOINT MANAGING DIRECTOR-

4.Re-appointment of Mr. Alok Kumar, as a Managing
Director

Over to you Mr. Chairman

ALOK KUMAR, CHAIRMAN AND MANAGING DIRECTOR-

5.Ratification of Remuneration Payable to the Cost
Auditor for the Financial Year 2020-21

I thank you all again for joining the meeting.

RAHUL RASTOGI, COMPANY SECRETARY

Thank You Chairman Sir,

- **Now the Board will take questions and inviting the Members who have registered themselves as speaker.**

- I now request the shareholders who have registered themselves as a speaker to be ready with their questions. In the interest of everyone's time, kindly keep your questions as brief as possible. On your turn, the host will unmute you and ask you to switch on your video. After that, you may ask your questions to the Board of Directors.

Now, shareholders may ask the questions.

Mr. Abhishek Agarwal, one of our speaker shareholder want to ask question host, will you please unmute him and switch on Video.

Event Host

Mr. Abhishek Agarwal is unmute.

Question by Mr Abhishek Agarwal

Am I Audible now. Hi. I am Abhishek Agarwal. My question is that so, can you please explain the major reason for the decline in our top line? Because six hundred and fifty five Cr in FY nineteen to five hundred and twenty five Cr in FY 20.

Answer by Mr Shashank Agarwal Joint Managing Director

So Abhishek, let me answer that question.

In 19-20 we had good orders from Reliance, which they did not want to pick up because of the consolidation at their end. When they were consolidating their tower assets with various investors. So reliance Jio actually picked up almost Two Hundred Crore worth of orders from us last year when the Turnover was 655 Crores. Whereas during the year 19-20 they only picked up goods worth seventy five Crores and there was a huge inventory left over for next year which they have picked up now, slowly. That is the main reason for the top line to come down from Telecom. Whereas the other customers in telecom like Indus tower or American Tower or Bharti Infratel or other there in fact, we have been able to increase our market share with them.

I hope that will answer your question.

Mr Abhishek Agarwal

Thank you.

Mr Rahul Rastogi (Company Secretary)

Move to other Speaker shareholder.

Mr. Ashish Sharma want to ask a question as a speaker shareholder. Host please un mute him to allow us to take a question.

Mr Ashish Sharma

Yes Am I audible.

Mr Rahul Rastogi (Company Secretary)

Yes, Yes Sir. Yeah.

Question by Mr Ashish Sharma

Hi. Good morning. All of you and congratulations for hosting this AGM. My question to management is what are your thoughts on the expansion and getting into the new verticals?

Answer by Mr Shashank Agarwal Joint Managing Director

So Ashish the company is getting into new vertical which is the manufacturing of ROBs Rail and Road overbridges structures. These are very heavy structures which are used in building highways, flyovers, and other bridges. and for this company is doing a capex of almost twenty crores apart from land, land of course we are not considering because we already had land with us and it is the cost of building and the machinery, which is around twenty crores. And this Capex, this is being financed by recent warrants which we had issued couple of months back. And this particular vertical of ROBs would give

us a capacity of about one thousand tonnes per month about twelve thousand tones of manufacturing capacity per year and it should give a revenue of about hundred crores every year and we hope to start the production somewhere in march april next year. The orders of machinery have already been placed. The construction of building is already on and that is a new vertical that we are adding.

Mr Ashish Sharma

Great Thank you. Thank you.

Mr Rahul Rastogi (Company Secretary)

Move to our next question is any speaker shareholder available to ask the question.

I think no speaker shareholder now available.

Mr Shashank Agarwal Joint Managing Director

Can the host check if anyone is willing to ask any other question.

Mr Chetan Chadha

Sir can you hear me?

Mr Shashank Agarwal & Mr Rahul Rastogi

Yeh, Yeh, We can hear.

Mr Chetan Chadha

Okay Thank you. Sir. Thank you. My name is Chetan, and I am really thankful to the moderator and the secretarial department to give me the opportunity on this virtual AGM. This is the first time Sir, Can you see me.

I welcome to the board of Directors.

Mr Shashank Agarwal Joint Managing Director

Your video is poor. Your video is poor. You can put off your video and you can just ask question. we are able to hear you.

Mr Chetan Chadha

Ok Sir Ok. No problem. So you can hear me clearly.

I just want to ask the management that in first quarter we have faced many problems and now the second quarter is also nearing to closure. I just want to ask that in second quarter how much percentage we have been able to resolve the problems faced in First Quarter. And in next quarter what improvement management is expecting in order book. And sir you have given dividend of Re 1 even in this pandemic situation I am really thank full to the management that you have thought for the small investors even in this time. I agree with this that the coming time for company will be very good and we will get increase in dividend and as the company will grow the management will think for our growth also. And share price also which is bit immovable in this time but in coming time

it will grow. Thank you sir thank you very much for giving me this opportunity and the secretarial department.

Mr Shashank Agarwal Joint Managing Director

You can please mute yourself. Chetanji please mute your self I will answer your question.

In first quarter we lost around Forty Five days due to pandemic. Then we started the work. Even then there was labour problem. The results of first quarter is already out and you can see them that what was our performance in first quarter. In second quarter most of the issues are resolved and we are back to normal now. Results would be out next month some time probably. Probably you will see the performance yourself. As far as order book goes. The order book is good and we have already declared in various concall that we have carrying almost Rs 320 Crores of orders in various projects. Almost we are on track and doing good. You all are with us and as the company will grow you people will also grow with us.

Mr Chetan Chadha

Thank You sir. Thank you so much.

Mr Shashank Agarwal Joint Managing Director

Host please check if there is any other question.

Event Host

Mr Piyush are you there.

Mr Shashank Agarwal Joint Managing Director

Host if there is no more question we can close the session. Host at the CDSL please.

Mr Rahul Rastogi (Company Secretary)

Yeh, No further question.

Mr Shashank Agarwal Joint Managing Director

I Understand there is no further questions We can move forward Rahul.

Mr Rahul Rastogi (Company Secretary)

Dear Share holders. There are no more question and there is no other business to transact. The results will be declared on or before 48 hours after considering E voting done Today by members participating in this AGM and also the remote E voting already done by the certain members.

The results declared along with the scrutinizer report shall be placed on the company's Website. It is www.salasartechno.com and on the Website of CDSL immediately. The company shall simultaneously forward the results to the NSE and BSE Ltd where the shares of the company are listed. As the meeting conveyed through VC today resolutions has already put to vote through remote e voting and the requirement to propose and second are not available for this meeting.

Mrs Deepika Gaur of Messers Deepika MADhwal and Associates Practising Company Secretary has been

appointed as Scrutinizer take the necessary steps and give the report as per the provisions of companies Act.

Thanks You very much for your participation and dignified presence.

Mr Rahul Rastogi (Company Secretary)

Can we call the meeting is closed.

CDSL

EVENT HOST

Yes Sir,

Mr Shashank Agarwal Joint Managing Director

Ok So please consider the meeting as closed.

Thank You everyone for your Presence.