

Dated: 12.02.2022

To,

<p>The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza, BandraKurla Complex Bandra East Mumbai – 400051 Symbol – SALASAR</p>	<p>The Secretary Corporate Relationship Dept. BSE Limited P.J.Tower, Dalal Street, Mumbai – 400001 Scrip Code: 540642</p>
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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 Q3-FY22, for your record and further dissemination.

Kindly take the same on record.

Thanking You,

For Salasar Techno Engineering limited


(Rahul Rastogi)


Company Secretary & Compliance 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



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



towers@salasartechno.com
marketing@salasartechno.com

SALASAR TECHNO ENGINEERING LIMITED

INVESTOR PRESENTATION – Q3 & 9M FY22

FEBRUARY 2022



Building a Stronger Future



This presentation and the following discussion may contain “forward looking statements” by Salasar Techno Engineering Limited (“Salasar” or the company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Salasar about the business, industry and markets in which Salasar operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Salasar’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Salasar.

In particular, such statements should not be regarded as a projection of future performance of Salasar. It should be noted that the actual performance or achievements of Salasar may vary significantly from such statements.

DISCUSSION SUMMARY

01 Business Overview

02 Q3 FY22 Highlights

03 Competitive Advantage

04 Financial Summary



BUSINESS OVERVIEW

Broadening Horizons For
Sustainable Growth



Growing Steel Structure Manufacturer & EPC Infrastructure player, providing services across telecom, energy and railways Sector



In the year 2006, Salasar started out as a tower manufacturer with the vision of transforming the industry. Tower manufacturers rarely provided multiple solutions under one roof.

Salasar sought to fill this gap by aspiring to become a one-stop shop for India's telecom giants by carrying out engineering, designing, procurement, fabrication, galvanization and EPC under one roof.

Owing to its persistence, expertise, and capability to work wonders with steel, today Salasar is no longer confined to towers and have expanded its range of products and services to encompass all the infrastructural needs of a rapidly developing nation.

As the country continues its growth trajectory, we stand tall, partnering to bridge the gap in nation's infrastructure needs with our sustainable and efficient business model



Telecom Towers

Provide turnkey solutions in building telecom towers, monopoles and smart city solutions backed by engineering designs from Ramboll – a globally recognized telecom infrastructure consultancy, in house IIT certified design team or tailored as per customer designs



Transmission Line Towers

Evolved to leverage our expertise to meet the requirements of transmission line tower sector. We manufacture and deploy these towers for the turnkey projects as well as supplying to other EPC contractors



Railway Electrification

Provide end-to-end solutions from designing the engineering plan to supply, erection, testing and commissioning of railway electrification projects including Overhead Equipment (OHE) and Traction Sub Station (TSS) installations



Utility Poles

Custom made poles with multipurpose equipment such as LED lights, CCTV cameras, sensors and wifi routers. These smart poles are easy to install and capable of providing range of services with facility for add ons



Solar Structures

For mounting arrays of solar modules used in generating electricity from solar energy. The structures have flexible rotation to adjust the panels for better insolation and efficiency

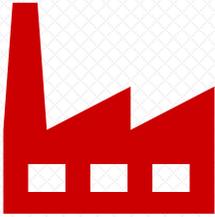


Heavy Steel Structures

Railway over Bridges (ROB), pre-engineered building (PEB), power plants, process plants, high-rise building, warehouses, airport hangers, metro stations, etc

NUMBERS THAT DEFINE SALASAR

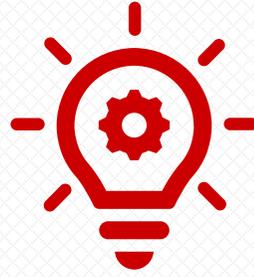
Our differentiated positioning in the country's most dynamic sector will accelerate our transition to diversified and agile business to better serve our growing clientele



1,10,000+ MT
Annual Production
Capacity



50,000+
Telecom Tower
Supplies



475+ KM
Power Transmission
Lines



1,542 Employees
as on 31st March, 2021



217 TKM
Railway Track
Kilometre



25+
Countries Exported

Strong base of operations with technology-driven facilities for efficient steel structure manufacturing and galvanizing

Plant	Unit – I	Unit – II	Unit – III
Location	Jindal Nagar, Distt. Hapur, Uttar Pradesh	Khera, Distt. Hapur, Uttar Pradesh	Khera, Distt. Hapur, Uttar Pradesh
Facility	<ul style="list-style-type: none"> Tower/structure manufacturing Galvanization (GI) Plant 	<ul style="list-style-type: none"> Tower/structure manufacturing Galvanization (GI) Plant 	<ul style="list-style-type: none"> Tower/structure manufacturing Galvanization (GI) Plant New GI Plant installation in process
Heavy Steel Structure Division (HSD)	-	-	Yes
Total Area (Sq. m.)	41,442	18,811	73,935
Covered Area (Sq.m.)	19,455	5,833	34,327
Uncovered Area (Sq.m)	21,987	12,978	39,608

Total Area
1,50,000+ Sq. yards

Installed Capacity

- 1,00,000 MT of Steel Galvanizing
- 15,000 MT of SSD



Raw Materials

- Steel Shape and Section
- Zinc (for Galvanizing)
- Nuts and Bolts

Machinery

- CNC Machines
- Industrial Machinery
- Hydra & Cranes

SELECT MARQUEE CLIENTS

Salasar has a strong and diverse client base which has helped us establish ourselves in a leading position in the industry

Telecom Sector



Approved vendor for Power Grid Corporation Ltd.

Power Sector



Qualified to bid for rural electrification projects

Others/ EPC



Qualified by CORE (Central Organization for Railway Electrification)

STRONG & EXPERIENCED LEADERSHIP TEAM



Chairman & Managing Director

Mr. Alok Kumar

B.Sc from Punjab University, Chandigarh

- Wide experience spanning over 4 decades in trading, manufacturing and fabrication of iron & steel
- Driving force behind groups commitment of timely delivery with superior quality



Joint Managing Director

Mr. Shashank Agarwal

B.E. (Mech.) from MIT, Manipal

- First generation entrepreneur with 25+ years of experience
- Involved in every aspects of business and has been the driving force in creating the brand and image of Salasar

Board of Directors



Mr. Shalabh Agarwal
Director



Ms. Tripti Gupta
Director



Ms. Garima Dhamija
Non-Executive Independent Director



Mr. Mukesh Kumar Garg
Non-Executive Independent Director



Mr. Sanjay Chandak
Non-Executive Independent Director



Mr. Vijay Kr Jain
Non-Executive Independent Director

Key Management



Mr. Pramod Kumar Kala
Chief Financial Officer

Advisor



Mr. Uttam Prakash Agarwal
Advisor to Board

Q3 & 9M FY22 HIGHLIGHTS

Delivering Consistent
Performance



Mr Shashank Agarwal, Joint Managing Director, Salasar Techno Engineering Ltd:

“Our persistence, expertise and capability to work wonders with steel has aided us well to deliver a robust overall performance during the 9M FY22. The company reported a revenue of Rs 507 Crores in 9M FY22 with an EBITDA of Rs 53 Crores, which is 10.4% of the revenue. PAT for the 9M FY22 was at Rs 24 Crores. The performance was driven by contribution from each of our business segments along with our approach to diversify and enter newer segments.

As the country continues its growth trajectory, all our business verticals offer significant headroom for growth and operating leverage as they scale up. Railways’ electrification and Pre-Fabricated Heavy Steel Structures continues to remain a key growth segment and focus area for us. We have an overall order book of Rs 1,030 Crores as on date underpinned by robust order inflows from reputed customers at our new growing vertical of Heavy Steel Structure Division.”

CONSOLIDATED P&L STATEMENT – Q3 & 9M FY22

Particulars (INR Cr)	Q3 FY22	Q3 FY21	Q2 FY22	9M FY22	9M FY21
Net Sales	173.6	174.4	200.2	506.6	385.1
Cost of Goods Sold	132.7	135.2	160.7	395.6	304.2
Employee Cost	12.2	8.1	9.4	30.0	21.1
Other Indirect Expenses	12.1	13.2	8.6	28.1	22.1
Total Expenditure	157.0	156.5	178.7	453.7	347.4
EBITDA	16.6	17.9	21.5	52.9	37.7
EBITDA Margin%	9.6%	10.3%	10.7%	10.4%	9.8%
Other Income	0.3	3.4	-0.6	1.8	5.1
Interest	5.6	4.5	5.4	15.7	12.3
Depreciation	1.9	1.4	1.8	5.4	4.1
Profit Before Tax	9.6	15.4	13.7	33.6	26.5
Provision for Tax	2.6	3.7	3.7	9.2	6.4
Profit After Tax	7.0	11.7	10.0	24.3	20.0
PAT Margin%	4.0%	6.7%	5.0%	4.8%	5.2%

- Operations of the Company were impacted on account of Covid related restrictions during the first quarter of FY21 and FY22

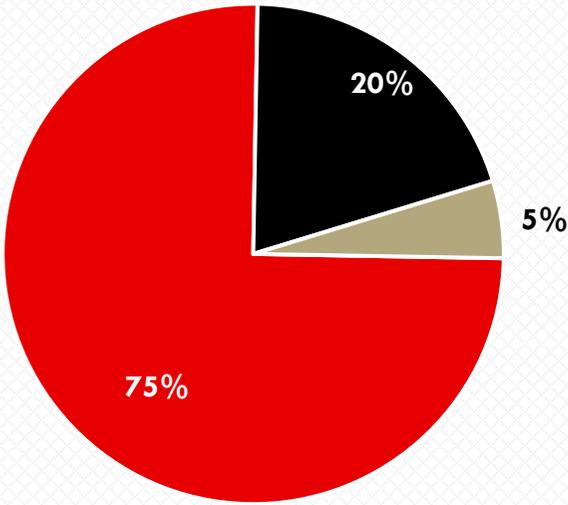
ORDER BOOK POSITION

Particulars	Value
Orders EPC outstanding as on 31 st Dec 2021	Rs. 695.1 crore
+ L-1 EPC orders for which LOI awaited	Rs. 95.2 crore
+ Manufacturing orders outstanding under new heavy steel structure plant as on 31 st Dec 2021	Rs. 162.5 crore
+ Export order in hand	Rs. 77.0 crore
Total	Rs. 1,029.8 crore

- In addition, the company normally has regular monthly orders of telecom towers of approx. Rs 30 to 35 Crores

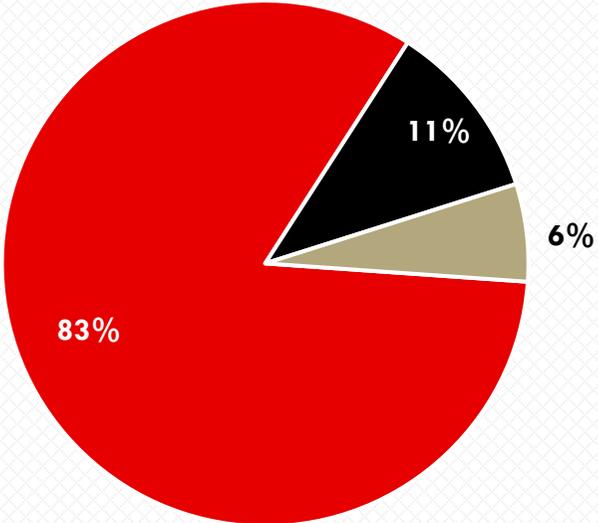
REVENUE COMPOSITION SEGMENT WISE

9M FY22 Revenue by Segments



- Manufacturing - Steel Structures and Others
- EPC - Power Transmission
- EPC - Railway Electrification

9M FY21 Revenue by Segments



- Manufacturing - Steel Structures and Others
- EPC - Power Transmission
- EPC - Railway Electrification

COMPETITIVE ADVANTAGES

Unlocking Value,
Delivering Results





New business of manufacturing of heavy structures such as ROB, Pre-Engineered Buildings, etc.

Expanding tower designs and leveraging on their tie-ups with Ramboll to provide value to the clients

Tapping industry opportunities by expanding product portfolio and optimal utilization of existing capacity

Strong focus on the export market to increase its share in the foreign market. Increasing market share domestically by targeting new customers and expanding relationships with the existing ones.

Innovating and manufacturing differentiated products like camouflaged towers, monopoles, etc. to provide for the evolving infrastructural needs of the society

STRUCTURED PLANT EXPANSION TO CATER HIGH INDUSTRY DEMAND

Expanding product portfolio with optimal utilization of existing capacity

Location	Unit III, Khera, Distt. Hapur, Uttar Pradesh	Unit III, Khera, Distt. Hapur, Uttar Pradesh	Bhilai, Chhattisgarh
Facility	Heavy Steel Structure Division (HSD)	New Galvanization Plant	Heavy Steel Structure Division (HSD)– II
Annual Capacity	15,000 MT	96,000 MT of Steel Galvanizing	25,000 MT
Project Cost	Rs 20 Crore	Rs 50 Crore	Rs 40 Crore
Status	Commissioned in March 2021	Expected Commissioning – Sep. 2022	Land Identified and contracted; Expected Commissioning – Sep. 2022
Expected Revenue at Full Capacity - Turns (x)	4-5x	--*	4-5x

- HSD plant, Unit- III: at present the company is having robust order book and the plant is fully booked for manufacturing for next one year for supply of rail/road bridge structures, Plant structures, pre-fabricated building structures, etc.
- Largest steel galvanizing plant in Asia post commencement of new Galvinizing Facility at Unit III, Khera, UP
- *Post commissioning of the new GI capacity, one of the existing galvanizing plants would serve as a backup in case of an emergency and the new GI Plant will also enable the Company to manufacture monopoles upto 3 Metre Dia used in higher KVA transmission lines
- HSD plant –II: Tapping Eastern India via setting up steel fabrication unit at Bhilai, Chhattisgarh

With this international technical tie-up with an industry leader, Salasar is well-positioned to meet the increasing industry demand

Salasar has a long-standing technical tie-up with Ramboll (Denmark) to manufacture lighter and lower costing tower structures and high mast poles. Their designs reduce the cost by 20% compared to conventional angular towers.

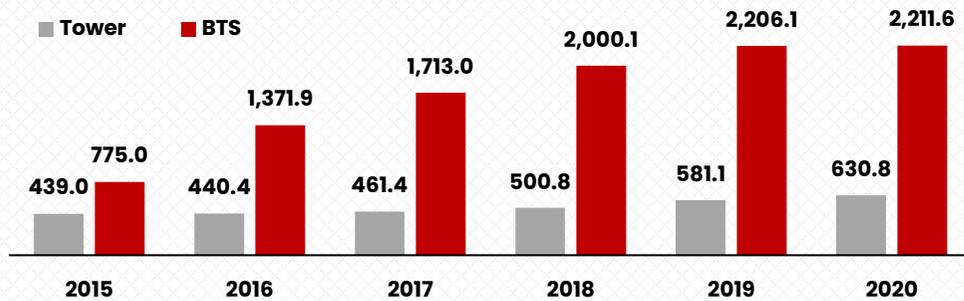
Ramboll Telecom is a world leader in designing telecom and high mast Poles. With the experience of designing towers for last sixty years, their designs are time tested and proven for performance. With Ramboll's continuous efforts towards innovation, quality, a multidisciplinary engineering and widely accepted designs, we are definite that we will ceaselessly grow and offer our customers with superior products and services.



TELECOM INFRA: HUGE OPPORTUNITY DUE TO INCERASING TELECOM DEMAND

India is the second largest telecom market in the world with a subscriber base of 1.17 billion

Yearly growth of towers and base stations (BTS) ('000s)



Key Drivers

- Increase in data consumption led by 4G, and the launch of 5G
- Tower sharing (leading to increase in revenue of telcos)
- Increasing tele-density in largely untapped rural market
- Smart city opportunities
- Development of IoT for manufacturing and services sectors

Source - Ministry of Communications, TAIPA, EY analysis

Key Facts and Developments

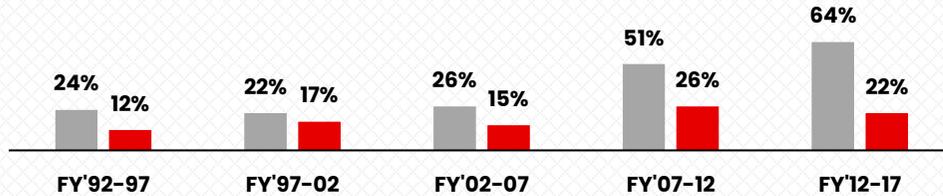
- Leading player in the Telecom Tower manufacturing segment with market share around 50%
- The Company sees a lot of opportunities as telecom operators are working their way towards improving their connectivity. Demand for telecom towers in the next 10 years is going to be greater than that in the last 25 years. All the operators are expected to do capex.
- As the rollout of 5G begins, the Company expects an exponential growth in demand for telecom towers
- There are about ~6,00,000 towers in India at the moment, with about 8,00,000 points of connectivity. To have a seamless 5G experience across India, at least 10,00,000 more towers are needed and at least 15,00,000 points of connectivity are needed in the next 10 years
- Long standing relationships with Telecom giants such as Airtel, Jio, Indus, American Tower, Bharti Infratel
- Host of product offerings in the segment which includes Towers, Monopoles, Smart City Solutions and Portable Towers

INCREASED DEMAND FOR POWER TRANSMISSION INFRASTRUCTURE DEVELOPMENT

Robust Growth Outlook Driven By Strong Policy Support

Historical Generation and Transmission Investment

■ % Growth in Generation Capacity (MW) ■ % Growth in Transmission Capacity (ckt km)



Key Drivers

- Expansion in industrial activity, growing urban & rural population
- Increasing per-capita power usage & ambitious projects across the value chain
- Highest ever coal production, increase of 74 mn tonnes in 2 years
- 11,921 ckm of Transmission lines (220 kV and above) and 35,760MVA Transformation capacity has been added during 2020

Source – CEA, BOB Power Sector report

Key Facts and Developments

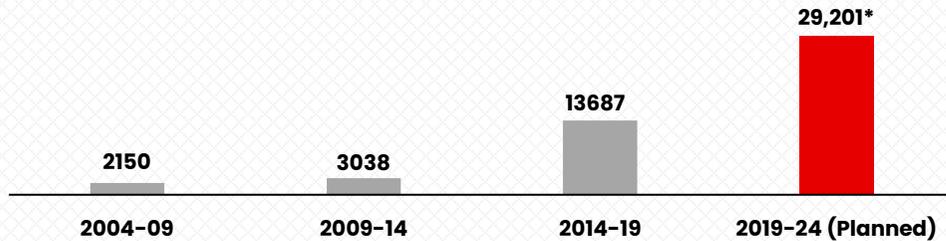
- Design and Construction of Power Transmission lines of 66kV, 132kV, 220kV & 400 kV
- Design and Construction of Grid Sub Stations ranging 66kV, 132kV, 220kV & 400 kV
- India's electricity consumption can continue to grow at >5% on a low base
- At a conservative avg. GDP growth rate of 5% over next decade power demand estimated to rise by 1.6x
- As per the National Infrastructure Pipeline 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of INR 111 lakh crore
- Estimated INR 6-8 trillion market opportunity in transmission till FY2029
- ICRA expects an investment of INR 1.8 trillion (INR 1.8 lakh crore) over the five-year period from FY21 (financial year 2020-21) to FY25 in the power transmission segment at an all-India level, driven by evacuation infrastructure for RE projects

RAILWAYS ELECTRIFICATION – ONE OF THE KEY FOCUS AREAS

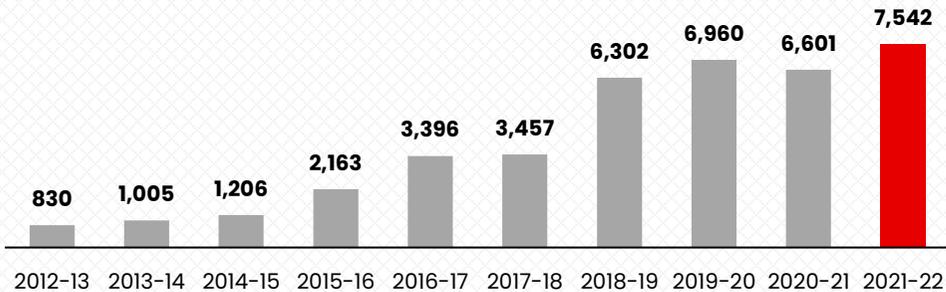
Government has an ambitious plan to secure infrastructure for 100% electrification of the railway network by 2024

Growth of Railway Electrification (Route Km, RKM)

* 6,886 RKM already commissioned till Jan'21



Budget Allocation for Railway Electrification (Rs Crore)



Source – indianrailways.gov.in

Key Facts and Developments

- Government of India plans to fully electrify the balance 42% network till 2024
- Close to 30 billion units of electricity shall be required for railway electrification on annual basis by 2024 leading excellent opportunities for IPPs of conventional power
- Overhead line equipment suppliers to gain massive opportunities to supply for the equipment like conductors, transformers & insulators etc.
- Sub-station capacity to enhance leading for opportunities for transmission & distribution utilities
- EPC contractors shall have multitude of opportunity in terms of infrastructure creation for railway electrification
- Opportunity for rolling stock companies shall be massive, electric locomotives shall gain pace
- OEM's shall have greater opportunity coming their way in terms of equipment supplies & order

Salasar's Steel Structure Division caters to refineries, steel plants, power plants and bridges for railways and roadways



Bridges

Categories:

- Rail or Road Over Bridges (RoBs)
- Open Web Girders
- Bow String Bridge
- Pedestrian Bridge
- Cable Stay Bridge



Buildings

Categories:

- High Rises
- Stadiums
- Warehouses
- Airports & Railway Stations
- Multilevel Car Parks
- Hospitals



Heavy & Complex Structures

Categories:

- Thermal Power Plants
- Steel Plants
- Petrochemical Plants
- Cement Plants

Key Strengths

- One of the largest installed capacities in North India
- State of the art manufacturing facility
- Easy accessibility to Steel
- Proximity to the market
- Good quality and on-time deliveries
- Low cost producer and total solution provider
- In home design and development facility using latest software

The HSD plant is fully booked for manufacturing for next one year

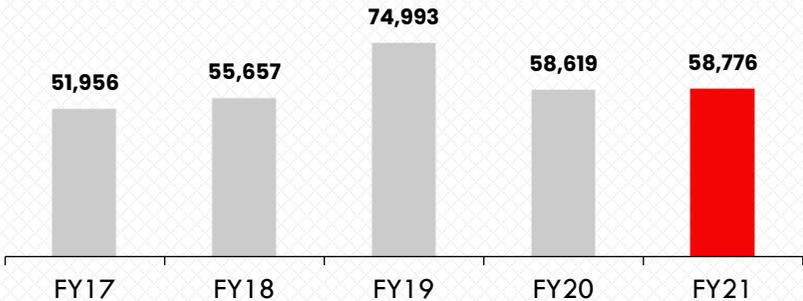
FINANCIAL SUMMARY

Gaining Strengths

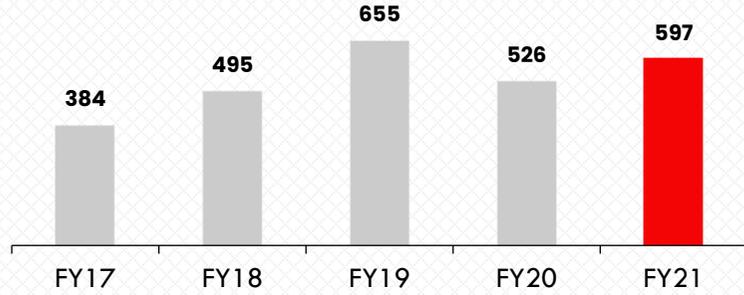


KEY FINANCIAL HIGHLIGHTS

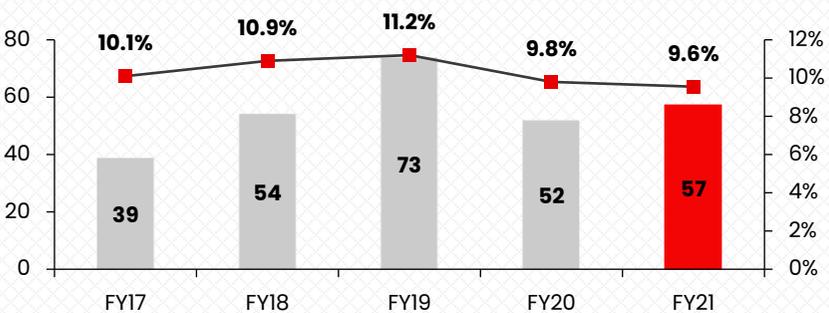
Sales Volume (MT)



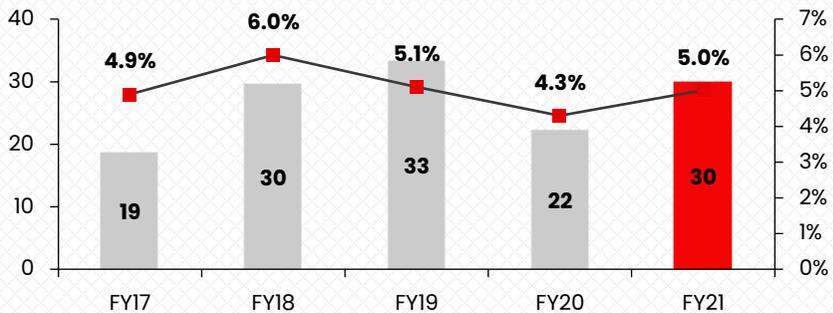
Revenue (Rs Crore)



EBITDA (Rs Crore) / EBITDA Margin (%)

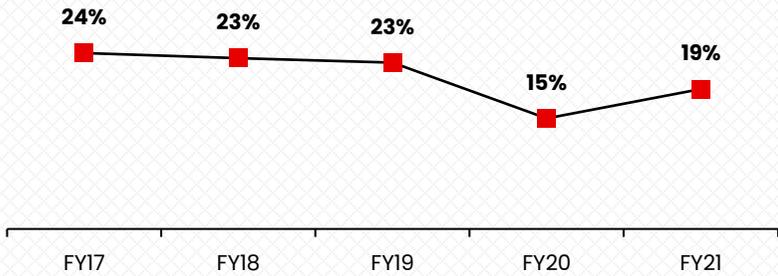


PAT (Rs Crore) / PAT Margin (%)

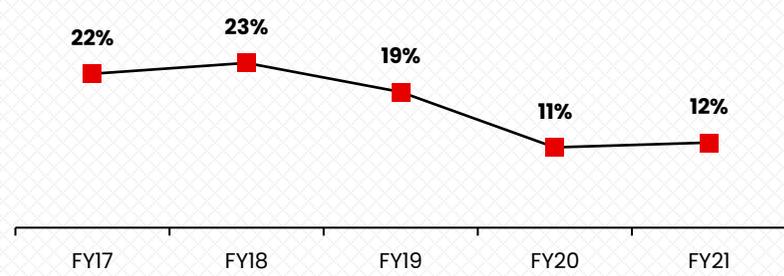


KEY FINANCIAL RATIOS

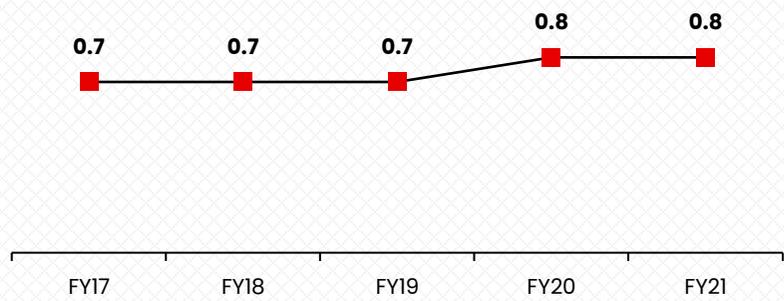
ROCE (%)



ROE (%)



Debt to Equity (x)



RoCE – EBIT/ Average Capital Employed, ROE – Profit/Average Shareholders Funds, D/E – Average Debt/ Average Equity

CONSOLIDATED P&L STATEMENT

Particulars (INR Cr)	FY21	FY20	FY19
Net Sales	596.6	526.3	654.9
Cost of Goods Sold	473.0	415.1	526.0
Employee Cost	30.9	31.0	28.0
Other Indirect Expenses	35.7	28.3	27.5
Total Expenditure	539.6	474.5	581.5
EBITDA	57.0	51.8	73.4
EBITDA Margin%	9.6%	9.8%	11.2%
Other Income	10.2	1.7	0.8
Interest	17.6	20.6	16.3
Depreciation	5.6	5.0	4.6
Profit Before Tax	43.9	27.9	53.3
Provision for Tax	14.0	5.6	20.0
Profit After Tax	29.9	22.4	33.3
PAT Margin%	5.0%	4.3%	5.1%

CONSOLIDATED BALANCE SHEET

Particulars (INR Cr)	Mar-21	Mar-20	Mar-19	Particulars (INR Cr)	Mar-21	Mar-20	Mar-19
EQUITY & LIABILITY				ASSETS			
Share Capital	14.3	13.3	13.3	Non-Current Assets:			
Other Equity	238.4	193.9	176.2	Net Block	112.4	91.1	77.3
Non- Controlling Interest	0.3	-	-	Capital Work in Progress	0.1	0.3	-
Shareholder's Funds	253.0	207.1	189.5	Intangible Assets	0.3	-	-
Non-Current Liabilities:				Other Non Current Assets	15.4	14.2	8.2
Secured Loans	33.9	5.2	4.8	Total Non-Current Assets	128.1	105.6	85.5
Deferred Tax Assets / Liabilities	5.0	3.1	5.1	Current Assets:			
Other Long Term Liabilities	0.1	0.1	9.9	Inventories	120.0	93.5	117.9
Long Term Provisions	3.1	2.3	1.3	Current Investments	10.2	1.4	2.1
Total Non-Current Liabilities	42.1	10.7	21.1	Sundry Debtors	240.1	214.1	217.2
Current Liabilities:				Cash and Bank	5.2	10.6	11.7
Trade Payables	31.3	21.4	58.3	Other Financial Assets	14.7	11.8	10.5
Other Current Liabilities	60.7	54.2	56.7	Other Current Assets	35.1	16.3	27.2
Short Term Borrowings	162.6	159.1	145.3	Current Tax assets (Net)	-	1.6	-
Short Term Provisions	0.4	0.3	0.1	Total Current Assets	425.3	349.3	386.6
Other Financial Liabilities	1.8	0.6	0.3	Total Assets	553.4	453.5	472.1
Current Tax Liabilities (Net)	1.5	-	0.8				
Total Current Liabilities	258.3	235.7	261.5				
Total Liabilities	553.4	453.5	472.1				



Thank You

Salasar Techno Engineering

Pramod Kala, CFO
pramod.kala@salasartechno.com

Christensen Advisory, India

Vikash Verma | Rohit Anand
vverma@christensenir.com | ranand@christensenir.com