

29th December 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: Press Release – Upgrade in CARE Rating**Dear Sir/ Madam,**

We are pleased to enclose a copy of press release regarding upgrade in CARE Rating.

Kindly take the same on record.

Thanking you,

For **Salasar Techno Engineering Limited**



(Kamlesh Kumar Sharma)
Chief Financial Officer

**SALASAR TECHNO ENGINEERING LTD.**

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Media Release

Long term and Short term Borrowing Rating – both upgraded by CARE

Long Term Borrowing Rating to 'CARE BBB+'

Short Term Borrowing Rating to 'CARE A2'

Resulting in better terms for borrowings

29th December 2017, New Delhi, India: The credit ratings of **Salasar Techno Engineering Limited (BSE: 540642. NSE: SALASAR)**, among leading manufacturers of Telecom Towers in India, have been upgraded to '**CARE BBB+**' from '**CARE BBB**' for **long term borrowing** and to '**CARE A2**' from '**CARE A3+**' for **short term borrowings** by CARE ratings.

This revision in rating for the Company considers the improvement of financial risk profile consequent to fund raising via Initial Public Offering (IPO) during H1 FY18, and healthy operational performance of the Company. The rating continues to factor in extensive experience of promoters, long track record of operations, reputed customer base and an good order book position.

As per the rating agency, going forward, Company's ability to sustain growth in total operating income and profitability margins, effectively managing its working capital cycle and maintaining comfortable gearing shall remain key rating sensitivities.

Key drivers in Revision of CARE Rating

Improved financial Risk Profile –

- Financial risk profile improved on account of equity infusion via IPO in July 2017
- Improvement in PBILDT margins and reduction in interest cost resulting in improved interest coverage to 5.35x in FY17 (FY16 3.08x)

Healthy operational performance –

- Growth in total operating income on account of better execution of orders
- Better operating efficiency owing to economies of scale, higher margin orders execution

Experienced promoters and long track record of operations -

- Long track record of operations for more than 16 years
- Better understanding of business cycle and developed relationship with customers and suppliers

Reputed customer base and adequate order book –

- Established relationship with reputed players in telecom industry and continued repeat orders

Commenting on this development Mr. Shashank Agarwal, Joint Managing Director, said "This upgrade in ratings indicates Salasar Techno Engineering's comfortable financial risk profile and are in line with Company's strategy of profitable growth and improvement in quality of its financial parameters through better operational performance.

The new rating will help all stakeholders especially financial institutes appreciate the improved credit quality of the Company. In turn, the Company, going forward, will be able to access debt and capital at more efficient terms for its growth initiatives."

About Salasar Techno Engineering Limited:

Salasar Techno Engineering Ltd. incorporated in 2007 is a provider of customized steel fabrication and infrastructure solutions in India. It provides 360-degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment. Its products include telecommunication towers, power transmission line towers, smart lighting poles, monopoles, guard rails, substation structures, solar module mounting structures and customized galvanized & non-galvanized steel structures. Salasar Techno Engineering Limited's services include providing complete engineering, procurement and control for projects such as Rural Electrification, Power Transmission Lines, and Solar Power Plants.

It is among the leading manufacturers of Telecom Tower in India with supply of more than 20,000 towers since inception. The Company has three state of the art manufacturing facility located in Hapur, Uttar Pradesh.

For more details, please visit: www.salasartechno.com

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Caution Concerning Forward- Looking Statements:

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Salasar Techno Engineering Ltd. is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

