

# salzer



## SALZER ELECTRONICS LIMITED

Results Update Presentation

Q3 & 9MFY25



# Disclaimer



*This presentation has been prepared by Salzer Electronics 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.*

# TABLE OF CONTENTS

salzer®



**FINANCIAL HIGHLIGHTS**



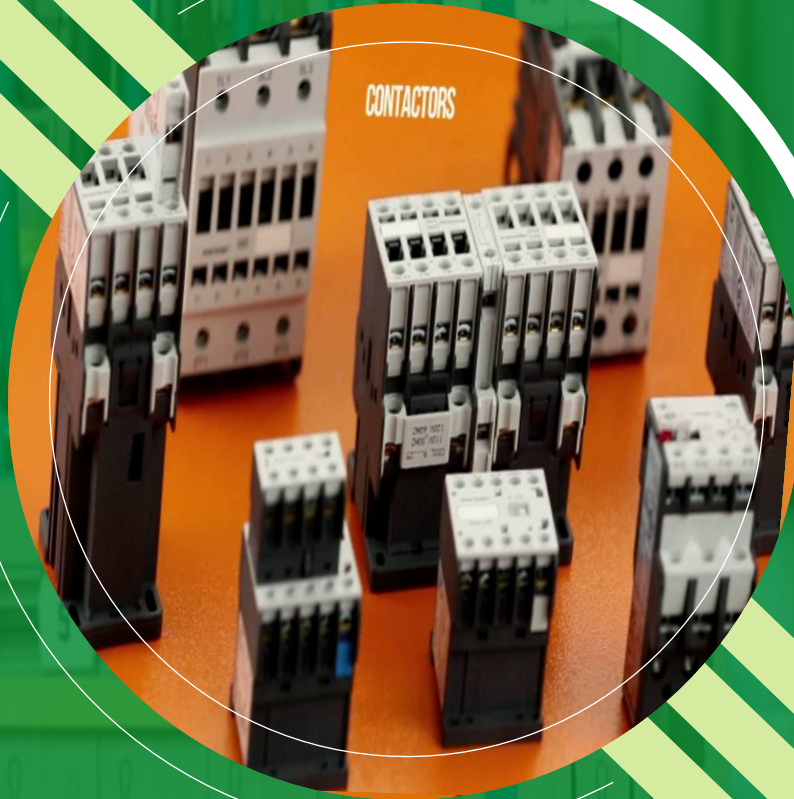
**COMPANY OVERVIEW**



**BUSINESS OVERVIEW**



**WAY AHEAD**



# FINANCIAL HIGHLIGHTS



## Joint Managing Director's Message

salzer®



“ *During the third quarter of the financial year, we registered a strong growth in consolidated revenues of Rs. 341.46 crores with EBITDA (excluding other income) and PAT of Rs. 35.99 crore and Rs. 15.50 crore, respectively. This growth was mainly driven by switchgear & building products businesses. This growth has been achieved despite the slight slowdown setting in amidst macro-economic uncertainties and continued geo-political tensions in parts of world.*

*Coming to our new product of smart meters, I am very happy to share that our first order of 25,000 smart meters has been dispatched, marking a significant milestone in our commitment to advancing smart grid technology. This achievement reflects our strong execution capabilities and reinforces customer confidence in our solutions. With this successful delivery, we are optimistic about securing the next order from the same customer, further strengthening our partnership and driving sustained growth in the smart metering segment.*

*We remain dedicated to maintaining this growth momentum as we strive for greater achievements. At Salzer, innovation is at the core of our strategy, and our diverse product portfolio, along with a strong market presence, positions us to set new industry benchmarks. With a promising outlook for both domestic and export markets, we remain confident in our overall business performance.*

Commenting on the Company's performance,

**Mr. Rajesh Doraiswamy**

Joint Managing Director, Salzer Electronics  
Ltd said:

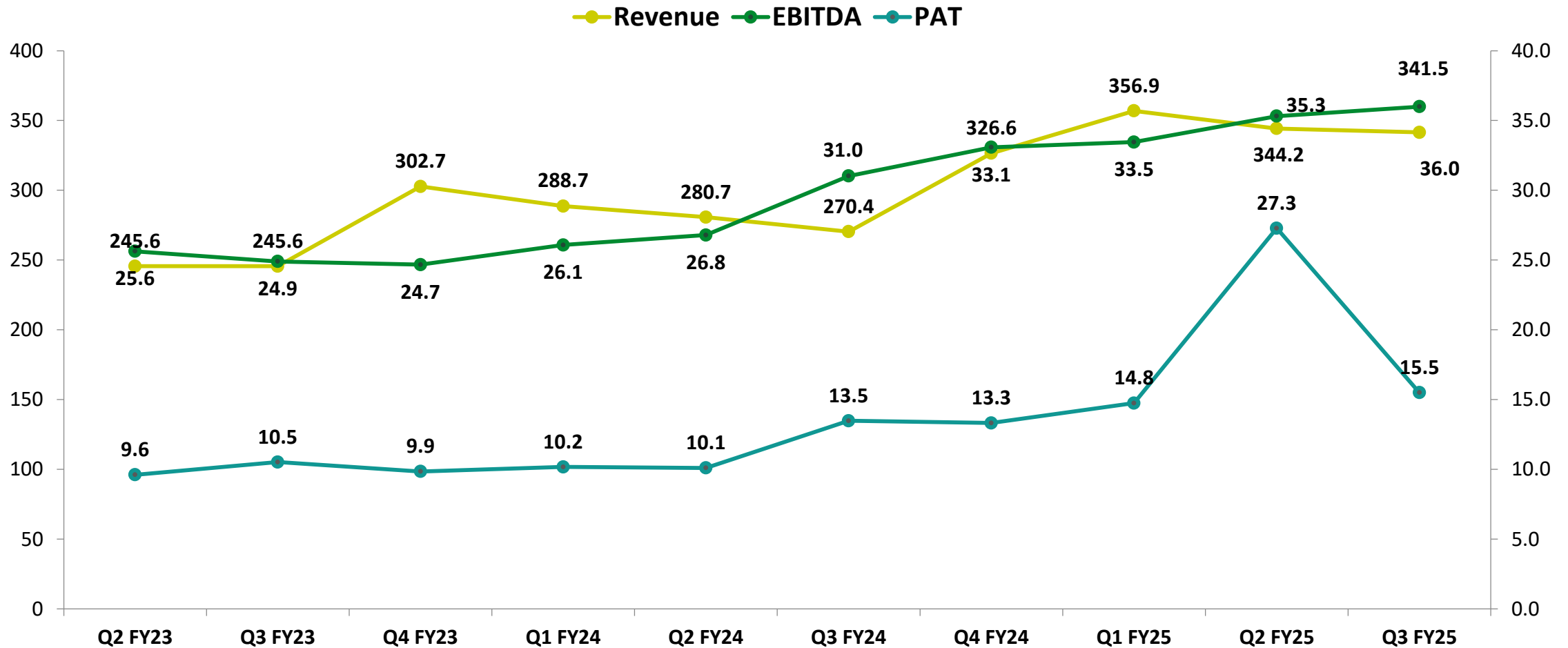
*I thank the entire team at Salzer Electronics for their untiring efforts and all our stakeholders for their continued support and faith in our Company.*”



# Key Consolidated Financial Highlights – Quarterly

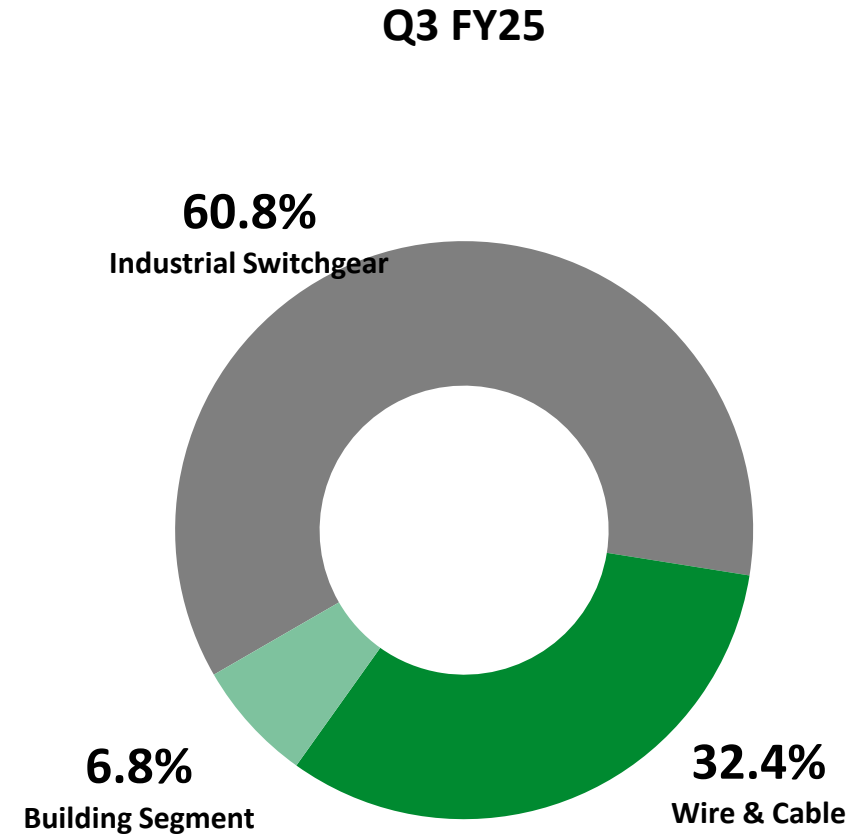
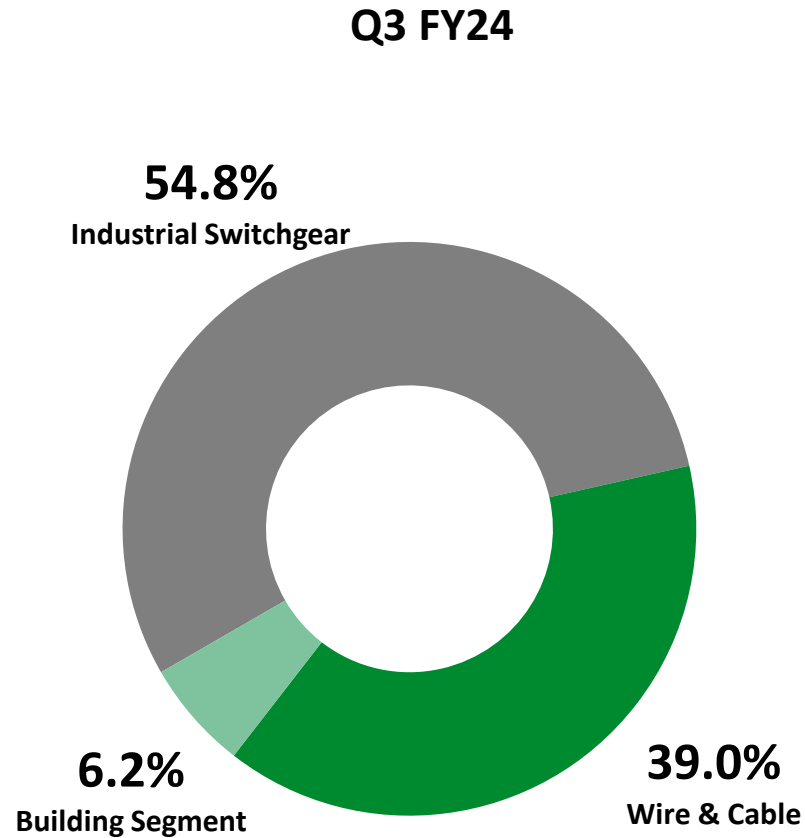


*Revenue, EBITDA (excluding other income), PAT (Rs. Crore)*





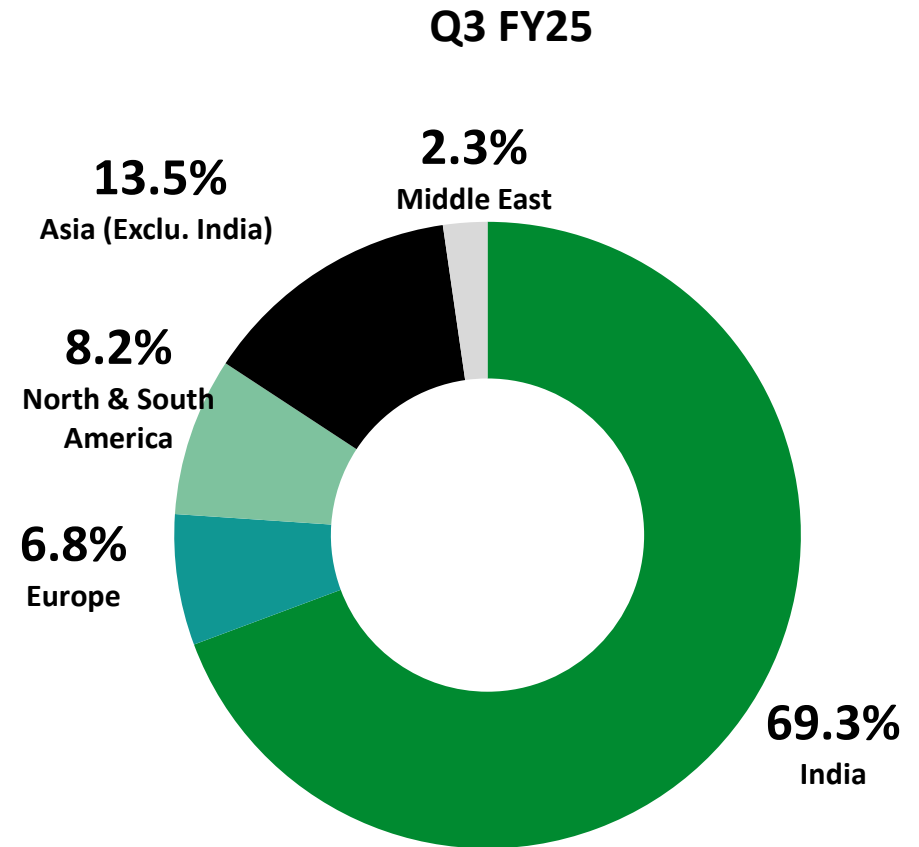
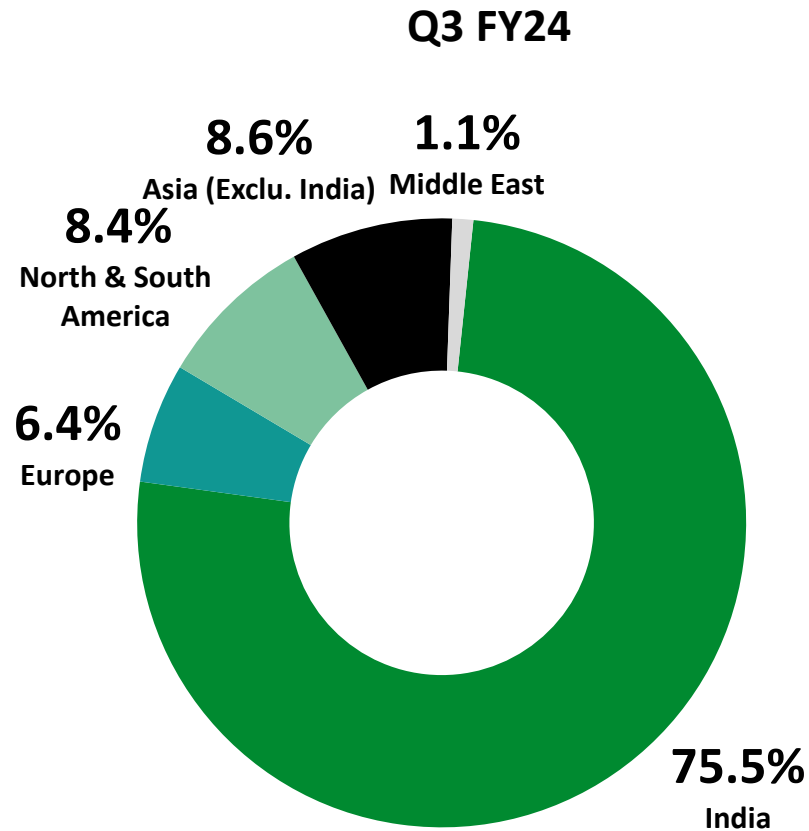
# Q3 FY25 Revenue Breakup – Business Verticals



- *Industrial Switchgear – 60.8% of net revenues*
- *Wires & Cables – 32.4 % of net revenues*
- *Building Electrical Products – 6.8% of net revenues*



# Q3 FY25 Revenue Breakup – Geographical



▪ **Contribution from Exports at 30.68%**





# Q3 FY25 Consolidated Financial Highlights



Rs. in Crore	Q3 FY25	Q3 FY24	Y-o-Y %	Q2 FY25
<b>Net Revenue</b>	<b>341.46</b>	<b>270.35</b>	<b>26.30%</b>	<b>344.23</b>
Raw Materials	247.92	198.28		252.77
Employee Cost	15.53	11.74		14.35
Other Expenses	42.02	29.31		41.81
<b>Total Expenditure</b>	<b>305.47</b>	<b>239.33</b>		<b>308.93</b>
<b>EBITDA (Excluding other Income)</b>	<b>35.99</b>	<b>31.02</b>	<b>16.01%</b>	<b>35.31</b>
<b>EBIDTA Margin (%)</b>	<b>10.54%</b>	<b>11.48%</b>	<b>(94 bps)</b>	<b>10.26%</b>
Other Income	1.97	0.67		15.63
Depreciation	6.18	4.88		5.66
Interest / Finance Cost	10.56	8.71		10.16
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
<b>Profit Before Tax</b>	<b>21.22</b>	<b>18.11</b>		<b>35.11</b>
Share of profit from Associate	(0.03)	0.00		0.00
Tax	5.68	4.63		7.83
<b>Profit After Tax</b>	<b>15.50</b>	<b>13.48</b>	<b>14.98%</b>	<b>27.28</b>
<b>Profit After Tax Margin (%)</b>	<b>4.54%</b>	<b>4.99%</b>	<b>(45 bps)</b>	<b>7.92%</b>
<b>Basic EPS (Rs.)</b>	<b>8.77</b>	<b>7.98</b>	<b>9.90%</b>	<b>15.43</b>



# 9M FY25 Consolidated Financial Highlights



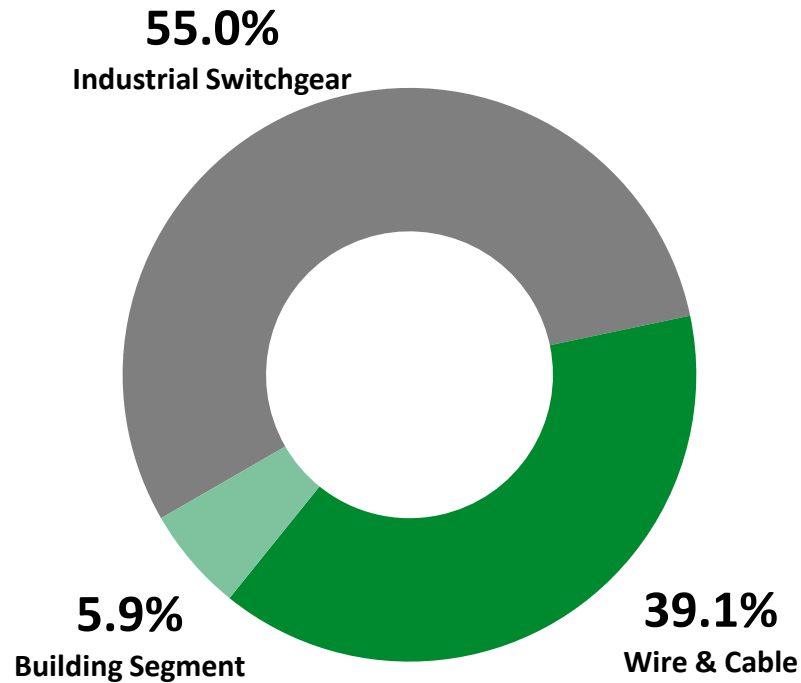
Rs. in Crore	9M FY25	9M FY24	Y-o-Y %
<b>Net Revenue</b>	<b>1,042.60</b>	<b>839.74</b>	<b>24.16%</b>
Raw Material Expenses	778.64	637.93	
Employee Expenses	42.62	33.37	
Other Expenses	116.58	84.55	
<b>Total Expenditure</b>	<b>937.85</b>	<b>755.85</b>	
<b>EBITDA (Excluding other Income)</b>	<b>104.75</b>	<b>83.90</b>	<b>24.86%</b>
<b>EBITDA Margin (%)</b>	<b>10.05%</b>	<b>9.99%</b>	<b>6 bps</b>
Other Income	18.87	1.70	
Depreciation	17.45	14.70	
Interest / Finance Cost	30.46	25.03	
Exceptional Item (Gain) / Loss	0.00	0.00	
<b>PBT</b>	<b>75.71</b>	<b>45.87</b>	
Share of profit from Associate	(0.03)	0.00	
Tax	18.14	12.12	
<b>PAT</b>	<b>57.53</b>	<b>33.75</b>	<b>70.47%</b>
<b>PAT Margin (%)</b>	<b>5.52%</b>	<b>4.02%</b>	<b>150 bps</b>
<b>Basic EPS (Rs.)</b>	<b>32.65</b>	<b>19.22</b>	<b>69.88%</b>

- **Increase in Revenue – driven by business of Industrial switchgear and Building product division**
- **Contribution from exports was 28.70% in 9MFY25**

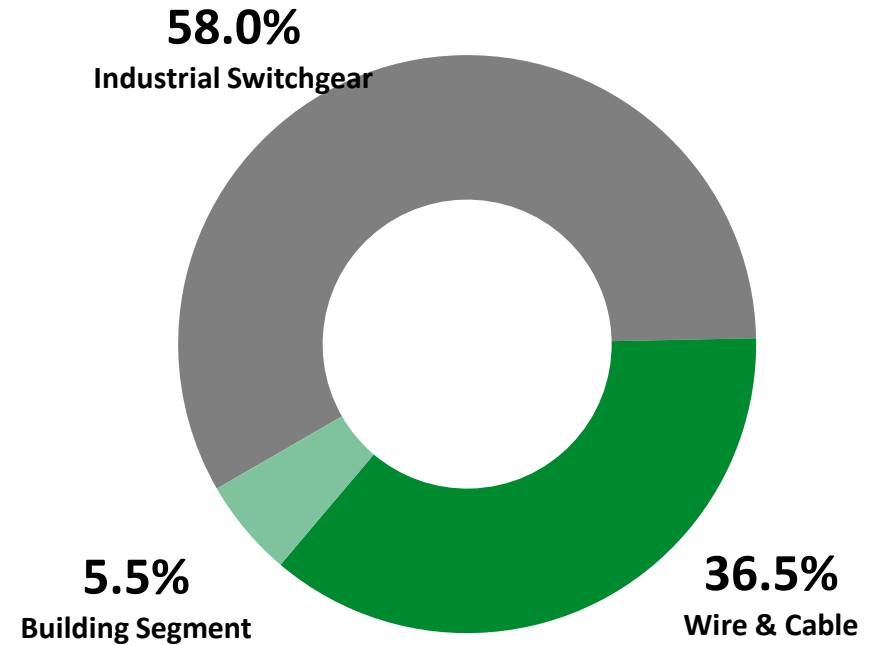


# 9M FY25 Revenue Breakup – Business Verticals

9M FY24



9M FY25

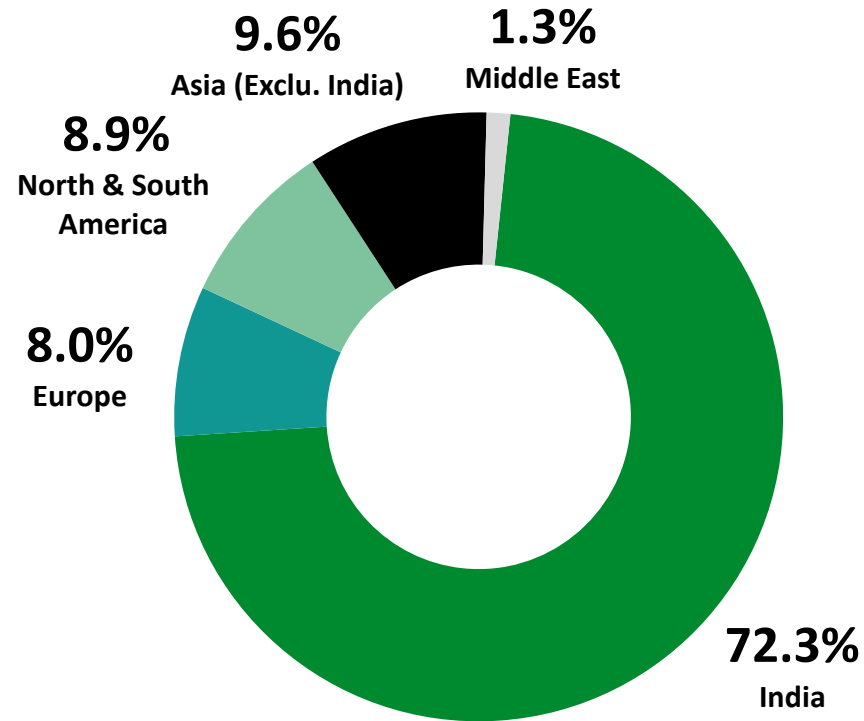


- **Industrial Switchgear – 58.0% of net revenues**
- **Wires & Cables – 36.5% of net revenues**
- **Building Electrical Products – 5.5% of net revenues**

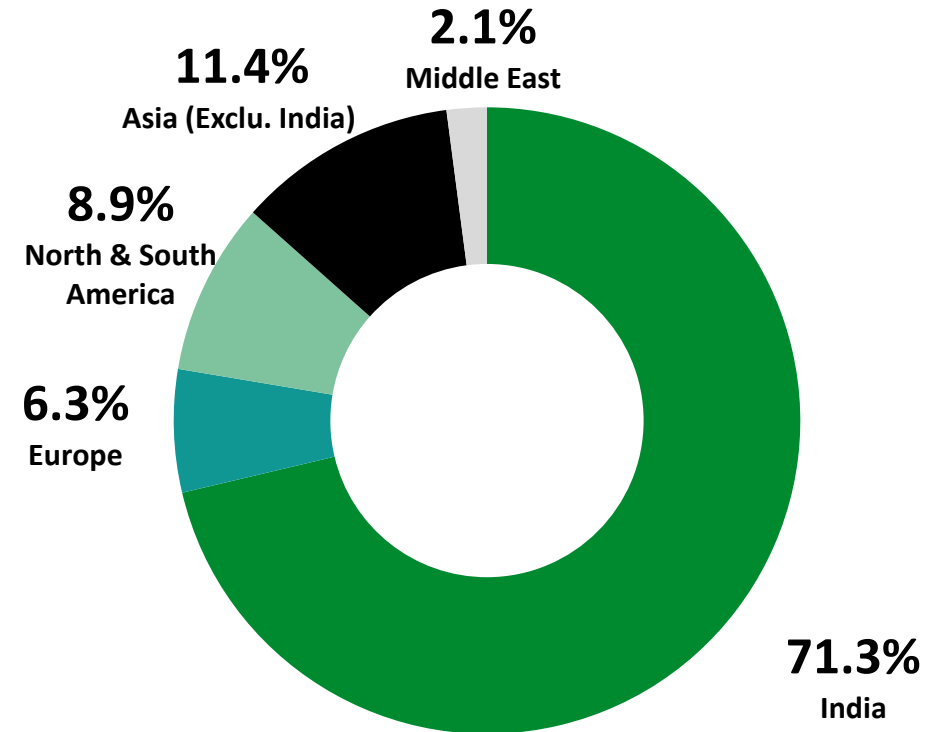


# 9M FY25 Revenue Breakup – Geographical

### 9M FY24



### 9M FY25



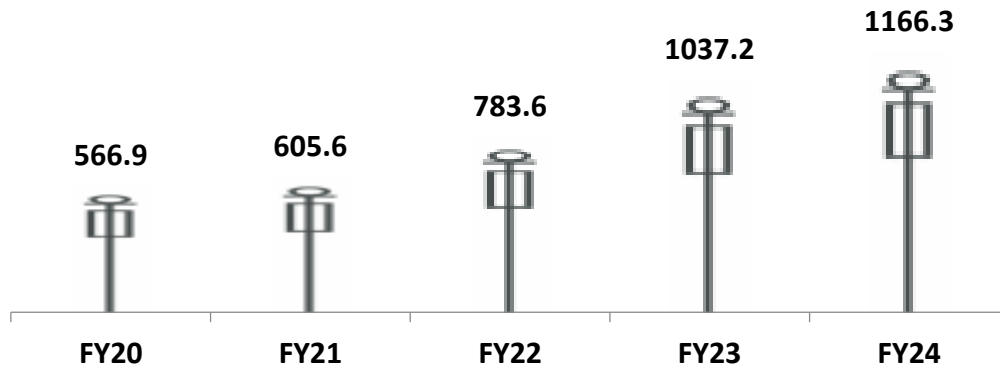
▪ **Contribution from exports was 28.70% in 9M FY25**



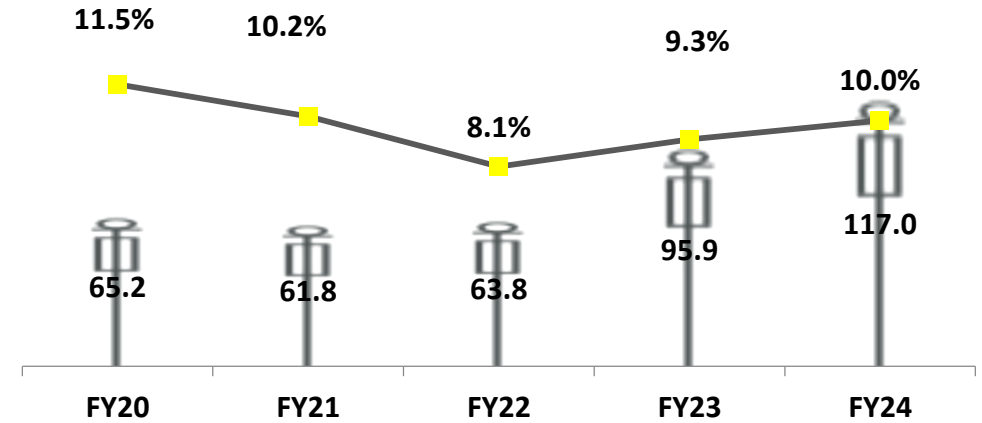
# Key Consolidated Financial Highlights – Annual



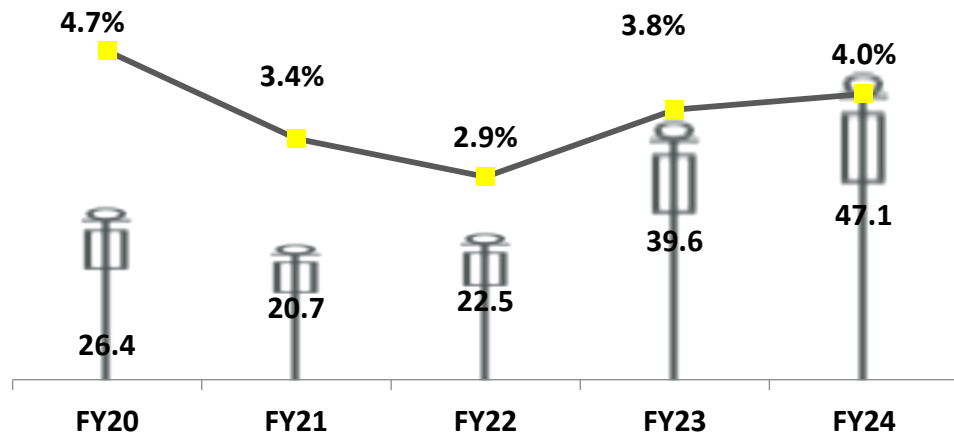
### Revenue (Rs. Crore)



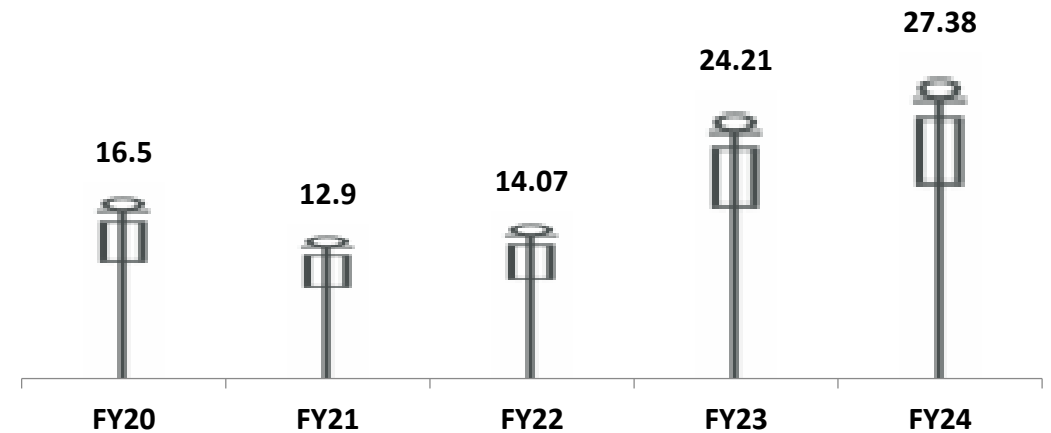
### EBITDA (Rs. Crore) / Margins (%)



### Net Profit (Rs. Crore)



### Earning per Share (Rs.)

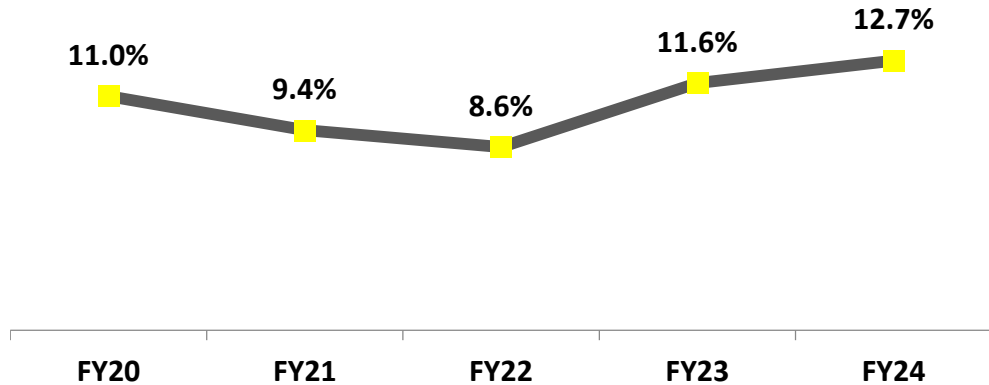




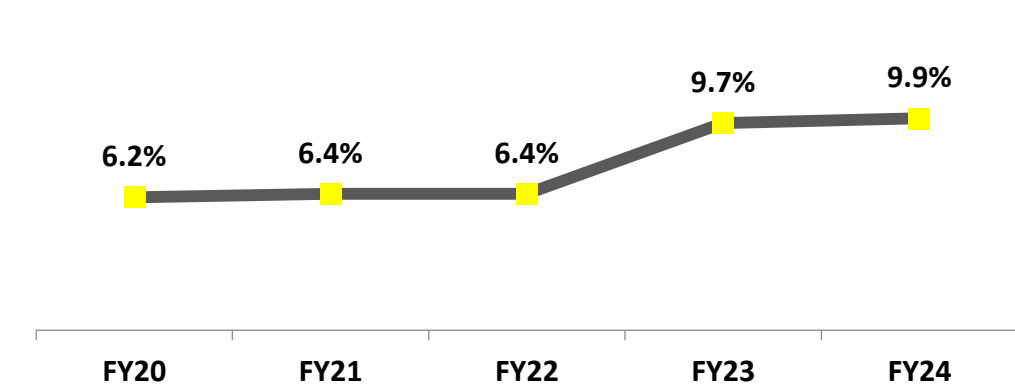
# Key Consolidated Balance Sheet Highlights – Annual



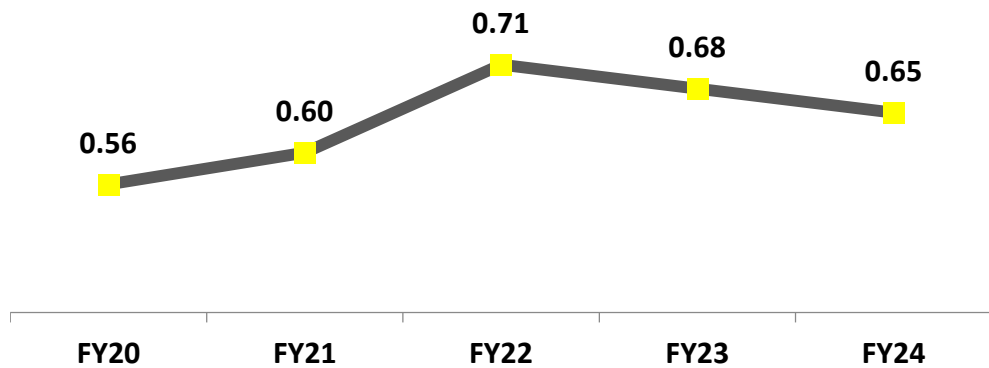
**Return on Capital Employed ( % )**



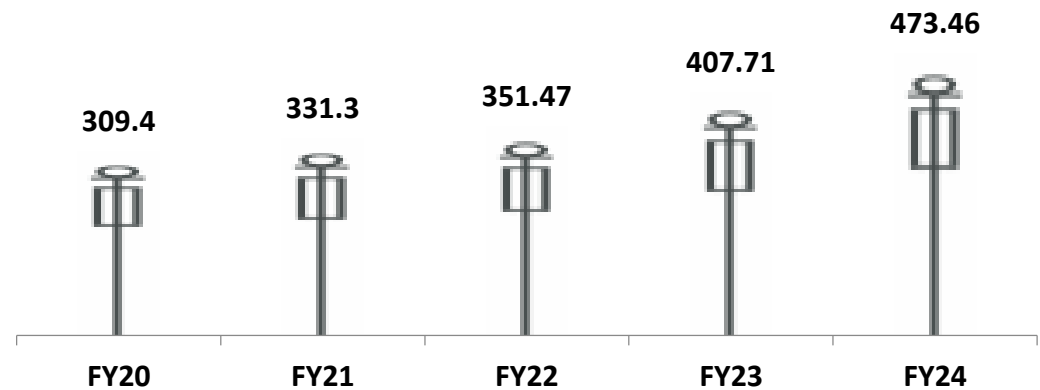
**Return on Equity (%)**



**Debt to Equity(X)**



**Networth as on 31st March (Rs. Crore)**

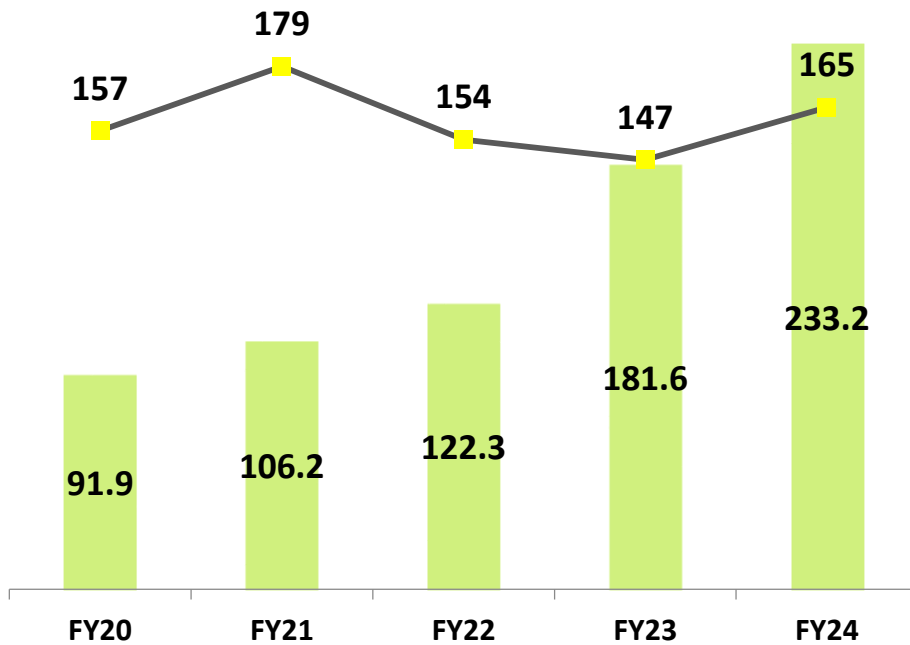


\*Return on Capital Employed – EBIT/Total Capital Employed (Total Shareholders equity+LT Debt+ST Debt+Current Maturity of LT Debt-Non Current Investment), RoE – Net Profit/Networth , Debt to Equity = Total Debt/ Networth 14

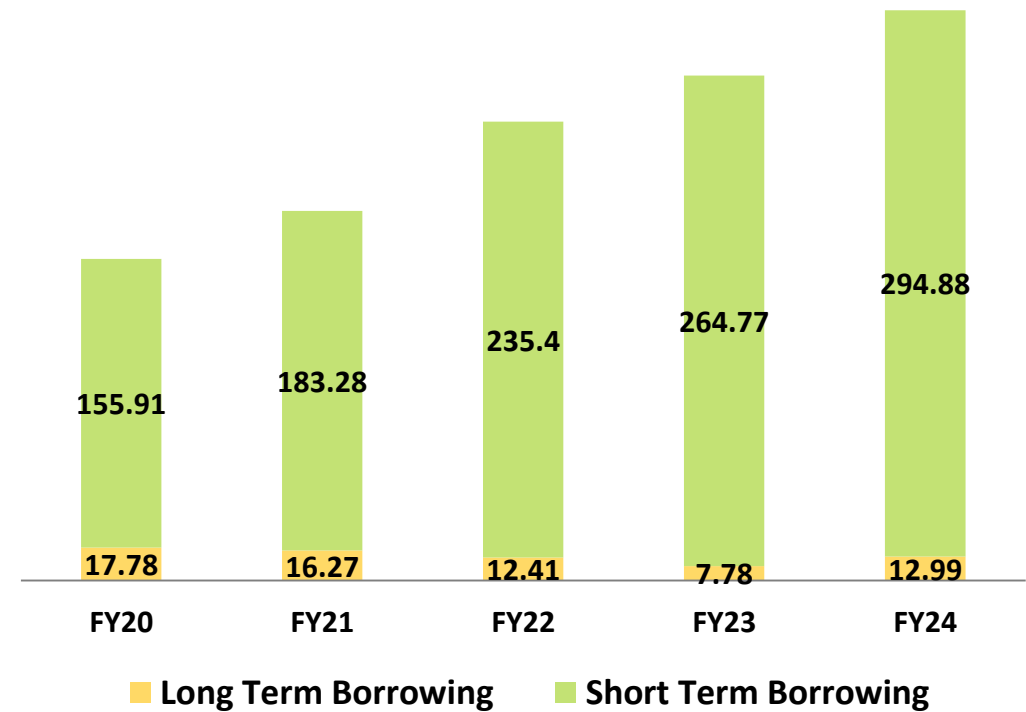


# Working Capital & Borrowings

**Working Capital (Cr.) – Bar Chart**  
**Working Capital (Days) – Line Chart**



**Borrowing (Cr.)**





# COMPANY OVERVIEW





# About Us



## Leading player offering total and customized electrical solutions

- Incorporated in 1985
- Headquartered in Coimbatore, Tamil Nadu
- Caters to sectors such as Engineering, Automotive, Tractor, Bearing and Allied Industries



## Experienced Management Team

- Significant experience in Engineering Industry
- Long term vision and proven ability to achieve long term goals for Company
- Technical collaboration with Plitron for Toroidal transformers – 1st Company to bring technology to India, Joint Venture with C3Controls for contactors and relays



## Extensive Product offerings –

- Presence in Industrial Switchgears, Wires & Cables, Energy management and Smart Metering business
- Largest manufacturer of Cam Operated Rotary Switches – Market leader with 25% share



## State-of- art manufacturing facilities

- Seven manufacturing units located in Tamil Nadu
- More than 15 products catering to Industrial / Building Electrical / Automobile verticals



## 200+ Reputed and long-term customers

- Preferred supplier to GE, Schneider and only approved supplier of Nuclear Power Corporation
- Largest supplier of rotary and load break switches to Indian Railways



## Quality Standards, Assurance & Certifications

- ISO 9001; ISO 14001; ISO 45001; UKAS Management; IATF 16949
- International Approvals



## Strong Domestic & International Customer Base for forging applications

- Own distribution network – local and global – export to 50 countries with 40 International distributors
- Access to L&T's local network through more than 350 distributors



# From a Single Product Company...

## 1985 - 1995

- Established to manufacturer of CAM operated Rotary Switches
- Unit I (Coimbatore) – manufacture contactors, relays, panels, energy savers
- Starting of long term association with L&T
- Technical collaboration with Plitron for manufacture of Toroidal Transformers
- 1st Indian company to bring technology to India

## 2001 - 2014

- Unit III - manufacture modular switches
- Started manufacturing of Wire & Cable for L&T
- Leading player offering total and customized electrical solutions
- More than 15 different products
- 2,000 employees
- 5 manufacturing units
- Foray into tailor made products and branding for large customers
- Specialized panels for OEMs

## 2015 - 2020

- Started commercial production of Three Phase Dry Type Transformers
- Acquired Salzer Magnet Wires
- Upgrade in Credit Rating for long-term borrowing to 'CRISIL A/Stable'
- Acquired Kaycee Industries Ltd.

## 2021 – Till Date

- Forays into EV Business through JVs with Kostad Steuerungsbau GmbH and EMarch LLP
- Set up new manufacturing rented facility strategically located in Hosur, Tamil Nadu – production to commence in March 2023
- Kostad Steuerungsbau GmbH - JV Company has become a Subsidiary Company with shareholding of 60%
- Building “one-of-its-kind Fully Integrated” Smart Meter manufacturing facility in India
- Planning a total CAPEX of ₹50 crore for FY25, with ₹25 crore allocated to the Smart Meter factory and another ₹20 crore for additional CAPEX.
- Investment of ₹8 crore for a 30% stake in Ultrafast Chargers Private Limited, a startup in EV charger manufacturing.
- Incorporated a Wholly Owned Overseas Subsidiary - Salzer Electronics Arabia Limited

... to manufacturing multiple products across sectors



# Professional Management

## **R. Doraiswamy** - *Managing Director*



- Qualified Electrical Engineer and Technocrat Entrepreneur with over 4 decades of experience
- Vast Experience in Foreign Collaboration & wide global contacts

## **D. Rajeshkumar** – *Joint Managing Director*



- Electrical Engineer, India; Postgraduate in Business Management, US
- JMD of Company - responsible for driving the vision of Company

## **P. Sivakumar A** - *AVP – Marketing Corporate*



- Bachelors in Engineering with over 3 decades of experience
- Responsible for Sales & Marketing division



## **M Lakshminarayana** - *VP - Operations*

- B.E (Electrical) with over 2 decades of experience
- Responsible for Production, Planning, Inventory Management, Maintenance & General Administration



## **R. Menaka** – *General Manager - Accounts*

- Degree in Commerce with over 3 decades of experience
- Extensive expertise in Accounts, Finance, and Taxation



## **R Karunakaran** - *GM – PR & GST*

- BSc, Diploma in Marketing Management with more than 3 decades of experience
- Responsible for GST and Public Relations of Company



# BUSINESS OVERVIEW

1.8 TON EOT CRANE  
WORK IN PROGRESS

1. Make the hand signal for hoisting, lower, forward and backward operations.
2. Always "WATCH" the load into the hoisted position.
3. Do not leave the load in the suspended position.
4. Use one push button for individual operations. Don't use both push buttons simultaneously.



# Business Overview



## Industrial Switch Gear Products

- Transformers
- Terminal Blocks
- Rotary Switches
- Isolators
- General Purpose relays
- Wiring Ducts
- MPCB's
- Contactors & OLR's
- Control Panels
- Wire Harness



## Building Electrical Products

- Modular Switches
- Wires & Cables
- MCB's
- Changeovers



## Copper Products

- Wires & Cables
- Flexible Bus Bars
- Enamelled Wires
- Bunched Conductors
- Tinned Copper Wires



## Energy Management products

- Energy Savers
- Street Light Controllers



## Smart Meters

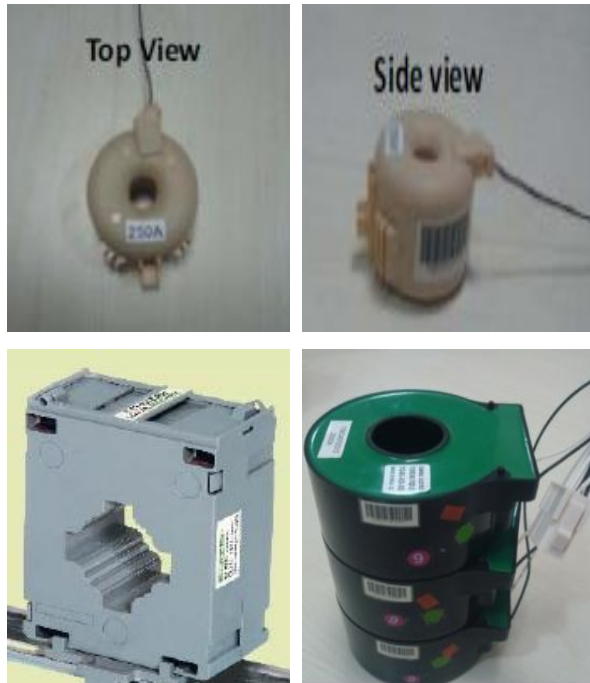
- Single Phase Meters
- Three Phase Meters



# Wide Product Suite- Customized for OEM's



## CT's



## Terminal Sockets



## Coils / Inductors



## Panels



**In-house manufacturing and R&D enables superior customization of products**



# Key Strengths



## Complete Backward Integration

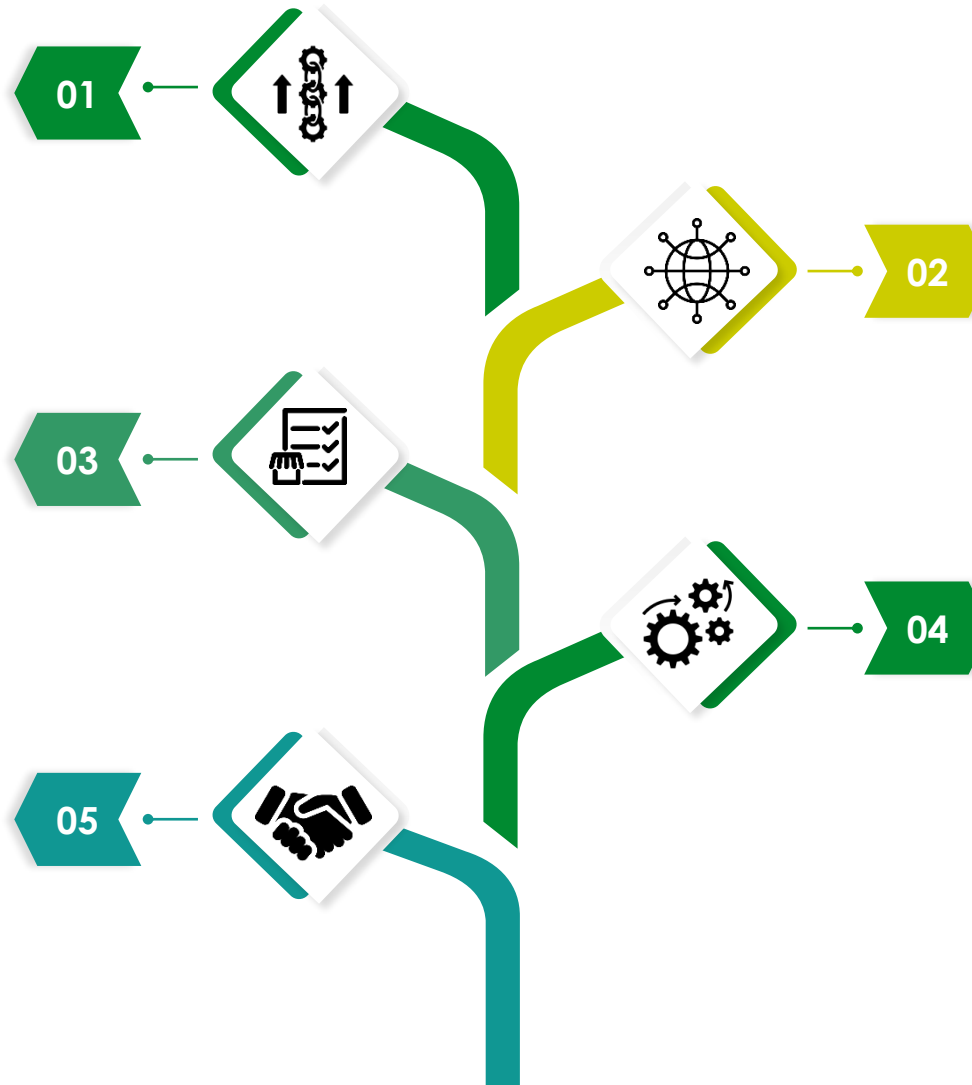
In-house manufacturing facilities with process capabilities ensures better product development and customization  
Well developed R&D enables continual product innovation

## Wide Product Suite

Amongst few players in India, to offer total & customized electrical solutions  
Wide product basket – 15 products developed in-house  
Largest manufacturer and market leader in CAM operated rotary switches

## Strong Customer Relationships

Strong customer relationships across globe  
Preferred supplier to GE, Schneider and only approved supplier of Nuclear Power Corporation  
Largest supplier of rotary and load break switches to Indian Railways



## Wide Distribution Network

Wide distribution network – international and domestic  
Tie up with L&T – access to over 350 dealers in India; own network for modular switches with 50 stockists in 4 southern & western states  
Direct network across 50 countries with 40 international distributors

## Advanced Engineering Capabilities

Strong engineering capabilities backed by in-house manufacturing and R&D team  
Technical collaboration with Plitron for Toroidal transformers – 1st Company to bring technology to India, Joint Venture with C3Controls for contactors and relays  
Resulting in all products been international certified and universal acceptance



# Seven Manufacturing facilities...

salzer®

Unit 1



Rotary Switch  
Contactors & Relays  
Panel Assembly  
Lighting Energy Savers  
Automatic Meter Reading  
Three Phase Dry Type Transformers

Unit 2



Toroidal Transformers  
Isolators (Dis-connectors)  
Terminals  
Wiring Ducts  
MPCB  
Wire Harness  
3 PH Transformers

Unit 3



Wiring Accessories

Unit 4



Wires & Cables  
Flexible Bus Bars  
Bunched Conductors  
Tinned Wires

Unit 5



Enamelled Copper Wires  
Fine Enamelled Copper Wires  
Polyester Coated Winding wires

Hosur Plant



Wire Harnesses  
Toroidal Transformers

Annur Plant



Smart Meters





...With In-house process capabilities...

salzer®



- Full fledged **Type testing laboratory**
  - Loads up to 500Amps
  - Environmental test chamber for humidity test
  - Salt spray test & all other basic tests as per UL Standards
- **In-house tool room** facility for manufacturing and servicing of Moulds and press tools
  - CNC Wire Cut Machines and Spark erosion machines
  - CNC Machining center, EDM Drilling
  - Conventional machines
  - Latest digital measuring equipment
  - Inspected and certified by GE Tool Divisionca

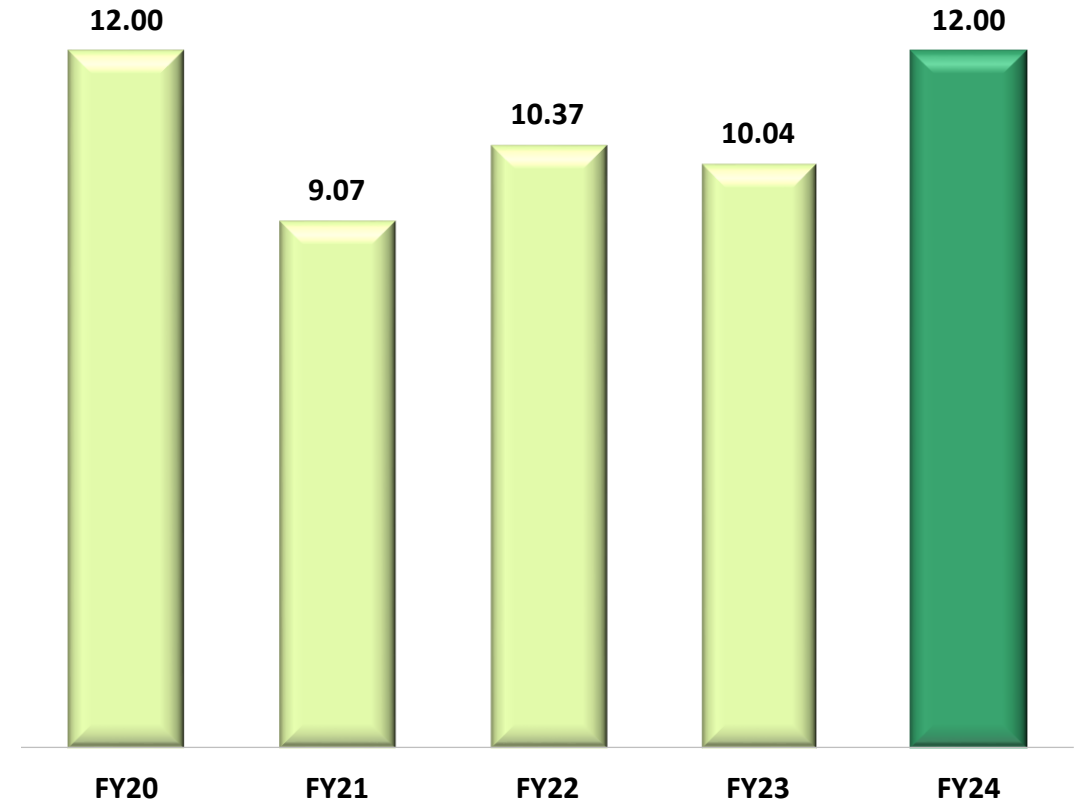
**More than 80% components made in-house**



## ...And a strong R&D team

- In-house R&D Center
  - More than 35 engineers
  - Recognized by Department of Science, Govt of India
- Patented Rotary switches
- Six patents in process
  - Manual Single-Phase Starter with no voltage tripping, Energy Saver System for Street Lighting, Track Feed Battery Changer Over System, Heavy duty energy efficient automatic source change over, Training warning system and Modular Housing
  - Received two patents for CAM operated rotary switch & Motor Protection Circuit Breaker' for duration of 20 years, ending 2036
- 1<sup>st</sup> of its kind product in India
  - Designed and manufactured - Load Break Switches, Single Hole Mounting Switches, Halogen Free Cable Ducts, Flat Wire Ducts, Flexible Bus Bars etc

R&D expenses (Rs crore)



Continual focus on product innovation



# Internationally certified

salzer®



ISO 9001



ISO 14001



CE Certification



ISO 18001



UL Certification



CB certification by IE

CB certification



RoHS



Intertek

Intertek Semko approval



CSA Certification



ISO 16949  
CERTIFIED

... Across entire product portfolio



# Blue Chip Customers

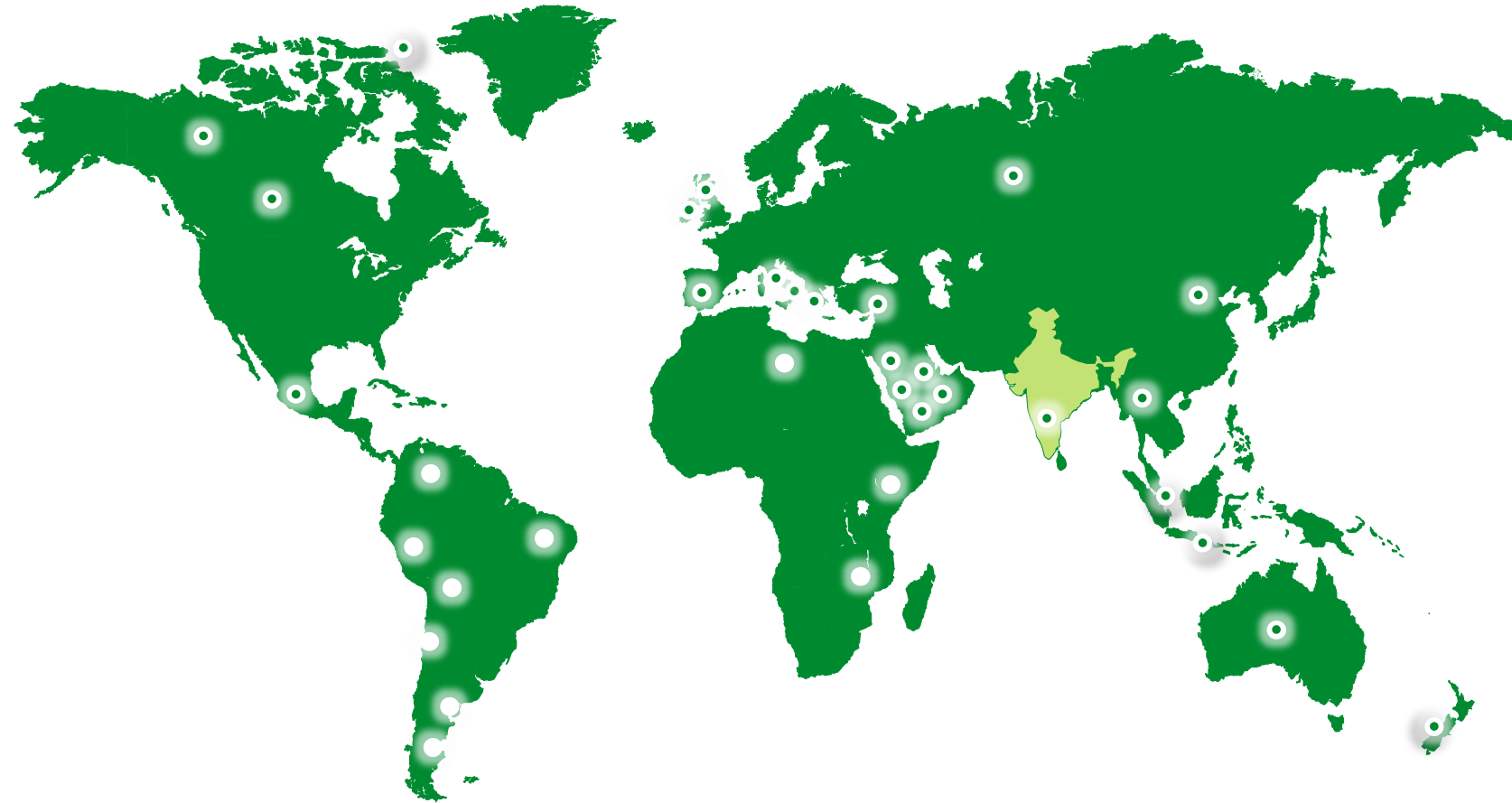
- Marketing Tie-up with L&T for Indian Market
- Largest supplier of rotary switches to Indian Railways
- Branding partner to various large OEM's in India
- Technical Tie-up with American Company C3Controls, to manufacture & market contactors & overload relays
- Technical Tie-up with Trafomodern for Three Phase Transformers
- Preferred supplier to:
  - ✓ Nuclear Power Corporation
  - ✓ Schneider Electric
  - ✓ GE Energy

salzer®





# Wide Distribution Network



**Direct network across 50 countries**

## International

- Direct network across 50 countries
  - ✓ 27% of sales from exports (FY24)
  - ✓ 40 international distributors
- Plans to expand in US, Africa and Middle east

## Domestic

- Tie up with L&T – access to more than 350 dealers in India
- Direct network for Modular Switches – 50 stockists in 4 southern & western states

WAY  
AHEAD





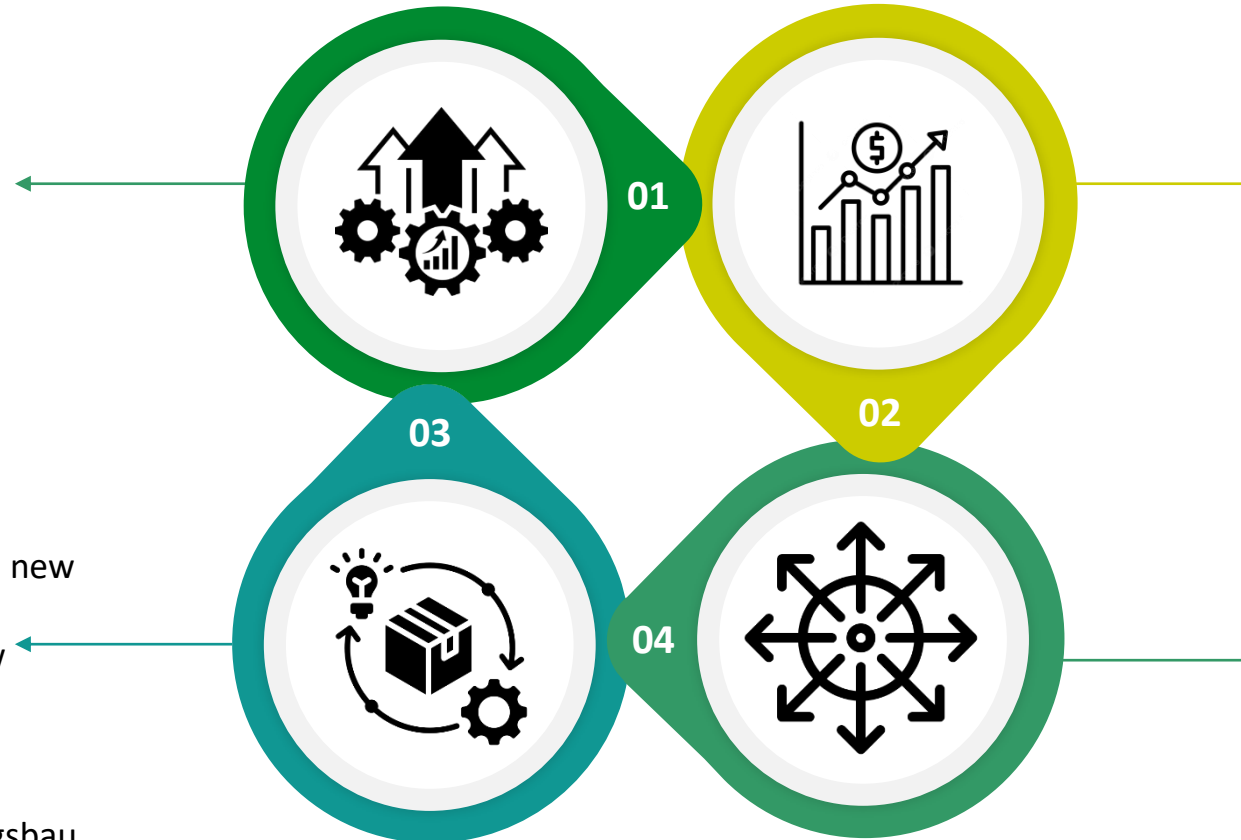
# Way Ahead

## Operational Excellence

- › Consistently executing business strategy and continued focus on improving operating costs by sourcing quality raw materials and efficient manpower

## Venture into new project

- › Seek Technical alliances to develop new and technically advanced products
- › Acquired Kaycee Industries for new product development, enter new ventures and leverage brand & distribution network
- › Formed JV's with Kostad Steuerungsbau GmbH & EMarch LLP to enter EV market
- › Ventured into Smart metering manufacturing in Coimbatore



## Focus on margin improvement

- › Increase sales of high margin products – existing and new
- › Increase exports – fast growing markets of US, Africa and Middle East

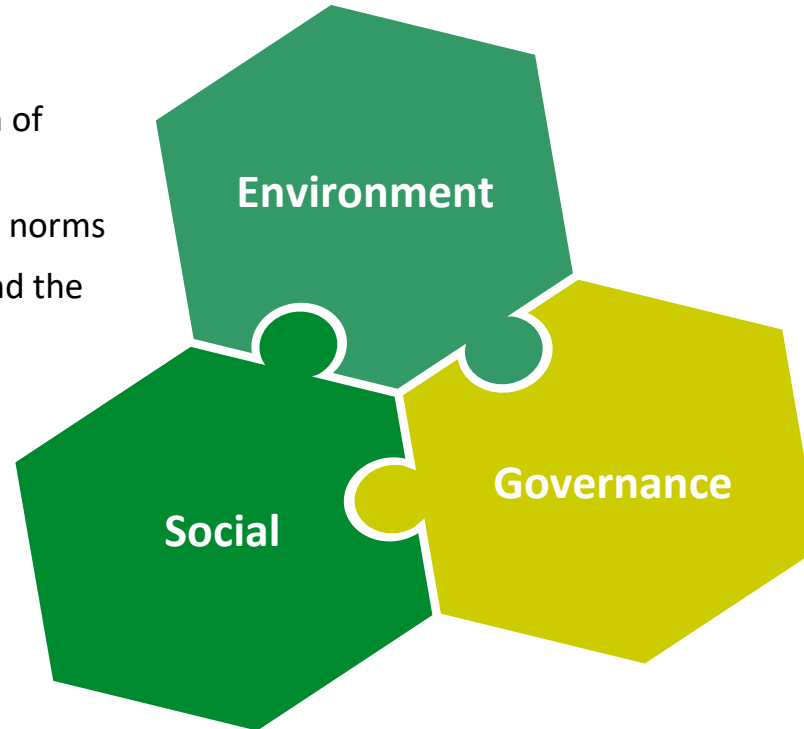
## Growth and expansion of existing product verticals

- › Constantly develop new products through in-house R&D
- › Expand existing product portfolio to newer geographies



# ESG Initiatives

- Committed towards a cleaner, greener and healthier environment
- Optimise energy consumption
- Towards this end Company has identified installation of rooftop solar panels
- Plan to recycle water as per environmentally friendly norms
- Increasing green cover around all plants in and around the manufacturing facilities
- Partner in EV Ecosystem to manufacture parts of environmentally friendly transportation
- Continues to contribute towards skill development among the local population
- Recruitment of rural youth for local sales operations
- Contribution for women empowerment. Engaged around 50% women employees hailed from local rural areas who are breadwinners of their families
- Spending under CSR Initiatives for health Care and education of rural populous particularly residing in the local regions



- M./s JDS Associates for statutory audit, M/s. Covai Management Services for internal audit and M/s. G. Vasudevan for Secretarial Audit
- Five independent Directors out of 11 Members on the Board
- Focus on Better compliances and best governance practices
- Plan for gender diversification on the Board in due course





# ESG Initiatives - Carbon Emission by Scope



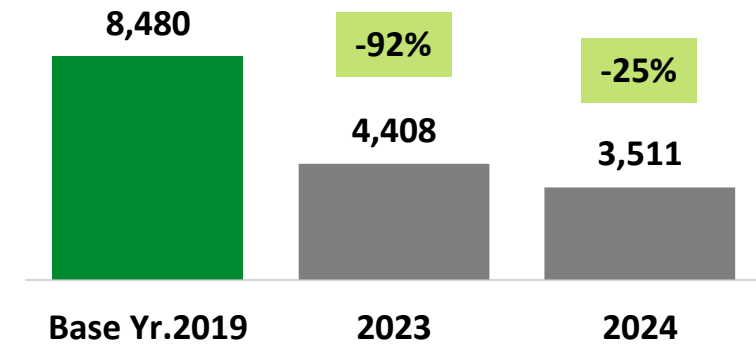
## Scope 1

- All Fossil fuels used in factories, such as diesel for backup power and fuels used in Cars, transport & fleet vehicles

## Scope 2

- Electricity consumed at all factories and offices of Salzer owned facilities
- Also the avoidable emissions are calculated by the use of Renewable power by own renewable sources as well as purchased renewable sources

Details	Base Yr - 2019	2023	2024
Scope 1 (Tons of Co2)	123	191	217
Scope 2 (Tons of Co2)	8357	4217	3294
Turnover INR Cr	559	1013	1135
Scope 1+2 (Tons of Co2)	8480	4408	3511
Intensity	15.17	4.31	3.09
Delta		<b>(248%)</b>	<b>(40%)</b>



- 2019 was considered the Base year for calculation. 2020 & 2021 was not considered as it was a year with partial shutdowns due to Pandemic
- The Direct Greenhouse Gas (GHG) emission from facilities we operate (scope 1) has increased from 123 tons of Co2 in 2019-20 to 217 tons of Co2 in 2023-24. The increase over the last three years is due to higher activities due to increased turnover
- The indirect GHG emissions from Energy consumption (Scope 2) was reduced by 25% in 2023-24 from 2022-23 and this was achieved by taking energy conservation measures and sourcing & generation of renewable power
- Scope 1 & 2 put together there is a Net intensity reduction of 40% in 2023-24 from 2022-23
- Salzer will continuously endeavor its best efforts in all available avenues to reduce Carbon Emission level by 25% every year and attain the Net Zero Emission level by 2030

# Thank You

---

For further information, please contact:

## Salzer Electronics Limited

Mr. Murugesh

[murugesan@salzergroup.com](mailto:murugesan@salzergroup.com)

[www.salzergroup.net](http://www.salzergroup.net)

## Adfactors PR Private Limited

Ms. Savli Mangle

[savli.mangle@Adfactorspr.com](mailto:savli.mangle@Adfactorspr.com)

Mr. Rupesh Rege

[Rupesh.rege@Adfactorspr.com](mailto:Rupesh.rege@Adfactorspr.com)

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

