

salzer



SALZER ELECTRONICS LIMITED

Results Update Presentation

Q1 FY26



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FINANCIAL HIGHLIGHTS

Joint Managing Director's Message



Commenting on the Company's performance,

Mr. Rajesh Doraiswamy

Joint Managing Director, Salzer Electronics Ltd said:

"During the first quarter of the financial year, we registered a strong growth in standalone revenues of Rs. 432.41 crores with EBITDA (excluding other income) and PAT of Rs. 41.31 crore and Rs. 17.59 crore, respectively. This growth was mainly driven by higher demand for Industrial switchgear and wires & Cables division businesses.

We secured our first large Smart Meter order worth ₹50 crore. While the execution was ready in Q1, the customer requested a deferment due to field installation challenges. We billed ₹2.2 crore during the quarter, and the customer has confirmed that the balance will be cleared in Q2. This marks a significant milestone in our smart metering journey and sets the stage for strong growth ahead.

In the EV Chargers business, we sold 40 DC fast chargers in Q1 FY26. We see this as just the beginning, with demand expected to accelerate from the second half of the year as adoption gathers pace and infrastructure expands.

We delighted to share that we have also developed a new Temperature Sensor for the automotive industry, currently under validation with two Tier 2 auto OEMs. We expect commercial revenues from this product to commence in Q3 FY26, opening another exciting growth avenue for Salzer.

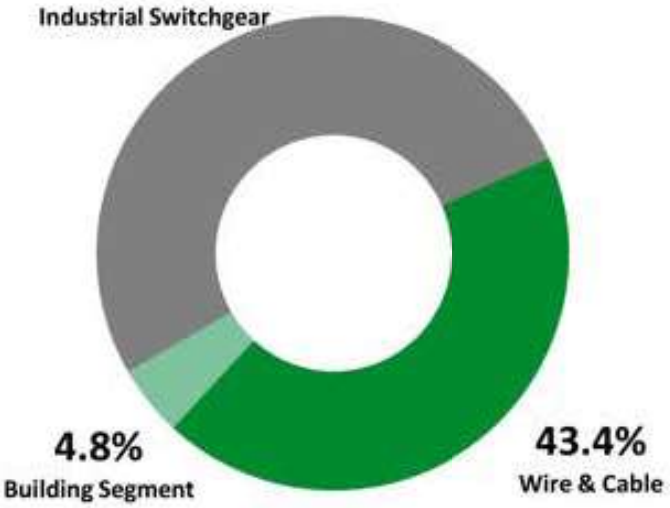
As we expand globally, we remain focused on innovation, efficiency, and customer-centricity. While global trade uncertainties, including potential U.S. tariff changes, may create near-term challenges, our diversified exports and value-driven products position us well. We continue to strengthen OEM partnerships and drive sustainable value for all stakeholders.

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.

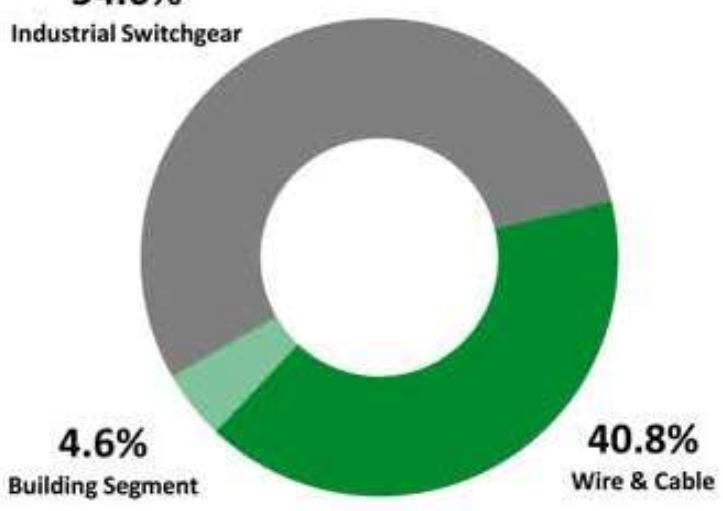
I thank the entire team at Salzer Electronics for their untiring efforts and all our stakeholders for their continued support and faith in our Company"

Q1 FY26 Revenue Breakup – Business Verticals

Q1 FY25

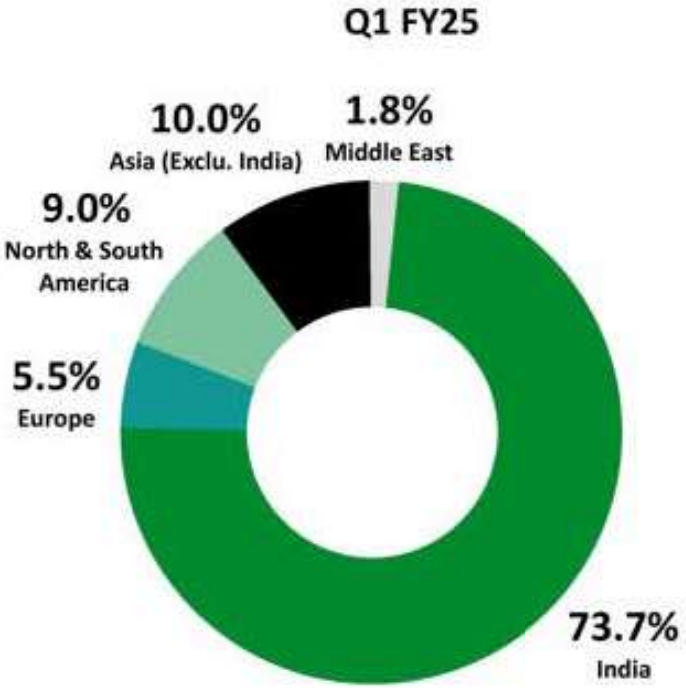


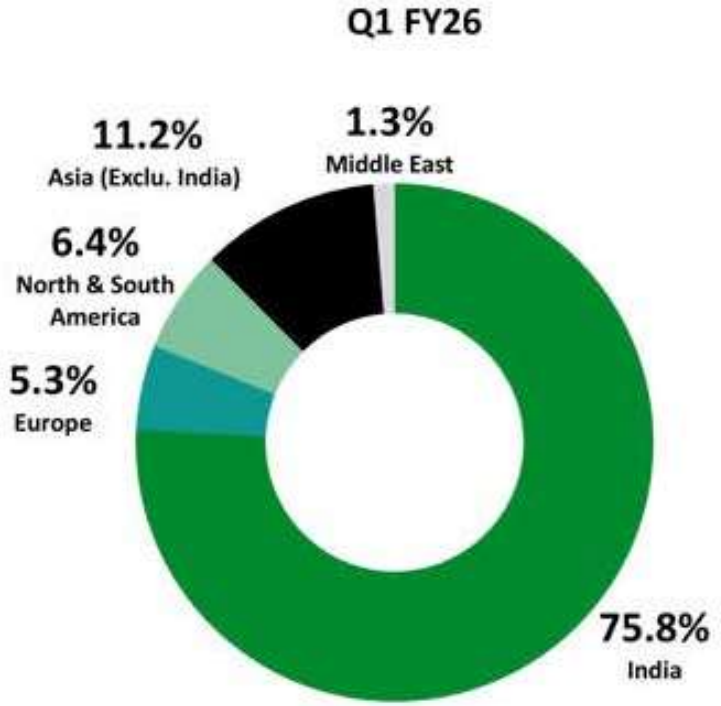
Q1 FY26



- *Industrial Switchgear – 54.6% of net revenues*
- *Wires & Cables – 40.8% of net revenues*
- *Building Electrical Products – 4.6% of net revenues*

Q1 FY26 Revenue Breakup – Geographical





- ***Contribution from Exports at 24.21%***



Q1 FY26 Standalone Financial Highlights

Rs. in Crore	Q1 FY26	Q1 FY25	Y-o-Y %	Q4 FY25
Net Revenue	432.41	347.13	**24.57%**	**365.59**
Raw Materials	335.10	273.55		279.51
Employee Cost	14.79	11.54		15.00
Other Expenses	41.21	30.78		44.89
Total Expenditure	**391.10**	**315.87**		**339.41**
EBITDA (Excluding other Income)	**41.31**	**31.26**	**32.15%**	**26.18**
EBIDTA Margin (%)	**9.55%**	**9.01%**	**54 bps**	**7.16%**
Other Income	0.58	1.07		2.60
Depreciation	5.88	5.33		5.70
Interest / Finance Cost	12.02	9.64		10.60
Exceptional Item (Gain) / Loss	0.00	0.00		(0.83)
Profit Before Tax	**24.00**	**17.36**		**11.65**
Tax	6.40	4.11		3.42
Profit After Tax	**17.59**	**13.25**	**32.81%**	**8.23**
Profit After Tax Margin (%)	**4.07%**	**3.82%**	**25 bps**	**2.25%**
Basic EPS (Rs.)	**9.95**	**7.57**	**31.44%**	**4.66**



FY25 Standalone Financial Highlights

Rs. in Crore	FY25	FY24	Y-o-Y %
Net Revenue	**1,382.93**	**1,135.58**	**21.78%**
Raw Material Expenses	1,048.65	868.69	
Employee Expenses	53.89	42.29	
Other Expenses	155.45	114.39	
Total Expenditure	**1,257.99**	**1,025.37**	**22.7%**
EBITDA (Excluding other Income)	**124.93**	**110.20**	**13.37%**
EBITDA Margin (%)	**9.03%**	**9.70%**	**(67 bps)**
Other Income	5.43	1.57	
Depreciation	22.29	19.06	
Interest / Finance Cost	40.80	33.67	
Exceptional Item (Gain) / Loss	15.18	0.37	
PBT	**82.45**	**59.40**	**38.82%**
Tax	20.20	16.21	
PAT	***62.26**	**43.19**	**44.16%**
PAT Margin (%)	**4.50%**	**3.80%**	**70 bps**
Basic EPS (Rs.)	**35.30**	**25.77**	

***Exceptional items represent net gain of Rs. 15.18 Cr arising from sale of investment in Kaycee Industries Limited**



Q1 FY26 Consolidated Financial Highlights

Rs. in Crore	Q1 FY26	Q1 FY25	Y-o-Y %	Q4 FY25
Net Revenue	441.12	356.90	**23.60%**	**375.73**
Raw Materials	338.50	277.96		283.30
Employee Cost	16.20	12.74		16.35
Other Expenses	44.65	32.76		46.94
Total Expenditure	**399.35**	**323.45**		**346.58**
EBITDA (Excluding other Income)	**41.76**	**33.45**	**24.85%**	**29.15**
EBIDTA Margin (%)	**9.47%**	**9.37%**	**10 bps**	**7.76%**
Other Income	0.76	1.27		2.48
Depreciation	6.16	5.61		5.97
Interest / Finance Cost	12.10	9.73		10.68
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
Profit Before Tax	**24.26**	**19.38**		**14.99**
Share of profit from Associate	-0.14	0.00		(0.01)
Tax	6.90	4.63		4.05
Profit After Tax	**17.22**	**14.75**	**16.74%**	**10.95**
Profit After Tax Margin (%)	**3.90%**	**4.13%**	**(23 bps)**	**2.91%**
Basic EPS (Rs.)	**9.74**	**7.57**	**28.67%**	**6.19**



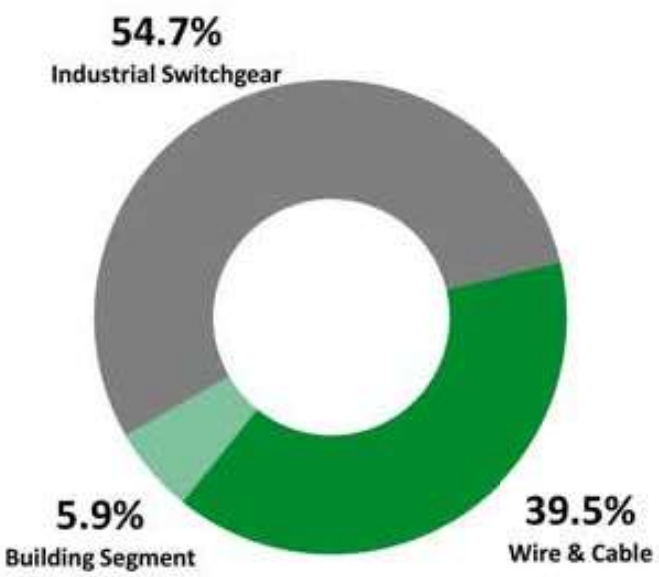
FY25 Consolidated Financial Highlights

Rs. in Crore	FY25	FY24	Y-o-Y %
Net Revenue	**1,418.33**	**1,166.31**	**21.61%**
Raw Material Expenses	1,061.94	881.00	
Employee Expenses	58.97	46.64	
Other Expenses	163.52	121.70	
Total Expenditure	**1,284.43**	**1,049.33**	**22.4%**
EBITDA (Excluding other Income)	**133.90**	**116.98**	**14.46%**
EBITDA Margin (%)	**9.44%**	**10.03%**	**(59 bps)**
Other Income	5.34	1.95	**174.17%**
Depreciation	23.42	20.11	**16.44%**
Interest / Finance Cost	41.14	34.09	**20.7%**
Exceptional Item (Gain) / Loss	0.00	0.00	
PBT	**74.68**	**64.73**	**15.37%**
Share of profit from Associate	-0.02	0.00	
Tax	22.20	17.66	
PAT	**52.46**	**47.07**	**11.47%**
PAT Margin (%)	**3.70%**	**4.04%**	**(34 bps)**
Basic EPS (Rs.)	**35.30**	**27.38**	**28.93%**

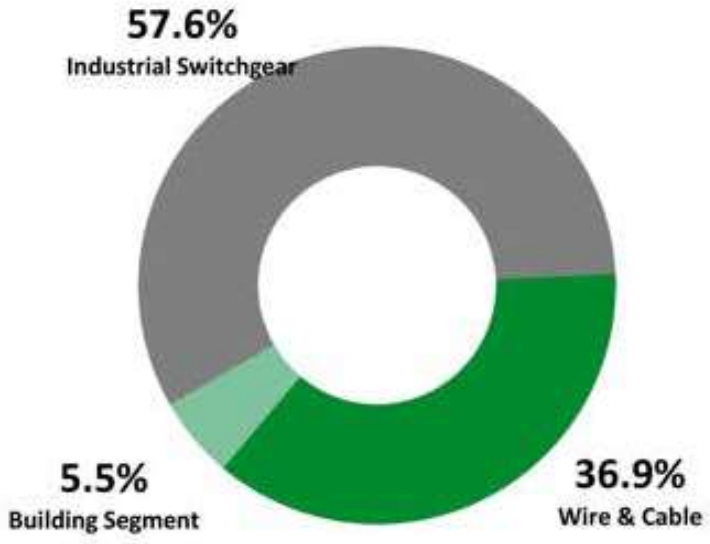
- ***Increase in Revenue – mainly driven by core business divisions***
- ***Contribution from exports was 27.40% in FY25***

FY25 Revenue Breakup – Business Verticals

FY24

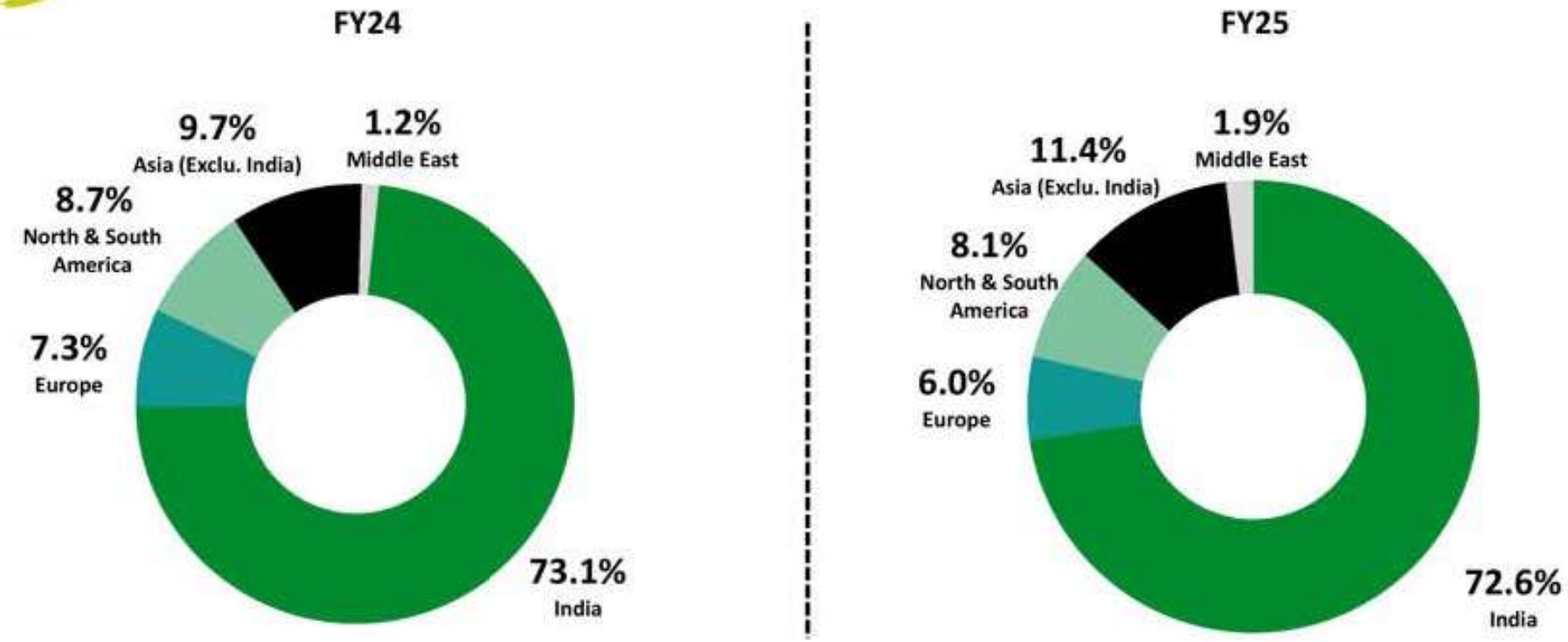


FY25



- ***Industrial Switchgear – 57.6% of net revenues***
- ***Wires & Cables – 36.9% of net revenues***
- ***Building Electrical Products – 5.5% of net revenues***

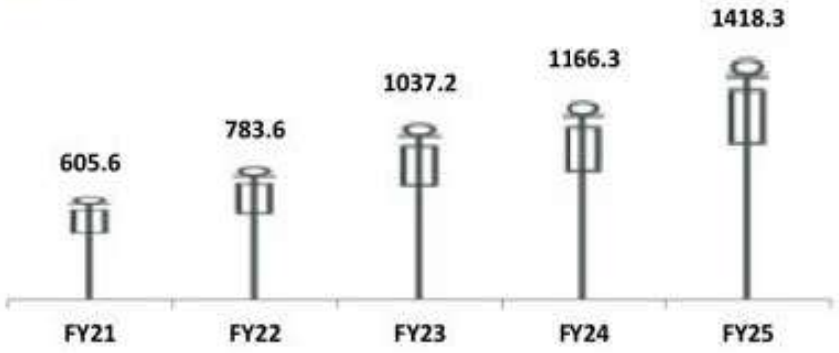
FY25 Revenue Breakup – Geographical



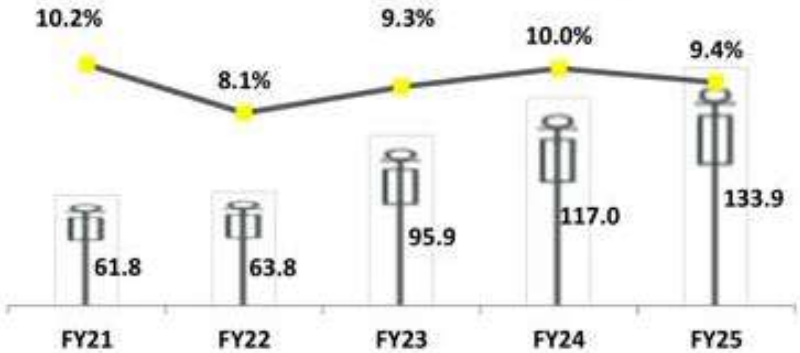
- ***Contribution from exports was 27.40% in FY25***

Key Consolidated Financial Highlights – Annual

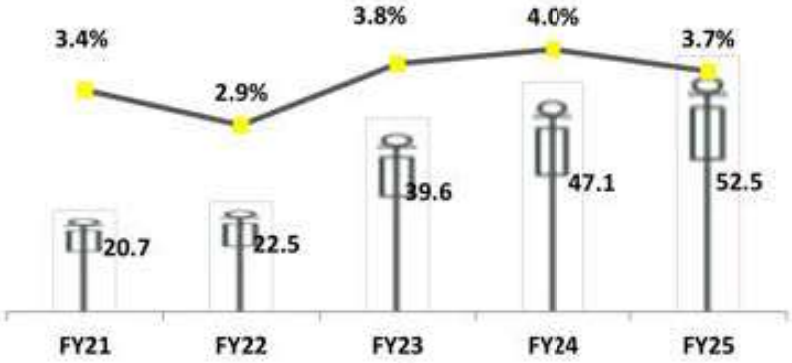
Revenue (Rs. Crore)



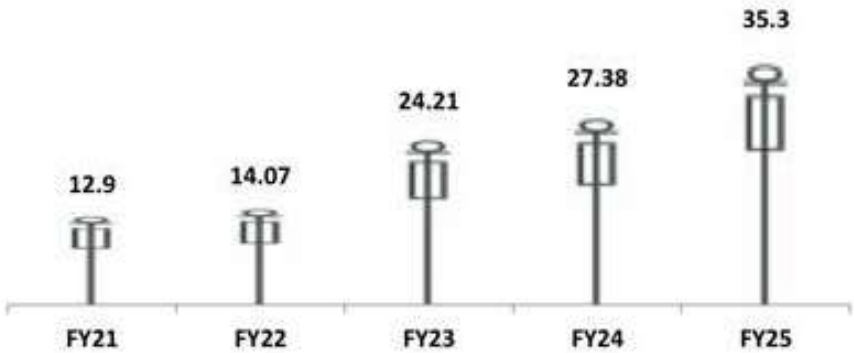
EBITDA (Rs. Crore) / Margins (%)



Net Profit (Rs. Crore)



Earning per Share(Rs.)

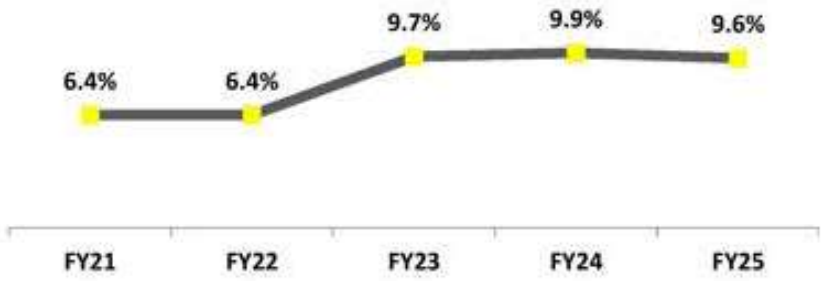


Key Consolidated Balance Sheet Highlights – Annual

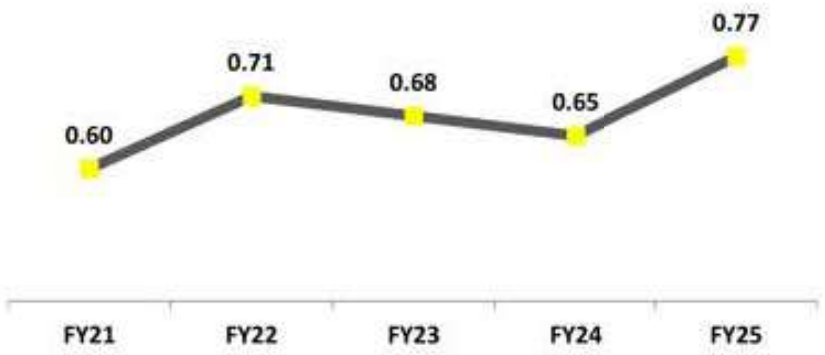
Return on Capital Employed (%)



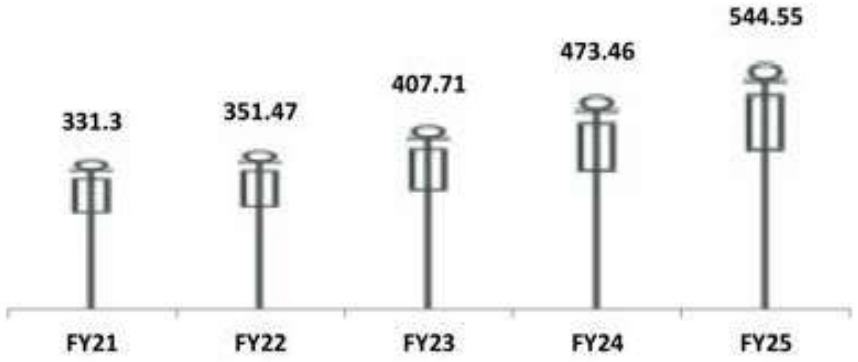
Return on Equity (%)



Debt to Equity(X)



Networth as on 31st March (Rs. Crore)



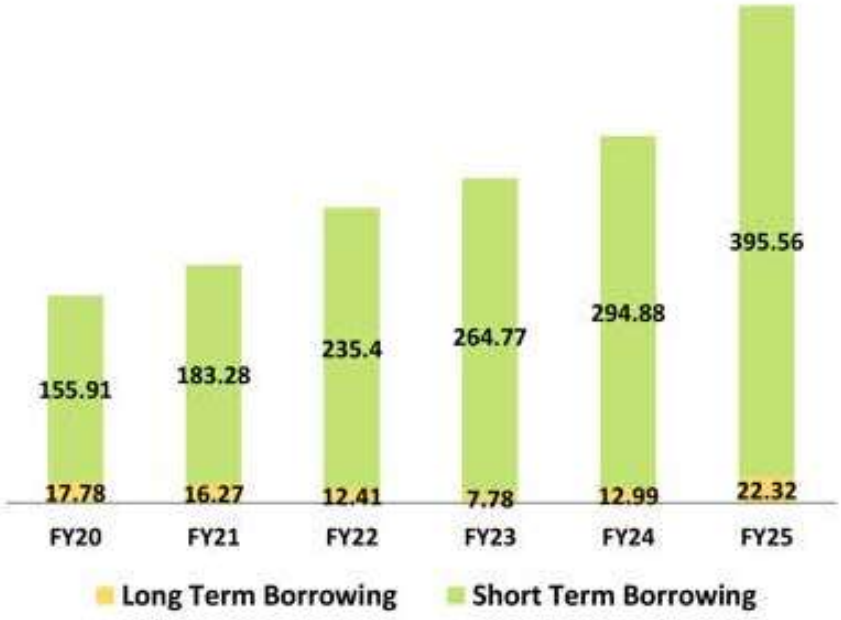
Return on Capital Employed – EBIT/Total Capital Employed (Total Shareholders equity+LT Debt+ST Debt+Current Maturity of LT Debt-Non Current Investment), **RoE – Net Profit/Networth , **Debt to Equity** = Total Debt/ Networth*

Working Capital & Borrowings

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



Borrowing (Cr.)





COMPANY OVERVIEW



About Us

salzer®

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

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

Quality Standards, Assurance & Certifications
- ISO 9001; ISO 14001; ISO 45001; UKAS Management; IATF 16949
- International Approvals

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

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

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
- Secures Major Order of Rs. 50 Cr. for Smart Meters under RDSS
- Secured order of Rs. 192 Cr from Bruhat Bengaluru Mahanagara Palike (BBMP)
- Incorporated Special Purpose Vehicle - Effilume Private 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 Laksminarayana - *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



Business Overview

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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



Wire & Cable

- 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

salzer®

Complete Backward Integration

01

In-house manufacturing facilities with process capabilities ensures better product development and customization

Well developed R&D enables continual product innovation

Wide Product Suite

03

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

05

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

02

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

04

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...

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...



- 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



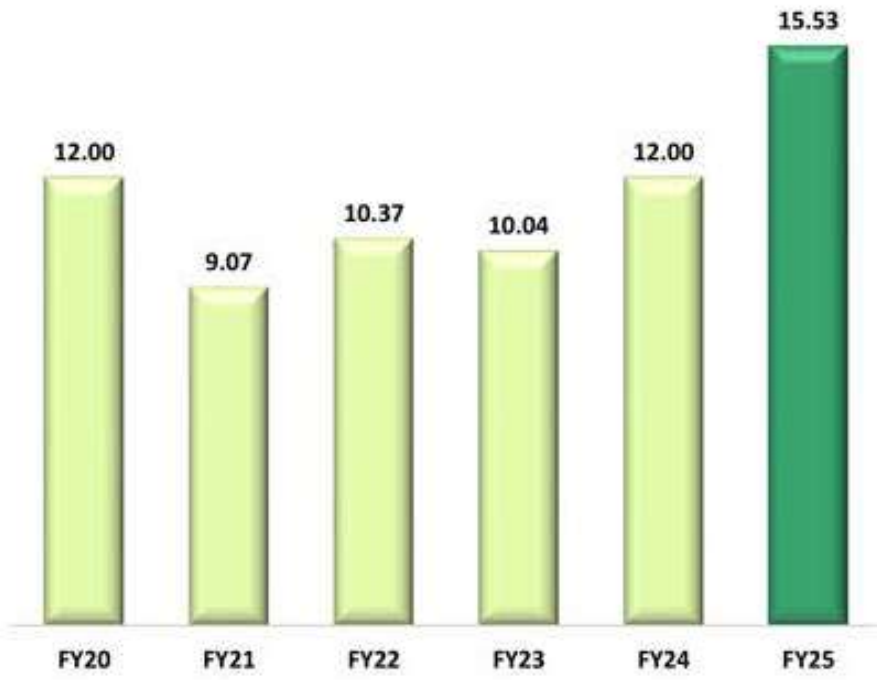
- **In-house tool room** facility for manufacturing and servicing of Moulds and press tools
  - CNC Wire Cut Machines and Spark erosion machines
  - CNC Machining center, EDM Drilling
  - Conventional machines
  - Latest digital measuring equipment
  - Inspected and certified by GE Tool Divisionca

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
- 1st 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



Continual focus on product innovation



Internationally certified

salzer

ISO 9001	ISO 14001	CE Certification	ISO 18001	UL Certification
CB certification	RoHS	Intertek Semko approval	CSA Certification	

... 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

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Valeo | Schneider Electric | LMW | Europa components | GE

DELTA | Honeywell | SIEMENS | c3controls | YOKOGAWA

LARSEN & TOUBRO | SOBHA | Indian Railways | KONE | ABB

ELGI | SEIPES | EATON | CED | Nuclear Power Corporation of India Limited

Wide Distribution Network



International

- Direct network across 50 countries
  - ✓ 27% of sales from exports (FY25)
  - ✓ 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

Direct network across 50 countries


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

Focus on margin improvement

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

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
› Ventured into EV Segment for EV Chargers manufacturing
› Ventured into Smart metering manufacturing in Coimbatore

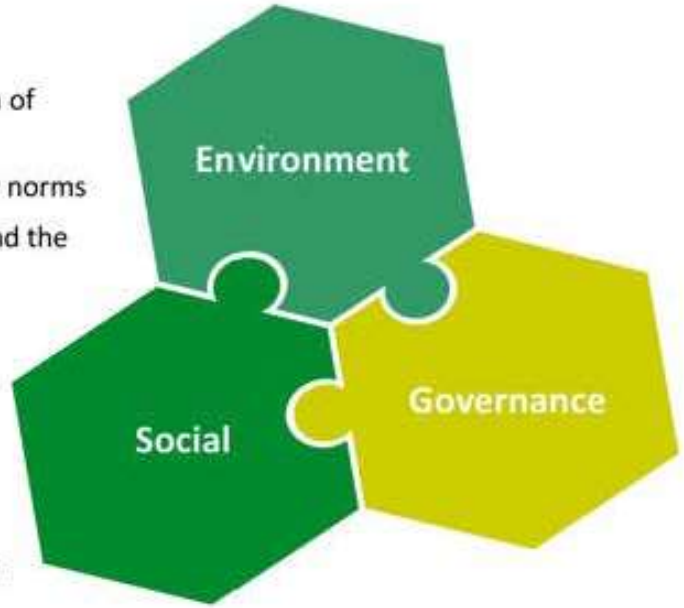
Growth and expansion of existing product verticals

› 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. Swamy and Ravi, Chartered Accountants for statutory audit and M/s D A T & Associates , Chartered Accountants for internal audit
- Three independent Directors out of 8 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

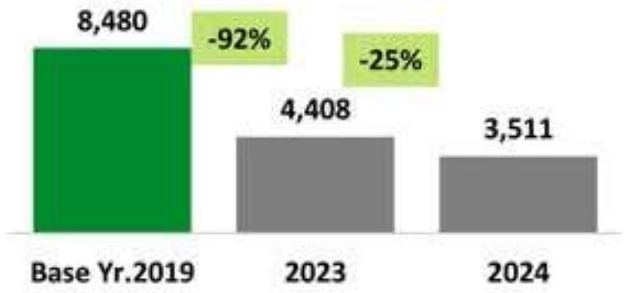
Scope 1

- 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		**(248%)**	**(40%)**



- 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

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