

Steel City Securities Limited

Investor Presentation June 2018

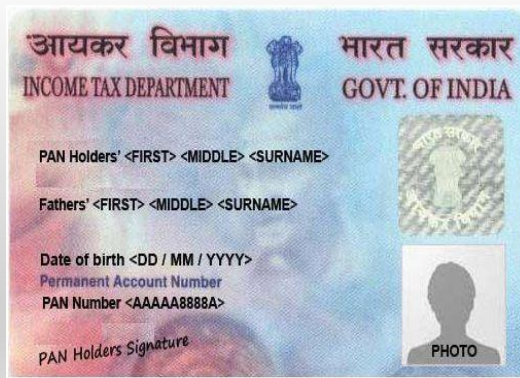
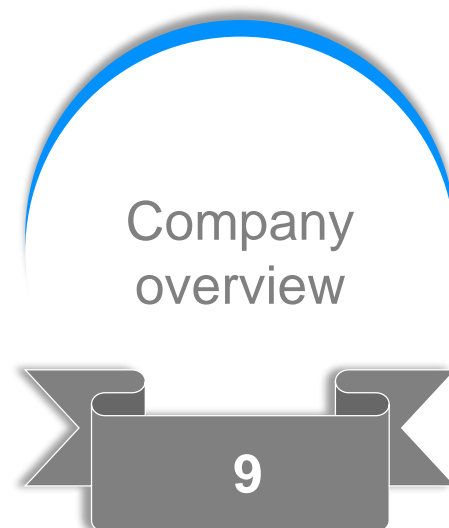


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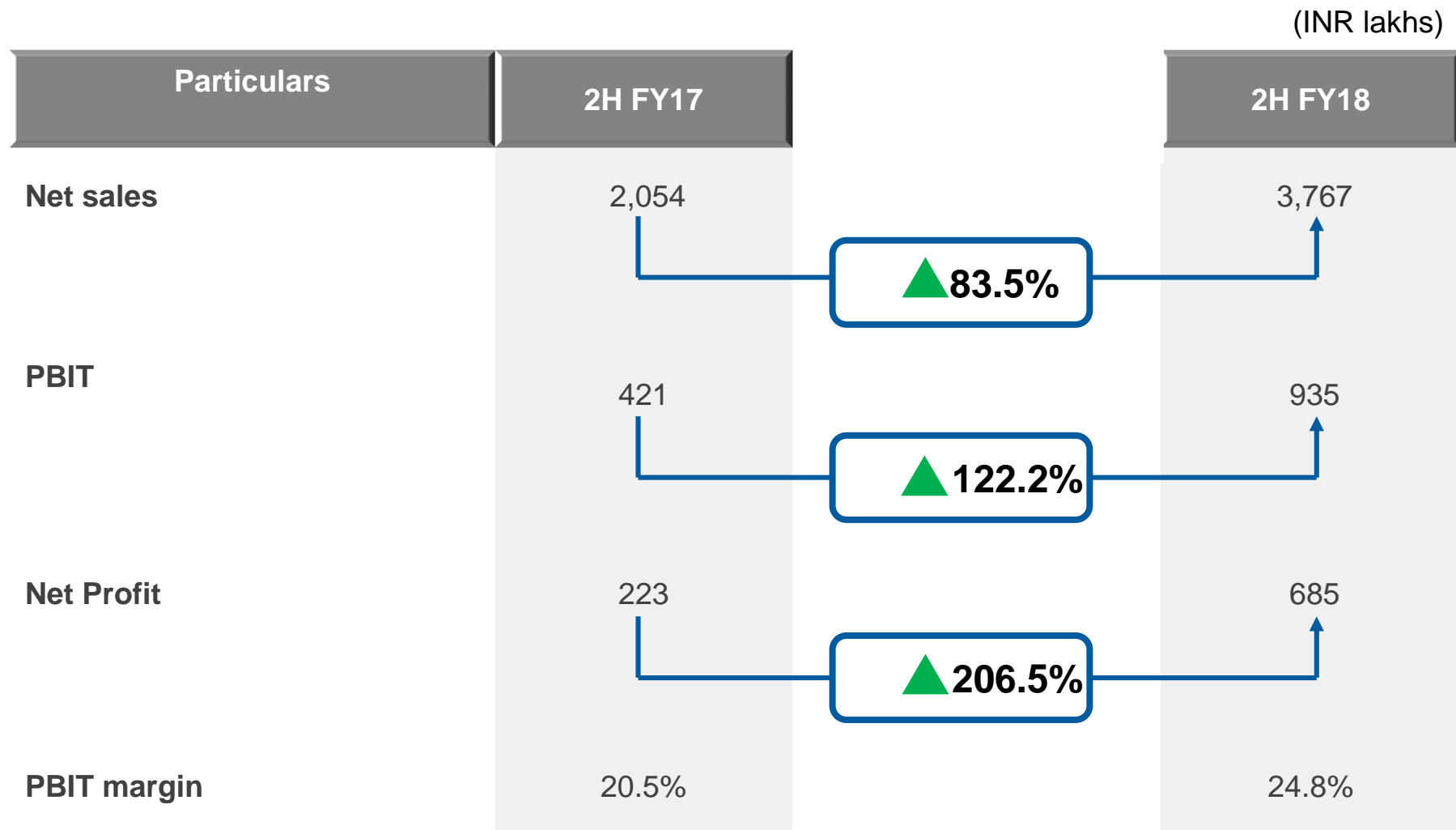
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Except for the historical information contained herein, statements in this presentation and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, our exposure to market risks as well as other risks. Steel City Securities Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Full year highlights

Consolidated Profit and Loss Y-o-Y Performance

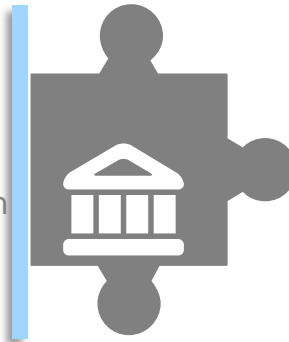


Segmental performance – H2 FY18

Rapid expansion of business centres

Segmental performance of e-governance has increased manifold thereby reducing the dependency on brokerage income

Locations from 3000 in March, 2017 to 7730 in March, 2018.



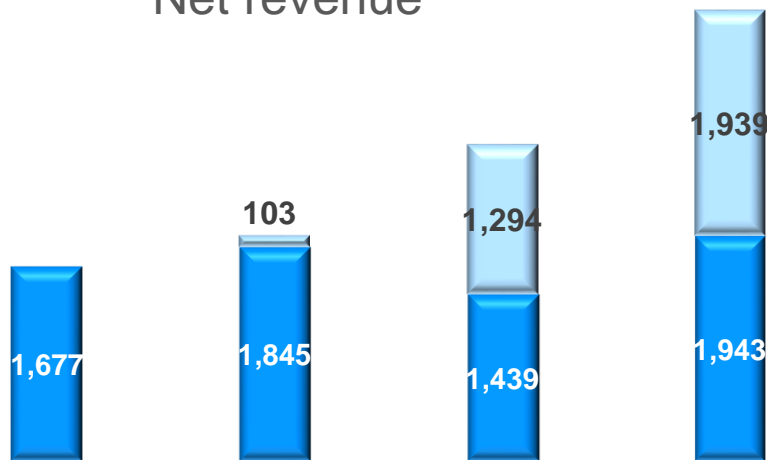
Augmentation of services

Focus on augmenting product line under the e-governance segment with emphasis on NPS promotion.

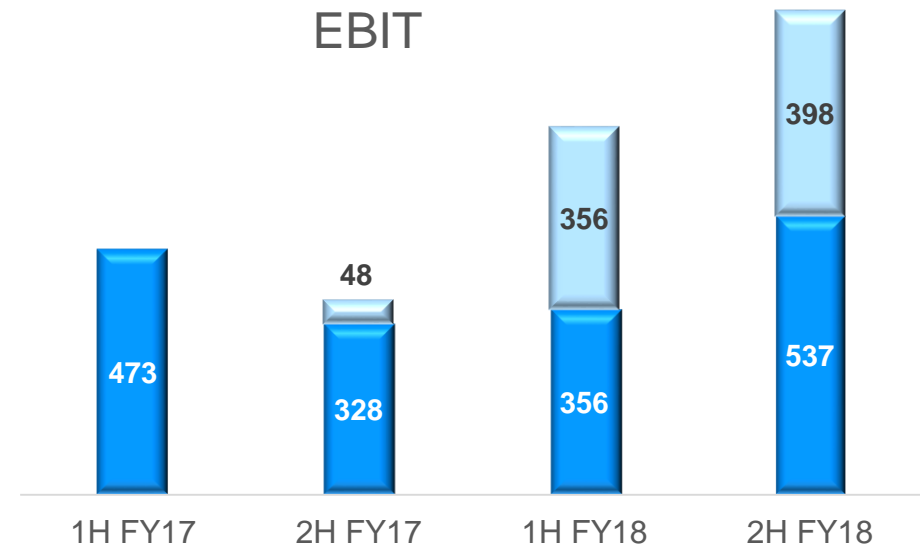
Leveraging its TIN centres for distribution of third party products ie. Loans, mutual funds, insurance schemes and IPO's.

Development of trading app for online trading in advanced stages

Net revenue



EBIT



■ Stock and commodity broking

■ E-Governance

* The company started reporting its segmental performance in financial statements from 1HFY18

* NPS - National Pension Scheme

Strategy going forward



Broaden and deepen geographical presence

- Expand distribution networks in the Northern and Western market of India
- Plans to set up over 10,000 TIN facilities by FY19

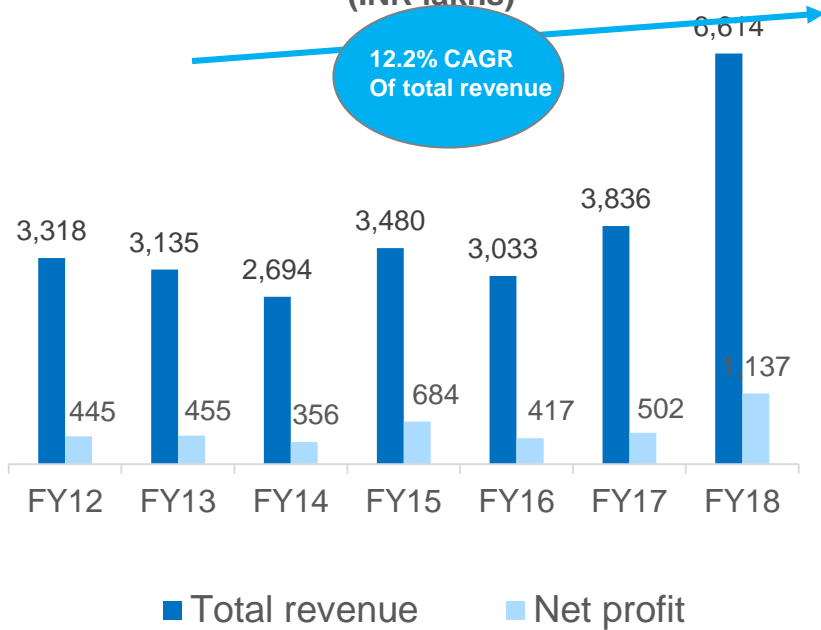
- Offering management services and margin funding
- Integration of TIN centers for rendering financial services while leveraging e-governance database to tap new customer base
- Augmenting product line under e-governance segment

Extension of service offerings

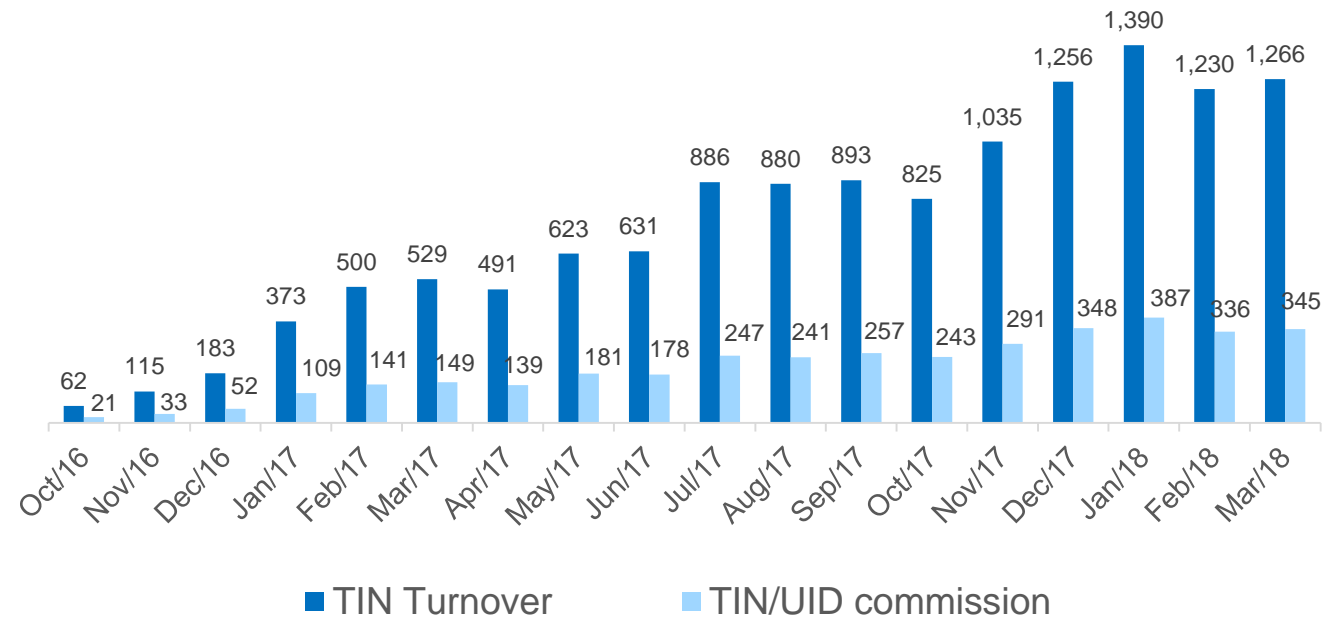


Financial progress

Consolidated annual revenue and profit
(INR lakhs)



TIN turnover and TIN/UID commission
(INR lakhs)



- FY18 witnessed a year-on-year growth of 72.4% in revenue while EBIT and net profit grew at 99.73% and 126.52% respectively.
- Continuing shareholder wealth maximization, the company paid a dividend (25% in FY18) for 10th consecutive year.

- Commission increased owing to growth in TIN centers from 541 centers in FY16 to 7730 centres by March, 2018.
- Of the 4994 new centres added in FY18, GST registered centres comprised 800 of the total.

Consolidated Profit and Loss Statement

(INR lakhs)

Particulars	6 months ended 31 Mar 2018 (audited)	6 months ended 30 Sep 2017 (unaudited)	6 months ended 31 Mar 2017 (audited)	Year ended 31 March 2018 (audited)	Year ended 31 March 2017 (audited)
Income from operations	3,564.4	2,732.4	1,948.1	6,296.8	3,625.5
Other income	203.1	114.0	105.5	317.1	210.9
Total Revenue	3,767.4	2,846.4	2,053.6	6,613.9	3,836.4
<u>Expenses</u>					
Employee benefit expenses	461.8	501.2	434.9	963.1	894.1
Finance cost	-51.3	91.9	49.5	40.6	95.4
Depreciation and amortization expense	47.7	41.9	32.7	89.6	64.1
Other expenses	2,323.0	1,591.9	1,209.2	3,914.9	2,028.7
Total Expenses	2,781.2	2,226.9	1,726.4	5,008.1	3,082.4
Profit before exceptional items and tax	986.2	619.6	371.2	1,605.8	754.0
Exceptional items	0.0	0.0	0.0	0.0	0.0
Profit before tax	986.2	619.6	371.2	1,605.8	754.0
<u>Tax expense</u>					
Current Tax	309.1	166.3	133.6	475.4	276.0
Deferred Tax	-4.4	5.8	-25.3	1.5	-26.1
Net Profit for the period	681.5	447.4	218.9	1,128.9	504.1
Share of Profit/(loss) of associates	9.7	5.5	5.4	15.3	7.2
Minority interest	6.5	1.0	0.9	7.4	-9.4
Net Profit / (Loss) after taxes and minority interest	684.8	451.9	223.4	1,136.7	501.8
Paid up equity share capital (Rs. 10 per share)	1,510.7	1,510.7	1,510.7	1,510.7	1,510.7
Reserves excluding revaluation reserves	6,434.0	6,196.7	5,740.2	6,423.0	5,740.2
<u>Earnings per share (Rs.)</u>					
Basic (not annualised)	4.53	2.99	1.68	7.52	3.91
Diluted (not annualised)	4.53	2.99	1.68	7.52	3.91



Company overview

Company overview

Company Snapshot

- Incorporated in 1995, Steel City Securities is a leading retail stock broker in Southern India with leadership position in e-governance services.
- They are pioneers in introducing the “Franchisee model” to extend business potential in urban and rural areas of Andhra Pradesh.
- The brand is epitome of “confidence as strong as steel” further strengthened by its ISO 9001:2015 certification
- Maintains Disaster Recovery Site (DRS) for backup services

Shareholding pattern as of 31 March 2018

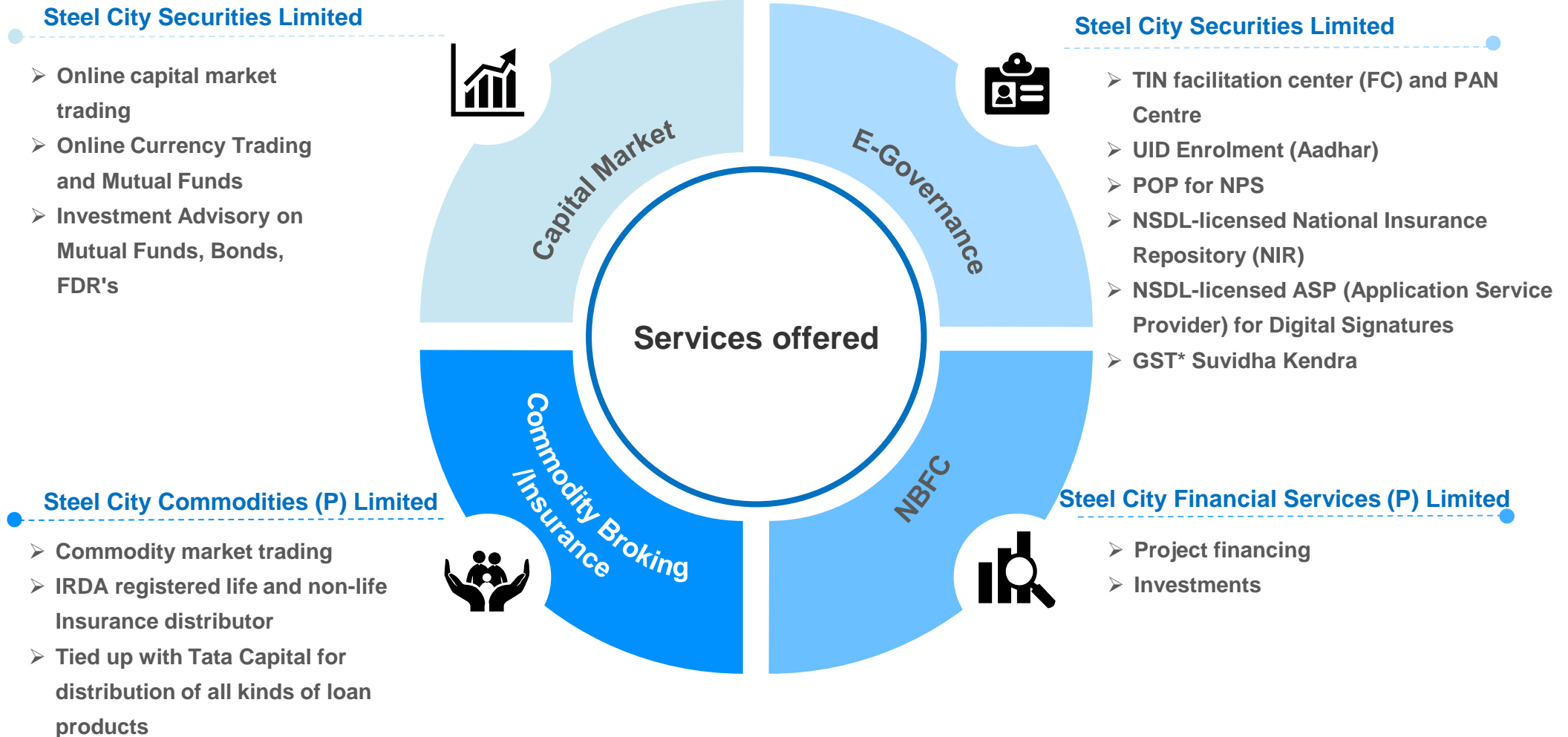


Management Executives

Name	Designation
Mr. K. Satyanarayana	Executive Chairman
Dr. Satish Kumar Arya	Managing Director
Mr. Ramu Naraharasetti	Chief Financial Officer
Mr. M Murali	General Manager – Operations
Mr. V. Srinivas	General Manager – Information technology



Our Services



* Goods and Service Tax

Our Presence

Branch Offices



9 regional offices
+72 owned branches
+1600 trading terminal licences

E-Governance



34 states and union territories with e-governance presence

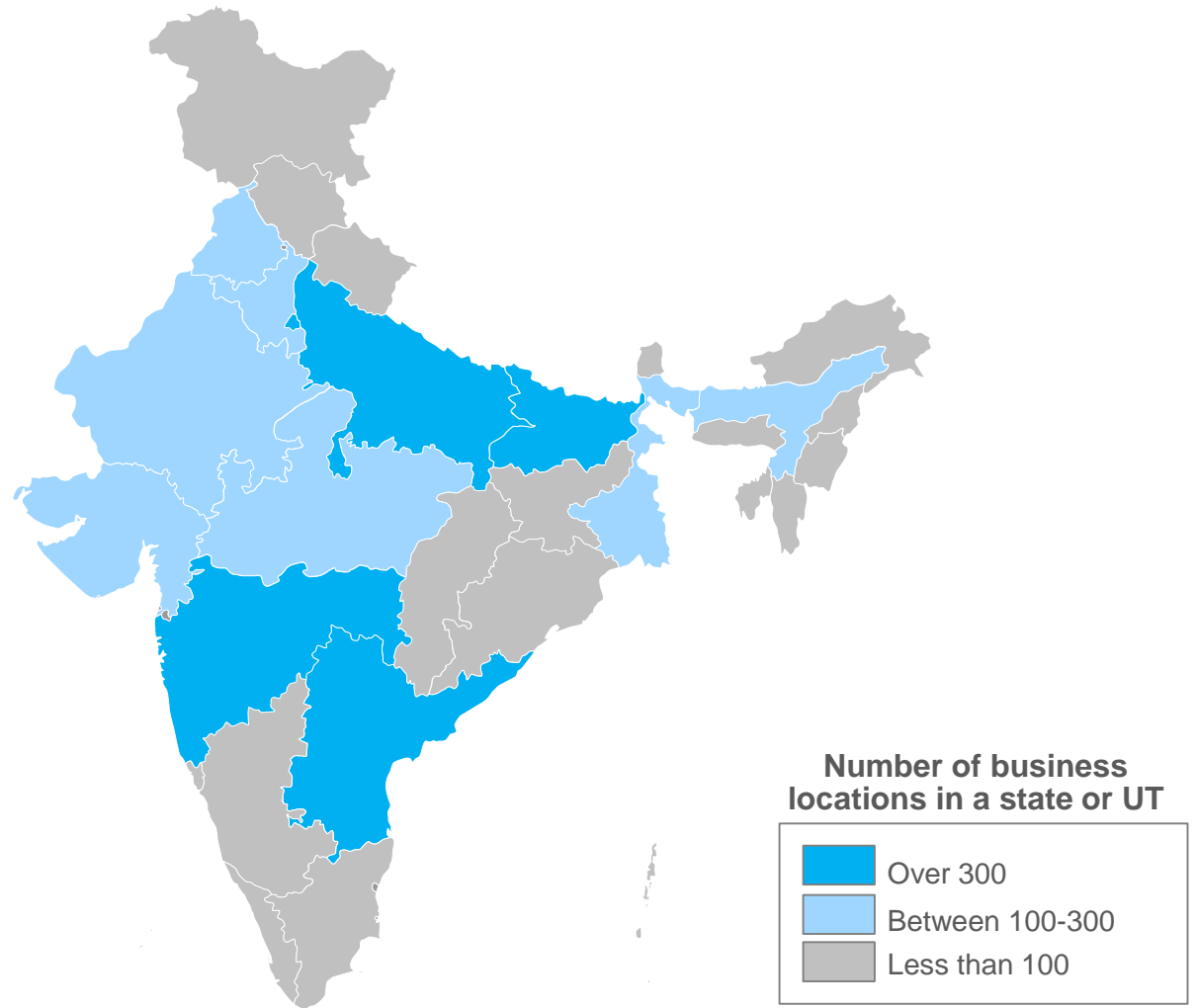
Operating companies



Steel City Commodities (P) Ltd
(Subsidiary of Steel City Securities)

Steel City Financial Services (P) Ltd
(Part of Group company)

Geographical presence of TIN centers



Journey till date



1995

- Company was incorporated as a share broking facilities through VSATs at Andhra Pradesh and other neighbouring states



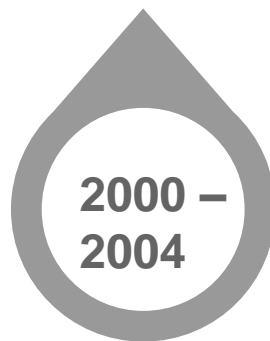
**2008 –
2012**

- Entered currency derivative Market Segment with membership of NSE and MCX-SX.
- Became authorized person of PFRDA to promote NPS as well as a corporate agent with all leading life, health and general insurance companies



**2017-
2018**

- Listed in NSE Emerge Platform and appointed as a GST Suvidha Provider
- Appointed as ASP (Application Service Provider) for Digital Signatures
- Crossed milestone of 8000+ TIN centers PAN India
- Entered as a continuant (4.27%) in Nifty SME Emerge index



**2000 –
2004**

- Became member of BSE with 25 BOLT terminals.
- Approved as depository participant of National Security Depository (NSE) and Central Depository Services Limited (BSE)
- Steel City Commodities became member of NCDEX and MCX with initial support of 75 terminals



**2014 –
2016**

- Appointed as a TIN FC of NSDL e-Governance.
- Appointed as a enrollment agency (EA) for UIDAI



STEEL CITY
Securities Limited
ISO 9001:2008 CERTIFIED COMPANY

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