

STAR CEMENT LIMITED
(Formerly CEMENT MANUFACTURING COMPANY LTD)

Date: 14.06.2022

**The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla complex, Bandra-East
Mumbai-400 051
Stock code: STARCEMENT**

**BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001
Stock code: 540575**

Dear Sir,

Subject: Investor Presentation

An Investor Presentation for the fourth quarter and year ended 31st March, 2022 has been prepared and the same has been disseminated on the Company's website www.staracement.co.in. We are enclosing herewith a copy of the Presentation for your information and record.

Thanking you,

Yours faithfully,
For Star Cement Limited

14-06-2022

X

Debabrata Thakurta
Company Secretary
Signed by: DEBABRATA THAKURTA

**Debabrata Thakurta
(Company Secretary)**



Encl. as stated

STARCEMENT
Solid Setting

Regd. Office & Works : Lumshnong, P.O. – Khaliehriat, Dist.– East Jaintia Hills, Meghalaya - 793 210, Ph: 03655-278215/16/18, Fax: 03655-278217, e-mail: lumshnong@staracement.co.in
Works : Gopinath Bordoloi Road, Village - Chamatapathar, District – Kamrup (M), Guwahati – 782 402, Assam, e-mail: ggu@staracement.co.in **Guwahati office** : Mayur Garden, 2nd Floor, Opp. Rajiv Bhawan, G.S. Road, Guwahati - 781 005, Assam, Ph: 0361-2462215/16, Fax: 0361- 2462217, e-mail: guwahati@staracement.co.in **Delhi Office** : 281, Deepali, Pitampura, Delhi-110 034, Ph: 011 - 2703 3821/22/27, Fax: 011 – 2703 3824, e-mail: delhi@staracement.co.in **Kolkata Office** : Century House, P 15/1 Taratala Road, 2nd Floor, Kolkata - 700 088 e-mail: kolkata@staracement.co.in **Durgapur Office** : C/o - Ma Chandi Durga Cements Ltd., Bamunara Industrial Area, P.O.- Bamunara, P.S.- Kanksha, Dist. Burdwan, West Bengal - 713 212 **Siliguri Office** : MLA House, 3rd Floor, above Reliance Trends Showroom, Near Cosmos Mall, Sevoke Road, Siliguri – 734001, Ph: 0353-2643611/12

AN ISO 9001, ISO 14001 & OHSAS 18001 CERTIFIED COMPANY

CIN NO. L26942ML2001PLC006663

CREATING A BETTER TOMORROW

STAR CEMENT LIMITED

An Integrated Cement Company



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KNOW US BETTER

CORPORATE OVERVIEW



STAR CEMENT AT A GLANCE



As one of the most renowned and leading names among Eastern India's cement manufacturers, Star Cement enjoys a strong brand recall. The Company caters to significant cement markets across the region and functions across its six manufacturing units spread in the Eastern India region.

5.7 MTPA

AGGREGATE CEMENT CAPACITY

2.8 MTPA

AGGREGATE CLINKER CAPACITY

2,100+

TOTAL DEALER NETWORK

12,000+

TOTAL RETAILER NETWORK

1,900+

WORKFORCE

ZERO DEBT

COMPANY

HIGHEST

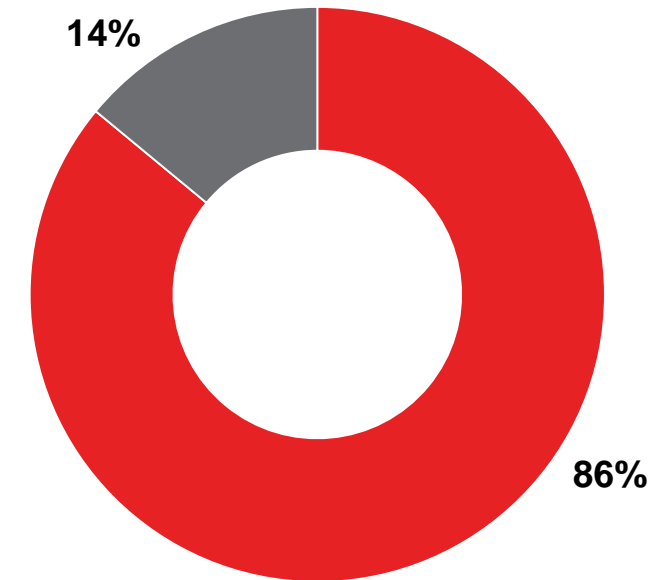
MARKET SHARE IN NORTH-EASTERN REGION

ONE OF THE

COUNTRY'S FINEST

LIMESTONE RESERVES

SALES MIX



■ Trade sales

■ Non-trade sales

ORDINARY PORTLAND CEMENT (OPC)



OPC 43:

Suitable for construction where the grade of concrete is upto M-30.

OPC 53:

Provides high strength and durability to structures with optimum particle size distribution and superior crystallized structure.

PORTLAND POZZOLANA CEMENT (PPC)



PPC:

Ideal for:

- Mass concreting works
- Masonry mortars and plastering

It is resistant to chemical attacks, more durable, improves strength and viscosity, has lower permeability, is water-resistant, and has better cohesiveness.

ANTI RUST CEMENT (ARC)



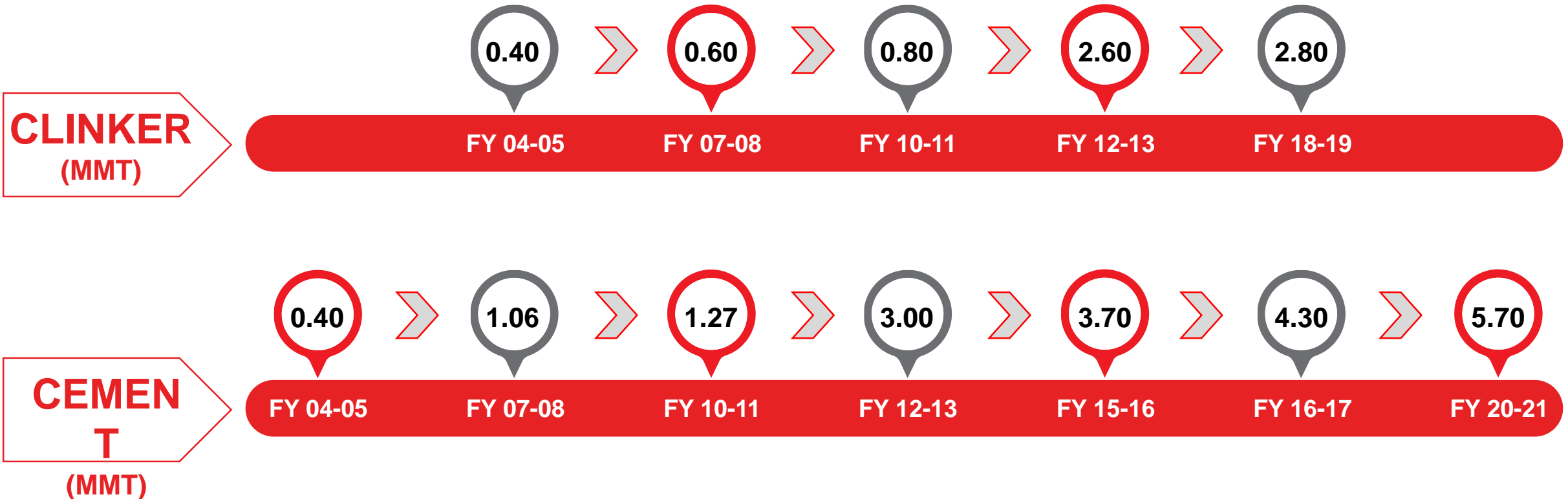
ARC:

A highlight of Star Cement's innovative product line and a robust R&D, ARC imparts anti-rust and anti-corrosive properties in the reinforcing bars for higher durability and service life of the structure.

A JOURNEY THAT SPEAKS OF EXPANSION



Our growth is reflected in how our manufacturing capacities have expanded through the years. Here is a year-wise snapshot summarising our progress and additions to our cement and clinker capacities.



A red-tinted photograph of a cement truck at a construction site. The truck is in the center, with a large pile of cement on the ground in front of it. The background shows a building under construction. A large white arrow with a red outline points to the right, positioned in the lower right quadrant of the image.

**BETTER PROSPECTS &
POSSIBILITIES**

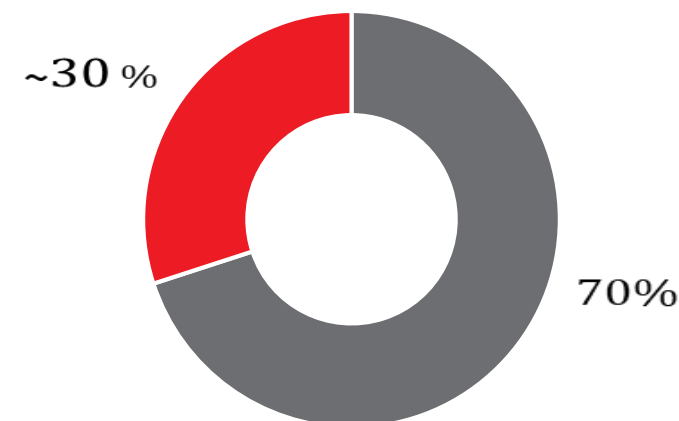
INDIAN CEMENT INDUSTRY

INDIAN CEMENT INDUSTRY'S PROMINENCE & OPPORTUNITIES



332 MT (E) annual cement production in FY 21-22 in India	The Indian Cement Industry stands second, following China, in terms of production on global-scale
195 KG per capita consumption	Lesser per capita consumption widens growth prospects for this industry, given that the world average per capita consumption stands at 500 Kg
12% output in FY 21-22	Cement output in India is predicted to rise by double-digits on a Year-on-Year basis in FY 21-22
80 MT cement capacity addition in next 3 years	Strong demand drivers of infrastructure and housing are expected to create an incremental cement demand of ~70 MT over the next three fiscal years
9% CAGR expected volume growth between FY 21-24	Long-term factors driving industry growth include Government push on infrastructural development increasing housing demand due to rising working-age population, urbanisation, & nuclear families along with improving rural incomes

CONCENTRATED CEMENT MARKET (%)



■ Top four cement companies in India ■ Fragmented market share

PROGRESS MADE UNDER PMGSY-III

72,000 kms

54,250 kms (WIP)	Total Sanctioned Length: 72,000 Km Approx. Cement Demand: 144 MT Completed Length: 17,750 Km
17,750 kms (Completed)	42-47 MMT Cement Demand generated through PMGSY

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1772578>

Sources: <https://beeindia.gov.in/node/166>, <https://www.ibef.org/industry/cement-india.aspx>, CRISIL Report, July 2021, Axis Capital (Cement Treading into an upcycle) December 2021

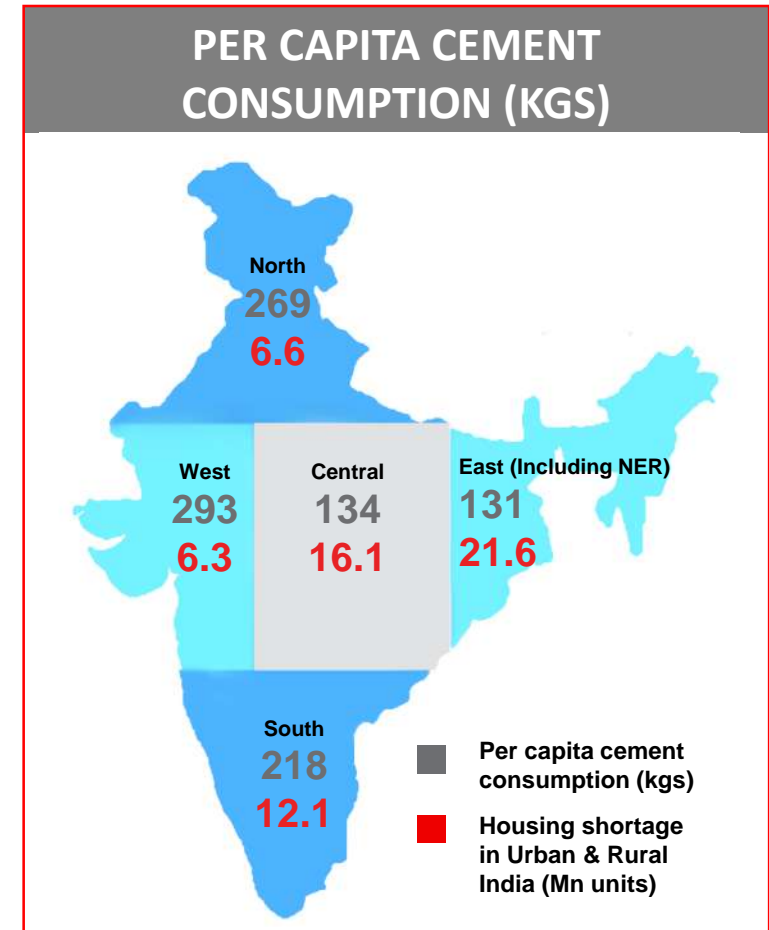
OPPORTUNITIES IN THE EASTERN REGION

Cement consumption in the Eastern region (131 Kg) is although lower than the national average (195 Kg), the market is likely to witness positive change in near future. Thereby, leading to a higher contribution by the eastern market to domestic scale of production.

Given below are some of the growth factors:

- 21.6 Mn units of housing shortage in Eastern India Including North-East
- Higher focus on national security in the Eastern region of the Government initiating large pipeline of infrastructure projects
- Special focus on smart cities in Eastern region – with 21 out of 110 cities being selected under Smart City Mission
- Limestone availability in the region – the key raw material for cement manufacturing makes it an attractive destination
- For North-eastern states, the Centre is implementing various rail, road and air connectivity projects worth Rs 1,34,200 crore. 20 railway projects worth Rs 74,000 crore for 2,011 km, which are spread across the northeast. 4,000 km of roads in the region at a total cost of Rs 58,000 crore & 15 ongoing air connectivity projects in the northeast, costing around Rs 2,200 crore.

The Company's ongoing strategy involves utilizing its strong cash flows from the north-east, expanding to the untapped markets in the neighbourhood regions.



Out of the total housing shortage in urban India

- East India contributes 35%
- Central India contributes 25%

NATIONAL HIGHWAY WORKS

Length: 1,300 km
Investment: ₹ 34,000 Crore



Ongoing National Highway works of 1,300 km in the state of Assam to further witness a noticeable amount of investment *

(Source: <https://economictimes.indiatimes.com/news/politics-and-nation/budget-allocation-for-north-india-increased-to-rs-55820-crore/articleshow/80635207.cms?from=mdr>)

HIGHWAY WORKS

Length: 675 KM
Investment: ₹ 25,000 Crore



Kolkata–Siliguri highway to be constructed

(Source: <https://timesofindia.indiatimes.com/city/kolkata/budget-cuts-a-rs-25k-crore-road-upgrade-from-kolkata-to-siliguri/articleshow/80639241.cms>)

HOUSING SHORTFALL

Rural: 17 Mn
Urban: 4.6 Mn



Lack of housing in Eastern India (including North-east India) is a driver of raising the demand in the industry

INDIAN RAILWAYS

Major projects: 20
Investment: ₹ 74,000 Crore



Indian Railways will be forming a connecting line among capital cities of five North-eastern states

(Source: https://www.business-standard.com/article/politics/centre-setting-up-infra-projects-worth-rs-1-34-tr-in-north-east-sitharaman-122052900476_1.html)

IDENTIFIED HYDRO-POWER CAPACITY

Capacity: 58,356 MW



Hydropower in the North-eastern region is a source of untapped energy with an impending cement demand

(Source: <https://neepco.co.in/power-generation/power-potential>)

SMART CITY PROJECTS

Projects: 464 , Cities: 8
Investment: ₹ 14,124 Crore



The Government is empowering the 8 SMART City projects in the North-East

(Source: <https://indianexpress.com/article/north-east-india/assam/fund-of-rs-14124-crore-approved-for-464-projects-in-8-smart-cities-in-northeast-hardeep-singh-puri-4907785/>)



WHAT MAKES US BETTER

STRENGTHS & STRATEGIES



OUR CURRENT MANUFACTURING CAPABILITIES

2.8 MTPA

CLINKER
PRODUCTION
CAPACITY

5.7 MTPA

CEMENT
PRODUCTION
CAPACITY

51 MW

POWER PRODUCTION
CAPACITY

6

MANUFACTURING
UNITS

LARGEST MANUFACTURER OF CEMENT IN
NORTH- EAST INDIA

OUR LONG-TERM PLANS

NEXT FIVE-YEAR PLANS:

- Setting up a 3 MT clinker unit with 12 MW WHRB at Lumshnong: ₹ 1,300 Crores
- Setting up a 12 MW WHRB at Lumshnong: ₹ 150 Crores
- Setting up two grinding units in Assam: ₹ 700 Crores

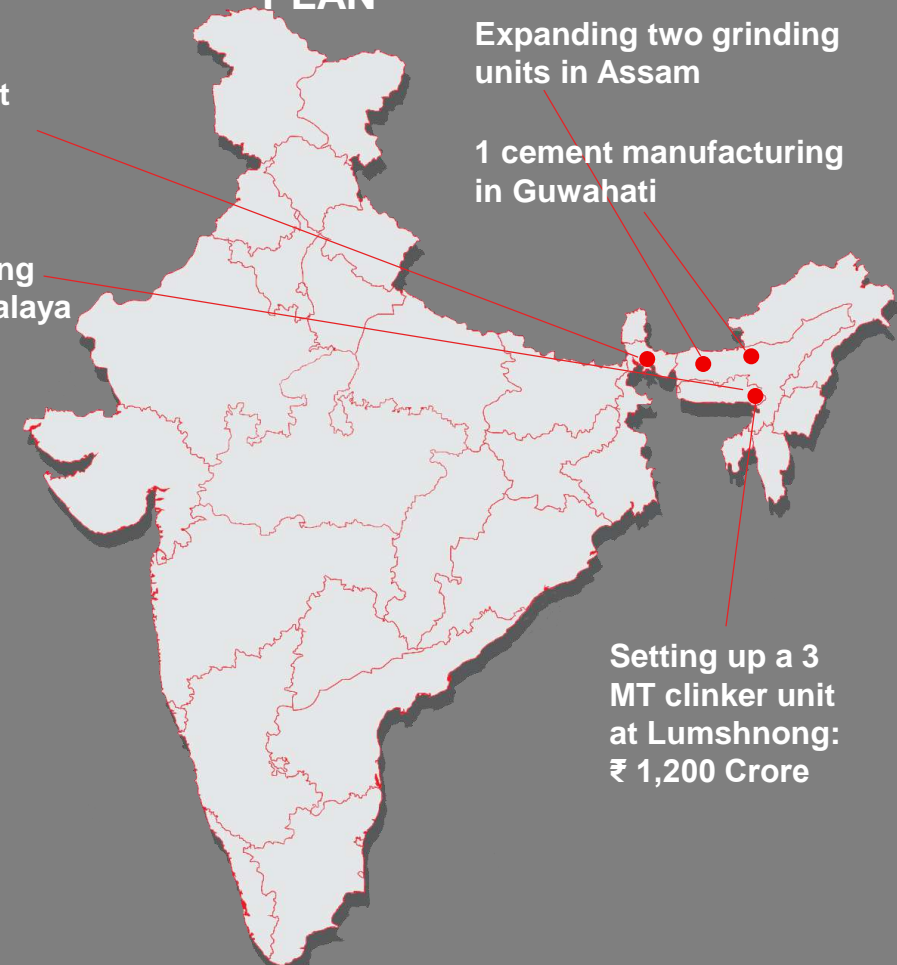
OUR CURRENT MANUFACTURING UNITS & CAPEX PLAN

1 grinding unit
in Siliguri

Expanding two grinding
units in Assam

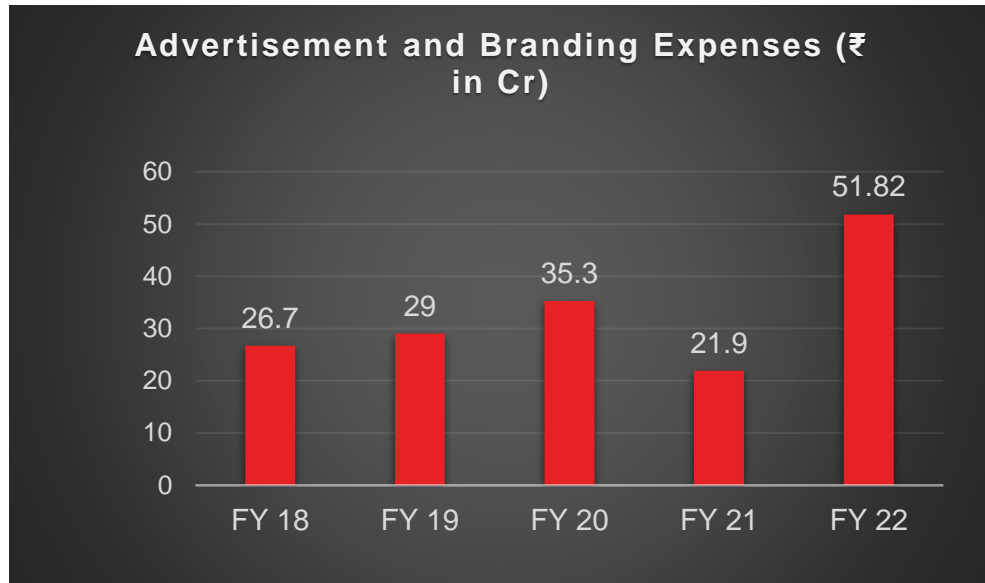
1 cement manufacturing
in Guwahati

4 manufacturing
units in Meghalaya



Setting up a 3
MT clinker unit
at Lumshnong:
₹ 1,200 Crore

ANNUAL ADVERTISING & BRAND PROMOTION INVESTMENT



₹ 51.82 Crores

Invested in branding and advertisement in the FY 21-22

Increased advertisement and enhanced brand visibility by focusing on ATL & BTL activity.

AKSHAY KUMAR, AS OUR BRAND AMBASSADOR, BOOSTED OUR BRAND VISIBILITY



Organised North-east first international half-marathon for a single cause — 'Run to support a clean India' – where in 20,000 people participated in 2018.

Featured among the top five brands (out of 172), as per Brand Equity April 2020, for conducting awareness campaign on COVID-19.

Awards Received

- SCALE 2020 (Supply Chain & Logistics Excellence)
- Rotary RMB Connect 2021 award for invaluable service & excellence (Economic Times)



STAR SAATHI APP FOR DEALERS (2100+ USERS):

Strengthening the channels of distribution, the app facilitated flexibility in placement tracking and payment, providing ease of service to our dealers

STAR LOTUS APP (6000+ USERS):

Assisting contractors with classification, site verification, gift distribution, and journey, for bettering their experience with Star Cement



DIGITAL DISPLAYS:

Impacting our in-store branding to enhance brand information and visibility along with timely updates on relevant schemes and offers

STAR STELLAR APP (2500+ USERS):

Facilitating loyalty program for civil engineers and providing login facility to Technical Employees and Civil Engineers for a better performance at work



CUSTOMER WEB-PORTAL:

Aiding dealers in generation of ledgers, invoices, debit note/credit notes through OTP authentication

SALES FORCE AUTOMATION APP:

Helping us to track attendance, and various other activities taking place (including field visits by our Sales, Branding and Technical Teams



IMPLEMENTED ENTERPRISE RESOURCE MANAGEMENT (ERM) SYSTEMS:

Leading to higher operational efficiency and an overall enhanced performance (includes management of inventory and sales)

WIDER REACH FOR A BETTER TOMORROW



STRONG SUPPLY CHAIN & DISTRIBUTION NETWORK

We emphasize on strengthening being among the first one to identify the disparity in demand and supply forces, through a strong supply chain & distribution network

EASY AVAILABILITY OF RAW MATERIAL:

Easy access and proximate location to limestone mines within 2-3 km of our plants in Integrated vehicle logistics system.

RIGHT MIX OF DISPATCH MODES:

Availability of different modes of transportation, including roadways, railways and waterways, for uninterrupted supply

IMPROVING RAIL TRANSPORT CONNECTIVITY:

Commissioned a private railway siding at our Guwahati plant, while the siding work at Siliguri plant is in progress. This acts as helping hand for us to enhance our logistic efficiency at our manufacturing unit

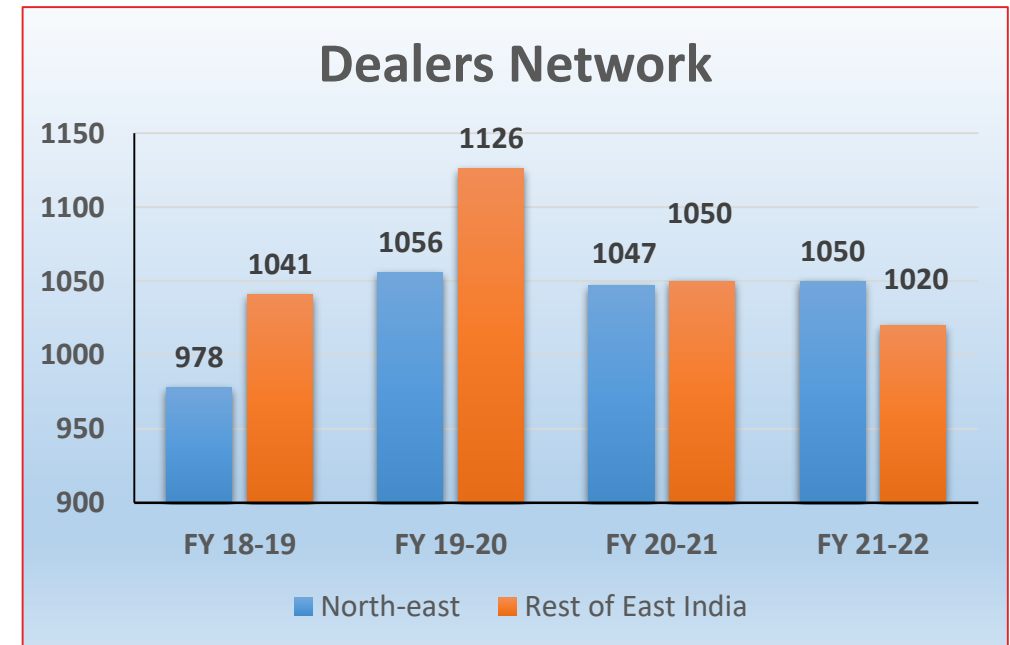
ENHANCING PRODUCTIVITY THROUGH OWN FLEET:

Optimum utilization of owned fleet of 190+ trucks helps our Company to increase the overall efficiency & productivity

ESTABLISHED DEALER-DISTRIBUTOR NETWORK:

Our extensive distribution network helps deepen penetration in the Eastern region

**DISTRIBUTION NETWORK SPREAD
ACROSS 10 STATES,
LEADING TO AN EDGE OVER PEERS**



THE STAR SHINES BRIGHT AND STRONG



- Enjoys a leadership position in the North East with market share of more than 23%
- Gradually increasing share in the Eastern region through concerted efforts
- Strong dealer and distributor network built over the years, steering year-on-year growth, enabling leadership position in market

Cement Volume (Lakh Tons)





PROMISING A BETTER TOMORROW

ENVIRONMENT, SOCIAL & GOVERNANCE





Lowering CO2 Footprint

- Developed green belt in the surrounding areas of our plant with evergreen saplings
- Installed equipment to control pollution, including ESP, RABH, and bag filters
- Installed online dust and gaseous monitoring equipment in associated stacks.
- Waste heat recovery boiler system project is under progress

Reducing Energy Consumption

- Replaced 400W HPSV flood light fitting with 200W and 100W LED light fittings in Lumshnong
- Replaced 250W HPSV streetlight fitting with 90W LED light fittings in Lumshnong
- Using self times sensor in streetlight.

Reducing Carbon Emission

- AFR (Bamboo chips) & Biomass used to produce heat equivalent to 61186613 Mcal which can further produce 13597.03 Mwh.
- Total 21243.75 MT CO2 emission from coal has been reduced by using Bamboo as a fuel in boiler which is eligible for carbon credit.

HEALTH & SANITATION

- **WASTE MANAGEMENT PROJECT** is going on successfully and 70 nos. of new dustbin were placed in different places of Lumshnong, Tongseng, Brichrnyot & Umkiang villages for collecting garbage.
- **STAR JALADHARA**- Potable water is being distributed in among the villagers of Lumshnong, PHC Lumshnong, Brichrnyot and Umsahi villages of Meghalaya as per stipulated time frame.
- **STAR JALADHARA** project is being implemented in Schools of Assam and West Bengal.
- **FOOD SECURITY**: Cooked food was being served to the needy persons of Greater Guwahati in collaboration with Amrit Bhog Bhandara.



STAR JALADHARA



FOOD SECURITY



DUSTBIN DISTRIBUTION



DRINKING WATER SYSTEM



FOOD SECURITY



WASTE MANAGEMENT

LIVELIHOOD DEVELOPMENT

- ❖ **SRIJANI**: Different units of Livelihood & Skill Building Centre at Mohitnagar like Agarbatti Production Unit, Sanitary Pad Production Unit, Tailoring School, Biofloc Fish Farming have become operational and all beneficiaries are working as expected. The same concept is being established in Lumshnong also.
- ❖ **PIG REARING & PIG BREEDING FARM**: Pig rearing project is going on in right track and farmers are earning a good income through Pig Rearing Project. 5 families had started pig farming as an outcome of demonstration effect of previous project. Construction of farm has come to an end in Lumshnong
- ❖ **BIOFLOC FISH FARMING**: Preparation for 2nd phase of fish farming is under pipeline in Mohitnagar with 25 number of tanks. Construction of 5 nos. of additional 10,000 Lt. tank has been completed in Assam.
- ❖ **STAR USHA TAILORING SCHOOL**: Offline classes are going on in all three locations. Trainer has been imparted for advance course on tailoring in Lumshnong.



AGARBATTI UNIT



VEHICLE SUPPORT



BIOFLOC FARMING



LIVELIHOOD HUB IN LUMSHNONG



TAILORING SCHOOL



PIG BREEDING FARM

EDUCATION

- **SCHOOL INFRASTRUCTURE DEVELOPMENT:** Renovation of existing school buildings of 7 nos. of LP & SSK Schools in Meghalaya, Assam and West Bengal is being done with construction of boundary wall, additional class rooms, office room, RCC roof, changing of roof sheet etc.
- **REMEDIAL CLASS:** 24 needy students of Meghalaya were supported with remedial coaching class thus they can get required coaching to pursue their studies.
- **SHYAM SHISHU MANDIR:** Regular classes of SSM is going on & final examination has been conducted. The students were provided new school uniform also in Meghalaya.
- **CLASS ROOM INAUGURATION:** 5 newly constructed class rooms were inaugurated at Shankardeb Shishu Niketan, Assam.



SCHOOL BUILDING RENOVATION



REMEDIAL COACHING CLASS



PTM IN SHYAM SHISHU MANDIR



FELICITATION PROGRAMME



CLASS ROOM INAUGURATION



BOUNDARY WALL CONSTRUCTION

RURAL DEVELOPMENT

- **PUBLIC UTILITY AREA:** Construction and renovation of several public utility areas of Assam, Meghalaya & WB had been done with the construction of boundary wall, main gate, roof, new building, furniture support etc. for the infrastructural development of neighbouring villages.
- **CONSTRUCTION OF ROAD:** Construction of 650 mt. link road at Umkiang village is completed & 91 mt. RCC road in Dongumshoo village is almost completed in Meghalaya.
- **RURAL SPORTS:** JYMA was supported in organizing T-20 cricket tournament, Badminton tournament in Meghalaya & Katsoti Club of Meghalaya was renovated.
- **STAR ROSHNI:** Installation of 100 solar lights in Mohitnagar & process of installation has been initiated for 30 nos. of Solar Street Lights in Chamata, Assam and 66 Street Lights were installed in 6 villages of Meghalaya.



PUBLIC UTILITY AREA CONSTRUCTION



SOLAR STREET LIGHT



CONSTRUCTION OF RCC ROAD



SUPPORT TO RURAL SPORTS



CONSTRUCTION OF WALL



INAUGURATION CEREMONY

Our Promoters Team



Mr. Sajjan Bhajanka

Chairman & Managing Director

Experience: 50 years' experience in plywood, laminates, ferro alloys and cement industry



Mr. Rajendra Chamaria

Vice Chairman & Managing Director

Experience: 36 years' experience in cement and concrete sleepers industry with excellent project execution skill and production knowledge



Mr. Sanjay Agarwal

Managing Director

Experience: 36 years' industry experience



Mr. Prem Kumar Bhajanka

Managing Director

Experience: 43 years of industry experience



Mr. Tushar Bhajanka

Executive Director

Qualification: MPhil in Economics from the University of Cambridge

Experience: 2 years' experience of consulting in London

Our Management Team



Mr. Pankaj Kejriwal

Chief Operating Officer

Qualification: Chemical Engineer

Experience: 22 years' overall experience



Mr. Manoj Agarwal

Chief Financial Officer

Qualification: Associate Chartered Accountant

Experience: 27+ years' experience, including 15 years in the cement industry



Mr. Jyoti S. Agarwal

Chief Marketing Officer

Qualification: M.Com

Experience: 39+ years' experience in the cement industry, having worked at senior positions in Aditya Birla Group and Ambuja Cement Limited



Mr. Pradeep Purohit

Chief Strategy Officer

Qualification: B. Com, Graduate Dip. IIMM

Experience: 34+ years in the cement and engineering industry



Mr. G. M. Krishna

Chief Manufacturing Officer

Qualification: Mechanical Engineer

Experience: 36+ years in the cement and engineering industry, leadership roles in Thyssen Krupp, and UltraTech Cement



Mr. Samar Banerjee

Chief Human Resource Officer

Qualification: BA(Eco), PGPM&IR

Experience: 27+ years' experience, including 14 years in the cement and Building Material Industries, Leadership roles in ACC, Emami Cement and Berger Paints



**NUMBERS THAT
SPEAK FOR US**

FINANCIAL HIGHLIGHTS



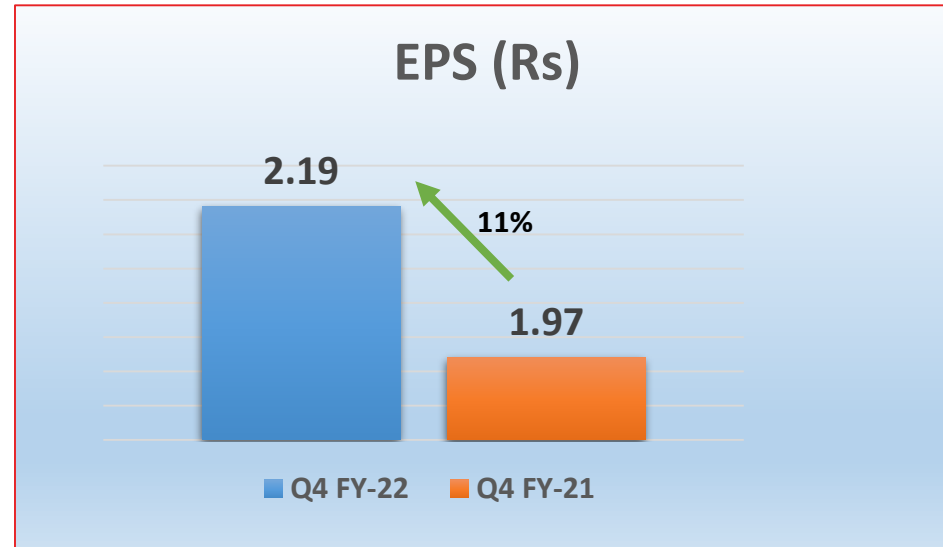
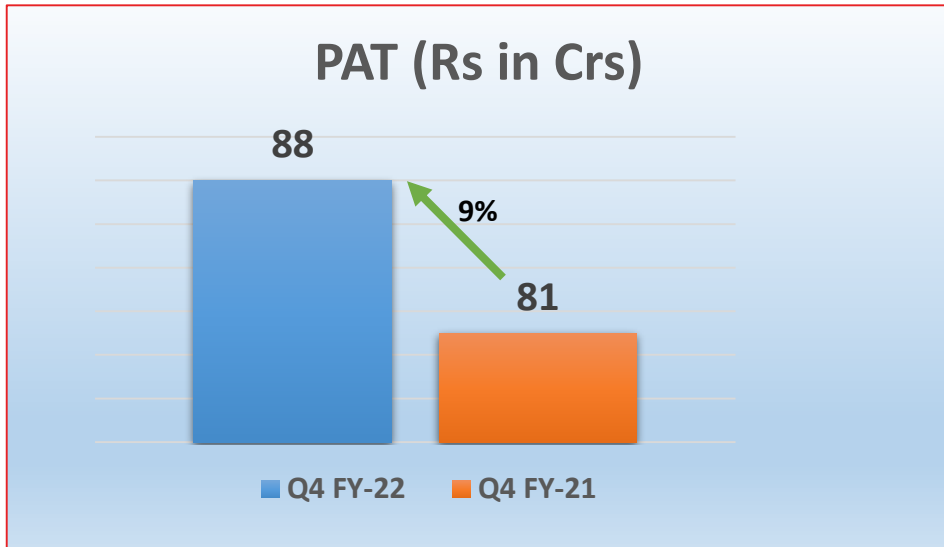
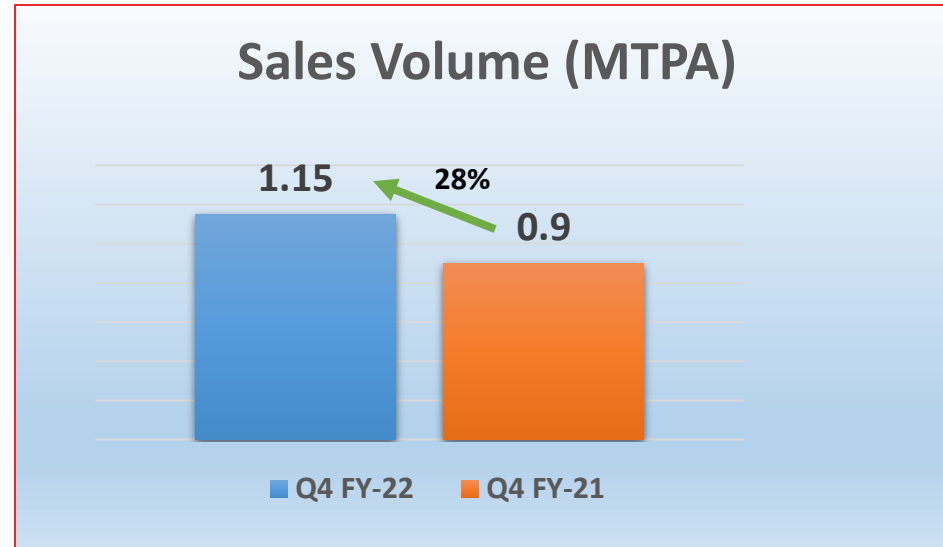
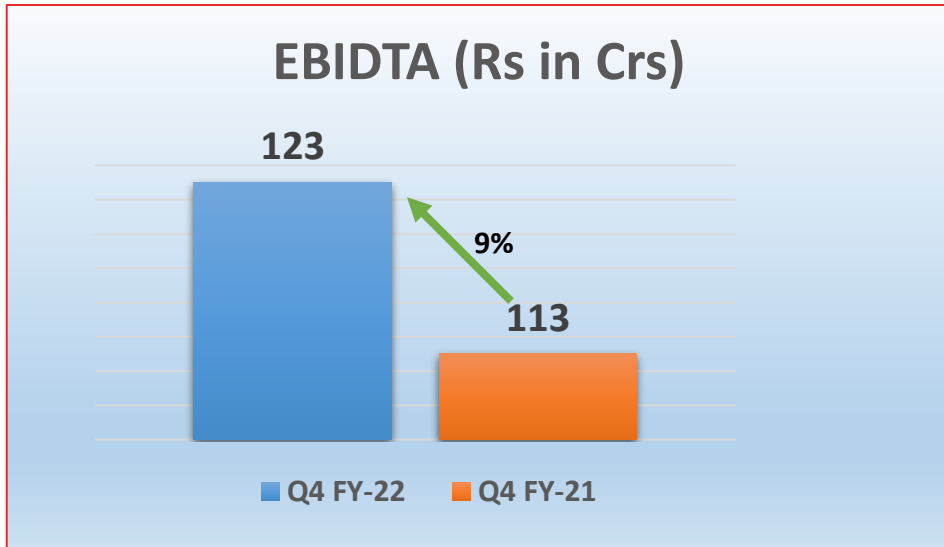
HIGHLIGHTS THAT MATTER: CONSOLIDATED FINANCIAL HIGHLIGHTS



(₹ in Crs)

Particulars	FY-22	FY-21	H2 FY-22	H2 FY-21	Q4 FY-22	Q4 FY-21
Equity Share Capital	40	41	40	41	40	41
Reserves & Surplus	2128	2033	2128	2033	2128	2033
Net Worth	2168	2074	2168	2074	2168	2074
Net Operating Revenue	2222	1720	1304	1026	749	603
EBIDTA	379	361	197	204	123	113
PBT	244	199	126	87	85	83
Tax Expenses	(3)	12	(6)	6	(3)	2
Net Profit/Loss	247	187	132	81	88	81
Return on Equity (%) (Annualised)	11.4	9.0	12.2	7.9	16.3	15.7
Earning Per Share (₹) (Not Annualised)	6.11	4.54	3.27	1.97	2.19	1.97

HIGHLIGHTS THAT MATTER: QUARTERLY FINANCIAL HIGHLIGHTS



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THANK YOU

Mr. Manoj Agarwal
investors@starcement.co.in
www.starcement.co.in

Corporate Office
'Century House', 2nd Floor
P-15/1, Taratala Rd, 2nd Floor, CPT
Colony
Taratala, Kolkata, West Bengal 700 088