

STAR CEMENT LIMITED
(Formerly CEMENT MANUFACTURING COMPANY LTD)

Date: 22.04.2022

**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 third quarter and nine months ended 31st December, 2021 has been prepared and the same has been disseminated on the Company's website www.starcement.co.in. We are enclosing herewith a copy of the Presentation for your information and record.

Thanking you,

Yours faithfully,
For Star Cement Limited

22-04-2022

X

Debabrata Thakurta
Company Secretary
Signed by: DEBABRATA THAKURTA

**Debabrata Thakurta
(Company Secretary)**



Encl. as stated

STARCEMENT
Solid Setting

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Works : Gopinath Bordoloi Road, Village - Chamatapathar, District – Kamrup (M), Guwahati – 782 402, Assam, e-mail: ggu@starcement.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@starcement.co.in **Delhi Office** : 281, Deepali, Pitampura, Delhi-110 034, Ph: 011 - 2703 3821/22/27, Fax: 011 – 2703 3824, e-mail: delhi@starcement.co.in **Kolkata Office** : Century House, P 15/1 Taratala Road, 2nd Floor, Kolkata - 700 088 e-mail: kolkata@starcement.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

NSE Ticker: STARCEMENT | BSE Ticker: 540575 | Bloomberg Ticker: STRCEM:IN

Quarterly Presentation | December 2021

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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

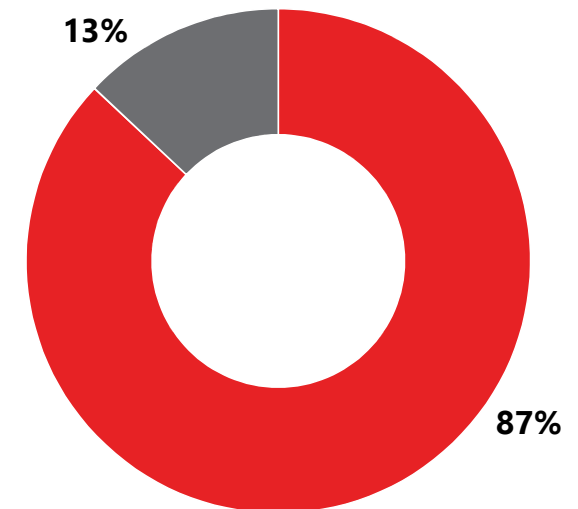
MARKET SHARE IN NORTH-EASTERN
REGION

ONE OF THE

COUNTRY'S FINEST

LIMESTONE RESERVES

SALES MIX



■ Trade sales ■ Non-trade sales

OUR STAR PRODUCTS



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)



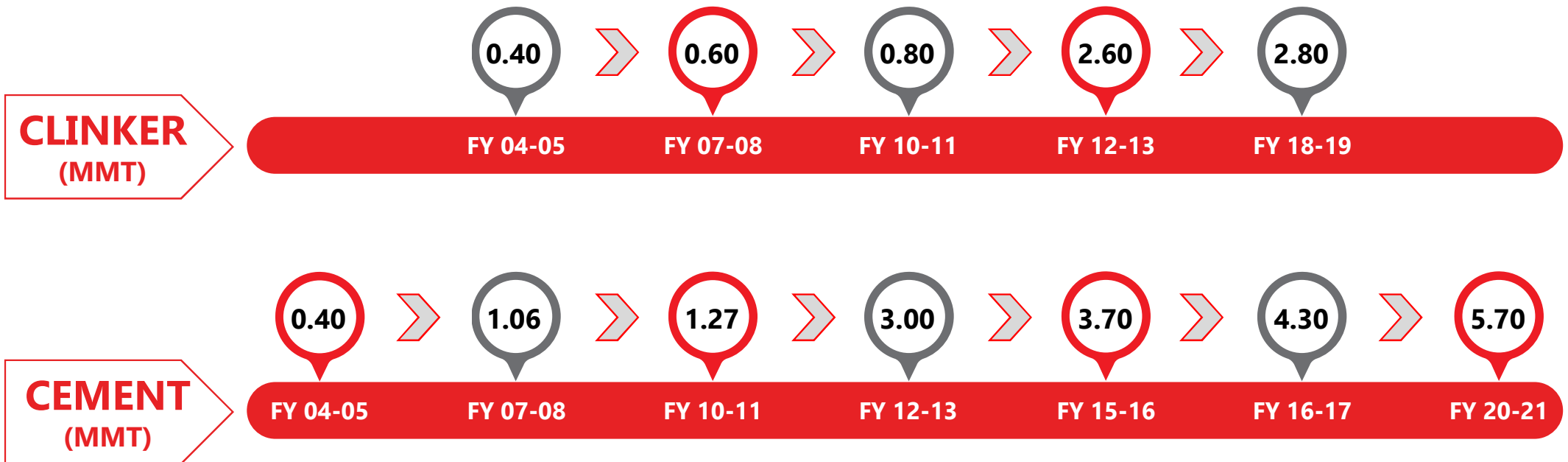
ARC:

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 being discharged from its chute. The background shows a construction site with buildings and other vehicles. A large white arrow with a red outline points to the right, positioned in the lower right quadrant of the image.

**BETTER PROSPECTS &
POSSIBILITIES**

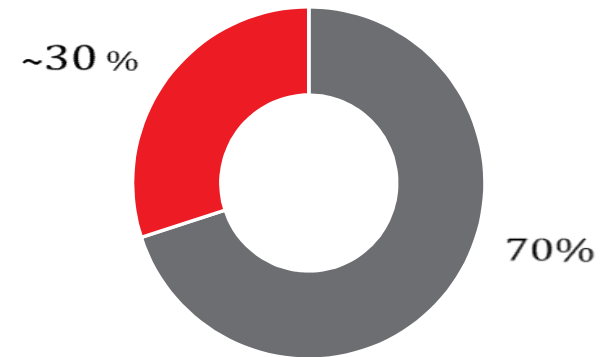
INDIAN CEMENT INDUSTRY

INDIAN CEMENT INDUSTRY'S PROMINENCE & OPPORTUNITIES



294.4 MT annual cement production in FY 20-21 in India	The Indian Cement House 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

54,250

17,750

Total Sanctioned Length: **72,000 Km**
 Approx. Cement Demand: **144 MT**
 Completed Length: **17,750 Km**

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

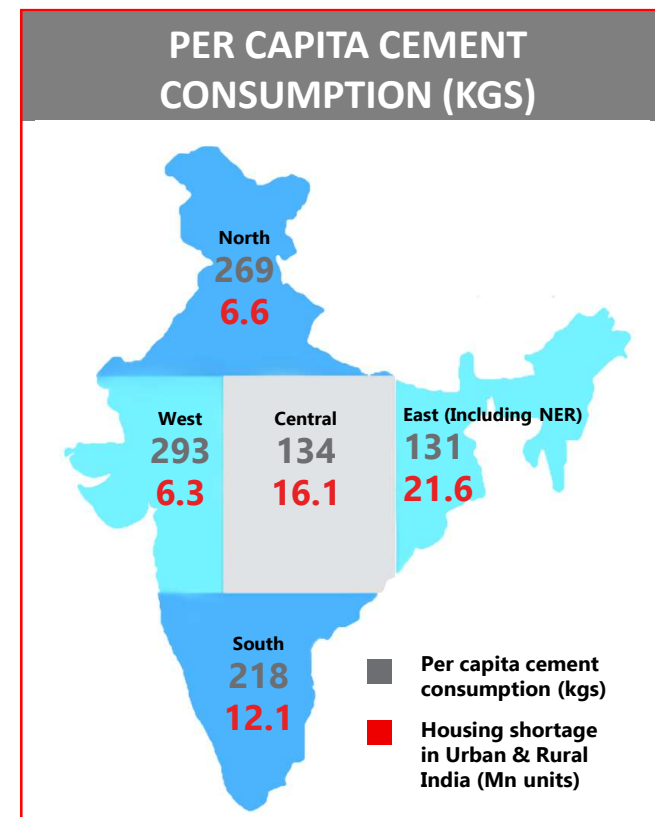
OPPORTUNITIES IN THE EASTERN REGION

Cement consumption in the Eastern region is although lower than the national average, 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, along with 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
- Low per capita cement consumption of the Eastern regions – 131 per kg – compared to pan-India's relatively higher consumption of 195 kg
- Limestone availability in the region – the key raw material for cement manufacturing – makes it an attractive destination

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%

EASTERN INDIA OPPORTUNITIES: SERVING A BETTER TOMORROW



NATIONAL HIGHWAY WORKS

Length: 1,300 km
Investment: ₹ 25,000 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

HOUSING SHORTFALL

Rural: 17 Mn
Urban: 4.6 Mn



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

INDIAN RAILWAYS

Major projects: 20
Investment: ₹ 40,000 Crore



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

IDENTIFIED HYDRO-POWER CAPACITY

Capacity: 63,000 MW
Cement demand: ~14 MMT



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

SMART CITY PROJECTS

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



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

*Four lane concrete roads are expected to share up the cement demand. 2000 tonnes of building material goes into creating every 1km of road.



WHAT MAKES US BETTER

STRENGTHS & STRATEGIES



STRENGTHENING OUR TOMORROW



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 THREE-YEAR PLANS:

- Setting up a 3 MT clinker unit at Lumshnong: ₹ 1,200 Crore
- Setting up a 12 MW WHRB at Lumshnong: ₹ 150 Crore
- Setting up a 2 MT grinding unit at Guwahati: ₹ 350 Crore

OUR CURRENT MANUFACTURING UNITS & CAPEX PLAN

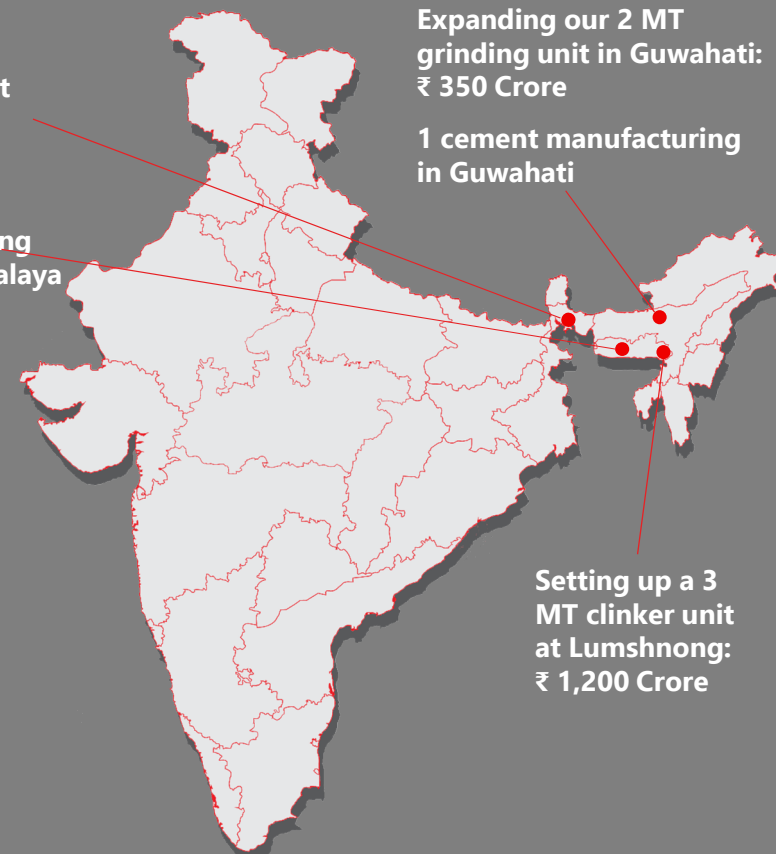
1 grinding unit
in Siliguri

Expanding our 2 MT
grinding unit in Guwahati:
₹ 350 Crore

1 cement manufacturing
in Guwahati

4 manufacturing
units in Meghalaya

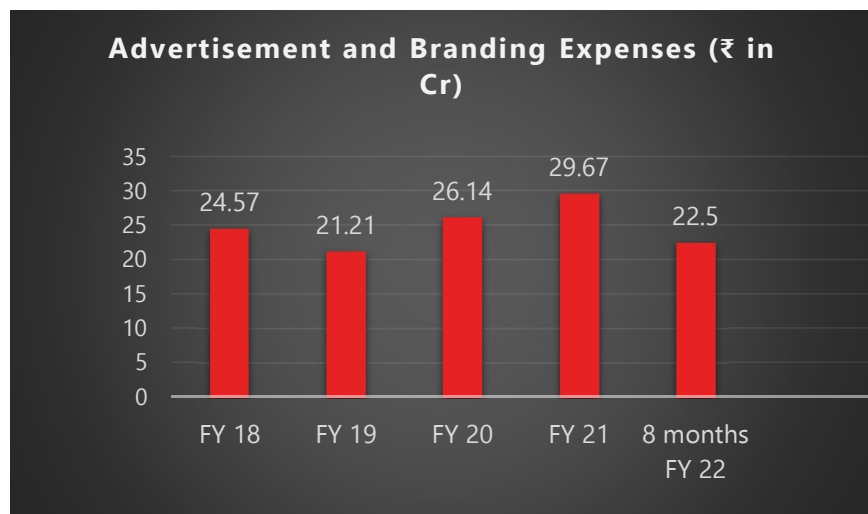
Setting up a 3
MT clinker unit
at Lumshnong:
₹ 1,200 Crore



BRANDING & PROMOTION: ENDORSING A BETTER TOMORROW



ANNUAL ADVERTISING & BRAND PROMOTION INVESTMENT



₹ 22.5 Crore

Invested in branding and advertisement in the last 8 months of 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.

Our competence driven by a robust R&D and our industry experience helps us to pave our way towards a better tomorrow.



LAUNCHED STAR SAATHI APP FOR DEALERS

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

STAR LOTUS APP:

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

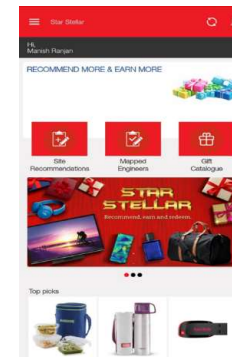


DIGITAL DISPLAYS:

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

STAR STELLAR APP:

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 Siliguri plant is yet to commence. This acts as helping hand for us to enhance our logistic efficiency at our manufacturing unit

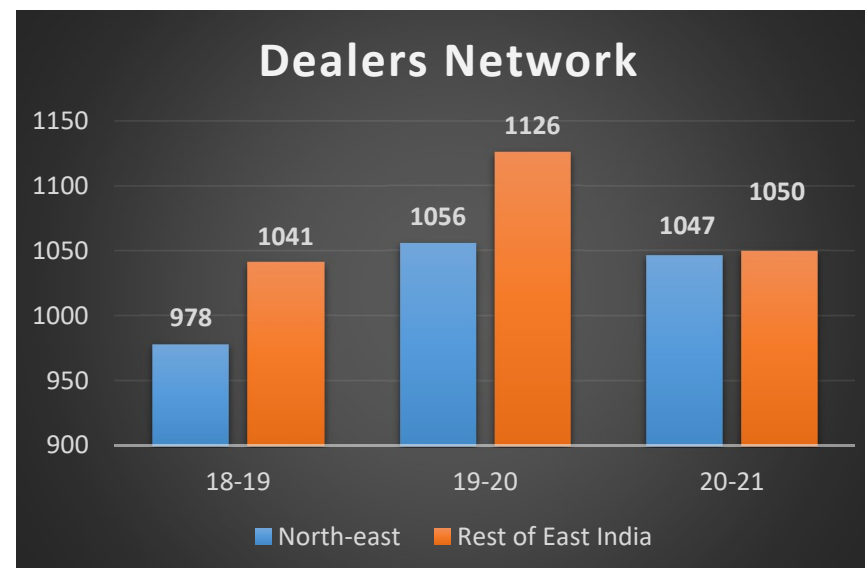
ENHANCING PRODUCTIVITY:

To begin use of GPS networks to monitor the fleet of 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**





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

Reducing Energy Consumption

- › Replaced 400W HPSV flood light fitting with 200W and 100W LED light fittings in Lumshong
- › Replaced 250W HPSV streetlight fitting with 90W LED light fittings in Lumshong
- › Reducing power consumption and enabling cost reduction
- › Planned installation of 12 MW WHRB at Lumshong

Rural Development

- › Offered food assistance during COVID-19 lockdown in Jaintia hills through different NGO's
- › Installed solar streetlights at Mohitnagar, West Bengal
- › Organised free meals for the economically weaker sections of the society in Assam

CSR – ASSAM, MEGHALAYA & WEST BENGAL



HEALTH & SANITATION

- Disinfectant Drive: Ongoing in six villages of Meghalaya and Assam
- Dr. Norman Tunnel Hospital, Jowai: Supported with Ultrasonography Machine to aid in better medical facilities
- **STAR JALADHARA**- Potable water system across 13 educational institute of Assam and West Bengal. Distribution of drinking water: Ongoing in Meghalaya.
- **INSTITUTIONAL TOILET**: Renovation of existing institutional toilets in West Bengal
- Waste Management Project: Ongoing in Meghalaya
- Food Security Project: In collaboration with Amrit Bhog Bhandara, providing cooked food to vendors, rickshaw pullers, unorganized workers



DISINFECTANT DRIVE



ULTRASONOGRAPHY MACHINE SUPPORT



INSTITUTIONAL TOILET



DRINKING WATER SYSTEM



FOOD SECURITY



WASTE MANAGEMENT

LIVELIHOOD DEVELOPMENT

- **SRIJANI**: Livelihood & Skill Building Centre
- **VEHICLE SUPPORT**: Supporting unemployed youth in Mohitnagar with seven of pick-up vans and 10 e-rickshaws
- **BIOFLOC FISH FARMING**: 1st cycle of biofloc farming in West Bengal is in harvesting stage and the 1st farming cycle is going well.
- **STAR USHA TAILORING SCHOOL**: Facilitated completion of advance course by 16 teenagers from Star USHA Tailoring School
- **MADHUBAN PROJECT**: Supported 14 bee keeping farmers of Meghalaya with necessary equipment
- **PIGGERY PROJECT**: Supporting pig rearing farmers of Meghalaya



SRIJANI INAUGURATION



VEHICLE SUPPORT



BIOFLOC FARMING



TAILORING SCHOOL



BEE KEEPING



PIG REARING

CSR – ASSAM, MEGHALAYA & WEST BENGAL



EDUCATION

- **SCHOOL INFRASTRUCTURE DEVELOPMENT:** Renovation of four existing schools in Assam and West Bengal
- **REMEDIAL CLASS:** Supporting 26 needy students of Meghalaya with remedial coaching classes
- **SHYAM SHISHU MANDIR:** Facilitating the conduct of regular classes of SSM
- **EDUCATIONAL TOUR:** 33 students of Star Public School participated in an Educational Tour to Kaziranga National Park
- School Bus Service in Lumshong is going on as per its time to provide better communication system.



SCHOOL BUILDING RENOVATION



SCHOOL BUILDING RENOVATION



REMEDIAL COACHING CLASS



SHYAM SHISHU MANDIR



EDUCATIONAL TOUR



SCHOOL BUS SERVICE

RURAL DEVELOPMENT

- **PUBLIC UTILITY AREA:** Construction & renovation of several public utility areas in Assam, Meghalaya & West Bengal
- **CONSTRUCTION OF ROAD:** Completed construction of 1400 mt. RCC road at Brichyrnot, 8.5 km connecting road at Lumshnong and Hatkhula to Digaru river road
- **RURAL SPORTS:** Lumshnong Youth Sports Club & Lumshnong Girls Football Team were supported with sports items
- **Impact and Need Assessment Study:** Ongoing in Assam, Meghalaya & West Bengal.
- PA & musical instruments provided to the authority of Khliehmyntriang & Pamrakmai Church of Lumshnong.
- **STAR ROSHNI:** Installed 30 Solar Street Lights in Sonapur, Assam.



PUBLIC UTILITY AREA CONSTRUCTION



SOLAR STREET LIGHT



CONSTRUCTION OF RCC ROAD



PUBLIC UTILITY AREA CONSTRUCTION



SUPPORT TO RURAL SPORTS



CONSTRUCTION OF RCC ROAD

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

CSO

Qualification: MPhil in Economics from the University of Cambridge

Experience: 2 years' experience of consulting in London



Our Management Team



Mr. Pankaj Kejriwal

COO

Qualification: Chemical Engineer

Experience: 22 years' overall experience



Mr. Manoj Agarwal

Chief Financial Officer

Qualification: Fellow Chartered Accountant

Experience: 27+ years' experience, including 15 years in the cement 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. Pradeep Purohit

Senior Vice President, Supply Chain

Qualification: B. Com, Graduate Dip. IIMM

Experience: 34+ years in the cement industry and engineering industry



Mr. Jyoti S. Agarwal

President, Sales & Marketing

Qualification: M.Com

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



**NUMBERS THAT
SPEAK FOR US**

FINANCIAL HIGHLIGHTS



HIGHLIGHTS THAT MATTER: CONSOLIDATED FINANCIAL HIGHLIGHTS



(₹ in Crs)

Particulars	FY-21	H1 FY-22	H1 FY-21	Q3 FY-22	Q3 FY-21
Equity Share Capital	41	41	41	40	41
Reserves & Surplus	2033	2147	1920	2,040	1,918
Net Worth	2074	2189	1961	2,080	1959
Net Operating Revenue	1720	918	694	555	423
EBIDTA	361	182	157	75	91
Tax Expenses	12	3	6	(3)	4
Net Profit/Loss	187	115	104	44	(2)*
Return on Equity (%)	9.0	10.5	10.6	8.4	(0.4)
Earning Per Share (₹)	4.54	2.78	2.51	1.09	(0.04)

*During the said quarter the company has charged off the excise duty refund of Rs.64.57 crs which was claimed earlier as an income.

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THANK YOU

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