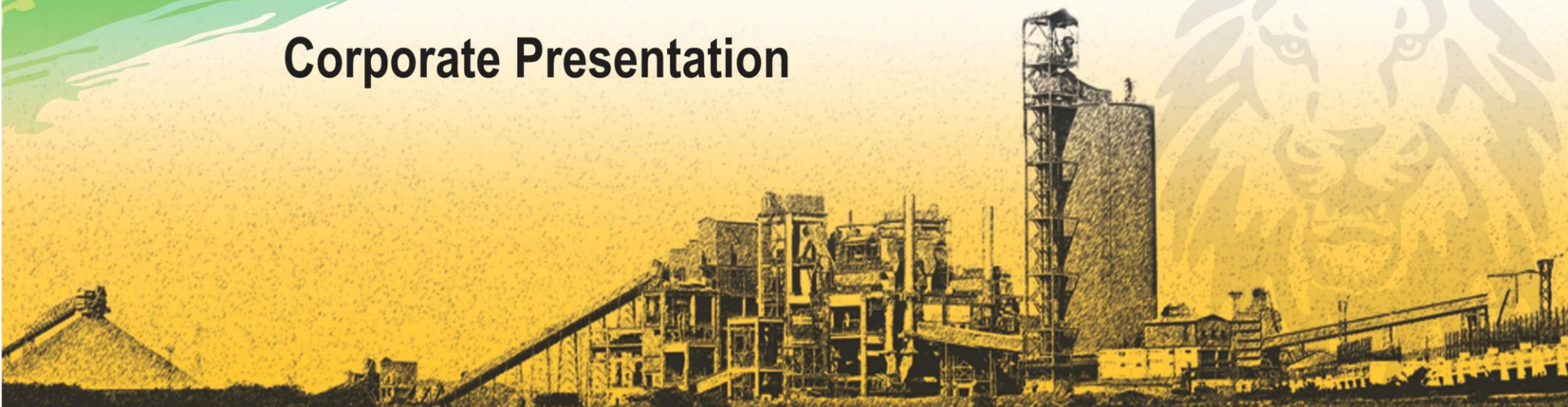




SANGHI INDUSTRIES LIMITED

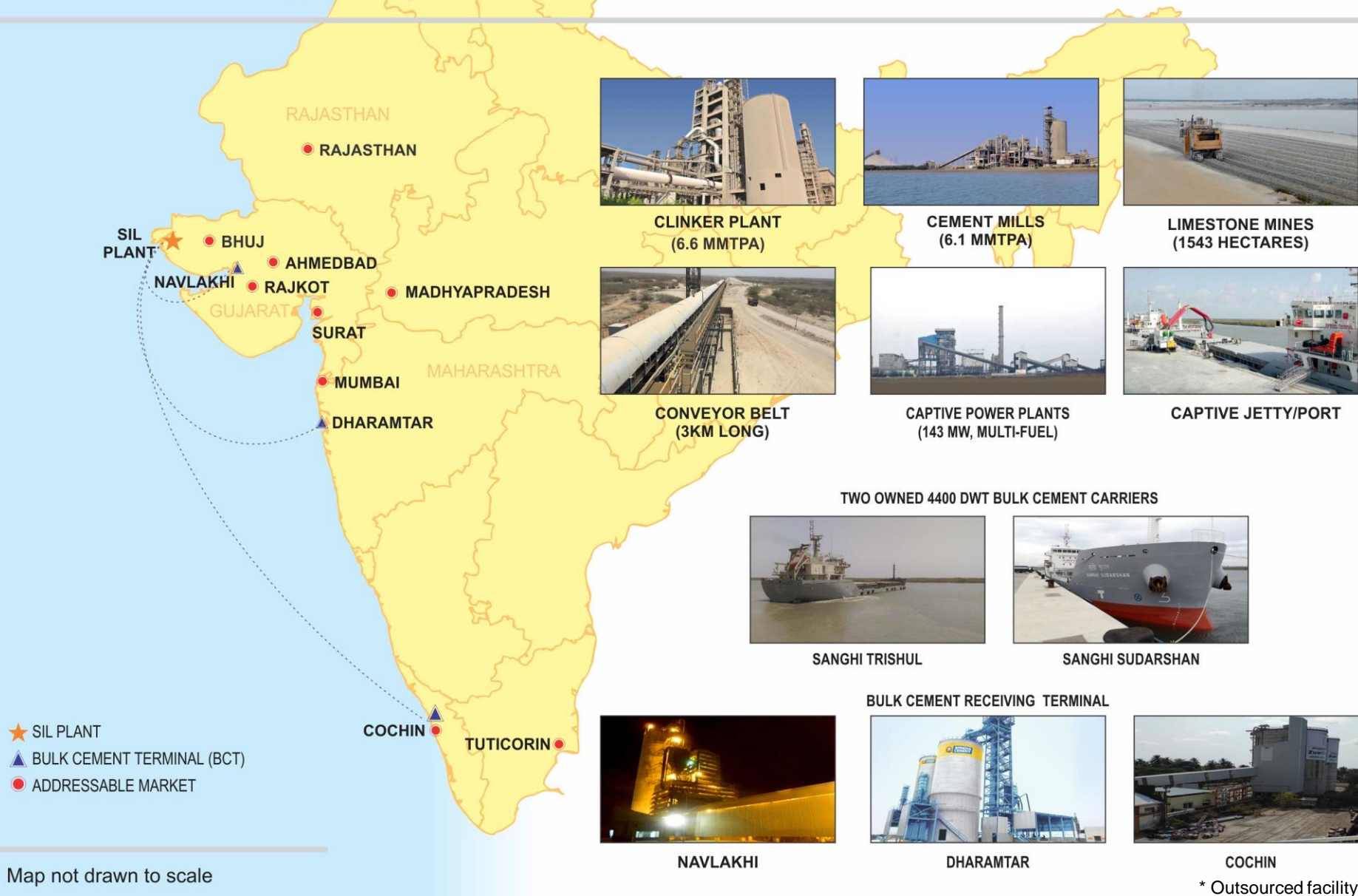
Corporate Presentation



Celebrating the spirit of **Make In India**

www.sanghicement.com

One of the Largest Integrated Single Stream Cement Plants



* Outsourced facility

Key Highlights



- 6.6 MMTPA Clinker, 6.1 MMTPA Cement plant
- 100% captive power plant of 130 MW and WHRS 13 MW
- Multi-fuel technology in Kiln and TPP
- Captive all-weather port
- 3 BCT for Western India presence



- “A grade” Marine Limestone reserves of app. 1 Bn MT, Lease up to 2046
- Proximity to Lignite – GMDC
- Fly Ash source at Mundra
- Other additives in vicinity under lease



- One of the Lowest Cost Producers in the Industry
- Committed Promoters : 70% holding
- Credit Rating by India Ratings (FITCH) India Rating is “A/Negative”
- Operating Margin at par with other major players



- Present in Gujarat, Rajasthan, Mumbai and Cochin
- Exports - Market of choice
- Price and quality leader
- Strong Brand and wide dealers' network
- Shakti Rath, CCC



Growth while Focused on Sustainability



Production Efficiency

- Large Capacity base is available to manage short term production disturbances
 - Ability to continue supplies despite external factors
- Newer units allow for improving production cost
- Lower maintenance costs
- Benefits of Economies of Scale



Supply Chain Efficiency

- Focused market approach
- Gradual volume growth without disrupting price or margins
- Optimize market practices via transparency and vigilance
- Improve supply chain via technology and improved systems
 - Benefit of lower cost and faster fulfilment

Lower Cost

Predictable
Profit

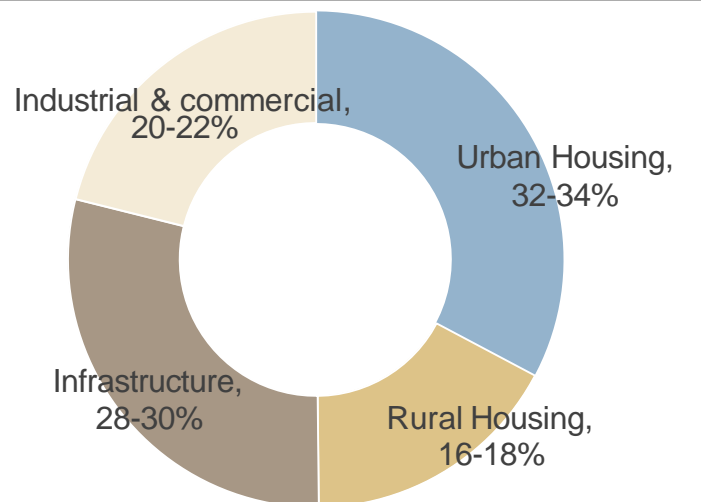
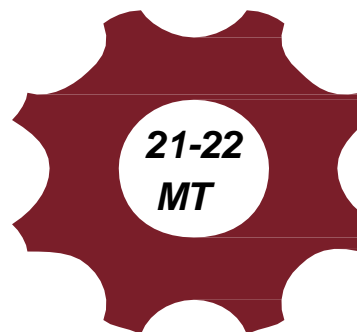
Reduced
Volatility

Continuous
Volume
Growth

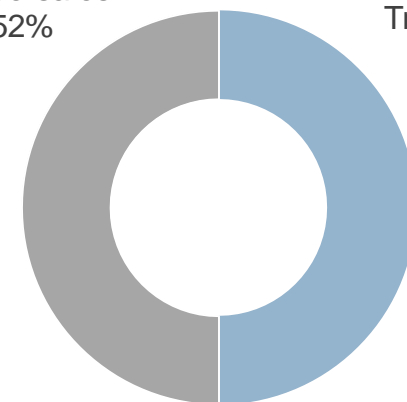
Poised to Participate in Future Growth



Cement Demand



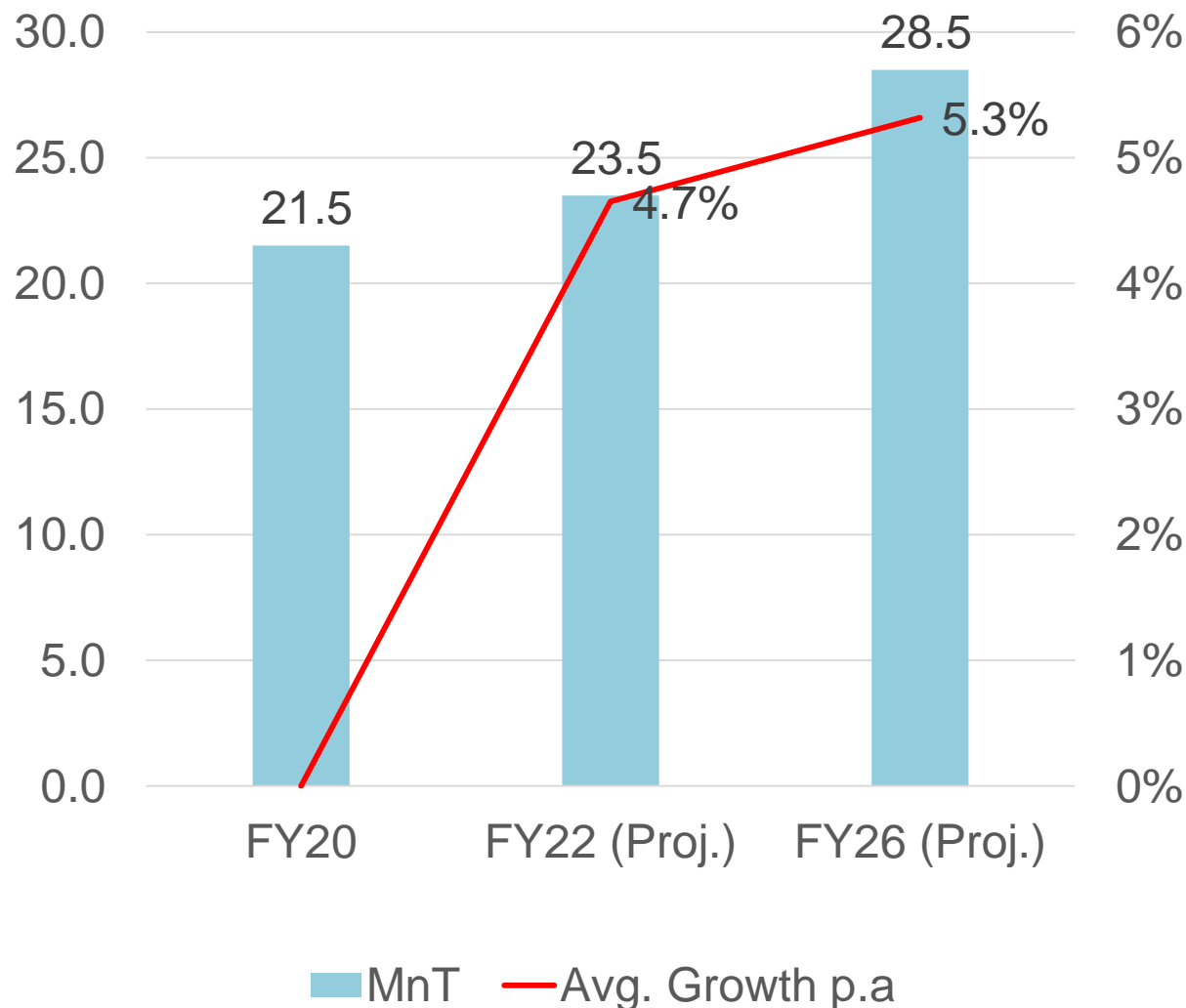
Non-trade sales
50-52%



Trade sales
48-50%

- Gujarat has consistently showcased strong macro economic indicators
 - **GSDP – 12% CAGR from FY14- FY19***
 - **Debt/GSDP -16***
- One of the Highest FDI receiving state at Rs. **43,000 cr in FY 19***. This is 8x more than Karnataka State
- In last 3 years. Gujarat garnered 735 new major industries. Out of 2574 in India.
 - **51%** share of new IEM in India

Cement Demand in Gujarat



Grow Faster than Industry

- Better Market Practices to drive long term growth
- Garner larger share of Incremental demand
- Maintain profit margins despite volume growth
- Sharp focus on improving both quality of sales
 - Integrated approach - customer satisfaction, dealer network profitability, sales team management and supply chain
- Technology intervention to drive process improvements

Source : external

Cement Demand in Gujarat – Key Highlights



- Expected to Grow at 5-6% ~ 6-8 MMTPA*
- Delhi Mumbai Freight Corridor, Smart cities, Rajkot, Surat Airport
- High Speed Rail, Ahmedabad Metro (6.5km operational)



- State capital outlay of Gujarat rose by 2.4%.
- ~962 kms of NHAI projects constructed during FY16-20
- Porbandar – Dwarka (118 km), Vadodra- Mumbai, Kodinar – Bhavnagar Highway (130 km)



- Demand of 12-15 MMTPA; Expected to grow at 3-5%
- Weak real estate demand and high share of concrete houses limited demand growth
- Healthy Demand from Rural housing is expected due to good rainfall and high disposal income in Rural India



- Industrial GVA of Gujarat grew at 12.4% over past five years (2014-19)
- While the services GVA of the state grew at 8.5% over past five years (2014-19)
- Expected Demand of 5-6%. ~ 4-6 MMTPA.

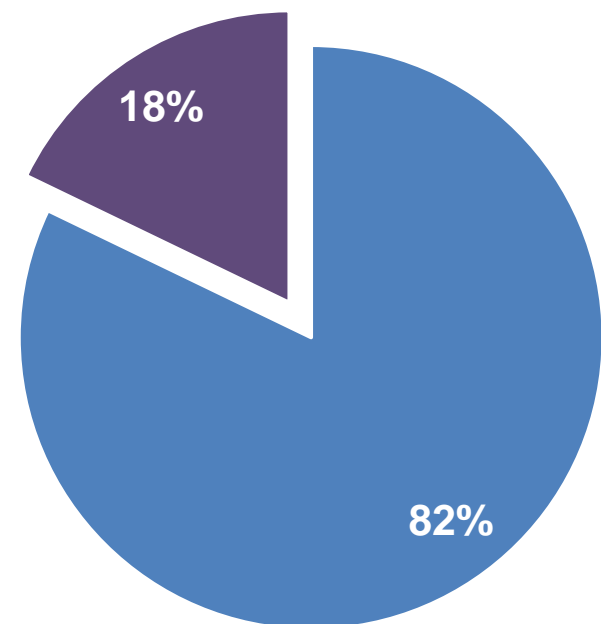
Source : external

***Includes Roads Demand**

Expanding Presence in Western India

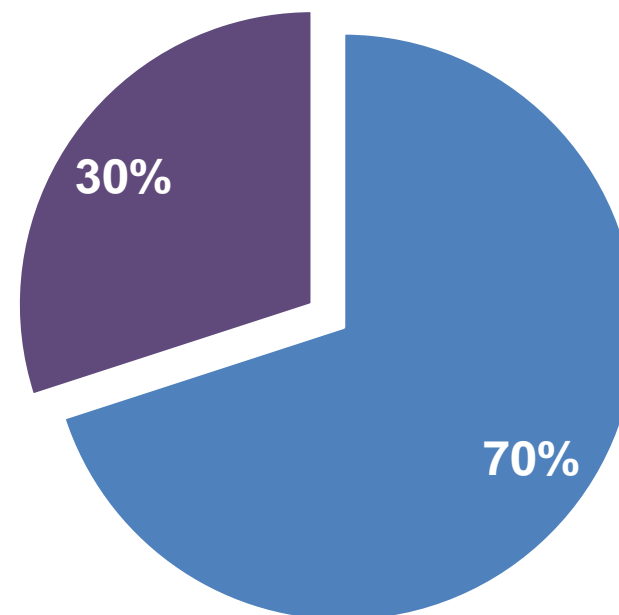


FY-21 Geographical Distribution



■ Gujarat ■ Non-Gujarat

FY-23P Geographical Distribution

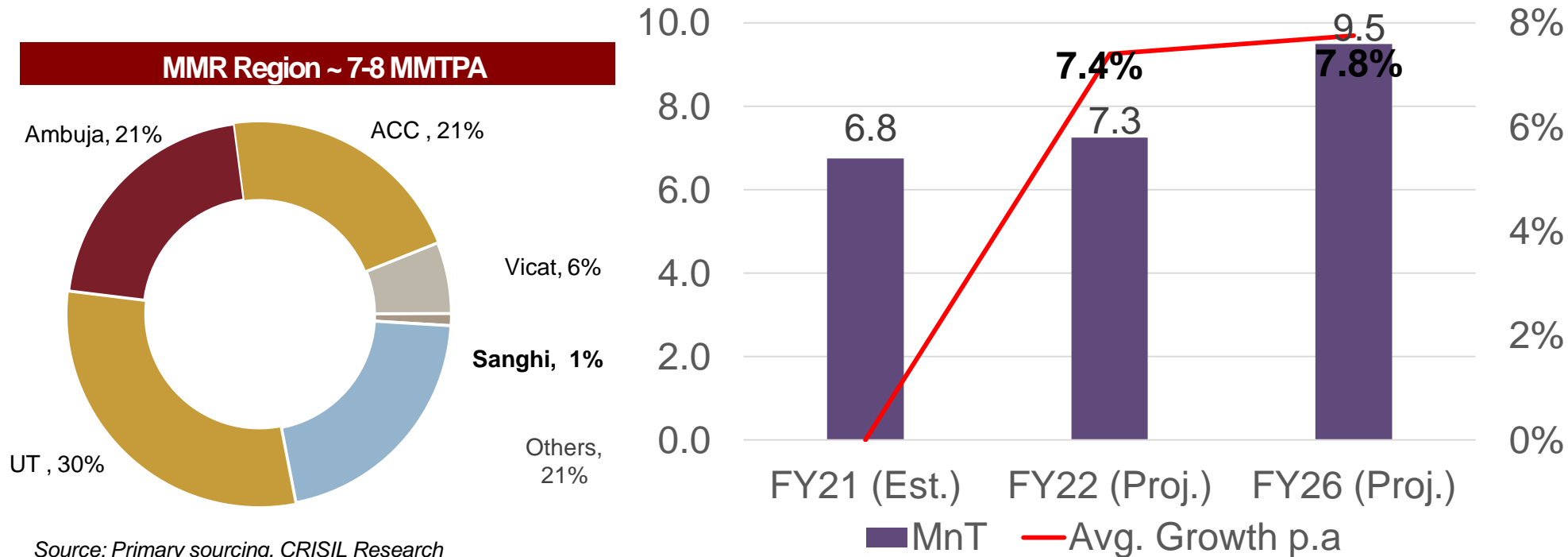


■ Gujarat ■ Outside Gujarat

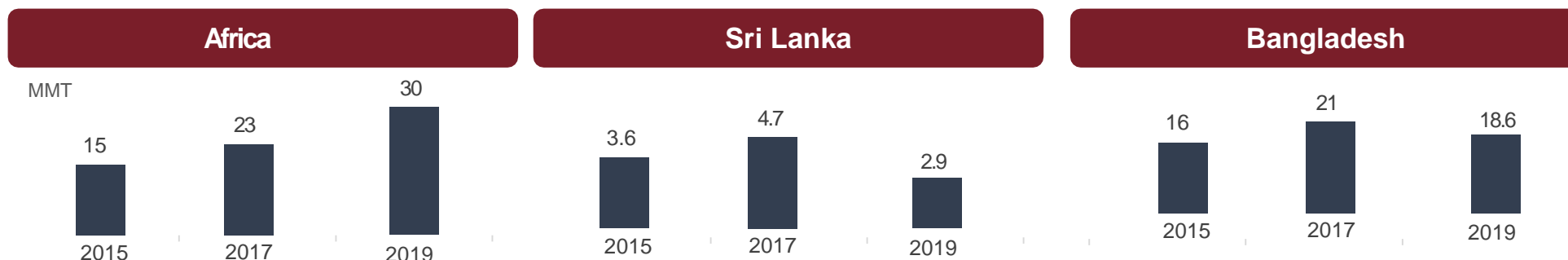
Wide market reach due to shipping infrastructure



- Western India markets of Mumbai and Cochin at sustainable margins
- 3 Bulk Cement Terminals at Navlakhi (Gujarat), Dharamtar (Mumbai) and Kochi (outsourced facility) enables competitive cost of delivery and timely fulfilment of orders
- Secondary Markets of Rajasthan and MP can be accessed during low demand cycles



Clinker Trading Opportunities



Source: Global Cement

Clinker Consumption Regions

- Clinker to Tanzania, Kenya, Ivory Coast is possible due to high number of stand alone Grinding units
- Sri Lanka is the 4th largest country importing clinker. ~ India is a natural supplier of choice
- Bangladesh is one of the largest clinker importer in the world. ~ 20 million imports



Sanghi - Supplier of Choice

- One of the lowest cost producers with access to captive port
- Close proximity to largest demand centers in the world
- India is a member of SAARC
- Long and Deep relationships with largest customers

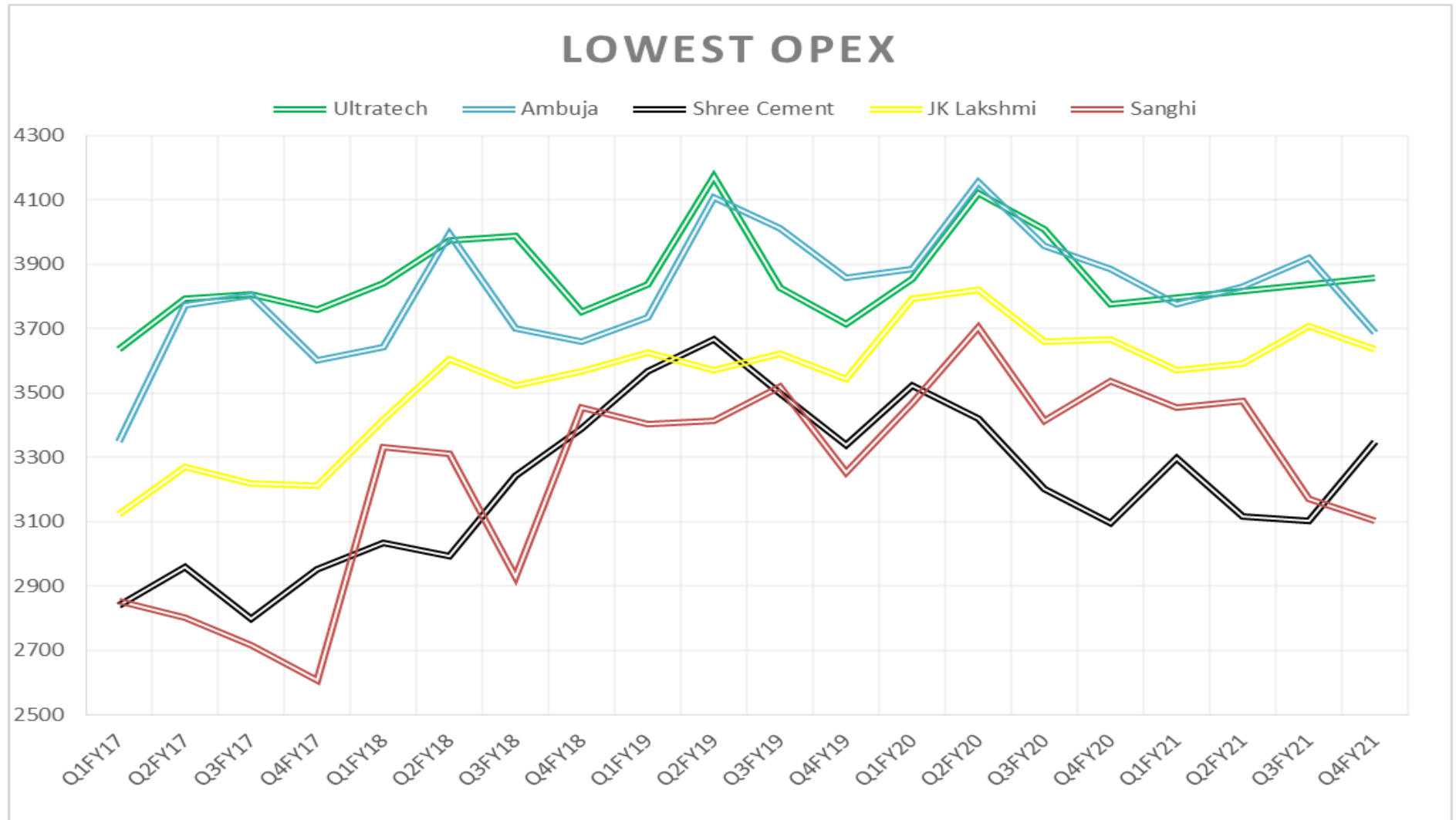
Source : external

Key Financial Indicators

Rs. Crore

Performance	FY19	FY20	FY21	Q4 FY21
Sales Volume (MMTPA)	2.67	1.97	2.15	0.75
Net Income	1088	900	948	331
EBIDTA	181	205	249	97
EBIDTA % to Net Income	17%	23%	26%	29%
EBIDTA per tonne (Rs).	678	1043	1158	1293
PBT	52	65	112	60
Tax Credit derecognised (non-cash, one-off)	-	-	34	34
PAT	52	65	78	26

Lowest Cost Producer in the industry



Facilities at a Glance



Clinker Plant - one of the largest kilns



Bulk loading operations at Captive Jetty at Plant



Surface Mining, Zero overburden



63 MW Captive Thermal Power Plant



Distribution Facilities and Market Presence



Bulk unloading operations at
Navlakhi, Gujarat



Terminal at Dharamtar,
Maharashtra



Terminal at Cochin,
Kerala



Initiate coastal shipping of
bulk cement



Shakti Rath
Mobile Quality check for customers



Customer Care Center
All services under one roof



Strong Brand Image



Sanghi Industries – Senior Management



- **Mr. Ravi Sanghi - Chairman and Managing Director of the Company**, is a first generation entrepreneur and the visionary behind the establishment of one of the world's largest integrated single-stream cement plant in Kutch, leading it since its conception to completion. He has vast experience in conceptualizing and directing projects across diverse industries and magnitudes.



- **Mr. Aditya Sanghi - Whole Time Director**, holds a Masters Degree in Industrial Engineering from Rochester Institute, USA and has worked with leading American companies. He has rich experience in management of the clinker and cement operations, and the establishment of CPP. He successfully implemented many best manufacturing practices and executed diverse projects for the company. He expertly guides the production, project and corporate strategy.



- **Mr. Alok Sanghi - Whole Time Director**, has studied Finance and Management from Kelley School of Business, Indiana University, Bloomington, USA. He has worked with leading financial services companies. He has been instrumental in successfully launching the company's products in domestic and international markets. He possesses acumen in corporate, commercial, shipping and marketing strategies.



- **Mrs. Bina Engineer - Whole Time Director**, is a qualified Chartered Accountant having rich and wide-range experience of more than two decades in the areas of Project and Corporate finance. She has been conferred “Best CA CFO Award – Woman 2016” by Institute of Chartered Accountants of India, Roll of Honours CFO 100 2018 and Best Woman CFO Award 2018 by Yes Bank Business World



- **Mr. N. B. Gohil - Whole Time Director**, has more than 37 years of rich industrial experience in various activities pertaining to Thermal Power Plants. He specializes in Pollution Control Norms, Factory Regulations and other administrative matters.

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