



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2016-17

13th August, 2016

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

Symbol: SAGCEM
Series: EQ

The Secretary
Bombay Stock Exchange Limited
P J Towers
Dalal Street
Mumbai – 400 001

Scrip Code: 502090

Dear Sirs

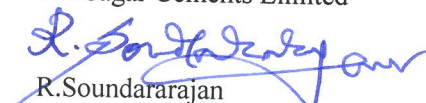
Corporate Presentation

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Of late, several analysts are evincing keen interest to know more about our company and its operations, in the course of which, the company may have to share its profile and other particulars, most of which are already in public domain though. In order to make this process much easier and compliance proof, we are uploading a brief presentation about our company on our website. A copy of the said presentation is also forward herewith for your reference.

Thanking you

Yours faithfully
For Sagar Cements Limited


R. Soundararajan
Company Secretary



Factory : Mattampally (Village & Mandal) - 508 204. Nalgonda - District. Phone : 08683 - 247039

Registered Office : Plot No. 111, Road No. 10, Jubilee Hills, Hyderabad - 500 033

Phone : +91-40-23351571, 23356572 Fax : +91-40-23356573 info@sagarcements.in www.sagarcements.in

CIN : L26942TG1981PLC002887



Sagar Cements Limited

Corporate Presentation





Company Snapshot

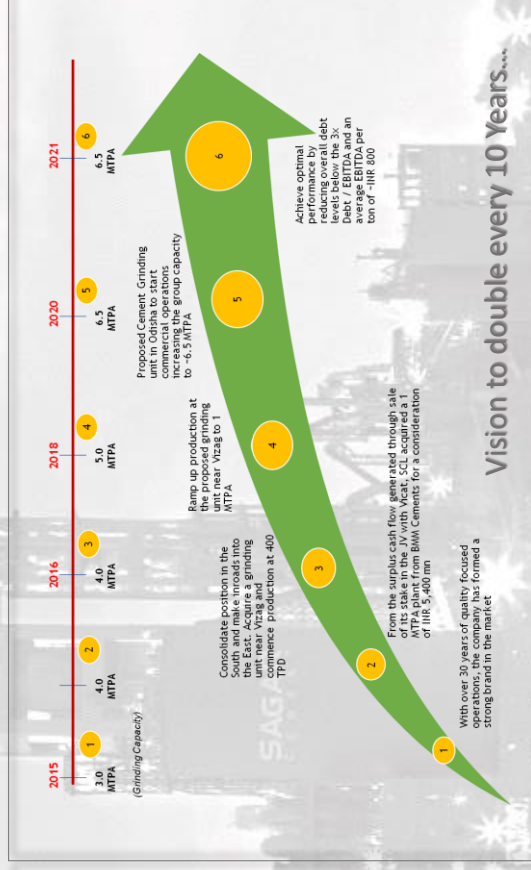
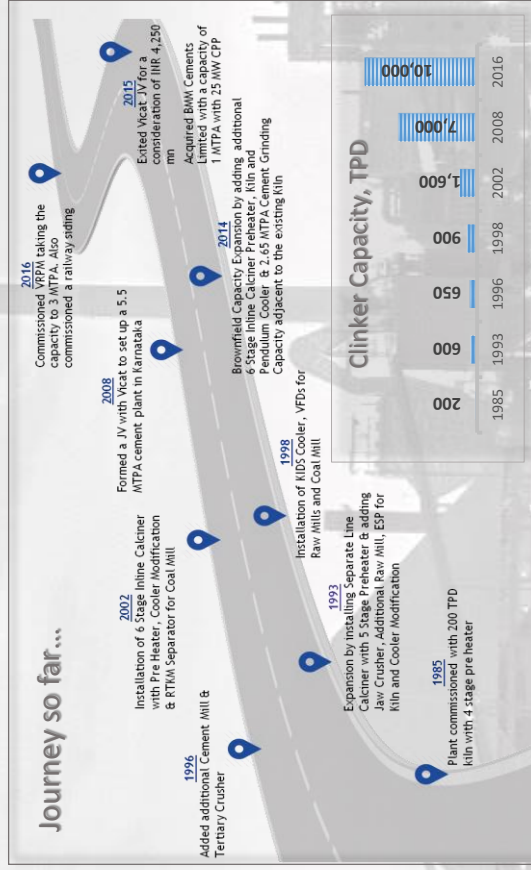
Brief Overview

- Experienced cement player with over 30 Years in business
- Strong Sales and Distribution Network
- One of the most Efficient Cement Players in the Country
- Market Leader in South India for Sulphate Resistant Cement (SRC)
- Capacity increased nearly 10 times since inception 1985 primarily through debottlenecking and up gradation.
- In August 2015, acquired BMM Cements Ltd, which owns 1 MTPA & 25 MW Power Plant in Gudipadu, Anantapur, Andhra Pradesh
- Group Clinker Capacity : 3 MTPA; Cement Capacity : 4 MTPA

- 3 MTPA Plant is Located at Mattampally, Nalgonda District, Telangana
- 1 MTPA & 25 MW Power Plant is Located at Gudipadu, Ananthapur District in Andhra Pradesh
- Part of Nalgonda & Yerraguntla Cement Cluster
- Head Office based out of Hyderabad



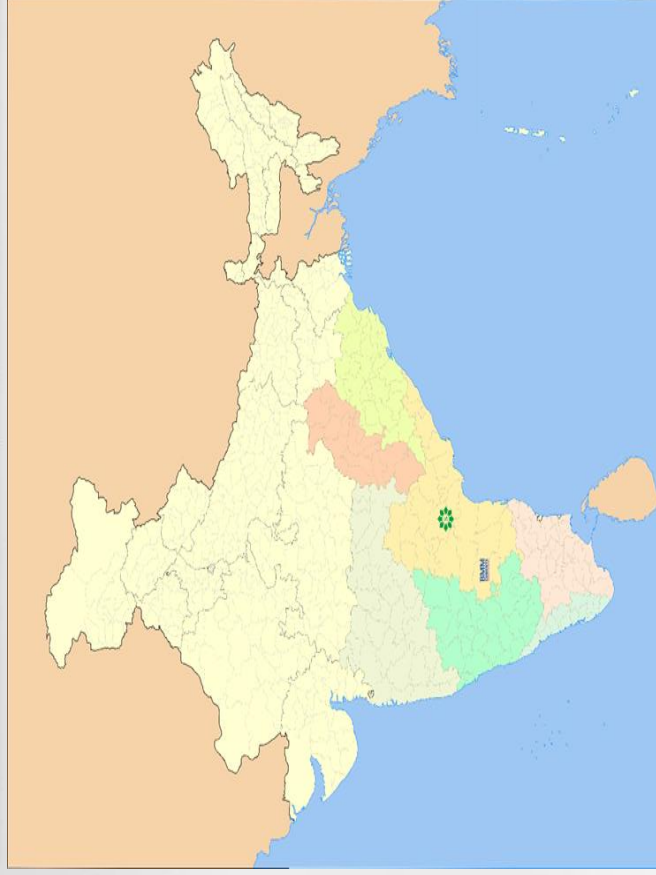
Journey so far...





Efficient Cement Producer

Strategically Located in proximity to Major Markets and Raw Material Sources



Proximity to Major Markets

- Plant located in close proximity to Major Markets.
- Average Lead Distance below 500 kms
- Very well connected to various Locations and Ports .

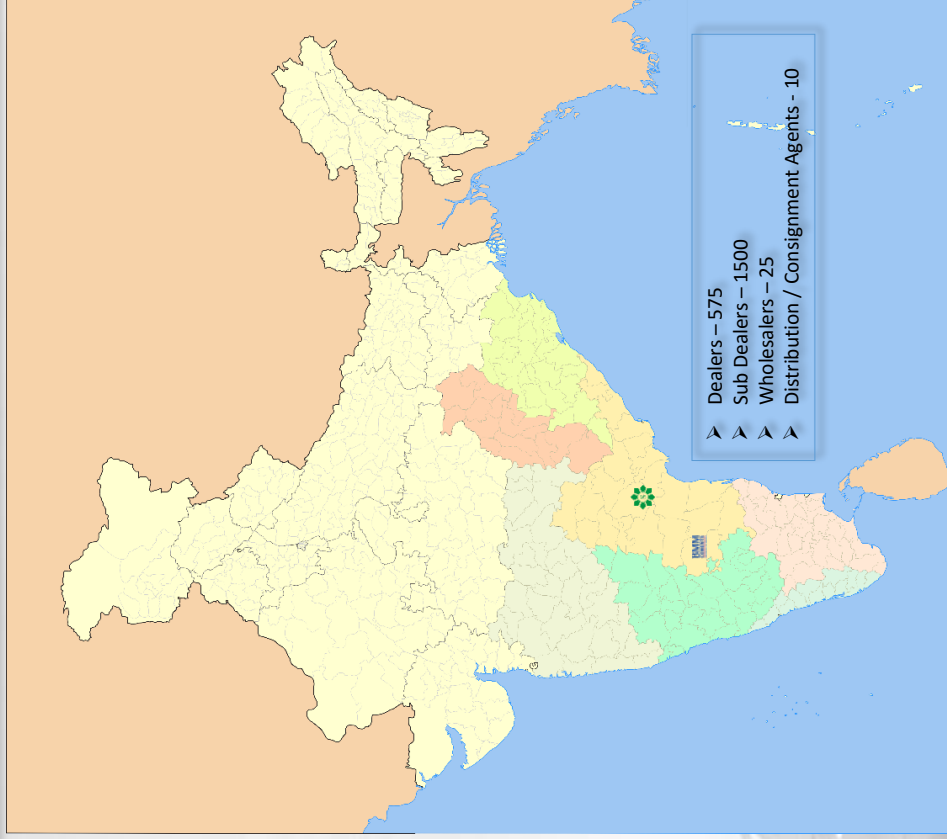
Proximity to Raw Material Sources

- Adequate Limestone reserves with over 1000 million Tons of proven Reserves
 - Company has Mining Lease on 1158 Acres
 - Company also has Prospecting License for 1967 Acres.
- Coal Mines (Major Fuel) are less than 150 kms from the Plant . Company has over 75% Coal Linkage from Singareni Collieries Company Limited and balance is sourced from overseas.
- Other Additives are also available abundantly nearby .
- Company sources 70% of its Electrical Power from the Grid, 15% from its group company & 10% from Energy Exchange.
- Packing Material is mostly sourced from its Group Company – Panchavati Polyfibres Limited



Good Brand Equity with Strong Sales & Distribution Network

Proximity to Major Markets



Good Brand Equity

Bus Shelter



Bus Paintings



Wall Paintings



Cab Paintings



Shop Paintings



Bus Panel





Strong & Experienced Team

Experienced & Technical Knowhow

- Professional and Experienced Management
- Over Three Decades of Experience
- In-depth understanding and knowledge of Market and Customer behavior
- Ability to acquire and integrate Plants and Processes
- Proven track record of setting-up Greenfield plants at Optimum cost/time.
- Most of the Senior Management have been with the Company for more than 15 Years

Certifications

- Company is Certified as
 - ISO 9001 : 2000 QMS
 - ISO 14001 : 2004 EMS
 - OHSAS 18001 : 2005
 - RMF & ICD for SOX Compliance

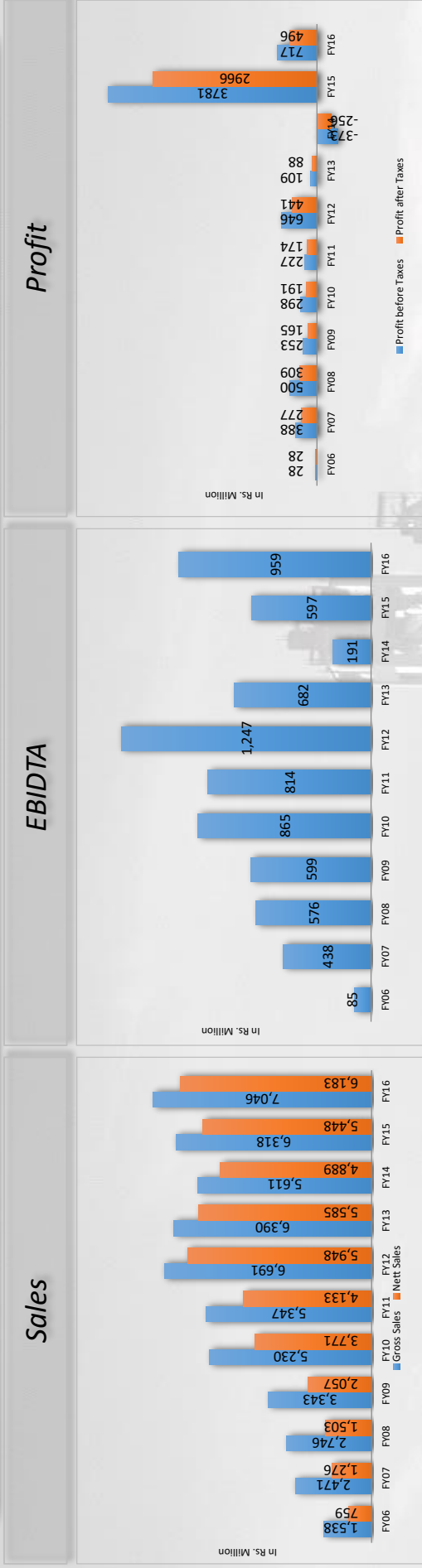


Board of Directors

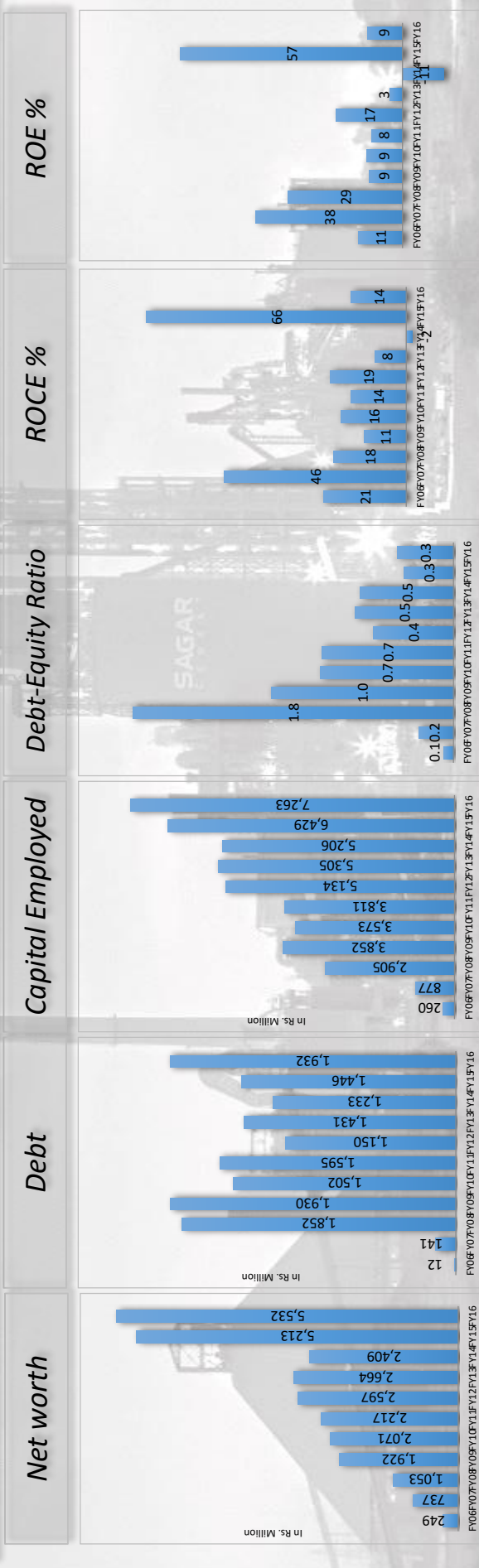
Name	Qualification	Experience
Shri O. Swaminatha Reddy Chairman & Independent Director	B.Com. (Hons) ACA	A Financial and Management consultant, known for his acumen in corporate finance. He has been associated with the Board since 1983. Earlier he had served as Chairman of Andhra Bank and AP State Finance Corporation. He is on the Board of several reputed companies.
Shri S.Veera Reddy Managing Director	Studied up to BA	An agriculturalist turned industrialist. Was a co-promoter of well known Priyadarshini Group of Companies. He was appointed as Managing Director in 1991 and has played a key role in steering the company to its present status.
Dr.S.Anand Reddy Joint Managing Director	MBBS	He also acquired a sick unit, viz Amareshwari Cements Limited, and successfully turned it around.
Shri S. Sreekanth Reddy Executive Director	B.E. PG Dip in Cement Technology	Inducted on the Board on 23rd November 1991, was later appointed as a Whole-time Director (Marketing and Projects) in 1992. He has been instrumental for promoting the subsidiary company Sagar Power Limited, of which he is presently the Managing Director.
Shri K. Thanu Pillai Independent Director	M.B.A. , CAIIB	After having gained industrial experience of over 15 years, he joined Sagar Cements as its Technical Consultant in 2002 and was inducted in the Board as a Whole-time Director.
Shri. John-Eric Bertrand Director	Commercial Engineer & MBA	Appointed as Director on 27 th February 1997. He has more than 30 years of experience in Banking and retired as Managing Director of State Bank of Hyderabad. He is also on the Board of several well known companies.
Shri V.H. Ramakrishnan	BSC, ACA, ACMA	Mr. John-Eric Bertrand is an Investment Manager at Ackermans & van Haaren NV. Before joining AVH, he worked as Senior Consultant at Roland Berger Strategy Consultants.
Smt. S. Rachana	BSC	Extensive experience for more than 35 years in both Domestic and International Banking during his career with Bank of India. Retired as General Manager (International) in April, 2001.
Shri Rajendra Prasad Nominee Director	M.Com ,LLB	Non-Executive Director
		Nominee Director of APDC



Financials



Net worth of the company expands more than 10 times in 7 Years

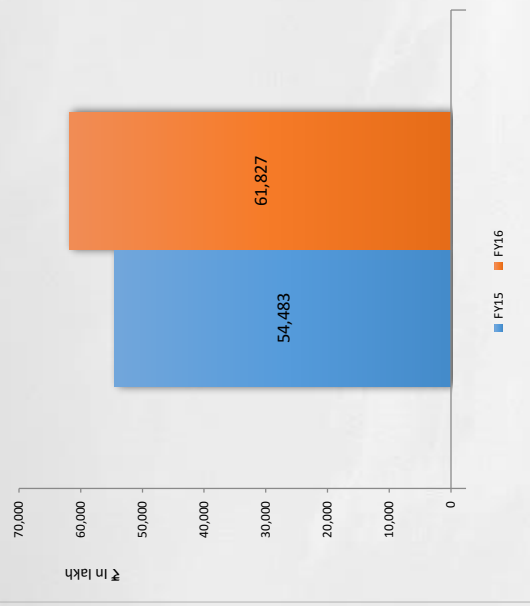




Financials – Current Financial Year

FY 2016

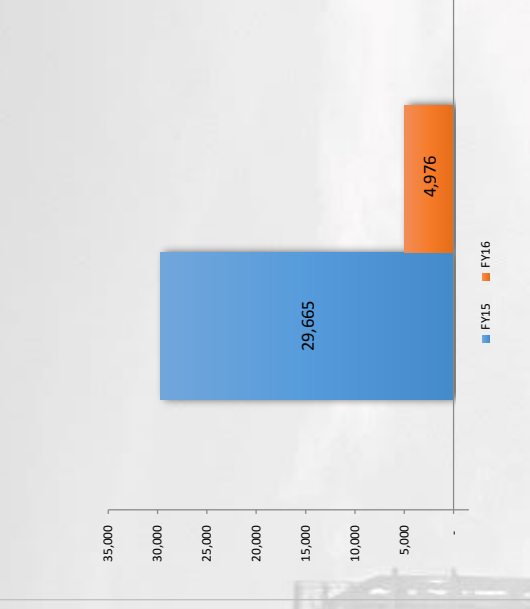
Net Income



EBITDA



Profit



- Net Income from operations up by 13.48% to Rs.61,827 lacs from Rs.54,453 lacs during FY15.
- EBITDA increased to ₹ 9,603 lakh from ₹ 5,969 lakh in FY15
- EBITDA margins improved to 15.45% from 10.89% in FY15
- Net Profit stood at ₹ 4,976 lakh compared to a Profit of ₹ 29,665, during last year.
- Diluted EPS at ₹ 28.62 for FY 15-16.



Past Years Financial Performance

₹ In Lakh
(except Dividend/D/E Ratio, EPS, Book Value per Share)

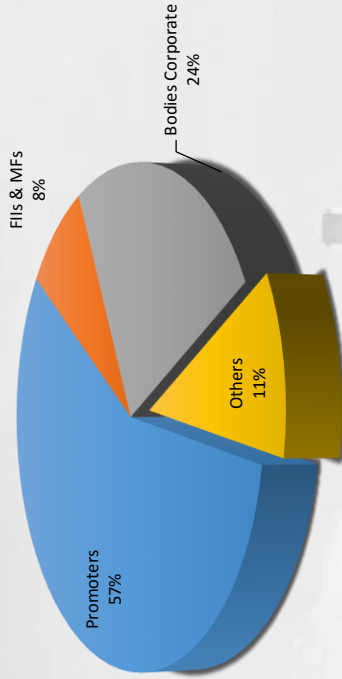
S.No	Year	Production	Equity	Reserves	Total	Turnover	PBD	Interest	PBD	Dep.	PBT	Tax	NPAT	Cash	Dividend %	Term Loan	D/E Ratio	EPS	Book Value Per Share
1	Dec-85	75919	284.89	89.87	374.76	941.47	242.81	80.24	162.57	74.88	87.69	0.00	87.69	162.57	10	578.00	1.54	3.08	12.78
2	Dec-86	111389	284.93	259.94	544.87	1307.43	338.09	82.59	255.50	88.60	166.90	0.00	167.20	255.80	10	578.00	1.06	5.87	18.79
3	Dec-87	111890	284.93	299.40	584.33	1275.74	322.29	87.19	235.10	176.86	58.24	14.00	46.89	223.75	12	590.20	1.01	1.65	20.21
4	Mar-89	150813	284.93	309.06	593.99	1626.02	281.69	103.67	178.02	137.91	40.11	7.15	32.96	170.87	10	711.95	1.20	1.16	20.59
5	1989-90	122074	284.93	311.59	596.52	1340.03	254.30	95.89	158.41	121.38	37.03	6.00	31.03	152.41	10	579.36	0.97	1.09	20.72
6	1990-91	120633	284.98	412.52	697.50	1604.76	393.03	105.90	287.13	120.54	166.59	20.00	143.68	264.22	15	418.04	0.60	5.04	24.31
7	1991-92	130407	284.98	468.62	753.60	1828.60	388.08	103.79	284.29	139.61	144.68	45.00	101.71	241.32	16	255.12	0.34	3.57	26.31
8	1992-93	154878	779.04	1055.01	1834.05	2488.16	542.94	213.30	329.64	178.19	151.45	0.00	151.10	329.29	16	1108.80	0.60	1.94	21.81
9	1993-94	180973	800.74	985.41	1786.15	2826.58	250.96	178.39	72.57	160.07	-87.50	0.00	-85.37	74.70	-	1376.00	0.77	-1.07	21.31
10	1994-95	256901	809.55	1141.93	1951.48	4201.63	705.71	346.47	359.24	208.97	150.27	0.00	153.64	362.61	-	1783.63	0.91	1.90	23.43
11	1995-96	256691	809.87	1540.01	2349.91	6260.26	1188.51	398.32	790.19	238.73	551.46	0.00	551.37	790.10	20	1488.09	0.63	6.81	28.39
12	1996-97	278827	809.89	1859.51	2669.40	7078.94	1111.00	334.23	776.77	251.39	525.38	70.17	455.22	706.61	16	1405.49	0.53	5.62	32.38
13	1997-98	305541	809.89	2087.66	2897.55	7380.83	915.66	296.22	619.44	253.33	366.11	50.17	297.23	550.56	16	1379.04	0.48	3.67	35.25
14	1998-99	296109	809.91	2205.67	3015.58	6766.06	707.90	272.75	435.15	268.18	166.97	17.24	123.95	392.13	-	1255.98	0.42	1.53	36.77
15	1999-00	340107	1121.00	2249.75	3370.75	7574.53	542.99	236.77	306.22	252.75	53.47	2.00	50.01	302.76	-	2178.87	0.65	0.45	37.77
16	2000-01	393509	1126.05	2498.10	3624.15	9553.18	1153.73	458.38	695.35	313.40	381.95	35.37	346.58	659.98	12	1877.25	0.52	3.08	32.18
17	2001-02	386545	1115.23	2752.83	3868.06	10073.54	1073.55	433.44	640.11	356.07	284.04	61.10	222.94	579.01	0	1991.43	0.51	2.00	34.68
18	2002-03	312887	1115.23	1891.36	3006.59	8119.64	-16.52	459.61	-476.13	385.65	-861.78	-134.82	-726.96	-341.31	0	2212.03	0.74	-6.52	26.96
19	2003-04	355004	1115.23	1903.43	3018.66	11134.26	950.10	569.24	380.86	368.79	12.07	-52.51	64.58	433.37	0	2214.82	0.73	0.58	27.07
20	2004-05	341118	1115.23	2055.06	3170.29	12377.68	1089.07	464.71	624.36	321.60	302.76	130.35	172.41	494.01	10	592.79	0.19	1.55	28.43
21	2005-06	279500	1115.23	2183.96	3299.19	15443.46	848.04	260.91	587.13	302.18	284.95	1.60	283.35	585.53	10	117.79	0.04	2.54	29.58
22	2006-07	276400	1376.83	6833.72	8210.55	24802.14	4383.73	160.38	4223.35	341.43	3881.92	1115.24	2766.68	3108.11	25	1407.35	0.17	24.52	59.63
23	2007-08	282242	1388.26	10294.34	11682.60	27561.42	5759.05	340.09	5418.96	413.46	5005.50	1909.94	3095.56	3509.02	25	18521.42	1.80	23.70	84.15
24	2008-09	431250	1500.23	19742.85	21243.08	33511.06	5985.54	1589.88	4395.66	1872.25	2523.41	877.74	1645.67	3517.92	20	19300.32	1.00	11.48	141.60
25	2009-10	1120351	1500.23	22245.57	23745.80	52979.04	8645.92	2895.07	5750.85	2768.85	2982.00	1069.65	1912.35	4681.20	25	15024.00	0.73	12.75	158.28
26	2010-11	1490662	1738.80	20425.94	22164.74	55394.89	8139.19	3113.95	5025.24	2759.79	2265.45	524.25	1741.20	4500.99	20	15952.97	0.72	10.01	148.16
27	2011-12	1625336	1738.80	24231.3	25970.1	75468.8	12469.2	3418.2	9051	2589.7	6461.3	2049.7	4411.6	7001.3	30	11505.2	0.44	25.37	149.36
28	2012-13	1587419	1738.80	24905.85	26644.65	72120.29	6822.15	3055.38	3766.77	2674.39	1092.38	214.40	877.98	3552.37	10	14307.18	0.54	5.05	153.24
29	2013-14	1419943	1738.80	22347.75	24086.55	63071.16	1912.94	2954.75	-1041.81	2693.40	-3735.20	1177.09	-2558.11	135.29	0	12327.79	0.51	-14.71	138.52
30	2014-15	1551598	1738.80	50394.47	52133.27	63179.84	42265.6	2308.23	39957.4	2150.47	37806.9	8141.70	29665.2	21927.53	75	14456.08	0.27	170.6	299.82
31	2015-16	1517859	1738.80	53577.16	55315.96	70462.46	12415.24	2903.49	9511.75	2336.76	1714.99	2211.05	4963.94	366.82	50	12189.78	0.22	28.55	318.13





Shareholding

Shareholding Pattern



as on 30th June 2016

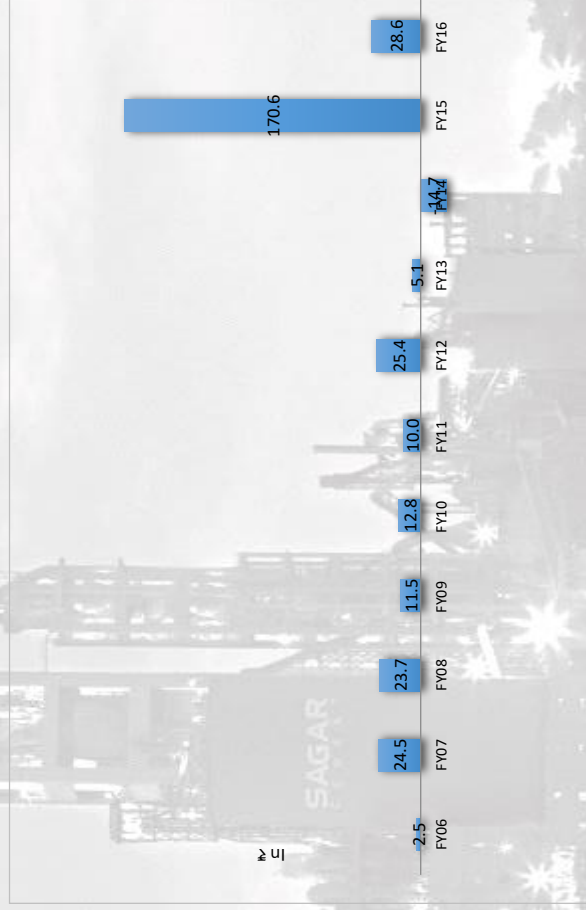
Few Key Investors

Few Key Investors			
FIIs & MFs			
S.No	Name of the Shareholder	% of Holding	
1	SBI Mutual Funds	5.40	
Bodies Corporate			
1	Twinvest Financial Services Limited	4.68	
2	AVH Resources India Private Limited	18.85	

Capital Structure

Particulars	Nominal Amount In ₹
Authorised Share Capital	22,00,00,000
Issued, Subscribed and Paid up Share Capital	17,38,80,140

Earnings per Share (EPS)





Group & Associated Companies



Incorporated on 23rd June 1994 . Authorized capital : INR 150 Millions .
Paid up capital : INR 108.60 Millions

- Hydro Power : 8.30 MW (4.30 MW plant at Guntur branch Canal, Guntur Dist. & 4.00 MW at Lock-in-sula , Kurnool Dist. , Andhra Pradesh , India)
- Wind Power : 1.65 MW capacity Turbine from Vestas commissioned on June 2nd 2009 at Theni Dist. , Tamil Nadu and expected PLF is 32%
- The company is holding 100% stake in Super Hydro Electric Private Limited which is implementing 28.30 MW Hydro Power Generation in Uttarakhand



Turn Key Solutions provider (Design, Engineering & Project Management) to Cement Industry & Small Hydro Power Projects .
Major Customers are :

- Bharathi Cement Corporation Limited
- Vicat Sagar Cement Private Limited
- Maruthi Cements Limited, Nepal
- Keerthi Industries Limited, Hyderabad
- Super Hydro Electric Private Limited
- Syrian Cement Co., Aleppo
- Alchaba Cement, Syria
- Trotus Cement, Syria
- Amrit Cement, Meghalaya



PANCHAVATI POLYFIBRES LIMITED

- Incorporated on 15th Nov 1984. Authorized capital : INR 40 Millions . Paid up capital : INR 15.68 Millions
- Manufacturing of Woven Sacks with a capacity of 58.50 Million sacks with 90 Looms
- Major Customers are Sagar Cements , My Home Cements , Penna Cements and other Cement Industries in Andhra Pradesh



To sum it up.....

- Strong and Experienced Management Team
- Continuous focus on cost control and improvement in Operating Efficiency
- Well positioned to capitalize on growth .
- Strong Sales and Distribution Network



Disclaimer

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