



Empowering Resilience

Fuelling Operational Success
Driving Sustainable Impact

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Investor Information

Market Capitalisation as at : ₹ 4,518.74 Crore
31st March, 2023

CIN : L26942ML2001PLC006663

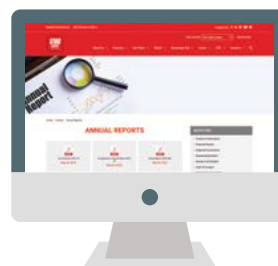
BSE Code : 540575

NSE Symbol : STARCEMENT

AGM Date : 28th September, 2023

AGM Venue : Video Conferencing ('VC')/
Other Audio Visual Means ('OAVM')

Scan to download our
previous year's Annual Report



For more investor-related information, please visit-
<https://www.starcement.co.in/investor/annual-reports>

Disclaimer: This document contains statements about expected future events and financial of Star Cement Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Empowering Resilience

Fuelling Operational Success

Driving Sustainable Impact

The present era is characterised by intricate disruptions, stemming from various sources, and carrying long-lasting effects. To survive in this landscape and respond to these disruptions, it is imperative for organisations to be well-equipped. They are also realising that their existing risk management methods must adapt to this changing landscape. The need of the hour is to develop resilience as the foundation of operational success and to drive sustainable impact.

Resilience lies at the heart of Star Cement's organisational philosophy. It serves as the driving force that empowers us to overcome challenges, navigate uncertainties, and emerge stronger in the face of a rapidly evolving business landscape. We have embraced a culture of adaptability, consistently redefining our strategies, processes, and technologies to stay ahead of the curve.

By optimising our operations, harnessing technology, and fostering a high-performance culture, we have achieved significant milestones. Our focus on operational excellence has allowed us to streamline processes, boost productivity, and deliver exceptional value to our stakeholders.

Our pursuit of success extends beyond financial achievements to encompass our responsibility towards the environment and the society. We are firmly committed to minimising our environmental footprint, reducing emissions, conserving resources, and promoting social welfare. Through sustainable practices, we strive to create a positive and enduring impact on the communities in which we operate.



Driving Sustainable Impact for Our Stakeholders

We have developed a comprehensive strategy to facilitate effective engagement, thereby ensuring timely and consistent communication of pertinent information to each stakeholder group. We strive to establish and maintain trust, transparency, and mutual understanding with our stakeholders, ultimately creating long-term value for them.



Customers

We strive to consistently deliver high-quality products and exceptional service to our customers. Our aim is to address their concerns through proactive feedback mechanisms and personalised solutions.

Empowering Innovation Embracing Technology



WhatsApp for Business



SAP Implementation



Robust Customer Portal



Star Saathi App



Star Lotus App



Star Stellar App



Star Link App





Investors

Recognising the importance and the expectations of our investors, we regularly provide transparent financial reporting and updates on business performance. The aim is to foster open communication to build long-term trust and maximise mutual value.

₹ 2,705 Crore

Revenue

₹ 248 Crore

Profit After Tax

10.80%

Return on Equity

₹ 6.13

Earnings Per Share

₹ 26 Crore

Total Debt



Employees

Our employees are an integral part of the Company and we value their well-being and growth. Fulfilling our commitment towards them, we offer a safe and inclusive work environment, competitive compensation, opportunities for professional development, and meaningful employee engagement programmes.

3,983

Total Workforce

₹ 23.13 Lakh

Total Employee Training Cost

75%

Trained Employees



Community

As responsible corporate citizens, we understand the significance of the community where we get the social acceptance to operate. The development of these communities through our corporate social responsibility (CSR) initiatives has thus become one of our prime responsibilities.

₹ 8.50 Crore

Amount Invested Towards CSR

3,80,818

CSR Beneficiaries

Resilience, Success, and Impact

Defining Star Cement

Star Cement Limited (hereinafter referred to as 'Star Cement' or 'the Company' or 'We') has emerged as a prominent player in the Indian cement industry, particularly in the north-eastern region. The Company's remarkable growth can be attributed to our unwavering commitment to new ideas/continuous improvement. Additionally, we have also expanded our presence in states such as West Bengal and Bihar.

We are committed to offer superior quality products and maintaining a comprehensive supply chain ecosystem. All this has given us a strong brand recall. Moreover, the Company's unparalleled dedication to uplifting the community has further solidified our reputation and contributed to our remarkable success.



Our Vision

- ▶ To become the fastest growing and the most competitive cement Company in Eastern India
- ▶ To be respected for a high level of integrity and value
- ▶ To achieve 15 Mn metric tonnes capacity in next five years



Our Mission

- ▶ To provide utmost satisfaction to the consumer by providing the best-quality products and better customer support
- ▶ To continuously upgrade the products through innovations and convergence of new technology and to produce the best quality at the lowest cost
- ▶ To safeguard and enhance shareholders' value
- ▶ To respect the dignity of all employees and together become instrumental in the development of the country by protecting the environment
- ▶ To utilise the surpluses for the welfare of employees and society at large

Driving Success with a Diverse Product Portfolio

OPC43

Suitable for Construction

OPC53

Provides High Strength and Durability

PPC

Ideal for Mass Concreting and Masonry Mortars

ARC

Star Cements Innovative Product

PCC

Recent Addition with Premium Ingredients



Sustainable Product Design

At our organisation, innovation drives customer satisfaction, safety, and sustainability. We offer a diverse range of high-quality cement products, including OPC, PPC, and ARC, to cater to different construction needs.

Star Antirust Cement - Innovating Construction with Enhanced Durability

Innovative, durable, and preferred for rust-free reinforced concrete structures

Prevents rust

New damp proof technology with special additive forms a protective coating, doubling the lifespan of structures by reducing rusting and corrosion risk.

Sets faster

Unique composition enables quicker setting, saving time and enhancing project efficiency during construction.

Resists weather

Formulated to withstand harsh conditions, including heavy rainfall, ensuring long-term structural integrity.

Reduces seepage

High fineness results in a denser concrete mix with fewer voids, minimising seepage issues and improving structure quality.

Provides high coverage

Higher blain and fineness offer better coverage with fewer bags required per unit of construction, reducing costs and material usage.

Our Chairman's Letter



Our voyage is a testament to perpetual transformation, with adaptability as our guiding star. Simultaneously, we steadfastly pursue the expansion of our market footprint within our current regions, while vigilantly safeguarding the vigour of our profit margins.



Dear Shareholders,

I hope this message finds you in good health and high spirits. I would like to express my deepest gratitude for your unwavering support, which has propelled the Company to remarkable heights. Despite several challenges such as those due to inflationary pressure, we have been able to clock in good financial performance, consistently maintaining positive margins. This can be attributed to our prudent strategies and capabilities and years of experience in the field, which have empowered us to remain resilient even in the face of challenges.

Resilient performance

We have been resilient across multiple fronts, which is evident in our robust financial performance. With consistent growth in sales, the Company has demonstrated its ability to adapt and meet evolving market demands. Furthermore, the Company has focused on the current market landscape, with strategic efforts to expand its market presence. This has played a significant role in ensuring continued achievements for the Company, thereby strengthening its standing as a pivotal industry participant.

Star Cement Limited embarked on a remarkable journey of expansion and accomplishment, guided by enduring strategies. Through our dedication and relentless efforts, we achieved extraordinary outcomes and significant milestones in the previous fiscal year.

We witnessed a notable increase of 5.46 Lakh tons in clinker production. This marked a growth of more than 25.13% compared to 13.8% in the previous year. Cement production also experienced a surge of 19.11%, showcasing the upward trajectory of the Company.

Our financials were equally impressive, with our total revenue reaching an impressive figure of approximately ₹ 2,705 Crore, surpassing the previous year's ₹ 2,222 Crore. Despite the increase in power & fuel prices, we have maintained a steady average cost of ₹ 2.0 per Kcal for power and fuel consumption.

From the trading perspective, we registered a remarkable 89% trade volume in FY 22-23. In line with our growth objectives, we are focused on expanding our trade share by introducing new brands by the end of the second quarter of FY 23-24. This strategic move is aimed at creating a demand pull for our premium products and further strengthen our market position. Notably, we witnessed exceptional growth outside the North-east, expanding by an impressive 34%. This success has led us to realise the importance of continuously exploring opportunities outside the North-east. With the right team in place and a strong organisation, we are determined to venture into

new markets and leverage viable opportunities for sustained growth.

We have also made significant changes within the organisation to support this expansion. A new manufacturing officer, with extensive experience in production process, was appointed to oversee all plants. Moreover, the recent addition of Mr. Vinit Kumar Tiwari as the new CEO has brought valuable expertise and knowledge in the northern and eastern markets, and is expected to create exciting opportunities of growth.

Industrial Opportunities

With increasing developments in the infrastructure sector, the cement industry finds itself at the forefront of a multitude of opportunities. With increased investments in construction projects, including roads, bridges, and buildings, the demand for cement is poised to soar. This is a promising opportunity for the cement industry to capitalise on and further expand its reach.



The cement sector in India is poised for remarkable growth, supported by compelling data and favourable market conditions. According to estimates by the National Council for Cement and Building Materials (NCCBM), India's cement industry is projected to witness an addition of 80 Mn tons capacity by 2025, with an aim to reach a market size of 4,832.6 Mn tons by 2028. This reflects a compound annual growth rate (CAGR) of 4.94% during 2023-2028.

India holds the distinction of being the second-largest cement producer globally, commanding an 8% share of the global installed capacity in cement production. With a staggering total of 210 large cement plants, including 77 concentrated in states like Andhra Pradesh, Rajasthan, and Tamil Nadu, the country's cement industry boasts a robust foundation for growth.

The recent budgetary allocation of ₹ 10 Lakhs Crores towards infrastructural development has further paved the way for incremental opportunities in the sector. This investment signifies the government's unwavering commitment to bolstering infrastructure, creating a ripple effect that directly benefits the cement industry. Moreover, our sector's strong linkages with other key sectors such as infrastructure, construction, housing, transportation, coal, power, and steel amplify our impact and enable us to contribute to the implementation of various government flagship schemes and visions. Some of these include housing for all, smart cities, concrete

highways, dedicated freight corridors, clean India mission, ultra-mega power projects, and waterways. These compelling factors position India's cement industry as a catalyst for economic growth, job creation, and sustainable development.

Tactical Priorities for Grasping the Expanding Opportunities

Star Cement is prioritising specific actions and strategies for the Company to capitalise on the opportunities presented by a growing market/industry. Our tactical priorities for expansion include assessing potential opportunities, leveraging premium product sales, balancing volume growth and profitability, strengthening presence in the north-east market, evaluating the utilisation of existing plants, and outlining a future expansion roadmap.

Evaluating Opportunities

We are also considering potential opportunities for expansion outside the north-east region, including acquiring mine or plant. Our decision on which opportunity to pursue will be based on factors like cost, feasibility, and alignment with our long-term goals.

Volume and Profitability Growth

We aim to achieve a healthy volume growth target of around 12%-15% maintaining profitability. This underscores our commitment to balancing growth with profitability and optimising operational efficiency.

Expanding in the North-east Market

Our immediate focus is on the north-east market, where we are experiencing robust growth. Our aim is to tap into the region's growth potential and establish a strong presence before expanding outside.

Utilisation of Siliguri Plant

We plan to utilise our Siliguri plant for production, prioritising meeting the cement demand in the north-East market. Once the new clinker plant is operational, we will explore expansion into markets outside the north-east to bridge volume gaps.

