SANWARIA CONSUMER LIMITED

SANWARIA CONSUMER LIMITED

(Formerly known as “Sanwaria Agro Oils Limited”)

A FMCG FOOD PRODUCTS COMPANY

Investors Presentation

SAFE HARBOR

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SANWARIA CONSUMER LIMITED

Q1 FY 18-19 PERFORMANCE HIGHLIGHTS

Value (Rs. In mn)	Q1 FY 18-19 (Unaudited
Description	**03m**
Total Income	12001.49
Operating Profit	**601.58**
Profit before Extraordinary item and tax	399.66
Tax	77.93
Profit After Tax and before Extraordinary Items	321.72
Net Profit	**321.72**
EPS	**0.44**

PERFORMANCE HIGHLIGHTS

SANWARIA CONSUMER LIMITED

- Net Profit for the Q1 FY 2018-19 (Unaudited) has increased by 72.84% to Rs. 32.17 Crores from Rs. 18.61 Crores in corresponding quarter of last fiscal year

- Revenue for Q1 FY 2018-19 has increased by 4.00% to Rs. 1200.15 Crores (Unaudited) from Rs. 1154.04 Crores as against same period last year.

- EBITDA margin stood at 5.02% in Q1 FY 2018-2019 as compared to 3.58% in Q1 FY 2017-2018

- Diluted EPS of the Company stood at Rs. 0.44/- for Q1 FY 2018-19 against Rs. 0.25/- for Q1 FY 2017-18.

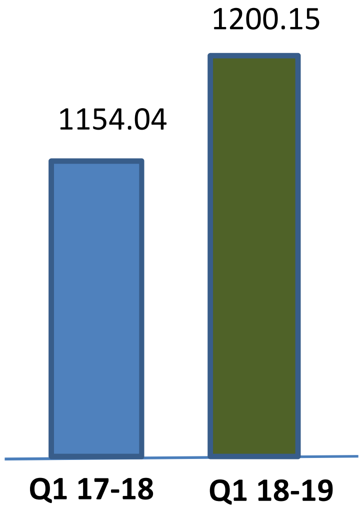
- Continue growth in top line and bottom line.

4.00%

Growth

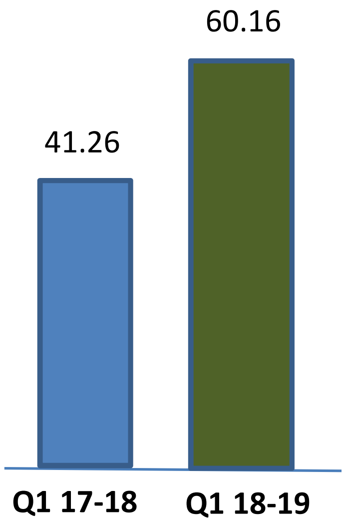
In Turnover Q1 FY 18-19

IMPROVED FINANCIALS



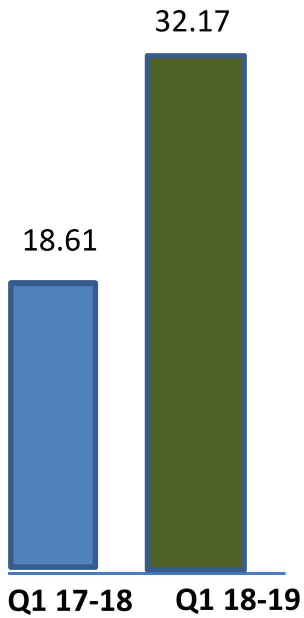
REVENUE

Rs. 1200.15 Crores



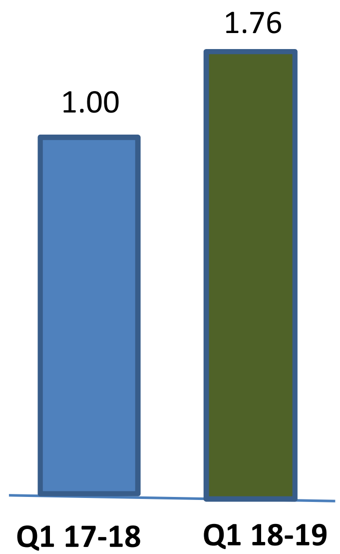
EBIDTA

Rs.60.16 Crores



NET PROFIT

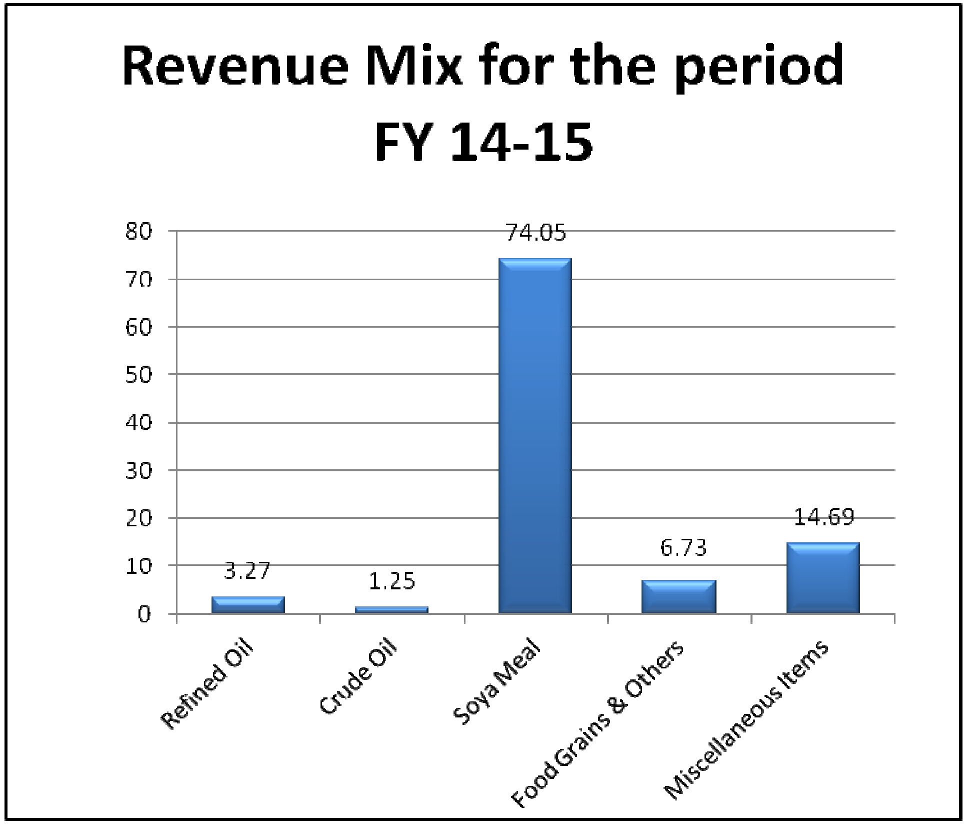
Rs. 32.17 Crores

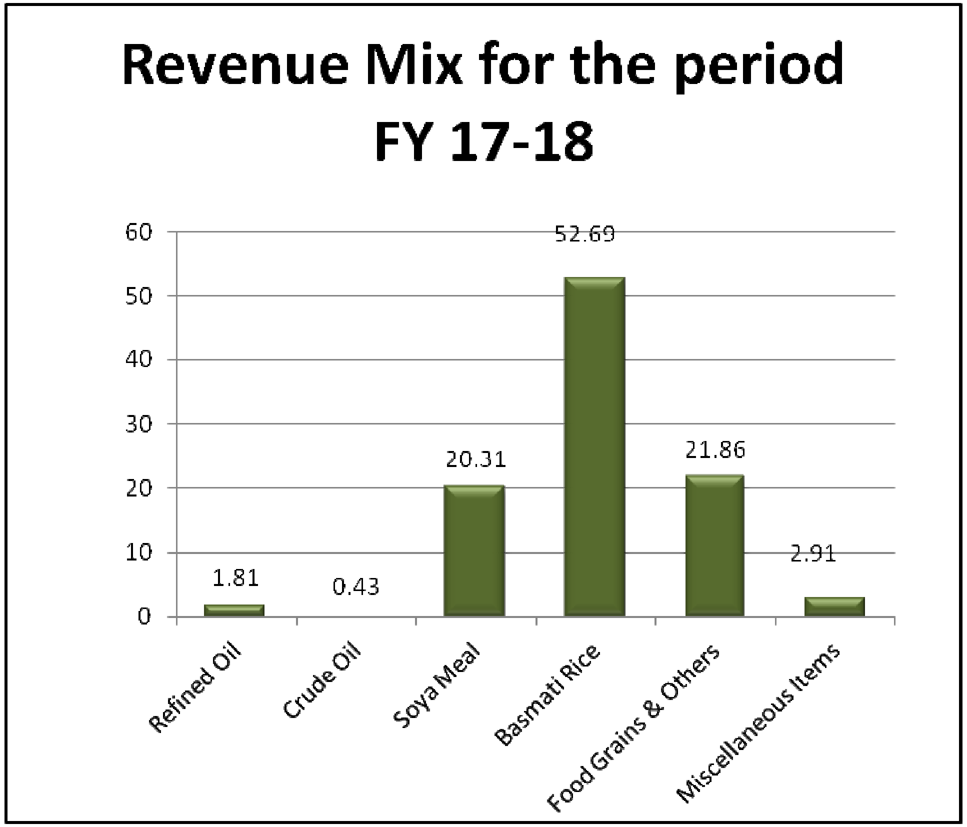


ANNULAISED EPS

Rs. 1.76

- Figures Pertaining to Financial Year 2018-19 are Unaudited.





"Product mix of the Company has been changed from Commodity based business to FMCG Company with Basmati Rice as the main contribution."

CORPORATE ACTION

SANWARIA CONSUMER LIMITED

Name Change	• Name of our company has been changed from "Sanwaria Agro Oils Limited" to "Sanwaria Consumer Limited".
Dividend	• Company has also paid Final dividend @5% on equity shares (After bonus) totaling 15% for the FY16-17.
BONUS ISSUE	• Company has given bonus share in ratio of 1:1(1 Fully paid up equity shares for every 1 share held)

External Rating

- Credit rating of the company has been upgraded to BBB+ from BBB.

Preferential Issue

- Company has proposed for preferential allotment of Equity shares to the tune of Rs. 100.00 crore @35/- shares to reduce the Debt of the company.

ESOP

- Company has also proposed for Employee stock option plan.

PROFITIBILITY STATEMENT

Value (Rs. In mn)	FY 16-17 (Audited)	FY 17-18 (Audited)	Q1 FY 18-19 (Unaudited
Description	**12m**	**12m**	**03m**
Net Sales	35124.35	50547.30	11981.38
Other Income	137.52	118.48	20.11
Total Income	35261.87	50665.78	12001.49
Expenditure	34018.51	48676.52	11399.91
Operating Profit	**1243.36**	**1989.26**	**601.58**
Interest	669.05	743.97	181.86
Gross Profit	574.30	1245.29	419.72
Depreciation	72.73	80.28	20.07
Profit before Extraordinary item and tax	501.58	1165.02	399.66
Tax	60.98	318.16	77.93
Profit After Tax and before Extraordinary Items	440.59	846.86	321.72
Extraordinary Items	0.00	0.00	0.00
OCI (Net of Tax)	0.00	18.31	0.00
Net Profit	**440.59**	**865.16**	**321.72**
Equity Capital	368.05	736.10	736.10
Reserves	3752.39	4205.20	4526.93
Face Value (in Rs.)	1.00	1.00	1.00
EPS	**1.20**	**1.18**	**0.44**

BUSINESS TIE-UP

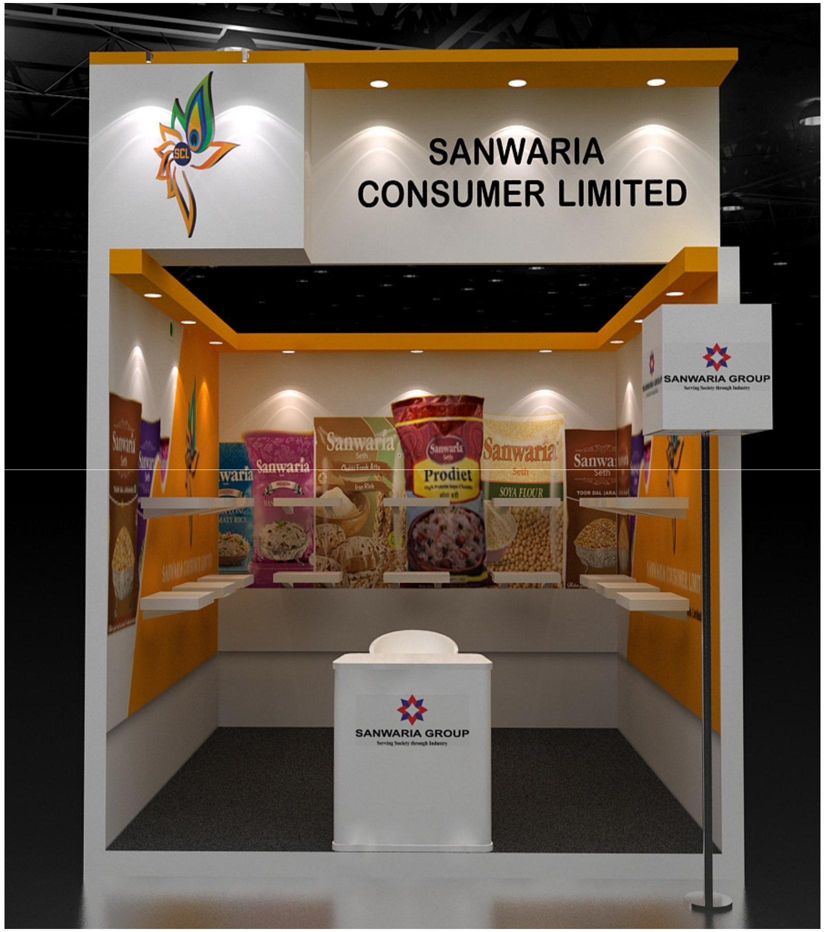
- Company has entered into an agreement with **“Patanjali Ayurved Limited”** to manufacture and supply **Soya Chunks or Soya Bari** in the **“Patanjali Brand”**.

•Looking to the recent tie-up of Patanjali with online platforms or virtual marketing networks like Flipkart, Amazon, Bigbasket, Grofers etc. SCL Products will also be available on all these platforms as a manufacturer.

SANWARIA CONSUMER LIMITED

BRAND BUILDING

- Company is opening retail outlets under the brand name **“Sanwaria Consumer Shoppy”**.
- The Company has already opened up 28 stores at different locations of Madhya Pradesh.
- 25 more stores are in pipeline and will be opened shortly.
- We will open 100 stores in MP and Maharashtra. Thereafter, planning to cover other parts of India with 500 stores.



Sanwaria Consumer Shoppy model

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STANDALONE BALANCE SHEET

SANWARIA CONSUMER LIMITED

LIABILITIES		Rs. In Mn
	FY17 (Audited)	FY18 (Audited)
Shareholder's Funds		
Share Capital	368.05	736.10
Reserves & Surplus	3752.39	4205.20
Share Application Money	0.00	1000.00
Non-Current Liabilities		
Long Term borrowings	93.78	186.92
Deferred Tax Liabilities	162.89	152.79
Long Term Provisions	2.03	4.54
Current Liabilities		
Short Term Borrowings	9840.45	9721.54
Trade Payables	454.58	665.46
Other Current Liabilities	268.62	156.03
Short Term Provisions	175.99	488.38
Total Liabilities	**15118.78**	**17316.96**

ASSETS		Rs. In Mn
	FY17 (Audited)	FY18 (Audited)
Non- Current Assets		
Fixed Assets		
a) Tangible Assets	1069.60	989.32
Non Current Investments	362.97	362.95
Long Term Loans & Advances	170.66	174.95
Other Non Current Assets	-	-
Current Assets		
Inventories	5052.66	5249.10
Trade Receivables	7271.63	9160.35
Cash & Bank Balances	166.33	292.61
Short Term Loans & Advances	1024.93	1087.68
Total Assets	**15118.78**	**17316.96**

AWARD/RECOGNITION

- Recently company is ranked 313th in amongst top 500 companies on the basis of turnover by "Fortune India 500".
- The Company is ranked 283 in Financial Year 2016-17 amongst 1000 India's finest Companies on the basis of Net Revenue by the "**The Financial Express – FE1000**".

SANWARIA CONSUMER LIMITED

ABOUT Sanwaria Consumer Limited

SANWARIA CONSUMER LIMITED

COMPANY OVERVIEW

- Sanwaria Consumer Limited is one of the largest integrated food processors in India and is engaged in the business of manufacturing and selling of edible oil and other staple food products like Soya, Rice, Pulses and Wheat etc.

- Sanwaria is presently one of the top names in the industry having its presence in various growing sectors like Renewal Energy, Infrastructure, Hospitality, Warehousing, and more prominently FMCG food processing.

- As a Flagship company in the Group "Sanwaria Consumer Ltd" is primarily engaged in food processing which includes:
  - Soybean Processing- for extraction of Soya Oil, Soya Meal (De-oiled Cake), Soya Flour, and Soya Chunks (Soya Bari)
  - Paddy Processing- for Basmati and Non Basmati Rice
  - Rice Bran Oil Processing
  - Wheat Processing-for Flour, Maida, Rawa, Suji, Dalia, Chakki Fresh Atta
  - Gram Processing- for Besan

- Sanwaria Consumer Limited is a mission driven company Incorporated in 1991 and listed on BSE and NSE.

- Started with regional presence and grown up worldwide. It is ISO 14001, 22000, GMP and Halal Certified. Also awarded as a Government Recognized Export Trading House by DGFT.

- The Company has manufacturing units at 3 location - Mandideep, Itarsi and Betul, strategically located in the food production and consumption belt in India.

- The Company is involved in the food business for more than 25 years and has built a very strong sourcing capabilities by direct procurement of agricultural produce through more than 80 direct collection centre. This has lead to significant cost economies in procurement.

- The Company has a strong distribution network with reputable brands like **Sanwaria**, **Narmada, Sulabh and Nashira.**

- The company has strong backward integration for its raw material having innovative model of Direct Procurement Centers (DPC) across the state.

- Amazing forward network of C&F agents, Distributors, Retail chains, Malls for sale and marketing of its products.

- Sanwaria has adopted strategy to convert its conventional commodity and agro based business into an FMCG Business by adding new product range like Suji, Maida, Dalia, Besan, Chakki Fresh Atta, Poha, Soya Flour, Sugar Pulses and packaged food, etc.

- Presently have 35 no. of products which will gradually taken to 50 and the finally to 100 no. of products basket with in next 2-3 years.

- It has an installed capacity of 2,500 TPD for soya bean crushing and extraction of crude oil and de-oiled Cake (Soya Meal) installed capacity of 250 TPD for oil refining.

- The Company has commissioned and started the production of Basmati Rice with a capacity of 200 TPD in Mandideep in 2013 and 300 TPD in Kiratpur Itarsi in 2015.

- The Company has planned to open 100 ATM size stores starting with MP and then rest of India to sell our products directly to consumers. 25 of such stores are already opened at different places of MP and another 25 in pipeline.

- The Company is ranked 240 in Financial Year 2016-17 on the basis of Total Revenues by the "**Business Standard BS – 1000".**

INDUSTRY OVERVIEW

SANWARIA CONSUMER LIMITED

Food sector in India :

- India is the world's second largest producer of food products next to China and has the potential of becoming the largest producer in the near future.
- In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.
- The food industry, which is currently valued at US$ 39.71 billion is expected to grow at a Compounded Annual Growth Rate (CAGR) of 11 per cent to US$65.4 billion by 2018.
- Food and food products constitute ~35% of the wallet spend. Out of this more than 50% comprise of staples like wheat, rice and edible oil.
- Current per capita food expenditure in India is 1/6th of China and 1/16th of US.
- Spending on processed food is likely to surge 4x by 2020 as the segment has grown at a CAGR of 18% in the past five years.

- **Increasing demand of Soya based products :**
- Soybean has 60% protein content and the fats in soybean oil has shown to help reduce total cholesterol, lower LDL or bad cholesterol levels and increase HDL or good cholesterol levels.
- Soya based products are the cheapest source of proteins for vegetarians worldwide.
- Soya foods provide high quality protein and are low in saturated fat. This along with the growing health consciousness amongst people has lead to rapid acceptance of soya foods like soya milk, soya flour, soya nuggets, soya pasta, soya flakes etc.
- With growing urbanization, favorable demographics, increasing health consciousness and the instances of adulteration in unbranded goods, the branded foods category is expected to continue its growth.
- The packaged part of the F&B segment is estimated to grow at a CAGR of ~10% for the next 5 years.

PROMOTERS PROFILE

SANWARIA CONSUMER LIMITED

Name	Description
Shri Anil Agrawal	He is a Doctor & D. Let of Philosophy in Management, Chartered Accountant and Master of Commerce He looks after finance, accounts and taxation matters of the company. Being a qualified person his contribution in company is always appreciative. His suggestions are always in best interest of the company. He is actively involved in fund management. He deals with all finance and law related matters coming in day to day activities. He keeps on trying his best efforts essential for success and prosperity of the company. He has developed overall internal control system in company.
Shri Gulab Chand Agrawal	He is commerce Graduate and has 25 years of experience of handling cash, dealing with banks. He looks after working capital management of the company apart from cash and mandi/farmers payment management. He has a very good contribution in developing internal control system for the cash.
Shri Ashok Agrawal	He is a Commerce graduate and has more than 25 years experience of production /manufacturing. He has been involved in Factory Management, Marketing, Personnel Recruitment, Labor Management, and General Administration. He looks after overall factory/plant, sales/market of the company's all products.
Shri Satish Agrawal	He is a Commerce graduate and has 25 years of experience related to Dal mill, trading and procurement of various items from mandi and farmers. He has been involved to forging strong relationship with farmers. He looks after overall procurement activity of soya seed and other items for the company. He is also associate with day to day affairs of Roller Flour Mills and Solvent Extraction Plant.

KEY MILESTONES

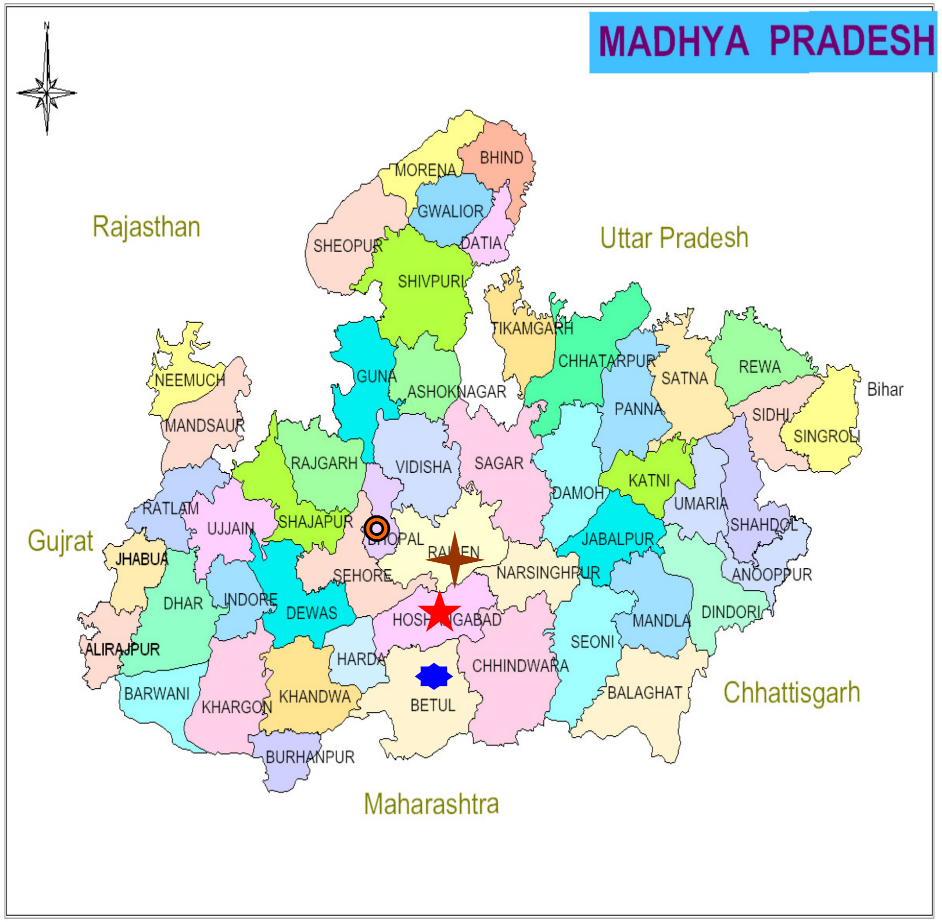
SANWARIA CONSUMER LIMITED

- **1991** – Incorporation of SAOL
- **1993** – Itarsi plant commences operation
- **2002-04** – Launch of “Sulabh”, “Narmada” and “Sanwaria” brands
- **2005** – Started Production at Mandideep Plant
- **2006** – Commences production of Lecithin and High Protein soy meal
- **2008** – Expansion at mandideep unit with capacity of 1000 TPD
- **2009** – Started Production at Betul Plant having capacity of 500TPD
- **2011** – Setup of marketing office in Mumbai, Commences Import of commodities and Incorporated an offshore subsidiary in Singapore
- **2012** – Conversion into FMCG and Launch of Chakki Fresh Atta
- **2013** – Set up of Mandideep-Rice division with installed capacity of 200 TPD and started the production of Basmati Rice under the brand name of “SANWARIA”.
- **2015** – Set up a new plant at Kiratpur and launched Basmati Rice under the Brand name – “Nashira” in Dubai.
- **2016** – Successfully Completed 25 years and launched pulses, sugar, rawa, spices, suji and poha , etc and moving ahead to become a leading “FMCG” Company.

MANUFACTURING LOCATIONS

SANWARIA CONSUMER LIMITED

S.No.	Process - Location	Installed Capacity TPD
1	**SEP** – Itarsi	500
2	**SEP** – Mandideep	1500
3	**SEP**- Betul	500
4	**Rice Plant-** Mandideep	200
5	**Rice Plant-** Itarsi	400
6	**Soya Flour**-Mandideep	10
7	**Soya Chunks**- Mandideep	10



SANWARIA CONSUMER LIMITED

FMCG FOOD PRODUCTS COMPANY WITH GLOBAL AND REGIONAL BRANDS

SANWRAIA BASMATI RICE

NASHIRA BASMATI RICE

SANWARIA SOYABEAN REFINED OIL

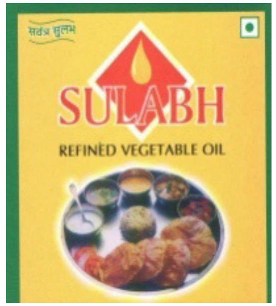
PULSES
SALT
SUGAR
SOYA BARI
BESAN
MAIDA

PRODUCT PORTFOLIO

SANWARIA CONSUMER LIMITED

Company's premium products basket consist of:

- Basmati Rice (Exotic & Premium- Raw/Sella)
- Refined Soyabean Oil, Refined Rice Bran Oil/ Fortified with vitamins
- Chakki fresh Atta fortified with Soya Flour
- Chakki fresh fortified Protein & Iron rich Atta
- Maida, Suji, Rawa, Besan, Daliya, Pulses (Dals),
- Soya Flour, Soya Chunks (Bari)
- Salt, Sugar, Poha
- Soya Meal, Soya Meal High Protein
- Rice Flour, Lecithin
- Aqua Feed
- Poultry Feed



NEW PRODUCT LAUNCH

SANWARIA CONSUMER LIMITED

- Company has launched 10 new product in the brand name of “Sanwaria” which will increase our product basket to 35. all the products will be available in market through distributors & retailers & on our exclusive retail stores “**Sanwaria Consumer Shoppy**”.

<u>Name of the products:-</u>

- Cattle Feed
- Poultry Feed
- Mustered Oil
- Sunflower Oil
- Khandsari (Brown) Sugar
- Sumin seeds Powder (Jeera)
- Turmeric Powder (Haldi)
- Coriander seeds Powder (Dhania)
- Red chilli Powder (Lal Mirch)
- Tea

Present across the entire process chain

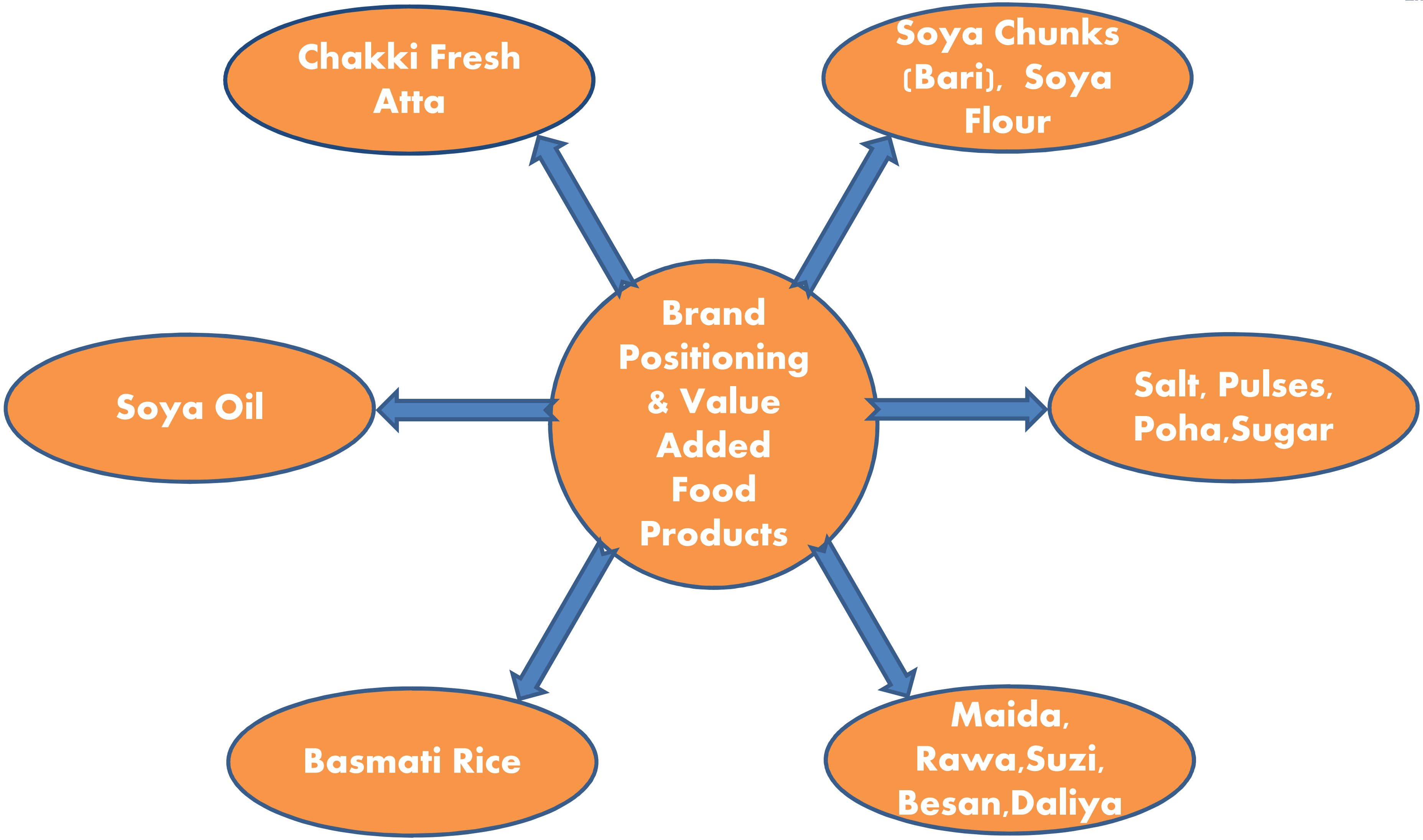
SANWARIA CONSUMER LIMITED

Procurement → **Processing** → **Products** → **Marketing and Distribution**

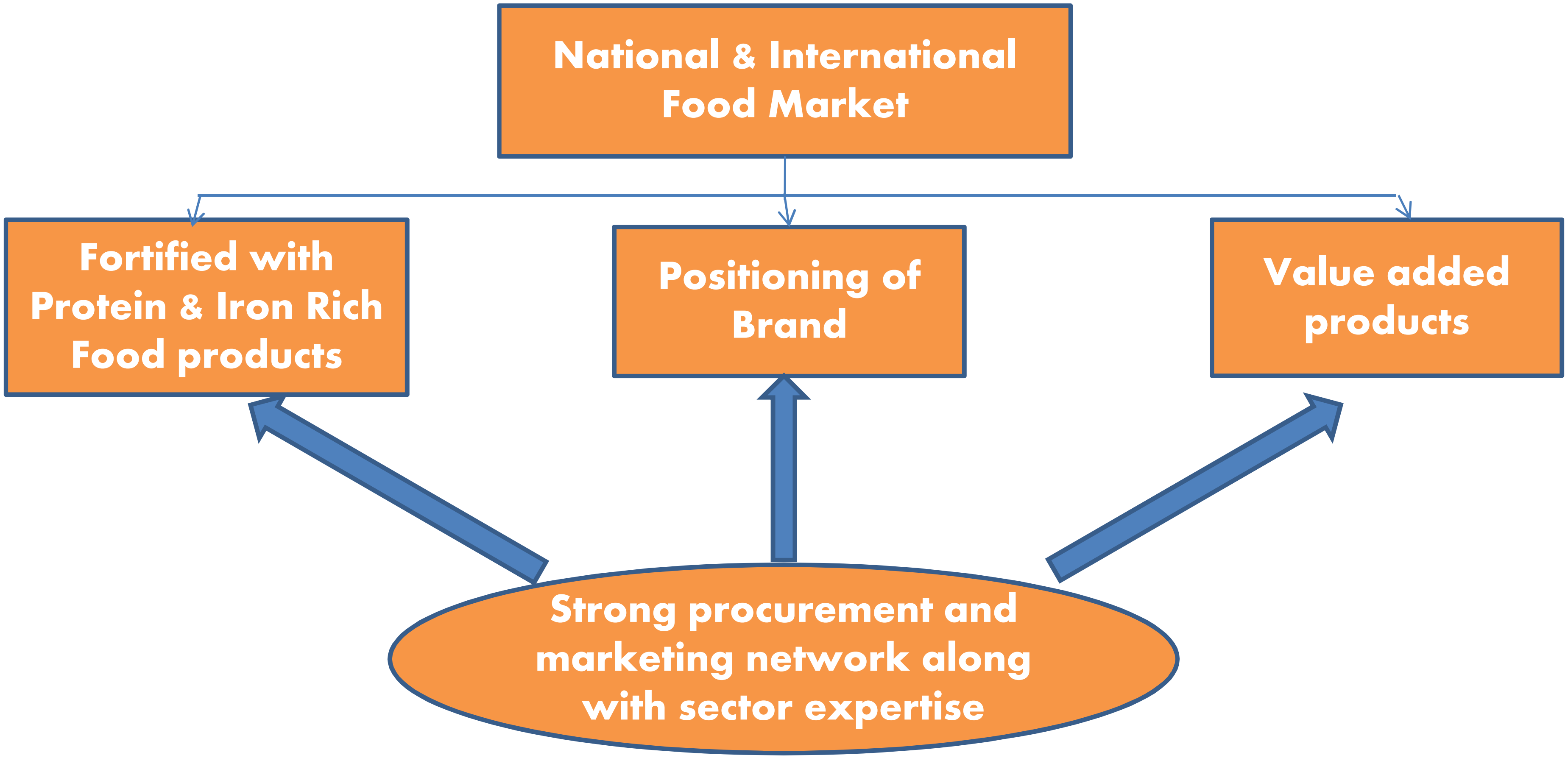
Procurement	Processing	Products	Marketing & Distribution

• Company's experience and extensive relationships with various entities in the value chain provide significant cost economies in procurement.
• Strong procurement ability through Direct Procurement agents working exclusively for Sanwaria, giving 2-3 % of cost savings to the company.
• Company's testing facilities gives it the benefit of price adjustment and quality control, at the procurement stage itself.
	• Presence across the entire manufacturing value chain
	• 3 manufacturing plants strategically located in M.P.
	  • Extraction capacity : 2,500 MT per day
	  • Refining capacity – 250 MT per day.
	  • Paddy processing capacity: 500 MT per day
		• The Company has recently launched 25 new products in its Product portfolio as in Sugar, Pulses, Poha, Basmati Rice and has taken a step ahead to become a leading FMCG Company.
		• Value added products include soya nuggets, soya flour, textured vegetable proteins.
			• Owns various brands including " Sanwaria", "Narmada" "Sulabh" and "Nashira"
			• Direct Consumer Reach through D-Mart Hypercity, Reliance, Big Bazar and Vishal.
			• The Company has recently ventured opened eleven retail outlet in state of Madhya Pradesh and planned to expand the same to 100 outlets throw out the country.

KEY GROWTH DRIVERS



FUTURE STRATEGY



Key Investment Highlights:

SANWARIA CONSUMER LIMITED

Presence in a large and fast growing segment :

- The Company is amongst the top food producers of soya/Paddy/Wheat products in India.
- The Group has sustained exposure in trading of food grains and pulses apart from soyabean products, wheat products, rice , oils and other food products.

Location Advantage :

- The company's operations in the heartland of the soya & Paddy & wheat belt of India gives it a major locational advantage reducing the logistics costs substantially.
- The plants are located in Madhya Pradesh which is a power surplus state and hence the Company has access to cheap and uninterrupted power supply.
- The region has good access to skilled and semi skilled labour.

Strong procurement capabilities :

- The Promoters of the Company have been in the business for over 45 years, enabling it to establish a very strong and efficient procurement system .
- It has strong relationship with farmers with 80 direct procurement centers across Madhya Pradesh wherein the farmers bring their crop and the company purchases directly from farmers.
- The Company also procures goods from international markets to meet its requirements of soya oil.

Key Investment Highlights (contd…)

SANWARIA CONSUMER LIMITED

Strong and Widespread Distribution Network :

- The Company has a strong network of C&F agents and distributors/Dealers.
- In addition, it has ventured into modern trade by tying up with various retail chains/malls like, Aaporti Super Market, Reliance Mart, Pantaloon Big Bazar, and ITC Choupals, Wall Mart etc.
- The Company with the aim of reaching end consumers is exploring innovative distribution channels like the associating/ tying up with Online Chains, gyms and dieticians for its products.
- The Company has already established separate channel to export the branded rice to Middle East and Africa.

Experienced Promoters:

- The Promoters have been engaged in the field of agro products through trading of various commodities since last 45 years.
- This has enabled them to develop vast experience in the agro based products and also enabled them to build an efficient procurement system.

Future growth strategy :

- The Company intends to continue capitalizing on its strong procurement capabilities by strengthening its presence across agro based and staple food product categories.
- The Company is poised to leverage its distribution network venturing into branded segments across a wide product basket comprising of soya Chunks, soya flour, soya Pasta, basmati rice, wheat flour, refined oil, salt, Poha, Sugar etc.
- The Company has also taken a growth step by also providing its products on various e-commerce websites.

ROAD AHEAD

- The Company with the focus of becoming a leading FMCG player in the next few years, intends to leverage its strong procurement and marketing network to capture the sub segments of the growing National and International food market.

- The Company is foraying into direct retail by opening up company owned retail outlets under the brand name **'Sanwaria Consumer Shoppy'** to reach the end customer directly. The Company has already opened up 28 stores at different locations of Madhya Pradesh .

- The Company is venturing into different geographical locations through Franchise Route.

- Change in management strategy to diversification and growth

- Opening 100% subsidiary in Dubai to get the overseas market business of Middle East & Africa.

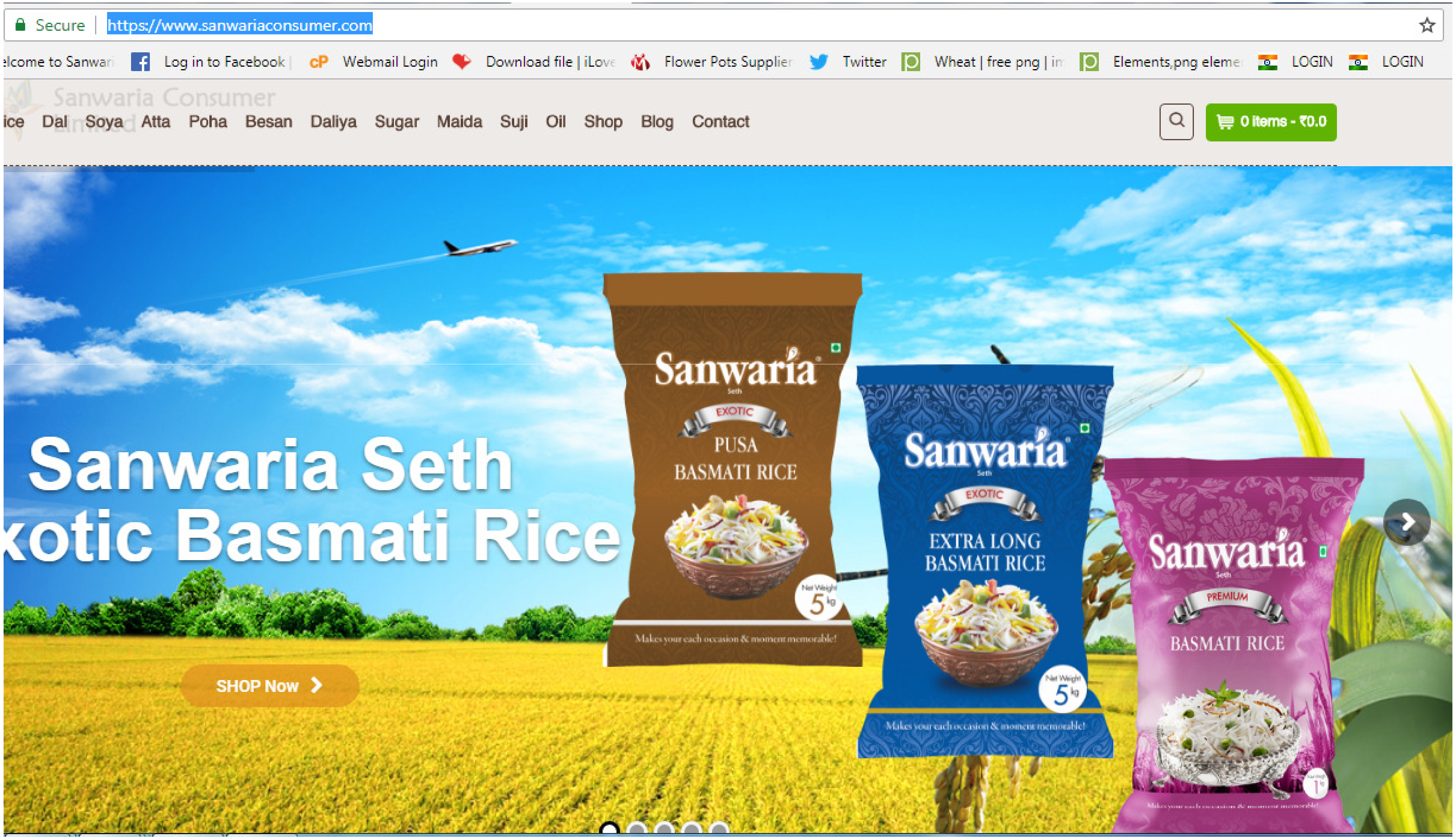
- Starting business in Singapore through 100 %Subsidiary which will get business from rest of the world along with cheaper finance facilities.

- Net Sales and PAT of the Company are expected to grow at a CAGR of 13% and 35% Over 2015 to 2019E, respectively.

- EBIDTA Margins are expected to increase due to improvement in manufacturing efficiency, increase in sale and change in product mix.

SANWARIA CONSUMER LIMITED

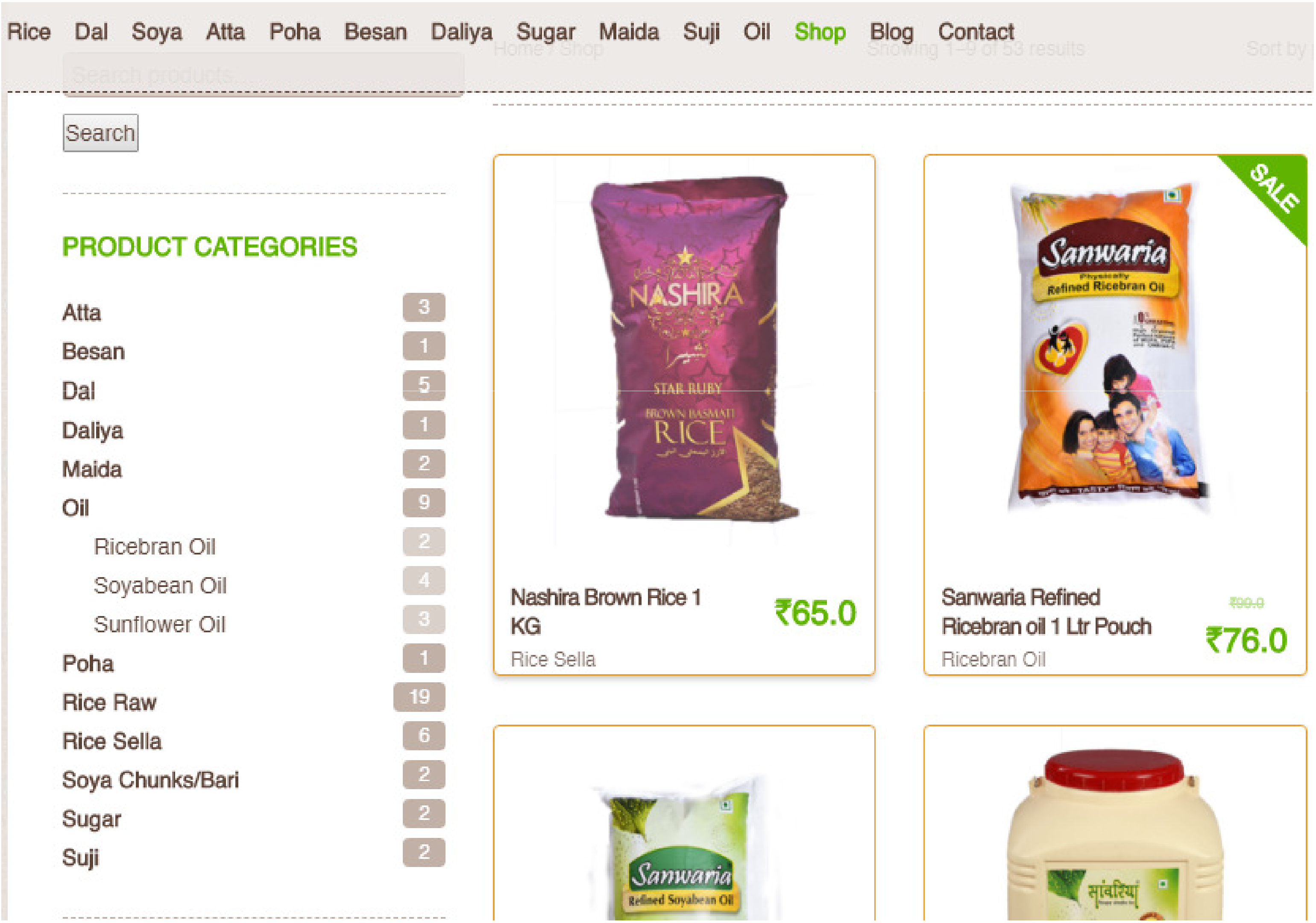
URL :- https://www.sanwariaconsumer.com/

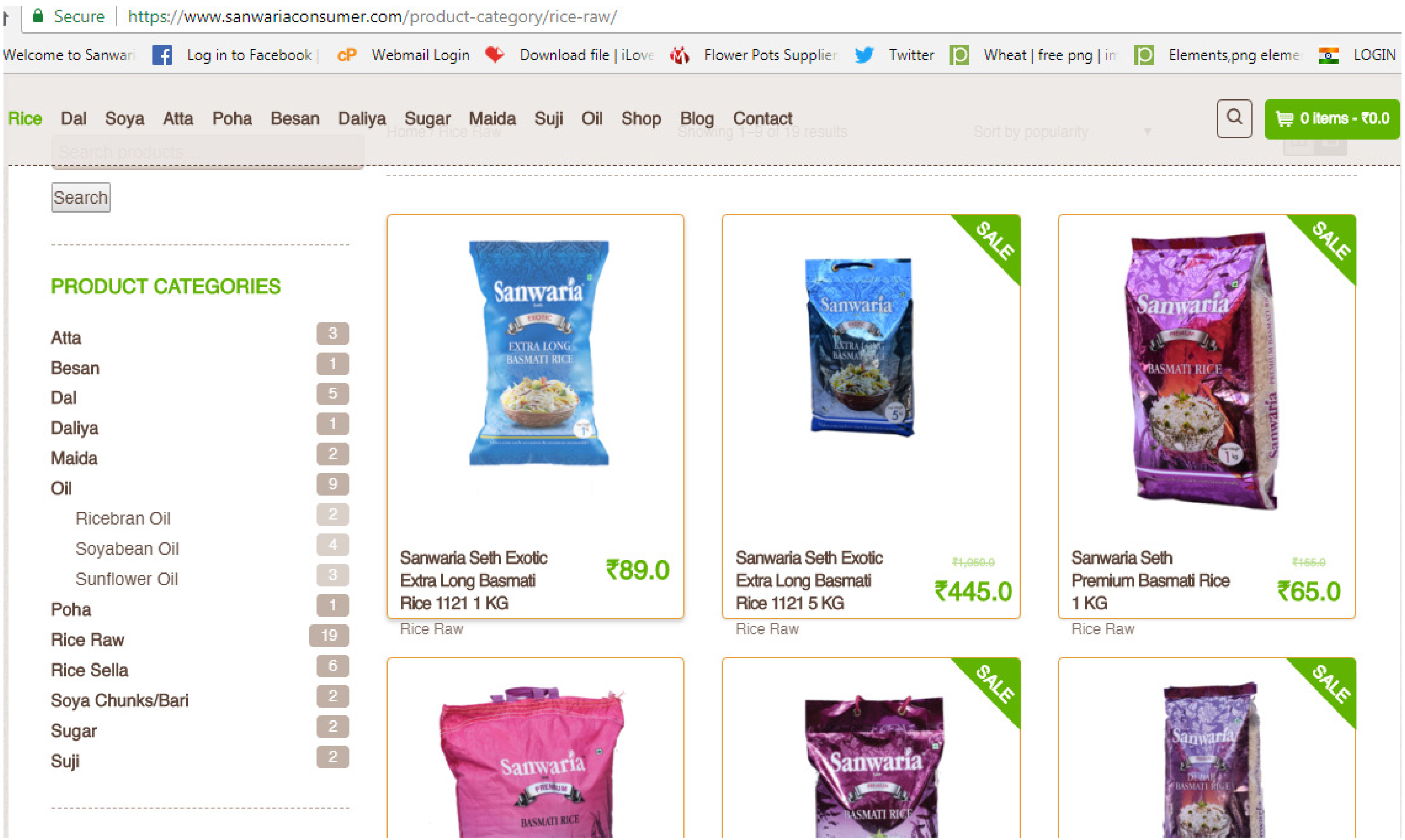


THROUGH ITS E-COMMERCE WEBSITE TO 'SANWARIA AT YOUR DOOR STEP'

SANWARIA CONSUMER LIMITED

- We are highly positive and confident about our company being stepping into online market
- It's an honour for our company and shareholders that Sanwaria will be crossing global borders soon and reaching heights
- By introduction of online platform we expect to increase the wealth of our shareholders
- With rapid changes in technology today and with globalization , it's a welcome step opening future doors

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Daliya 1
Maida 2
Oil 9
Ricebran Oil 2
Soyabean Oil 4
Sunflower Oil 3
Poha 1
Rice Raw 19
Rice Sella 6
Soya Chunks/Bari 2
Sugar 2
Suji 2
Sanwaria Seth Exotic Extra Long Basmati Rice 1121 1 KG
₹89.0
Rice Raw
SALE
Sanwaria Seth Exotic Extra Long Basmati Rice 1121 5 KG
₹445.0
Rice Raw
SALE
Sanwaria Seth Premium Basmati Rice 1 KG
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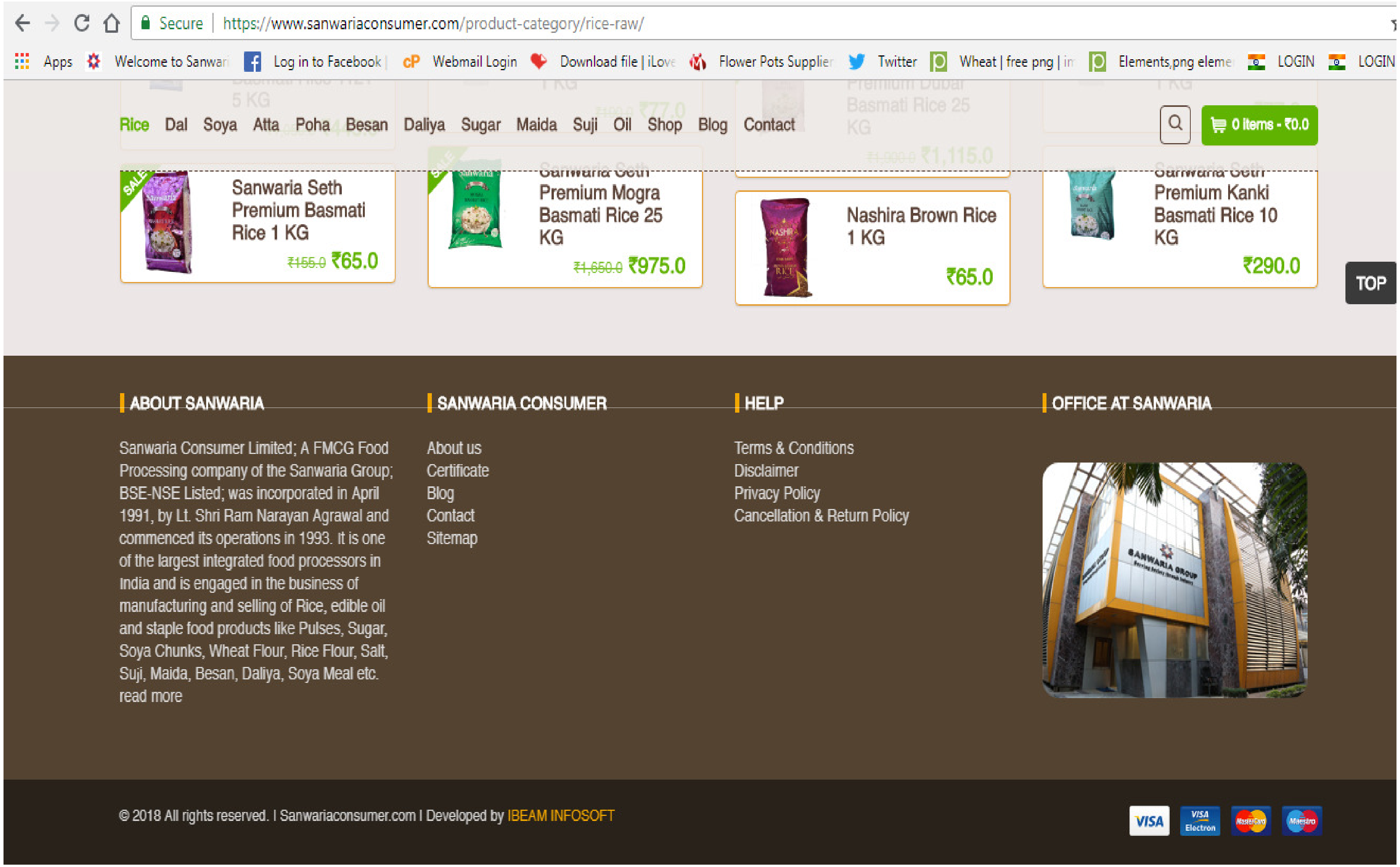

SANWARIA CONSUMER LIMITED

SANWARIA GROUP
Serving Society through Industry

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