

19th February 2018

To,

The Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra East
Mumbai – 400051
Symbol - SHANTI

SUB: Investor Presentation

Dear Sir/ Madam,

Please find attached herewith Investor Presentation of the Company, for your record and further dissemination.

Kindly take the same on record.

Thanking you,

For **Shanti Overseas (India) Limited**



(Karuna Kacholia)
Chief Financial Officer



Shanti Overseas (India) Limited

**Investor Presentation
February - 2018**





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Company Overview



Business Overview



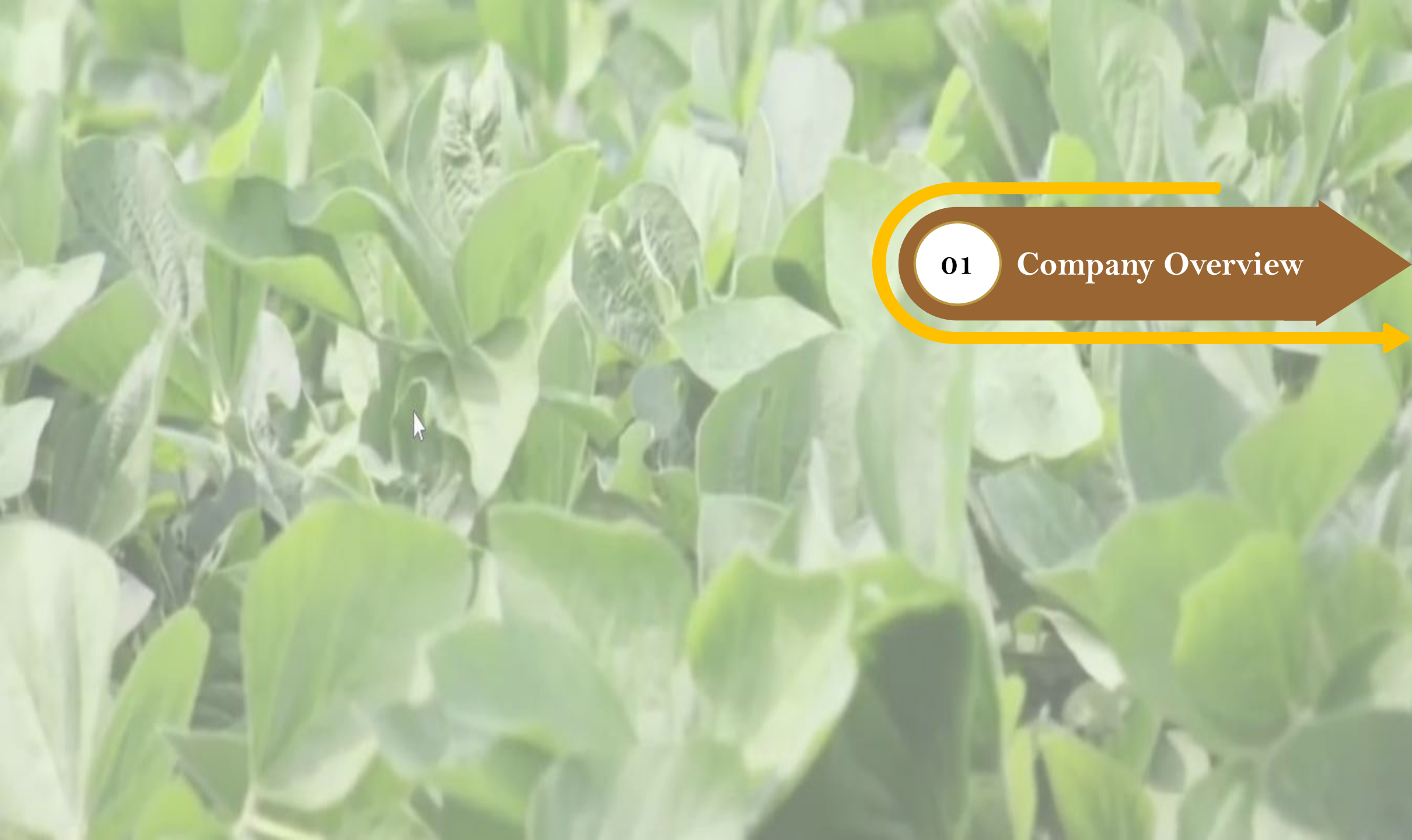
Industry Overview



Annual Financial Highlights



Way Ahead



01

Company Overview



About Us



- Among leading players in soya products manufacturing & exports
- Listed on SME Emerge platform in 2017



- Engaged in manufacturing and exports of soya products – soyameal (expeller variety), soya crude oil, degummed oil and soya lecithin



- Primary processing and trading of agri commodities such as chickpeas, soyabeans, cracked corn, maize, rice, red cow pea, black eye bean, red lentil, yellow peas, pulses etc
- Grading & Processing of garbanzo bean (Kabuli chana) & marketing under brand “Kitchen Pride”



- State of Art Processing & Manufacturing facilities are situated at **Palda and Sonvai, Dist Indore, Madhya Pradesh, India**



- Awarded status of “**One Star Export House**” by Ministry of Commerce & Industry, Government of India
- Received ISO 22000:2005, FSSAI Licence, registered with USFDA, organic certificates NOP & NPOP



- Products exported to major foreign countries - **USA, Canada, Turkey, Dubai, Pakistan, Sri Lanka, Madagascar, Spain etc.**
- In F.Y. 2016-17, exports constituted of **over 75% of total revenue from operations**



Group Structure

Shanti Overseas (India) Limited

Shaan Agro Oils & Extractions Private Limited – 99.80%

- Setting up of manufacturing facility for refining of soya oil – Plant construction already started on leased land
- Purchase, sale, import and/or export of any kind of Soya oil, Soya lecithin, other lecithin derived from Agro based oil, Omega 3,6,9 derived from soya oil and other Agro based oil and dealing in agro-commodities

Biograin Protinex Private Limited – 99.80%

- Plans to commence business operations from end of first quarter of FY19
- Manufacturer, importers, exporters, traders, dealers and processor of high protein soyaflour, soya chunks, textured soya proteins, protein-concentrates, etc.



Journey So Far

Year 2004

- Incorporated as partnership firm “M/s Shanti Overseas”
- Started with Processing of chickpeas for domestic market



2004

Year 2011

- Conversion of partnership firm into private company in 2011
- Started exporting to countries - USA, Canada, Turkey, Dubai, Pakistan Sri Lanka, Spain etc.



2011

Year 2012

- Starts to market garbanzo bean (Kabuli chana) under registered brand name “Kitchen Pride”



2012

Year 2013

- Started Grading, Processing & Exports of Soyabean in USA



2013

Year 2015

- Manufacturing & export of organic Soya Meal, Expeller pressed oil and Lecithin



2014

Year 2017

- Listed on NSE SME Emerge platform
- Foundation of new plant



2017

Management Team

Mr. Mukesh Kacholia – Chairman & Managing Director



- Has degree of Master of Commerce from Devi Ahilya University, Indore
- 36 years of experience in Agri Commodities Business
- Currently supervises and controls overall administration and finance

Mr. Baruneswar Sanyal – General Manager



- Qualified as diploma in Mechanical Engineering in 1984
- Over 27 years of rich experience in edible oil manufacturing, organic soya mechanical Extract, etc.
- Responsible for operational & technical activity in manufacturing

Mr. Ayush Kacholia – Whole Time Director



- Bachelor of Commerce from Devi Ahilya University, Indore
- Joined family business in 2011 & has around 6 years of experience in this field, and possesses expertise in exports of commodities
- Responsible for overall production, sales, operations & marketing activities

Mrs. Karuna Kacholia – Chief Financial Officer



- Qualified Chartered Accountant from Institute of Chartered Accountants of India
- Looks after finance, accounts and taxation of Company since 2011
- Took over as CFO in May 01, 2017

Mr. Rohan Kacholia – Whole Time Director



- Joined Company as Director in 2013
- Possesses degree of Bachelor of Engineering (IT) from University of Technology of Madhya Pradesh in 2012
- Completed Master of Science (International Business) from University of Leeds, West Yorkshire, England in 2013
- Responsible for trading and marketing activities

Mrs. Ramita Otvani – Company Secretary & Compliance Officer



- Qualified Company Secretary from Institute of Company Secretaries of India
- 4 years of experience in field of secretarial matters
- Looks after overall corporate governance and secretarial matters of Company

A close-up photograph of numerous yellow soybeans scattered across a light-colored bamboo mat. A wooden scoop is positioned in the lower right, filled with soybeans. A brown arrow-shaped graphic points from the left towards the right, containing the text '02 Industry Overview'.

02

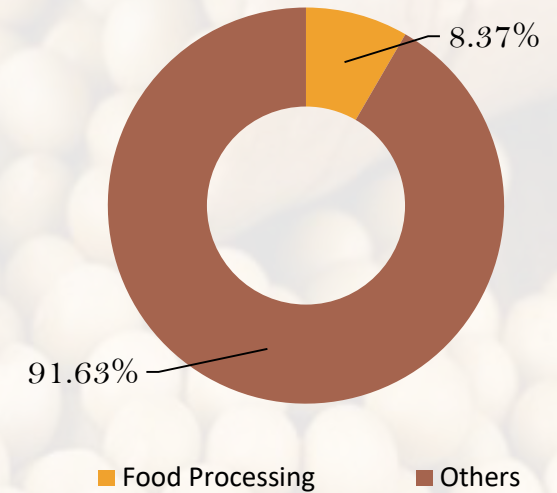
Industry Overview



Indian Food Processing Sector

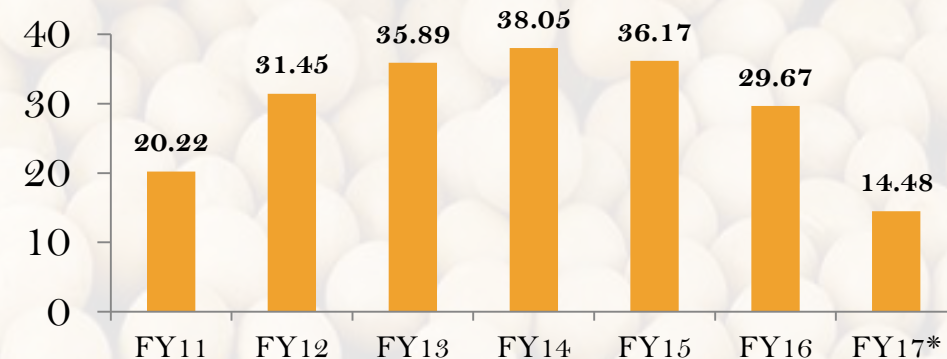
- Food Processing sector in India, **sunrise sector**, is poised for immense growth and greater contribution to world food trade
- Growth rate of Gross Value Added (GVA) in food Processing industries has increased from **1.91% in 2013-14 to 5.78% in 2014-15** at constant prices
- Food industry, which was valued at USD 39.71 billion in 2013 is expected to grow at Compounded Annual Growth Rate (**CAGR**) of **11 percent to USD 65.4 bn by 2018**
- Indian food and grocery market is **world's sixth largest**, with retail **contributing 70%** of sales.
- Food has also been one of **largest segments in India's retail sector**, which was valued at USD 490 billion in 2013
- Indian food retail market is expected to reach **USD 894.98 billion by 2020**. Similarly, online food ordering business in India is in its nascent stage, but witnessing exponential growth
- Organized food business in India, which is worth **USD 48 billion, of which food delivery is valued at USD 15 billion, has huge potential**

Food Processing Industry's Contribution to GDP through Manufacturing (FY16)



Source : Ministry of Food Processing Industries (MOFPI), TechSci Research

Exports in US\$ billion



Source: Agricultural & Processed Food Products Export Development Authority (APEDA), DGCIS, TechSci Research
Note: FY – Indian Financial Year (April – March), (1) – Data for September 2016



Indian Soya bean Sector

- Soya bean has an important place in world's oil seed cultivation scenario, due to its high productivity, profitability and vital contribution towards maintaining soil fertility
- Crop also has prominent place as world's most important seed legume, which contributes 25% to global vegetable oil production, about two thirds of world's protein concentrate for livestock feeding and is valuable ingredient in formulated feeds for poultry and fish
- About **85% of world's soya beans** are processed annually into soybean meal and oil
- Approximately **98% of soya bean meal** is crushed and further processed into animal feed with balance used to make soy flour and proteins
- Oil fraction, **95% is consumed as edible oil**; rest is used for industrial products such as fatty acids, soaps and biodiesel
- Major soybean producing nations are **United States, Brazil and Argentina** – 3 countries dominate global production, accounting for **80% of world's soya bean supply**
- India currently grows about **10 million tons of soya bean**, which is only about **4% of world production**
- **India only country in world to grow Non-GMO soya bean** which gives Indian farmers an unique advantage
- Soya bean contributes significantly to Indian edible oil pool
- Presently **soya bean contributes 43% to total oil seeds** and **25% to total oil production** in country



03

Business Overview





Complete range of soya products

Organic Soyabean Seed



- Among largest produced crops in India - widely consumed foods in world
- Argentina, Brazil, USA, China and India - major producers of soya bean
- LDL in soya - helps in weight loss, reduced chances of heart attack

Organic Soyabean Meal



- Residue by-product obtained from separating oil from seed by grinding beans
- Great source of protein, - meal added in animal diets like cattle feed, chicken feed etc
- Nutritionally contains 46-50 % of protein, Crude Fiber, and Oil

Organic Soyabean Oil



- Expeller Pressed - natural extraction process in which seed is squeezed to separate oil
- Has mild flavour - makes it easy to cook with for most recipes
- Good source of polyunsaturated fatty acids, omega-3 fatty acids and vitamin E

Organic Soyabean Lecithin

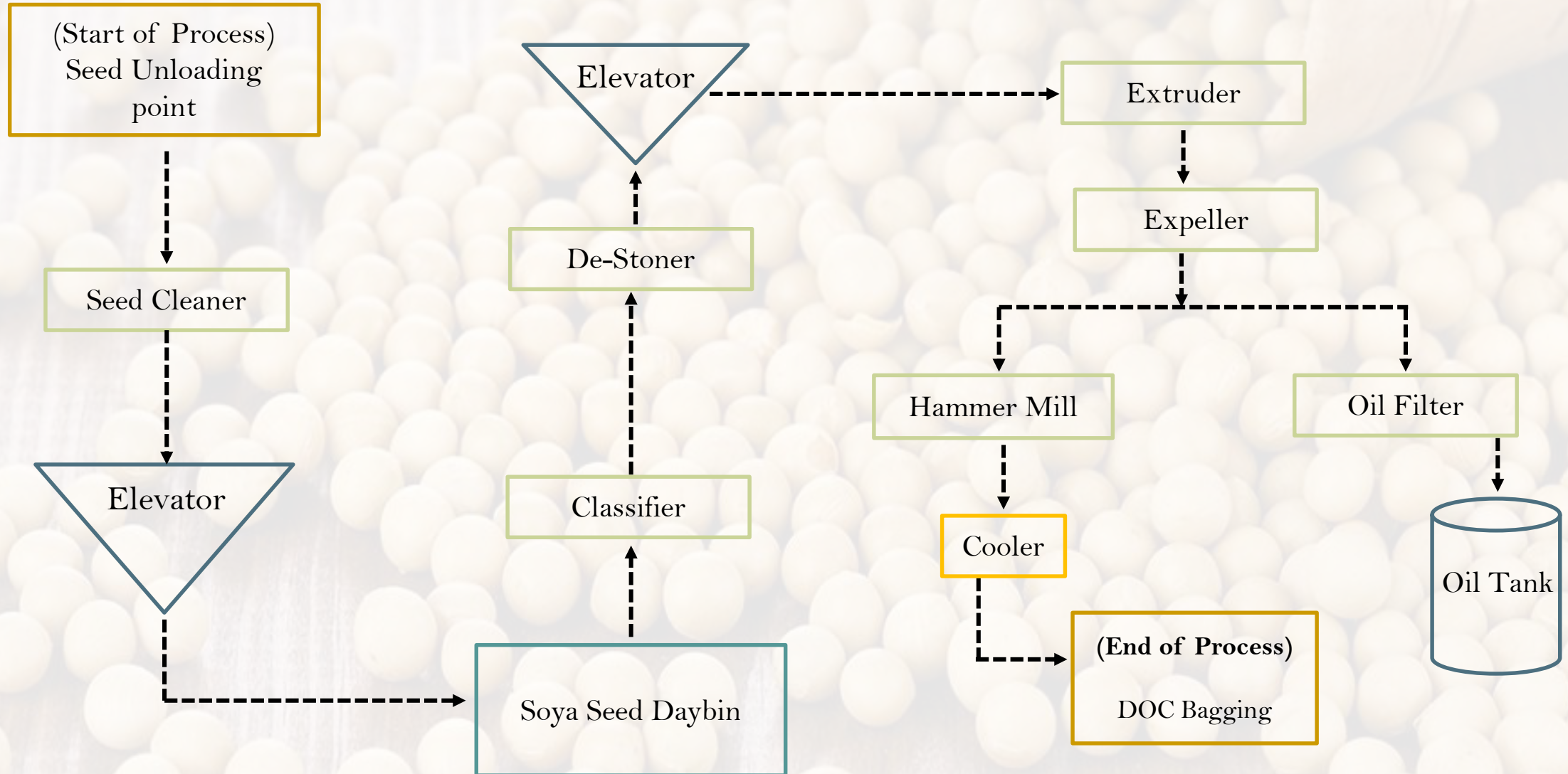


- Acts as skin conditioning agent, emulsifier and thickener for cosmetic products
- Organic soy lecithin - good emulsifier & disperser
- Used in body milks, lotions, creams, ointments, body washes, shampoos, conditioners, sun care & after sun products, body butter and make-up products



Process flow chart of Soyabean seed

Seed processing and Oil Extraction through Mechanical Process





State of Art Manufacturing Facilities...



Factory (Unit – I)
Village Palda, Dist. Indore,
Madhya Pradesh

Factory (Unit – II)
Sonvai, Tehsil Moh, Dist.
Indore, Madhya
Pradesh



Land (Proposed Factory Unit)
Village Dhannad, Tehsil
Depalpur, Dist. Indore,
Madhya Pradesh



... Supported by large Warehousing Facilities

Warehouse - I

Shivani Multi Venture, Kaji Palasia, Khudel Dist.- Indore, M.P.

Warehouse - II

Village Devguradia, Tehsil & District Indore, M.P.

Warehouse - III

Radhe shyam Warehouse & Infrastructure, Palda Indore, M.P.

Warehouse - IV

Jay Mangalmurti Warehouse, Gram Badhiya Kima, Nemawar Road Indore, M.P.

Warehouse - V

Village Palda, Dist. Indore, M. P.



Certifications



One Star Export House – Govt. of India

Processor – National Programme for Organic Production (NPOP)

Processor – National Organic Program (NOP)

Organic Food Processing – EU Scope Certificate



FDA - 2018



Trader - National Organic Program (NOP)



Trader - National Programme for Organic Production (NPOP)



Key Strengths

Experienced Promoters and skilled workforce

- Mr. Mukesh Kacholia - mentored management of Company since incorporation
- Promoters along with management team - helped to leverage existing business skills, relationships with customers and market visibility
- Attends all major Expo globally to stay updated with latest developments in industry

Compliance with International Quality Standards

- ISO Certifications from United Kingdom Accreditation Service Management System (UKAS)
- ISO 22000:2005 for processing of Soyabean DOC, Meal, Grits, cleaning and grading of Soyabean, maize, chickpeas and flaxseed
- FSSAI registration and registered with U.S. Food and Drug Administration (USFDA)

Strong Existing customer relationships

- Focusing on customer needs for their Agri-commodities requirements - helps to improve customer retention strategy
- Retaining existing relationship with customers represents competitive advantage in gaining new customers and increasing business

Well Connected & Strategically located

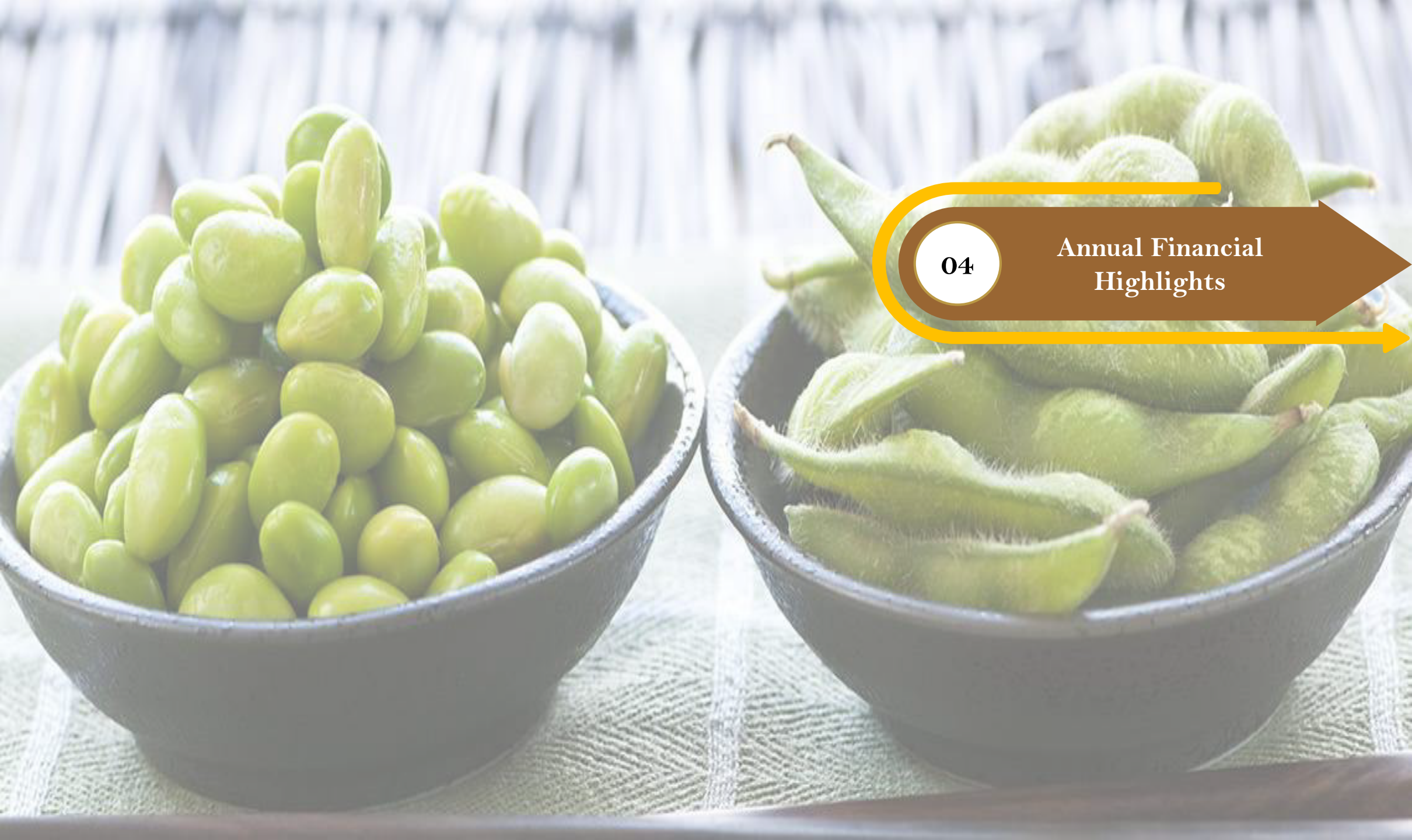
- Pithampur, Indore - commercial centre of Madhya Pradesh State and well connected by both road and rail
- Well connected to National Highway, NH – 3, which connects Mumbai and Delhi, opposite Dhannad ICD

Raw Material Procurement

- Company has developed strong procurement system over years from Organically certified farmers
- Prefers long term contract giving it visibility for set procurement pattern through period of contract

No Finished goods inventory

- Company does not maintain finished goods inventory at all as sales are booked in advance
- Reduces risk & cost of carrying inventory



04

Annual Financial
Highlights



Annual Financial Highlights – FY17



26.0%

Revenue
Rs. 113.3 Crs



73.6%

EBTIDA
Rs. 6.9 Crs



167 bps

EBITDA Margin
6.1%



101.3

%
PAT
Rs. 3.8 Crs



125 bps

PAT Margin
3.3%



101.1%

EPS in Rs.10.52
Vs 5.23 (FY16)



Consolidated Annual Highlights – FY17

Rs. Crores	FY17	FY16	YoY%
Revenue from operations	113.28	89.91	26.0%
Raw Materials	86.24	76.30	
Employee Cost	2.03	1.15	
Other Cost	18.10	8.48	
Total Expenditure	106.37	85.93	
EBITDA	6.91	3.98	73.6%
EBIDTA margin (%)	6.10%	4.43%	167 bps
Other Income	2.22	1.12	
Interest	2.42	2.02	
Depreciation	1.05	0.28	
Profit Before Tax	5.66	2.81	
Tax	1.88	0.93	
Profit After Tax	3.79	1.88	101.3%
Minority Interest	0.0	0.0	
PAT after MI	3.79	1.88	101.3%
PAT Margin after MI	3.34%	2.09%	125 bps
EPS (Rs.)	10.52	5.23	101.1%



Consolidated Balance Sheet

Rs. Crores	As on Mar-17	As on Mar-16
Shareholder's Funds	8.58	4.80
Share capital	3.60	0.60
Reserves & Surplus	4.98	4.20
Minority Interest	0.0	0.0
Non-current liabilities	3.66	8.31
Long term borrowings	3.51	8.23
Defer Tax liabilities	0.14	0.09
Other Long-Term liabilities	0.0	0.0
Long-Term Provisions	0.01	0.0
Current liabilities	23.98	21.96
Short Term Borrowings	20.55	17.89
Trade Payables	0.20	1.93
Other Current liabilities	1.01	1.05
Short-term provisions	2.22	1.10
Total Equities & Liabilities	36.22	35.07

Rs. Crores	As on Mar-17	As on Mar-16
Non-current assets	7.73	6.35
Fixed assets	7.37	6.05
Goodwill on Consolidation	0.0	0.0
Non-current Investments	0.0	0.0
Deferred tax assets	0.0	0.0
Long-term loans & advances	0.34	0.30
Other non-current assets	0.02	0.0
Current assets	28.49	28.72
Current investments	0.0	0.0
Inventories	9.94	13.61
Trade receivables	13.53	11.44
Cash & Cash equivalents	1.39	0.73
Short-term loans & Advances	2.49	1.59
Other Current Assets	1.13	1.36
Total Assets	36.22	35.07



Cons. Half Year Financial Highlights

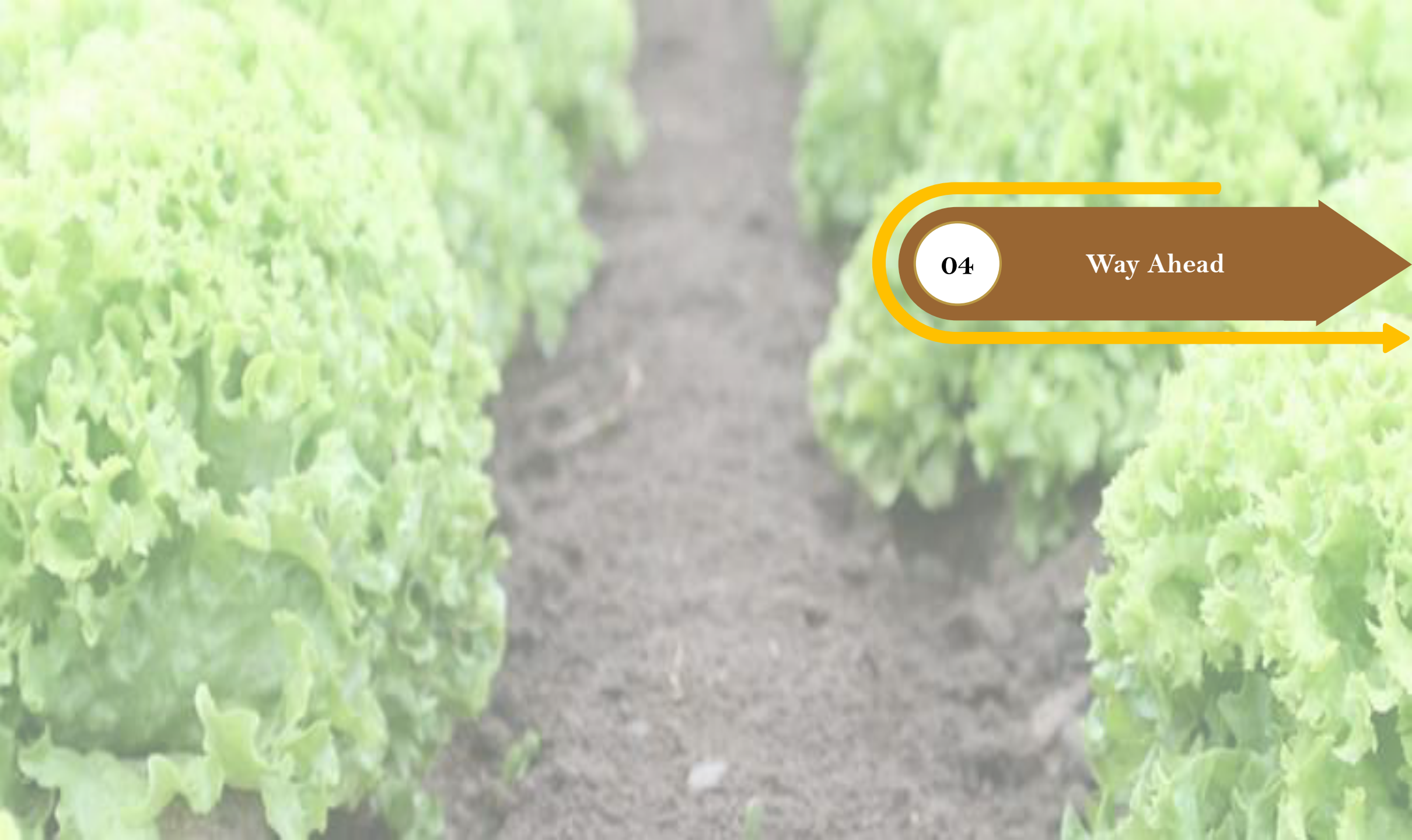
Rs. Crores	H1 FY18
Revenue from Operations	68.48
Raw Materials	55.77
Employee Cost	1.22
Other Cost	9.64
Total Expenditure	66.63
EBITDA	1.85
EBIDTA margin (%)	2.70%
Other Income	1.19
Depreciation	0.42
Interest	0.00
Profit Before Tax	2.62
Tax	0.86
PAT	1.76
PAT Margin (%)	2.57%
EPS (Rs.)	2.37



Cons. Balance Sheet as on Sept. 30, 2017

Rs. Crores	As on Sep-17
Shareholder's Funds	20.25
Share capital	7.40
Reserves & Surplus	12.85
Minority Interest	0.00
Non-current liabilities	4.68
Long term borrowings	4.48
Defer Tax liabilities	0.19
Other Long-Term liabilities	0.00
Long-Term Provisions	0.01
Current liabilities	17.94
Short Term Borrowings	12.57
Trade Payables	4.09
Other Current liabilities	0.09
Short-term provisions	1.19
Total Equities & Liabilities	42.87

Rs. Crores	As on Sep-17
Non-current assets	15.06
Fixed assets	14.48
Goodwill on Consolidation	0.00
Non-current Investments	0.00
Deferred tax assets	0.00
Long-term loans & advances	0.46
Other non-current assets	0.12
Current assets	27.81
Current investments	0.00
Inventories	2.52
Trade receivables	20.12
Cash & Cash equivalents	2.64
Short-term loans & Advances	0.20
Other Current Assets	2.34
Total Assets	42.87



04

Way Ahead



Way Ahead

**Expansion of
production capacity &
Location advantage**

**Expanding Product
Portfolio**

**Focus on cordial
relationship with
Suppliers, Customer
and employees**

**Improving operational
efficiencies and
product quality**

- Proposed new unit strategically located at Dhannad, Tehsil Depalpur, Dist. Indore – closer to raw material source
- Logistically well connected via railways and roadways – reducing transportation cost, decrease in spillages
- Increasing storage capacity & reducing storage cost by adding silos
- Plans to produce various varieties of Soya products such as Soya nuggets, Soya fortified wheat flour, Soya milk, Tofu, Soya curd etc.
- Cater to larger consumer base and achieve economies of scale
- Developing and maintaining long term sustainable relationships which leads to achieve Organizational goals, increasing sales and entering into new market
- Plans to achieve cost reduction and gain competitive edge over peers
- Focus on high quality products and service of global standards leading to customer retention and increase in repeat business
- Close interaction with customers to strengthen relationships in enhancing brand value



Thank You

shanti
OVERSEAS (INDIA) LTD.
— synthesizing organically —



SHANTI



SHANTI IN



SNTI.BO

For further information, please contact:

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