



# Aro granite industries ltd.

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November 5, 2021

Bombay Stock Exchange Limited  
Department of Corporate Services  
Floor 25, P.J. Towers  
Dalal Street  
Mumbai 400001  
**(SCRIP CODE: 513729)**

National Stock Exchange of India Limited  
Listing Department  
5<sup>th</sup> Floor, Exchange Plaza  
Bandra (E)  
Mumbai 400051  
**(SCRIP CODE: AROGRANITE/EQ)**

## Sub.: Investor Presentation of the Company

Dear Sir,

Please find enclosed herewith a copy of Investor Presentation of the Company for your information and record please.

Thanking You

Yours faithfully  
For Aro granite industries ltd.

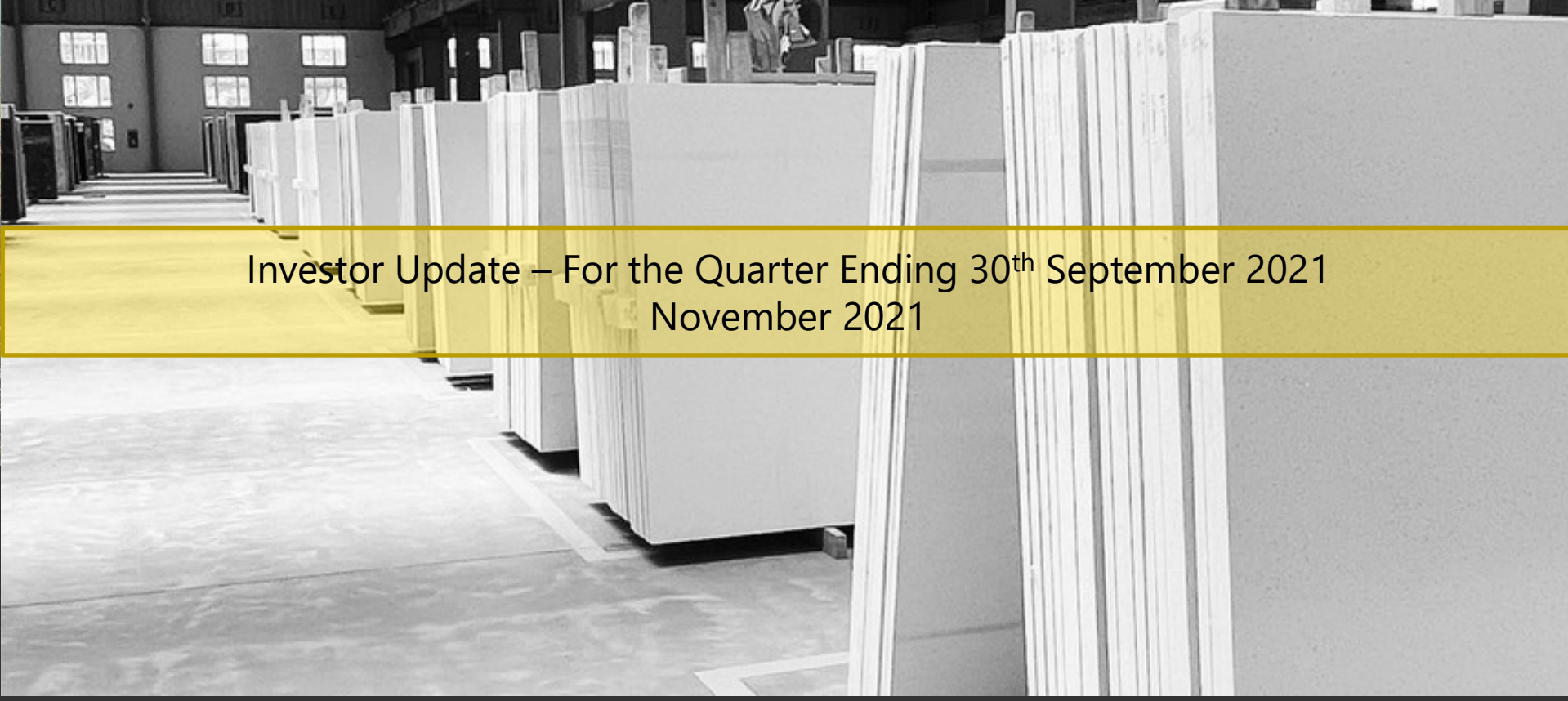
  
Company Secretary

Encl.: a/a

CORP. OFF. & WORKS :

KONERIPALLI VILLAGE, SHOOLAGIRI (VIA), HOSUR TALUK - 635 117, KRISHNAGIRI DIST. TAMIL NADU, INDIA.  
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CIN : L74899DL1988PLC031510





Investor Update – For the Quarter Ending 30<sup>th</sup> September 2021  
November 2021



**Aro granite industries Ltd.**

An 100% Export Oriented Unit



# Disclaimer

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Certain statements in this communication may be considered as 'forward looking statements' within the meaning of applicable law and regulations. These forward-looking statements involves a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements, important development that could affect the company's operations include changes in the industry structure, significant changes in politics and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Aro granite industries limited does not undertake to revise any forward-looking statement that may be made from time to time by or on behalf of the company.

Aro granite industries limited will not be in any way responsible for any action taken based on such statement and undertakes no obligation to publicly update these forward looking statement to reflect subsequent event or circumstances.

# Company Snapshot



Started commercial operation in 1991



Largest processed Granite exporter out of India

## 100% EOU

100% export oriented, located at Hosur, Tamil Nadu

## SEZ

Special Economic Zone Unit Located in Mahindra World City, Jaipur



Supply of over 100 shades of Granite from India and other countries



Export to more than 42 countries



Installed capacity

Granite Slab:  
735,000 Square Meters

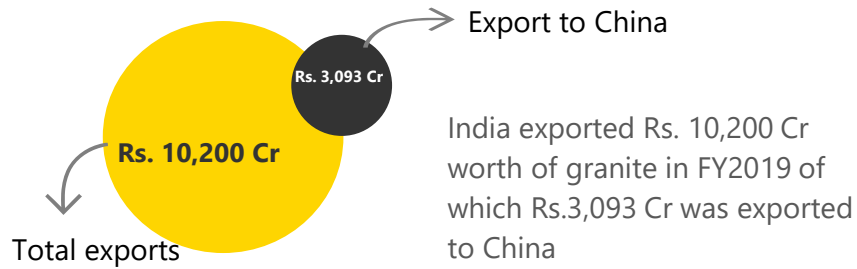
Granite Tiles:  
360,000 Square Meters

Quartz slabs:  
180,000 Square Meters



Listed on NSE Since 2007 & BSE Since 1997 in India

# Indian Granite Industry



China is largest market for Indian raw granite block, 30.32 % of the total granite were exported to China

Large players finished products are

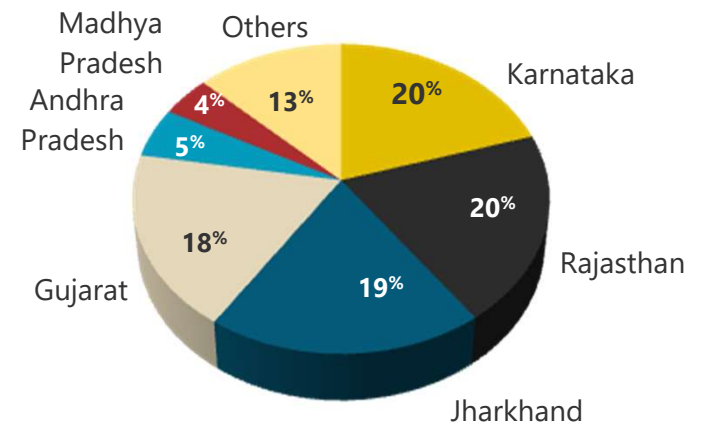
Aro granite industries limited

Pokarna Ltd

Bannari Amman Sugars Ltd

Pacific Industries Ltd

## Statewise Granite Reserves



Source – Indian Mineral Yearbook 2020

# Hosur Infrastructure

Slab Plant		Tile Plant	
Jumbomatic Gang saws	12	53 Blade cutting Centre	4
72 Wire Multi Wire Saw	1	Topping Centre	1
20 Head Polishing Line	3	Calibration Line	1
12 head Grinding line	1	Epoxy line	1
Flaming machine	1	20 Head Polishing line	1
Epoxy lines	3	Cross cutting machine	4
		Cleft/Split Machine	1

Cut to Size		Quartz – 180,000 m2/year	
CNC Machine	2	Automatic Molding line	1
Edge Polishing	1	Calibration line	2



# HOSUR – Gangsaws & Multi Wire Cutter



- 12 x Super Jumbo Gangsaws (4.5m)
- Suited for Cutting Most Granites



- 1 x Multi Wire (72 Wire)
- Suited for Fragile Granites, Quartzites, and Special Colours

# HOSUR – Tiles

- 4 nos. Multi Blade Block Cutting Centers
- Calibrated and Chemfered tiles
- Over 25 years of experience in tile

In 10mm, 13mm, 15mm, 20mm and 30mm	In 13mm, 15mm and 20mm	Special Sizes
305 x 305 mm		400 x 800 mm
305 x 610 mm	600 x 600 mm	600 x 900 mm
400 x 400 mm	610 x 610 mm	600 x 1200 mm
400 x 600 mm		300 x 900 mm
457 x 457 mm		





# HOSUR – Quartz

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# HOSUR -Warehouse / Showroom

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120,000 Square Feet of Display Space



# Jaipur Plant

- Installed capacity of plant is 1,50,000 sq. mtr per annum
- Civil Works started for a planned expansion in the plant

## Slab Plant

72 Wire Multi Wire Saw	1
20 Head Polishing Line	1
12 head Grinding line	1
Epoxy lines	2
CNC Machine	1



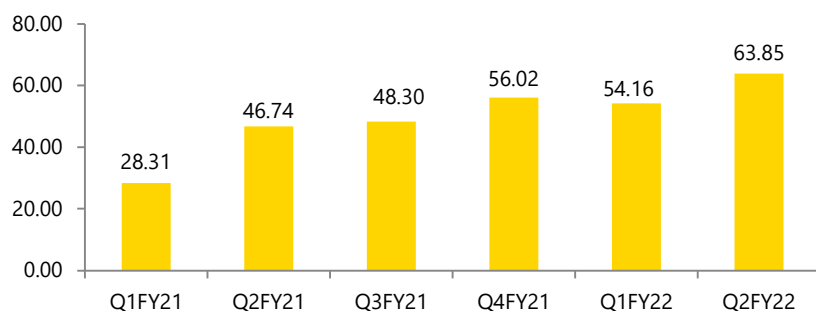
## Financial Performance (Quarterly)

Particulars In Rs. Cr	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Sales	28.31	46.74	48.3	56.02	54.16	63.85
Operating Exp	23.92	39.97	43.92	47.77	46.38	54.53
EBITDA	4.52	6.9	4.51	8.49	7.91	11.29
PAT	0.34	1.89	1.05	2.77	2.97	4.96
EBITDA Margins (in %)	15.96%	14.77%	9.35%	15.16%	14.60%	17.68%
Net Profit/Loss Margins (in %)	1.20%	4.04%	2.17%	4.95%	5.48%	7.77%

# Financial Overview (Quarterly)

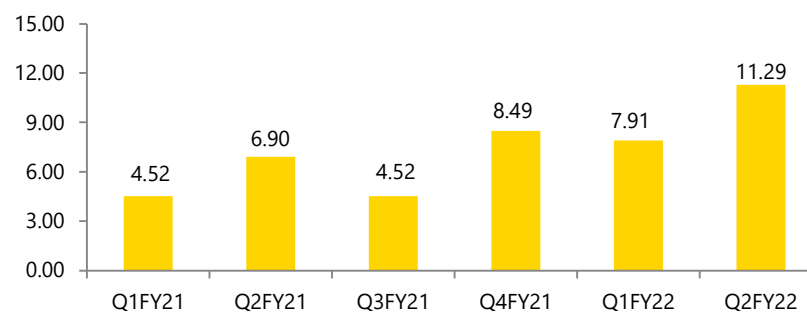
## Revenues from operations

Figures in INR Cr.



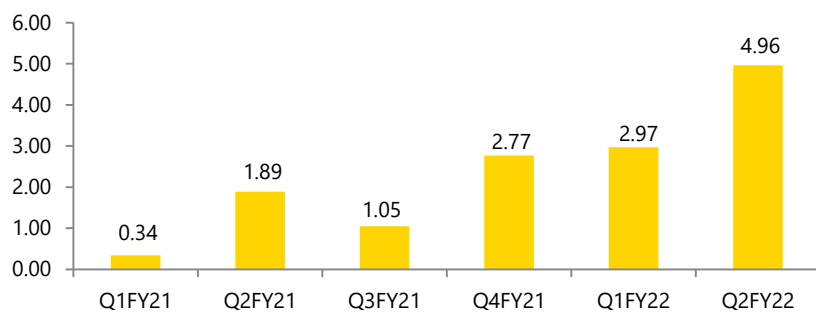
## EBITDA

Figures in INR Cr.

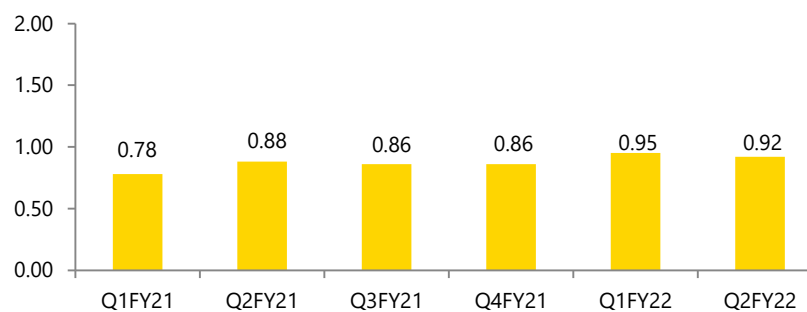


## Profit After Tax

Figures in INR Cr.



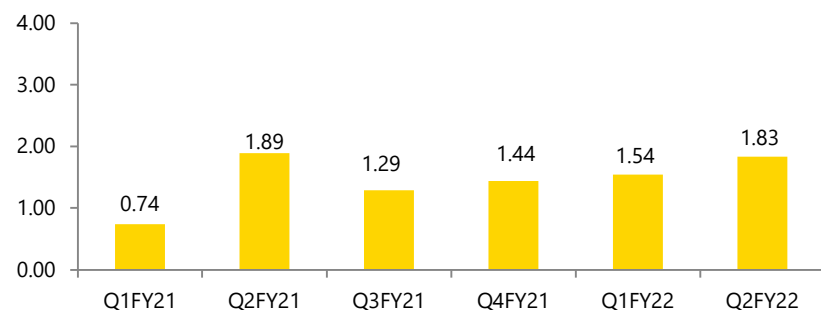
## Debt to Equity Ratio



# Financial Overview (Quarterly)

## Sales Volume (Square Meters)

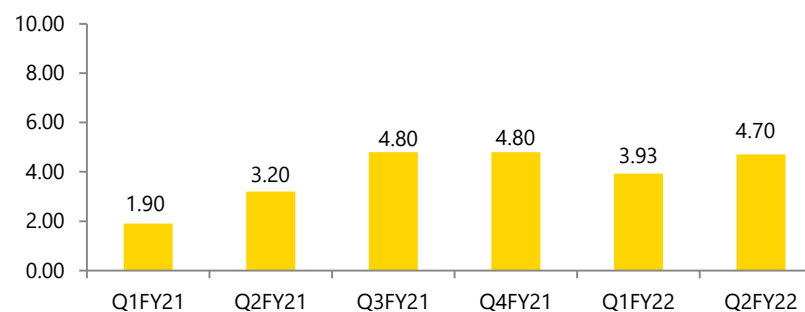
Figures in Lakh Sqm.



\* Include sales of Quartz segment

## Raw Material Consumption (Cubic Meters)

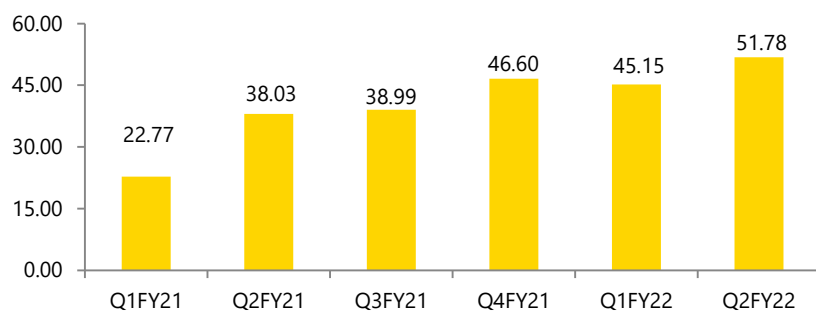
Figures in '000



\* Does not include raw material consumption in Quartz segment

## Segment Sales - Slabs

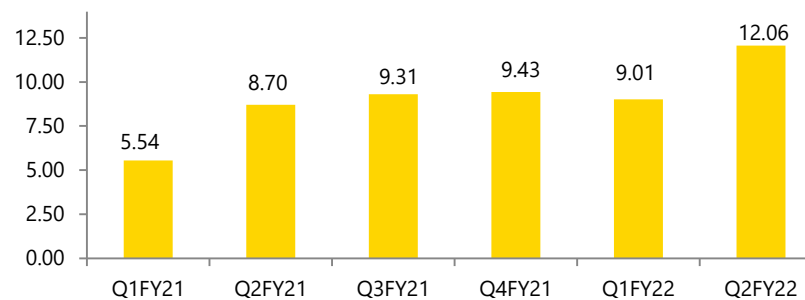
Figures in INR Cr.



\* Include sales of Quartz segment

## Segment Sales - Tiles

Figures in INR Cr.



## Financial Highlights (Quarterly)

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- Sales Increased by 36.61% From 46.74 Cr in Q2 FY2020-21 to 63.85 Cr in Q2 FY2021-22
- EBITDA Increased by 63.62% From 6.90 Cr in Q2 FY2020-21 to 11.29 Cr in Q2 FY2021-22
- PAT Increased by 162.43% From 1.89 Cr in Q2 FY2020-21 to 4.96 Cr in Q2 FY2021-22
- EBITDA Margins Increased by 19.72% From 14.77% in Q2 FY2020-21 to 17.68% in Q2 FY2021-22

# Operational Highlights

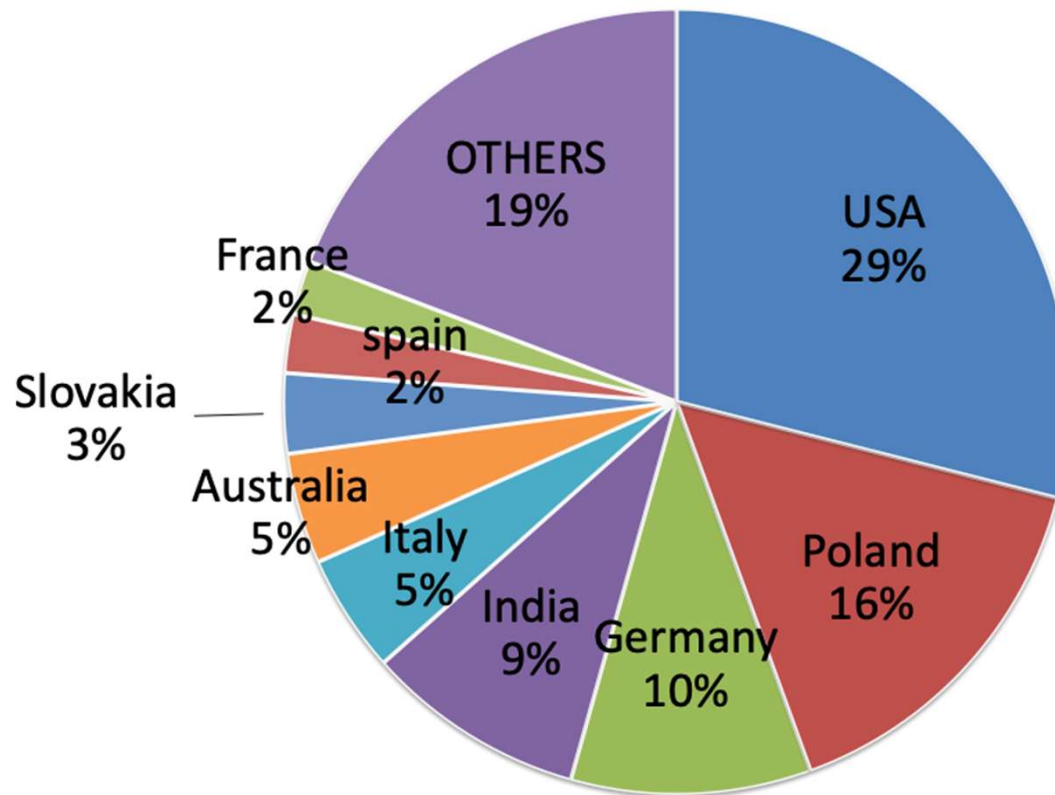
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- FY2021 started with lockdown but ended with superb Q4FY2021. Then Covid Second wave paralysed the country and production challenges amplified in Q1FY2022. Our procurement of raw material, production and sales were greatly impacted due to the lockdown
- In Q1FY2022 our Tamil Nadu plant for Granite was operating at 30-40% capacity due to fear of Covid-19 infection and lockdown of 1 week in Tamil Nadu. The Quartz segment was also greatly impacted in Q1FY2022
- We had elections in Tamil Nadu at the beginning of April which greatly affected the domestic sales. Sourcing of raw blocks also became difficult as many quarries slowed down production due to extra vigilance by Electoral Teams
- In Q2FY22 our sales increased by 36.61% largely on account of increased sales from Quartz plant and increased business in granite segment
- Our Jaipur plant is running at full capacity and we are adding new processing line in our Jaipur plant
- Our exports sales was disrupted significantly due to acute shortage of containers which led to multi-fold increase in shipping cost, we have mitigated rising cost issue to some extent with intense negotiation with our overseas customers and shipping lines
- We have seen an increase in our working capital due to increased waiting time for empty containers resulting in larger unsold inventory of finished goods



# Country wise Exports FY2021

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# New Plant (Jaipur)

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- Our initiative to start plant in Jaipur has been quite successful - It accounted for 20% of our sales in FY2021
- Our product offering and portfolio of colors have increased significantly due to vast variety of colors and shades available in North India, it contributed Rs. 10.48 Cr of revenue in Q2FY22
- Our products from Jaipur plant have good demand in international market especially in North America
- Our plant in Jaipur has reached full capacity we are adding new processing lines in existing plant
- Our business from Rajasthan is growing and we have portfolio of 26 colors with 6-7 shades being core colors, we remain confident on the contribution from the plant

## New Processing Facility (Quartz)

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- Company has set up processing facility for Quartz in its existing plant in Hosur with capacity of 180,000 m<sup>2</sup> per Annum in the first phase
- We have successfully started the commercial production in January 2021 and product was successfully accepted by our customers
- Our Quartz plant has ramped up quickly and has contributed Rs.12.21Cr during Q2FY2022
- Our products are successfully accepted by customers and our revenue from Quartz segment is increasing

# Outlook

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1. FY2021 has been a challenging year for the company as we lost sales for 43 days due to lockdown. In FY2022 despite the threat of Covid-19 challenges in the initial two months situation has improved significantly in FY2022 and we are expecting our operations shall improve going forward
2. Production in Jaipur plant has been doing quite well with our products are being accepted in global markets
3. We are running at fully capacity utilisation in Jaipur plant, and we are doing capacity expansion by adding one more line in our existing facility
4. We have started commercial production from Quartz plant and our exports have stabilised in the first year of operation. As Quartz products are in high demand across the world, we expect our Quartz segment to contribute to our growth in coming years
5. Granite industry has made representation to the new government for re-opening of granite quarries and we expect that the positive policy changes will increase the availability of raw material
6. The container scarcity issue is expected to resolve in the coming months and this will further improve our margins and also help release blocked working capital

**For any further information, please contact**

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