



ASI Industries

Investor Presentation | May 2019

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Establishment in the
pre-independence era
in 1945



Largest stone mining
company



Only listed player on
BSE in stone mining
industry



Consistent Dividend
Paying Company



No direct peer



Diversifying the business
and investing in
technology up-gradation
to match global standards



About Us

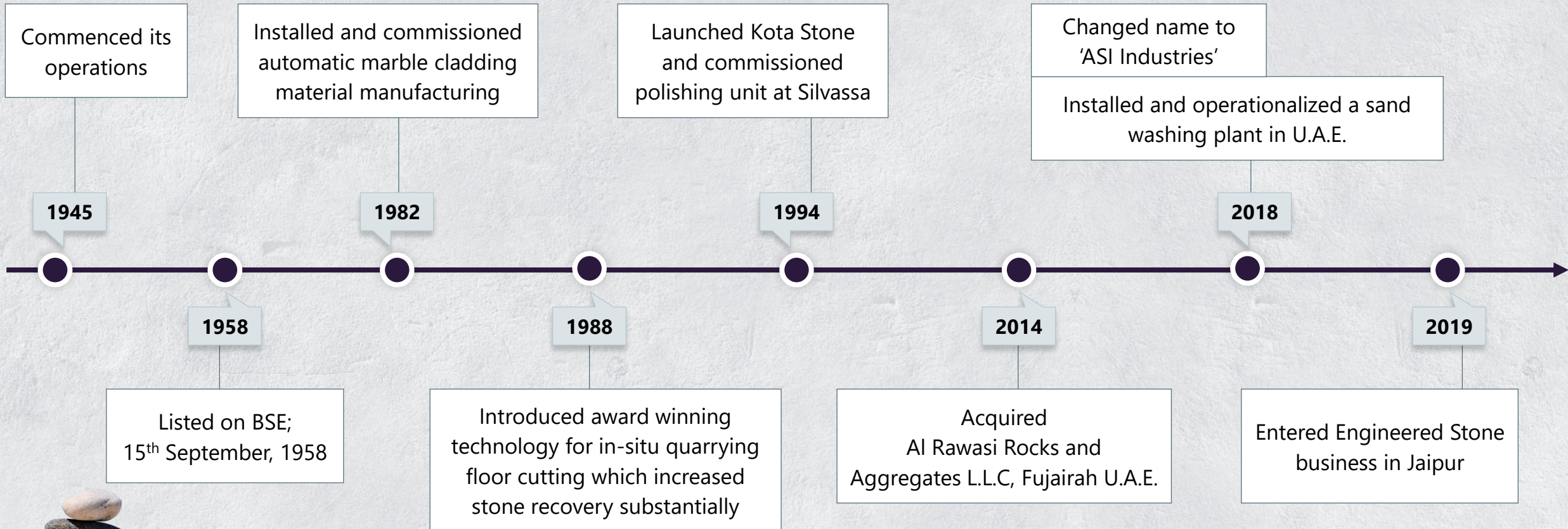
Largest Stone Mining Company and the
only Listed Player in the Industry



- ASI Industries is the world's largest stone mining company and the only listed player in the India
- The company has ~46% market share in the stone mining industry
- Mainly engaged in mining and processing of Kota and other natural stones
- Holds the largest quarries in the world spread across 10 sq kms at Ramganjmandi, situated in Rajasthan
- Produces over 12 million square meters of Kota stone every year
- Acquired Al Rawasi Rocks and Aggregates L.L.C, Fujairah U.A.E (having lime stone quarry & stone crusher unit) for a consideration of AED 21.71 million (USD 5.915 Million)
- The end user of the industry is the real estate, construction and Infrastructure

- Al Rawasi Rocks and Aggregates L.L.C operates as a subsidiary of ASI Industries Ltd.
- Offers rocks and limestone quarrying and mining services which comply with the globally recognised ASTM (American Society for Testing and Materials) standards
- Work in close tandem with India steel, chemical industries and leading construction companies in the Middle East.
- Established two fully functioning quarry plots and a mining area of over 130 hectares
- Annually produce 5 million tonnes of highly quality products







Mr. Deepak Jatia
Chairman & Managing Director



Mrs. Anita Jatia
Executive Director



Mr. Tushya Jatia
Executive Director



Mr. Gaurang Gandhi
Independent Director



Mr. Anshul M. Sonawala
Independent Director



Mr. Sanjay Seksaria
Independent Director

Key management team

Name	Designation
Mr. S.R. Soni	Chief Executive Officer
Mr. Pavan Soni	Chief Financial Officer
Mr. George Mathew	General Manager-Import & Export
Mr. Manoj Jain	Company Secretary & Compliance Officer

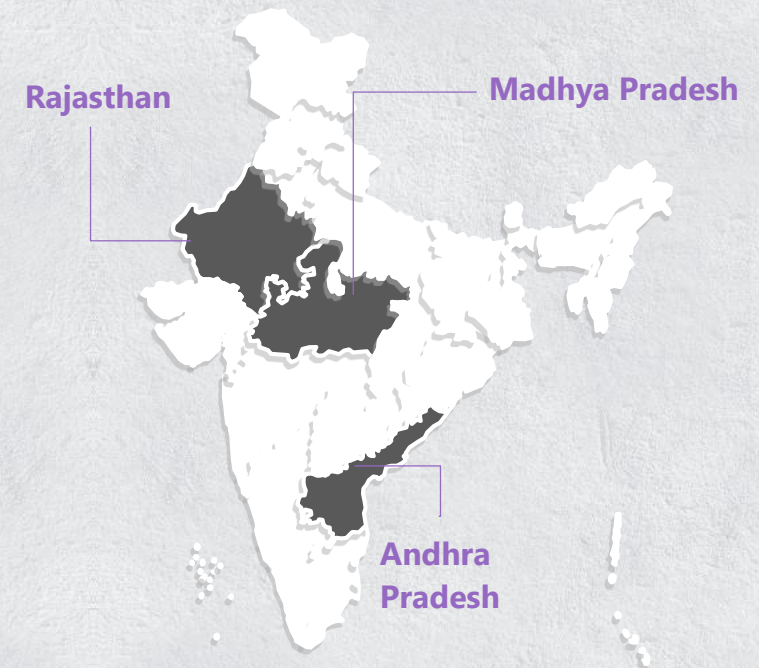


Business Overview

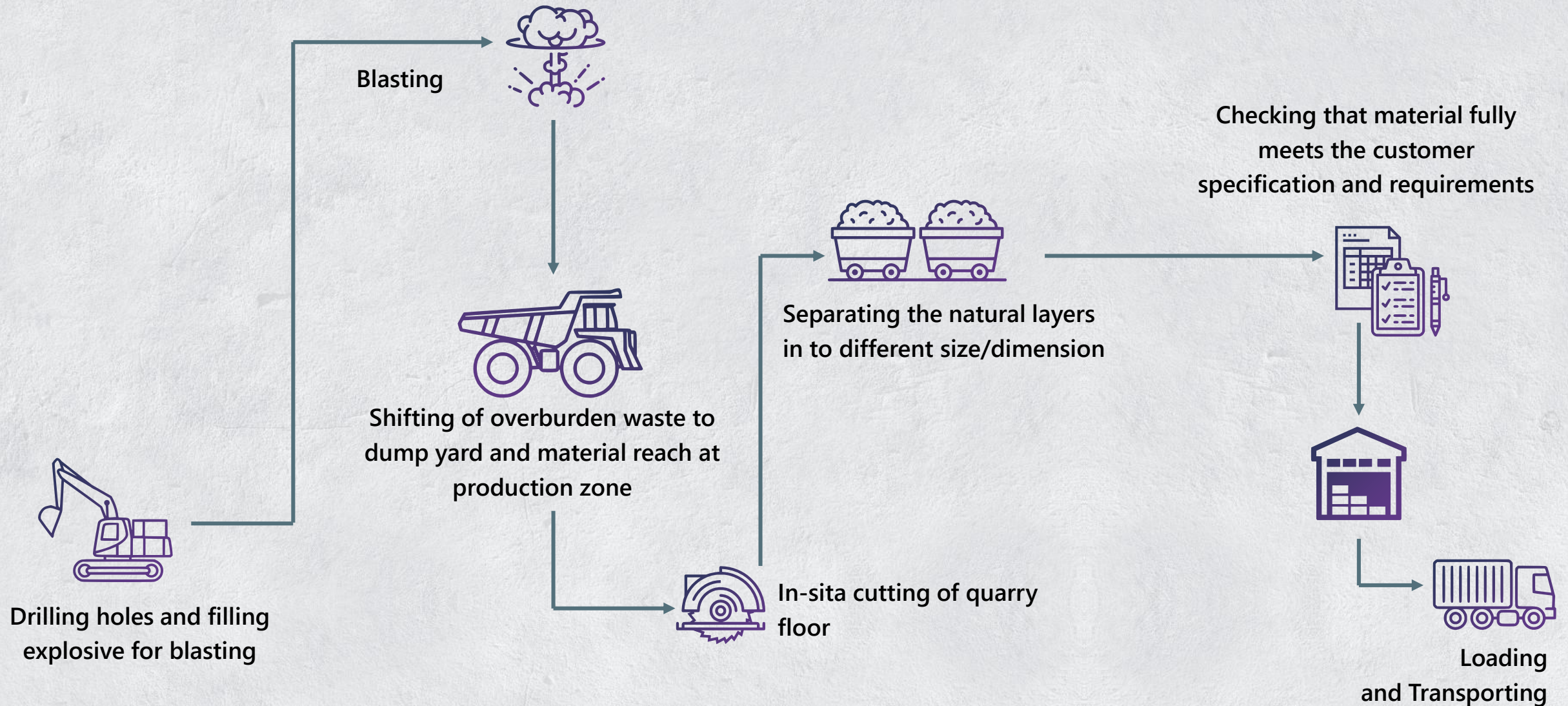
Kota stone – well known industry of Rajasthan

- India is the largest producer in the world in the mining industry
- According to Ministry of Mines, India has the 7th largest bauxite reserves- around 2,908.85 million tonnes in FY17
- Natural stone products are the largest Forex earners in the mineral category
- Kota stone is hard, tough, oil resistant, non-water absorbent, non-slippery and have excellent stone resolvability which is used throughout India specially at railway stations and government offices
- In the Union Budget 2019-20, the Government of India has given a massive push to the infrastructure sector by allocating Rs 4.56 lakh crore (US\$ 63.20 billion) for the sector
- FDI received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to December 2018 stood at US\$ 24.91 billion and in Construction (Infrastructure) activities stood at US\$ 14.01 billion

INDIAN STONE QUARRIES MAINLY LOCATED IN

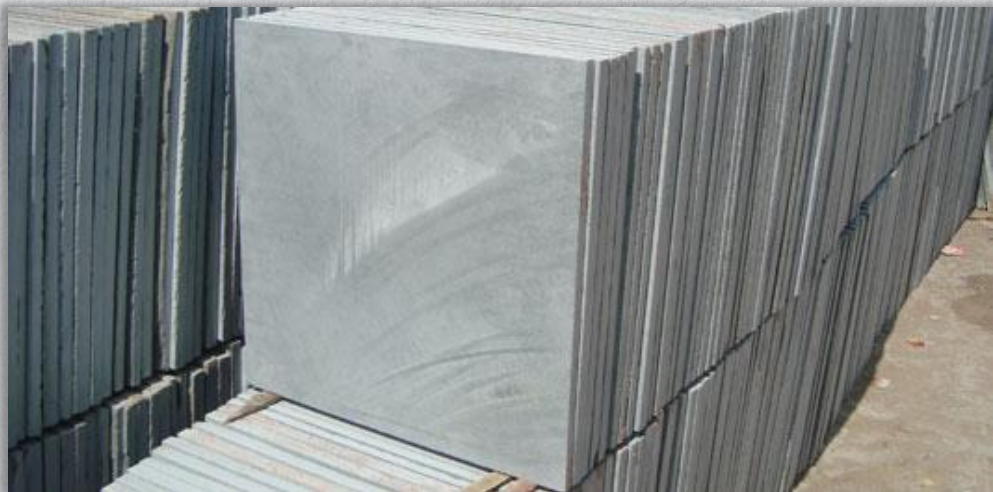


Also located in few locations, in Gujarat, Orissa, Karnataka, Tamil Nadu, Andaman and Nicobar





- Engaged in the production of variety of stone products in various sizes and finishes
- Offers wide range of stones that can be divided into following categories:
 - **Kota Stone**
 - Kota Stone Blue
 - Kota Stone Brown
 - **Sandstone**
 - Kandla grey sandstone
 - Rajgreen sandstone
 - Buff sandstone
 - White sandstone
- ASI Industries have installed and operationalized a Sand Washing Plant in January, 2018 at their foreign subsidiary in Dubai which focusses on limestone and other rocks and minerals



- Kota is situated on the banks of Chambal River in Rajasthan
- Various type of dimensional stones i.e. marble, granite, lime stone and Kota stone which are also inexhaustible are found in Rajasthan in huge quantities
- Kota stone is a fine-grained variety of limestone, which is found only in Kotah district
- The rich greenish-blue and brown colours of this stone are most popular
- It is an excellent building stone which is mainly used for exteriors, pathways, corridors, driveways, balconies, commercial buildings etc
- Famous for its low price and beautiful colours
- India ranks as the top producer of limestone in the world



- Installed 3.625 MW capacity wind power plant comprising of 1.125 MW capacity at Gadag District of Karnataka and 2.50 MW capacity at Satara District of Maharashtra supplying to electricity boards
- These plants contribute to the reduction in Carbon-Di-Oxide emissions to the extent of 4000 tonnes per year
- Apart from wind power, the company is also exploring the possibility of venturing into solar power generation which is a part of its green initiative.

ENGINEERED STONE

- Invested into the Engineered Stone business using patented Italian technology
- This project will be implemented at Mahindra World City, Jaipur, Rajasthan which will have a capacity of 6.50 million Sq. Ft on approximately 7 acres of land
- It is not easy to scratch or chip and it is stain resistant and non-porous
- Ideal for **commercial buildings, food service areas, kitchen countertops, island counters, basin counters etc.**

Commencement of Production

Expected to commence commercial production in February 2020

CAPEX

Capital outlay of about ₹2,000 million

EXPECTATION

Expect the segment to contribute ~₹1,660 million to top line and ~₹181 million to profit in FY2021. Revenues to grow at 20% CAGR and PAT to grow at 25% CAGR over the next 5 years

PEERS

50 units globally, that use this patented technology from Bretonstone, Italy and the ASI unit will be the third of its kind to be set up in India.



What is Engineered Stone ?

Engineered stone is a composite material, manufactured using quartz as the major raw material and has a striking resemblance in appearance to natural stone but more uniformity in colour and patterns as compared to natural stone

FEATURES



Durability

Extremely durable and highly resistant and scratching, rating a 7 on the Mohs scale



Installation & Maintenance

Fast installation; non-porous and does not require sealing; low maintenance and maintenance cost



Consistency

Large quantities of engineered stone can be produced with consistency in aesthetics and quality



Variety

Engineered stone is available in many colours

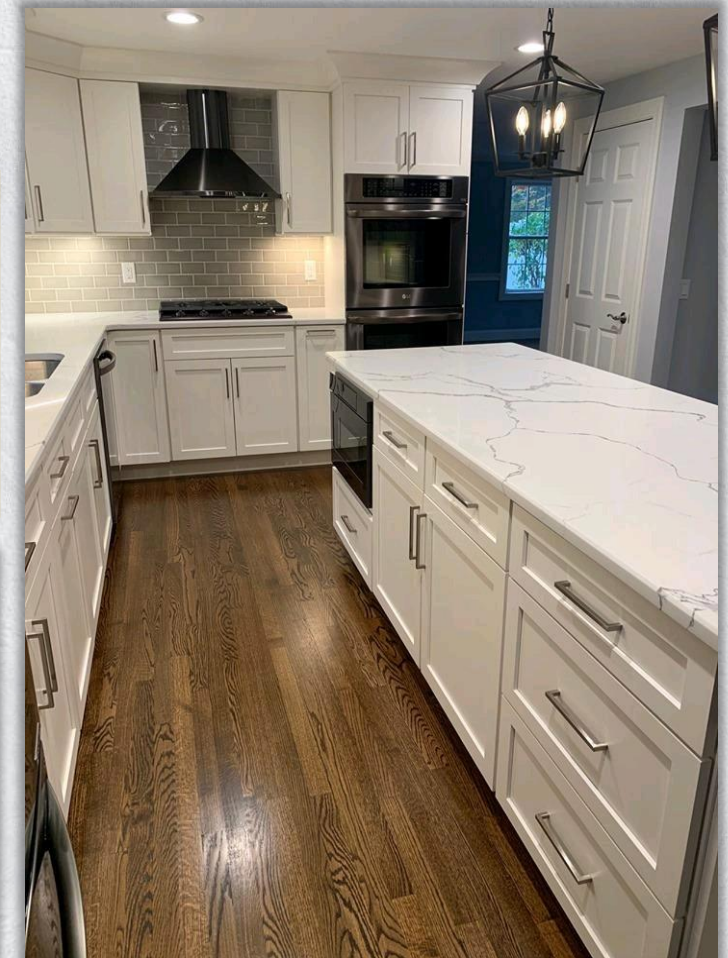
THICKNESS

SLABS

15 mm

20 mm

30 mm





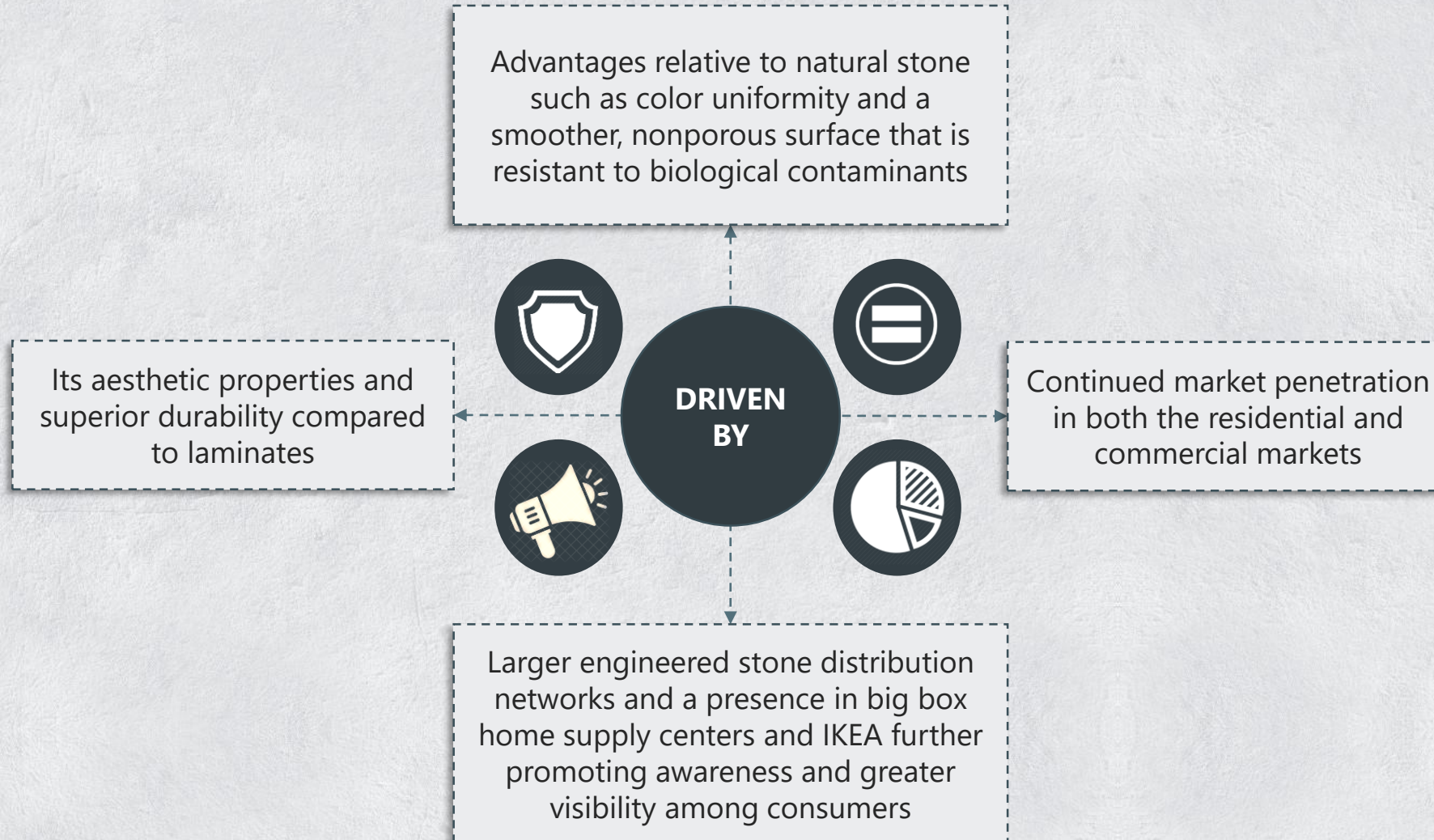
MARKET OVERVIEW

- Engineered stone is the fastest growing market segment in the surface industry
- The global consumption of Engineered Stone increases from 226074 K Sq.m in 2013 to 359537 K Sq.m in 2017, at a CAGR of more than 12.30%
- In 2017, the global Engineered Stone consumption market is led by China and China is the largest region consumption market, accounting for about 35.37% of global consumption of Engineered Stone
- The global Engineered Stone market was US\$ 13000 million in 2018 and is expected to US\$ 24800 million by the end of 2025, growing at a CAGR of 8.4% between 2019 and 2025

DEMAND

Demand for engineered stone countertops grew 28% per annum during the 2012-2017 period due to greater availability and the search for alternatives to granite

Engineered Stone will continue to post healthy gains



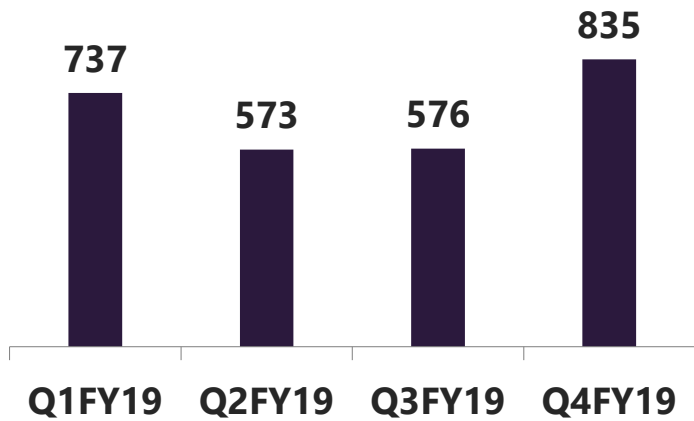


Financial Highlights

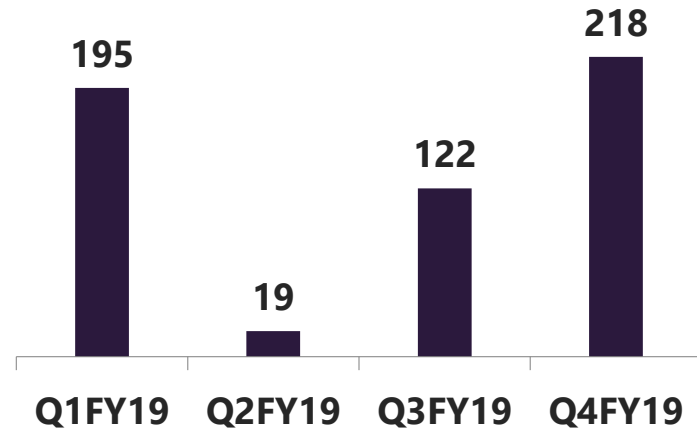


Quarterly – Key Result Highlights

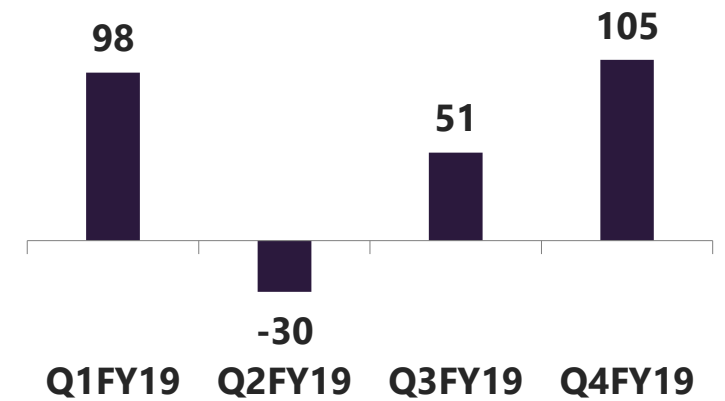
Revenue



EBITDA



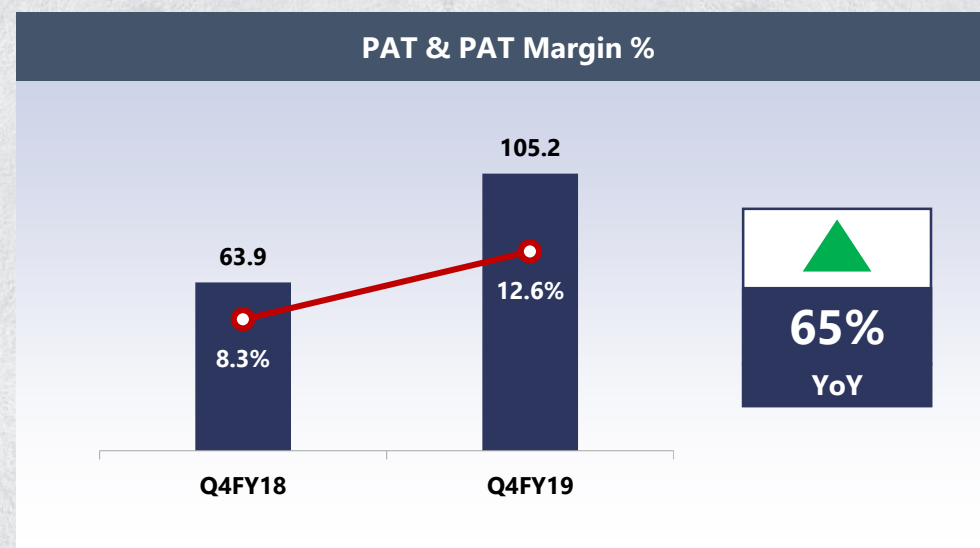
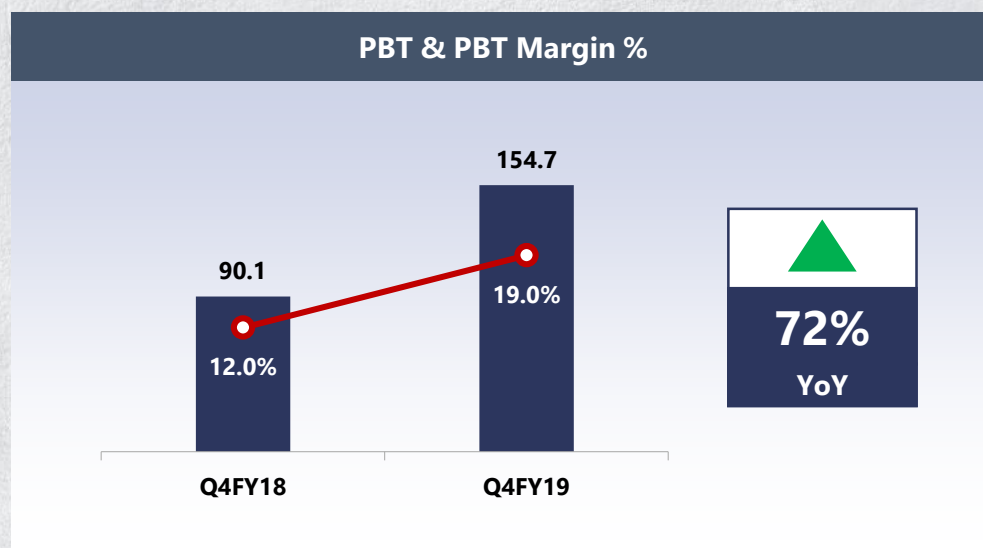
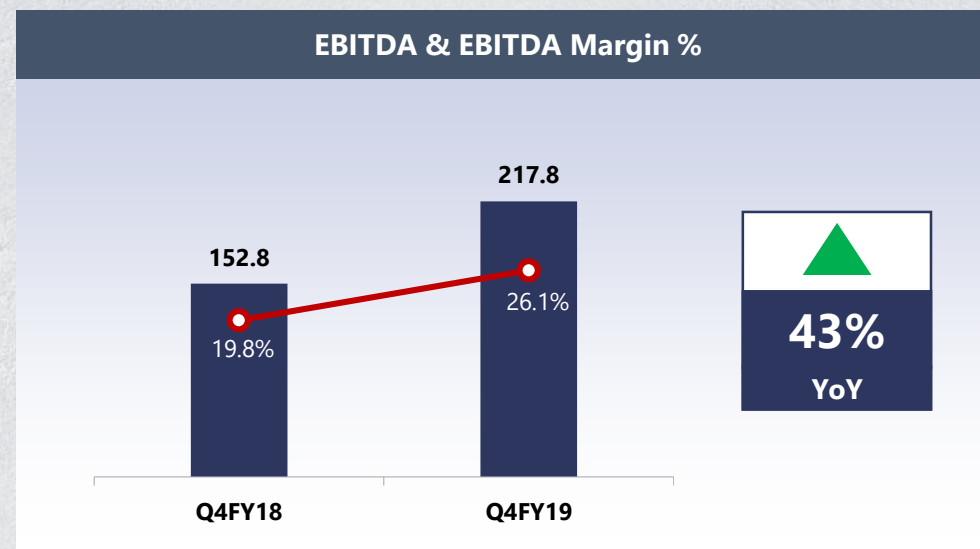
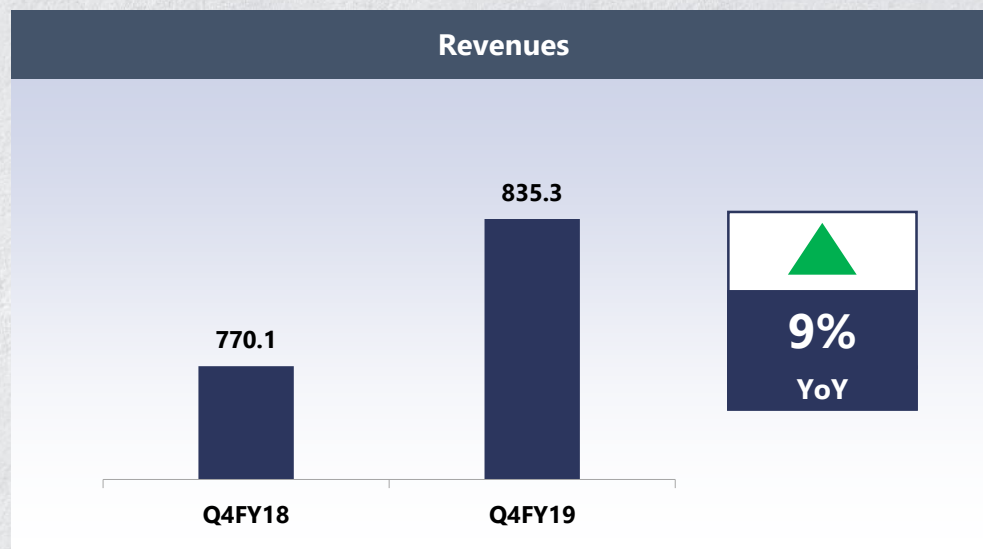
PAT



- There is a cyclical nature to the Kota Stone business primarily due to the onset of rains which curtails production
- Due to archetypical nature of Kota Stone business, in view of rains during Q2, expenses are high for dewatering of mines, labours are comparatively idle, etc. as a result it always tends to losses

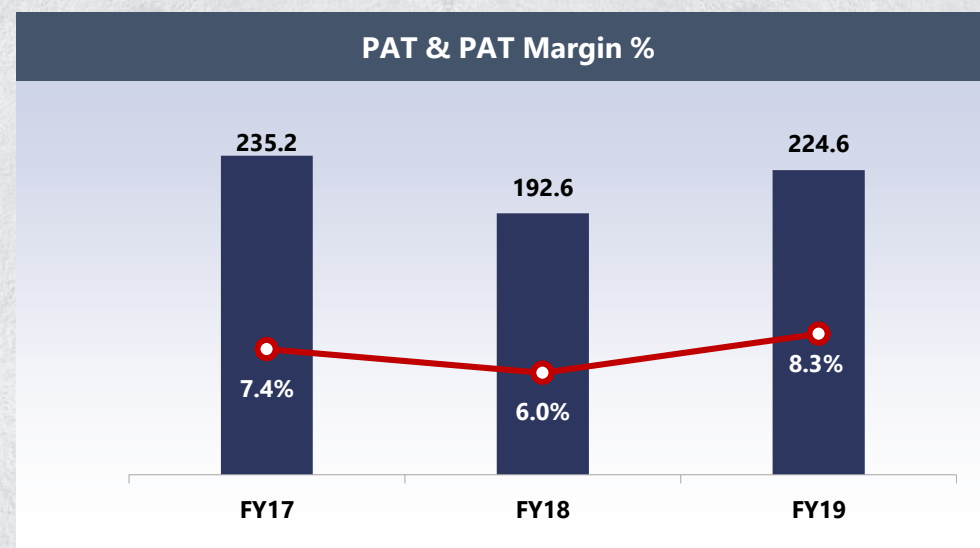
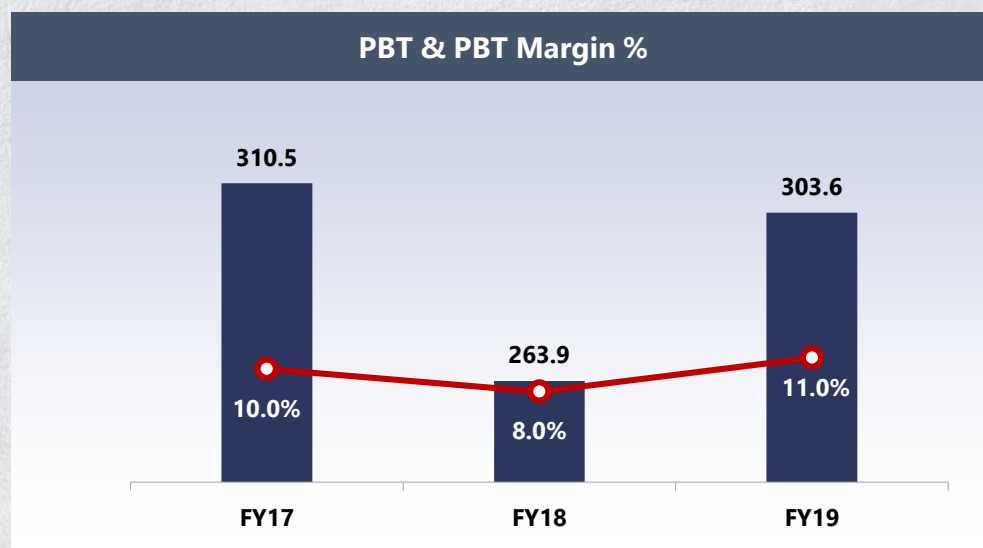
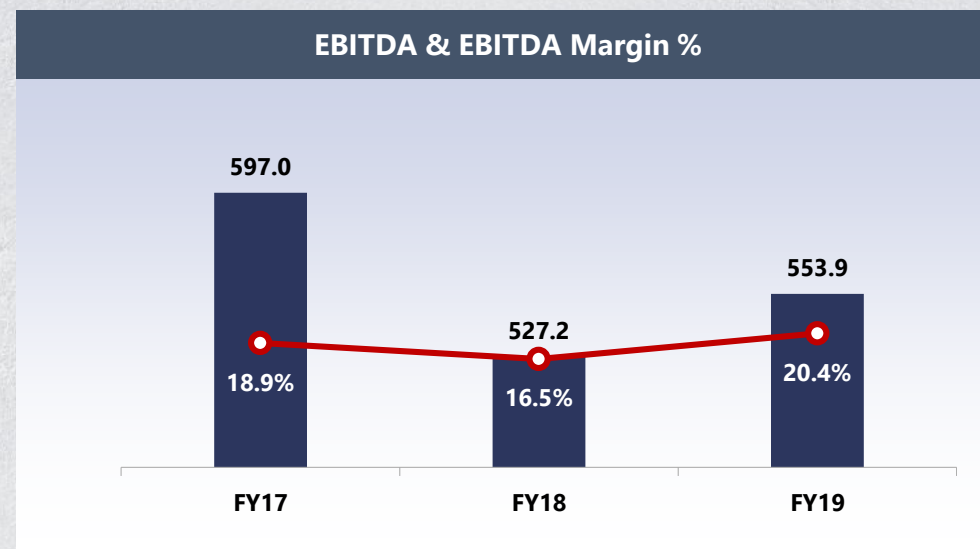
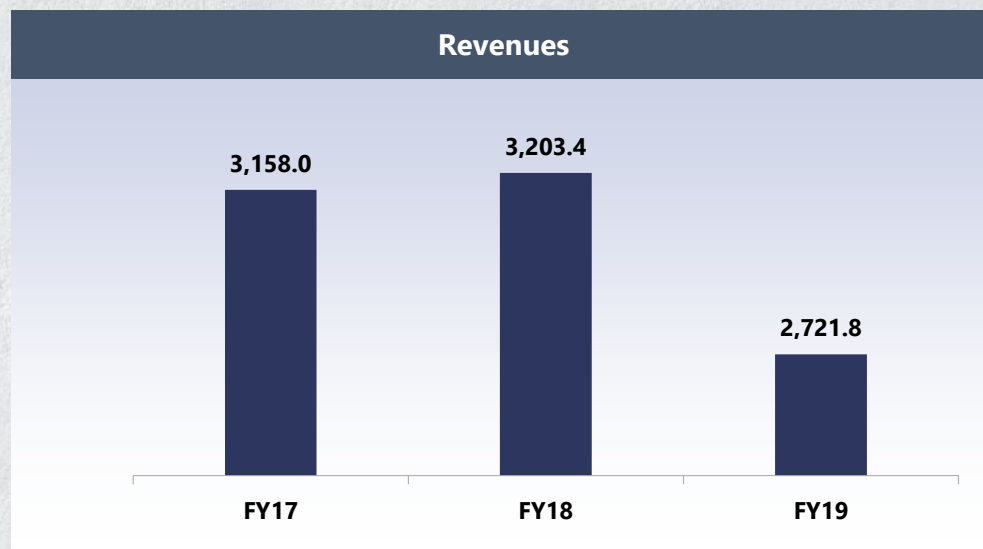
Consolidated - (In ₹ mn, unless otherwise mentioned)

Q4FY19 – Key Result Highlights



Consolidated - (In ₹ mn, unless otherwise mentioned)

Annual – Key Result Highlights



Consolidated - (In ₹ mn, unless otherwise mentioned)



Corporate Social Responsibility

Safety in work place

- Given highest priority at workplace in the mines and during other manufacturing process
- Excellent safety records over the last 6 decades
 - National Safety (Mines) Awards – 11 consecutive times
 - National Safety (Factory) Awards – 6 consecutive times



Concern for ecological balance

- Wastelands and dumps in the mines are converted to lush pockets of greenery with thousand of trees and plants being planted and nurtured
- Created beautiful parks and temples on developed wastelands
- Won 2 National Environment Protection Awards



Residential colonies for workers

Provided hygienic, comfortable and spacious houses for workers, build and maintained by the company



Education

ASI runs a degree college – Rukmani Devi Ram Kumar Jatia College



Medical Centre

Runs Kotah Stone Mariam Hospital at Ramganjmandi to provide all kind of health & medical care





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