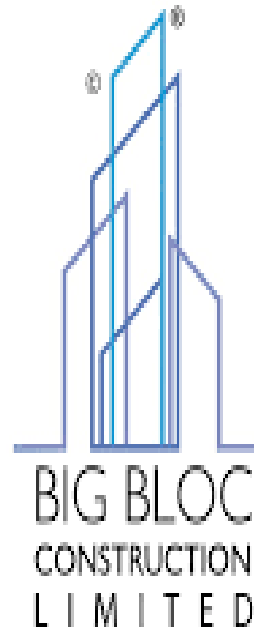


NXTBLOC[®]
AUTOCLAVED AERATED CONCRETE BLOCKS



| | |
|-------|--------------|
| NSE: | Bigbloc |
| BSE: | 540061 |
| CMP: | ₹ 181 |
| Mcap: | ₹1280 Crores |

Company was incorporated on 17th June, 2015, in the state of Gujarat. Company is engaged in the business of manufacturing of building blocks and AAC (Aerated Autoclave Concrete) Bricks. Aerated autoclaved concrete (AAC) blocks are a high-quality building material that offers a unique combination of strength, low weight, thermal insulation, sound absorption, unsurpassed fire resistance and unprecedented build ability. AAC is a natural and non-toxic construction material, saves energy, and is friendly to your environment.

Prepared by Kunj Lalka
info@goldentrunk.in

- 1.) AAC blocks have gained popularity across the world due to their unique properties, including thermal insulation, fire resistance, and sound insulation. As of now, over 92 million CBM AAC blocks have been produced in India, saving approximately 106 million tons of CO2 emissions and reducing energy consumption by 22.15 GW. The worldwide total AAC blocks market size is \$18.5 billion which is growing at a CAGR of 6.7%. The total market size of AAC blocks in India is around \$675 million, and it is expected to grow at a CAGR of 18% in the coming years.
- 2.) In India AAC blocks and non-reinforced panels market is predicted to witness noteworthy growth in the forecast period, 2020–2027. An ever-growing emphasis on soundproof and green buildings is boosting the growth of the market. The residential sub-segment and AAC blocks sub-segment are estimated to dominate the market. The Hyderabad market is predicted to be in the leading position in the forecast period.
- 3.) Despite the high growth of AAC Block in building applications during the last decade, it is only 7-8 per cent of the industry, while 85-90 per cent of the industry is still dominated by Red Bricks, which means enormous potential in the years to come.
- 4.) With increasing regional government projects and expanding real-estate industry, demand for autoclaved aerated concrete is expected to see an upsurge. The Indian government's 'Housing for All ' is a major game changer for the industry, as also projects such as Pradhan Mantri Awas Yojana, Police Housing, Kanya Shiksha Parishar, etc., where the government has made it mandatory to use AAC Blocks.

5.) AAC Blocks help by building the home better, faster and cheaper by use of innovative construction technologies and have emerged as a building material choice and a suitable replacement for clay bricks.

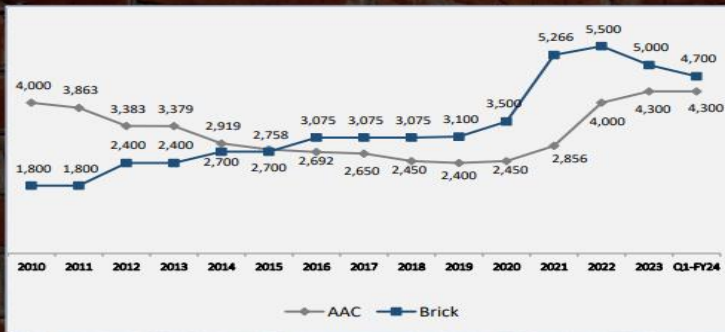
Pricing of raw materials - lime, cement, petcoke and aluminium powder also currently in favor of AAC blocks compared to clay bricks.

Fly ash is one of the key raw materials for AAC blocks. In India, many thermal power plants generate a lot of coal waste (fly ash); AAC blocks use this as raw material and provide a green solution to India's brick industry. In addition, over the last decade, prices of bricks have risen considerably compared to AAC Blocks which further gives it a competitive advantage over bricks. AAC Block prices are around Rs. 4000 per cbm, while brick prices have crossed Rs. 5500 per cbm.

6.) More importantly bricks were not subject to gst, but from April 2022 onwards bricks have also been taxed with 12% GST which have made ACC blocks more price competitive.

AAC Blocks Vs. Red Bricks

Price Trend of AAC Block and Red Brick



Source: Indiamart

WEIGHT:

AAC blocks weigh 600 kg/m³ as against Bricks which weigh 2,000 kg/m³ as a result it drastically reduces the dead weight of the building resulting in to reduction in steel and cement i.e. structural costs.

REJECTION RATE:

Rejection rate in Bricks is 10-15% higher than AAC. Also 9 Bricks equals 1 AAC block, therefore rejection rate is further lower for AAC

COST & TIME SAVINGS:

Putty work can be done without plaster in case of AAC resulting in cost savings. AAC also reduces air conditioning bills due to its excellent thermal insulation property. AAC wall construction involves 1/3rd the joints as it is 9 times the size of a clay brick, thus an overall savings in time and as a result labour costs.

SIZE:

AAC Blocks are available in various sizes with more carpet area available as compared to red bricks, additionally, Number of joints required while using AAC blocks is less than that of red bricks .

ENVIRONMENTAL IMPACT:

AAC does not consume top layer agricultural soil unlike Bricks. It also consumes significantly less coal and emits less CO₂ as compared with Bricks. 65% of the raw material by weight is fly ash which is a waste for thermal power plants and has toxic effects

Company Profile

- 1.) BigBloc has three state-of-the-art manufacturing units located at Vapi and Ahmedabad, Gujarat, and Palghar, Maharashtra, making it the one of the largest AAC manufacturer in India. However, with the ongoing capacity expansion plans, the company will catapult to become the largest AAC manufacturer in India by FY24. One of the Largest AAC Blocks Manufacturer in India with 8,25,000 CBM p.a., post expansion will touch 13,50,000 CBM p.a
- 2.) Only Company under AAC industry to generate Carbon Credits, Early entrant in India for manufacturing AAC Blocks and ALC panels
- 3.) Supply Chain across 9 Cities in 4 States, company's current strength team of 500+ and also company has executed 2000+ projects and around 1500 + in pipeline. Company's sale distributor channels at present- Bombay, Pune, Vapi, Silvassa, Baroda, Ahmedabad, Indore, Rajkot and Nashik, Nandurbar, Dulia Rajkot, Dhar and Udaipur, kachchh.

Company Brand portfolio



Marquee Clientele across Residential, Commercial & Hospitality

Realty/ Real Estate

adani Realty

LODHA BUILDING A BETTER LIFE

Prestige GROUP Add Prestige to your life

Sunteck

Piramal Realty

CAPACITE

OBEROI REALTY

SUNWAL With you, always...

Indiabulls REAL ESTATE

RAHEJA UNIVERSAL THE WORLD TO COME

PURANIKS Ideas that stay with you

REGENCY GROUP Linking People, Building Trust™

MARATHON

PARADISE GROUP Your World. Our Vision. ISO - 9001:2008 Certified Organisation

REGENCY TITWALA (E) Life...Complete

SHIVALIK® A Commitment to a Commitment

ARIHANT SUPERSTRUCTURES LTD. CONTINUING STABILITY

SHIRKE®

Shapoorji Pallonji

Reliance Life Sciences

Construction

LARSEN & TOUBRO

PSP Build to Last

OEM's

ACC

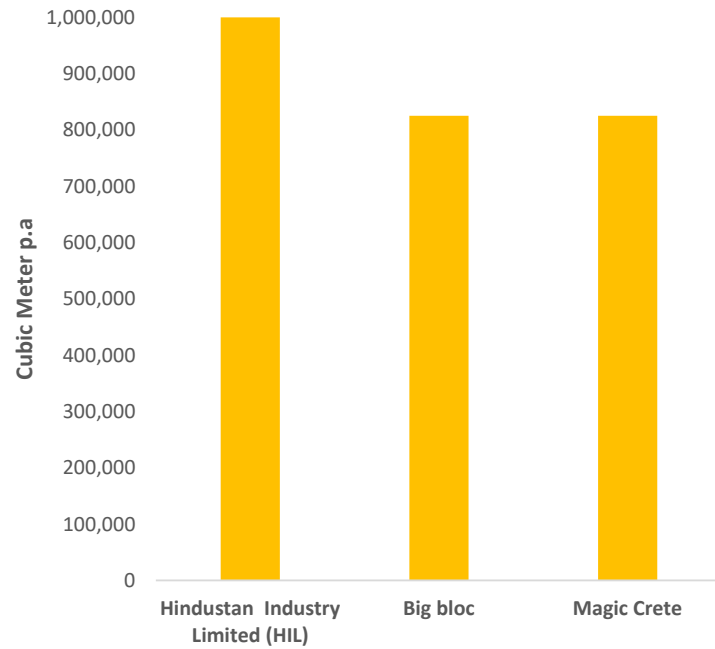
Ambuja Cement

Government Bodies

CIDCO

Company's Current Capacity + Expansion

| | Existing | | | Upcoming | |
|--|---------------------|--|-------------------------------|--------------------------------|---|
| | Umargaon, Vapi | Kapadvanj, Ahmedabad | Wada, Maharashtra | Wada, Maharashtra | Kapadvanj, Ahmedabad (Joint- Venture) |
| Capacity (CBM/ P.A) | 3,25,000 | 2,50,000 | 2,50,000 | 2,50,000 | 3,00,000 |
| Carbon credit potential (Units/ P.A) | 60,000 to 65,000 | 50,000 (registration under process) | Registration under process | 1,00,000 (at full capacity) | 50,000 to 60,000 |
| Products Manufactured | AAC Blocks | AAC Fly Ash Blocks & Sand Based Blocks | AAC Blocks | AAC Blocks | AAC Blocks & Panels |



Hindustan Industry - CK Birla Group

Magic Crete- Funded through PE Motilal
Oswal

**** post expansion Big Bloc will be at 13.25 Lac p.a CBM**

SCG started in the year 1913, a 109-year-old company. IT started as a cement company and expanded into the building materials and chemical business. Company has 54,000 employees, out of which around 17,000 are outside of Thailand as it operates outside of Thailand as well.

SCG has 3 major businesses, building materials, chemicals, and packaging. It occupies the leading market positions in chemical & packaging. The combined revenue of SCG- is 16.5 billion USD\$, half of the revenue is from Thailand and the remaining half from other countries.

SCG International Corporation, a global supply chain corporation with operations in 20 countries and a member of SCG Group, an ASEAN corporate conglomerate with assets exceeding \$ 27 billion, would own 48% of the joint venture while Bigbloc Construction will own the remaining 52%. Rs 650 million are are thought to have been invested overall in the project. **SCG has established its first joint venture in India through Big Bloc constructuiion** , the joint venture seeks to encourage mutual growth and cooperation in the construction industry, exchange technological and commercial information, and provide modern building materials to Indian markets. It intends to put up a 3 lakh cbm per year factory for AAC blocks and ALC panels in the first phase.

Board Members

Mr. Narayan Sitaram Saboo - Chairman & Executive Director

Mr. Naresh Sitaram Saboo - Managing Director

Mr. Mohit Narayan Saboo - Director and CFO

Mr. Manish Saboo - Marketing Strategist

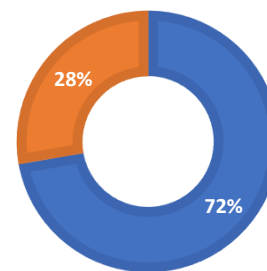
Mr Sachit Gandhi - Independent Director

Ms. Samiksha Nandwani - Independent Director

Mr. Dishant Jariwala- Independent Director

Holdings as on Sept'23

■ Promoters ■ Public



GoldenTrunk Capital Venture LLP

- 1.) Company has a the biggest geographical advantage hence it is able to cater the western belt of India. By fy' 24, BBCL will be the India's largest AAC manufacturer.
- 2.) Wada facility is eligible for the 60% subsidy from Maharashtra Govt, thus the project cost subsidy is spread over 10 years, hence this will boost the company's cash flow.
- 3.) Company's Geographical advantage helps them to obtain the Raw material Fly ash and Sand from the near by sources ensuring the optimum utilization of the facility
- 4.) Company had registered for the carbon credit for the umbergaon facility, company in process for the wada facility and for Ahmedabad facility, approx. 3 lac carbon credit will be generated by the company (Currently 60,000), these carbon credits are tradeable and realized around 4 to 5 \$ hence this will boost the cash flow of the company.
- 5.) By Fy 24 company will also start manufacturing ALC panels under JV of SCG group this will give company a thrust to expand ALC market.
- 6.) Company will also explore the construction chemical products manufacturing under their facilities.
- 7.) Company has the lowest rejection for AAC product 2-3 % vs 7-8% industry. This has been achievable due to efficient management and skilled labour force.
- 8.) Management has been very focused and optimistic regarding their EBITDA margins, Company is confident to maintain 20-25% margin for next 5 to 6 quarters through achieving the optimum efficiency and product mix portfolio, comoany is also looking to explore south belt of india for ACC and ALC market. Company is into last stage of finalization of acquring the land
- 9.) Currently Big bloc is the only company earning carbon credits

10.) Company's debt stands to 70 crores at present.

Growth Drivers

India aims to building a sustainable infrastructure, a substantial investment estimated at \$1.4 trillion, India's goal of achieving carbon neutrality by 2070, environment friendly infrastructure plans.

The real estate market in India is booming, with a myriad of growth prospects for the years to come. In the current year, the market stands at a whopping USD 265.18 billion and is anticipated to reach USD 828.75 billion by 2028, growing at a CAGR of 25.6%, according to a study by Mordor Intelligence.

Smart city mission over 6000 projects worth over 1.1 lakh crore, more than 2000 projects are to be targeted to be completed by June 2024

As per the CBRE report the office space leasing in July, Aug , ans September this year was 0.3 million square feet (30 lakh square feet) from 0.2 million s .. in the same period in 2022. "Bangalore, followed by Delhi-NCR, Chennai, and Hyderabad, are expected to drive absorption in 2023 while Mumbai, Pune and Kolkata are also likely to witness steady space during the year.

Awareness amongst the builders and architects about the several beneficial attributes of AAC blocks over red clay and fly ash bricks. Shortage of urban labour and high interest costs have forced developers and construction companies to look for faster and more efficient building materials.

ALC Panels: Autoclaved Lightweight Aerated Concrete panel is composite material consists of cement, lime, and silica sand. These panels use two-way welded steel mesh as reinforcement. Reinforcements are treated with anti-rust liquid. ALC panels are manufactured at high temperatures and are steam cured.

ALC panels are used for external and internal non-load bearing walls, roof, floor etc for commercial, industrial, and residential buildings. ALC panels got a density of around 600-650 kg per m³ which is 4 times lighter than concrete and three times that of brick. These lightweight properties can reduce the self-weight which in turn reduces the design loads on foundations. Usage of ALC panels can substantially economize the structure and ease the construction process. The overall saving in structural cost is around 15-20%. ALC panels are next-generation, a versatile green building material that possesses superior technical and functional advantages. These advantages gave them an upper edge over conventional construction materials to become a favorite walling alternative. ALC panels are designed for non-load bearing walls, load-bearing walls, basement walls, partition walls, floor and roof slabs, etc.

I, Kunj Lalka am not a SEBI registered Research Analyst and this report is solely meant for educational purposes. This research report is for informational purposes only and should not be considered as investment advice or a recommendation to buy, sell, or hold any securities. Investors should conduct their independent research and consult with their financial advisors before making any investment decisions. The information and analysis provided in this report are based on publicly available information, and I have used reasonable efforts to ensure the accuracy of the information. However, I make no representation or warranty, express or implied, as to the accuracy, completeness, or timeliness of the information contained herein. All opinions and estimates expressed in this report are subject to change without notice I do not undertake to update or revise any forward-looking statements or projections contained in this report. Past performance is not indicative of future results, and the value of investments can go up or down. Investing in securities involves risks, including the risk of loss of principal. I shall not be liable for any direct or indirect damages arising from the use of this report.