

BigBloc Construction Ltd reports Total Income of Rs. 59.12 crore in Q2FY24, growth of 21.8% Y-o-Y

- Highest-Ever EBITDA on a quarterly basis at Rs. 15.1 crore in Q2FY24
- The Company has declared 10% Interim Dividend, Rs. 0.20 per share; Majority of the Promoter Group decides to waive their dividend rights to support expansion plans

Consolidated Financial Highlights:

(Rs. in cr.)

Particulars	Q2 FY24	Q2 FY23	% Change	HI FY24	HI FY23	% Change
Total Income	59.12	48.55	21.8%	114.06	104.15	9.5%
EBITDA	15.09	13.96	8.1%	27.80	26.23	6.0%
EBITDA Margin (%)	25.51	28.75	-324 bps	24.37	25.19	-82 bps
PAT	7.56	8.57	-11.8%	13.58	16.99	-20.1%
PAT Margin (%)	12.80	17.65	- 487 bps	11.90	16.32	- 442 bps
EPS (in Rs.)	1.07	1.21	-11.8%	1.92	2.40	-20.1%

Surat, October 31, 2023: [BigBloc Construction Limited](#), one of the largest manufacturers of Aerated Autoclaved Concrete (AAC) Blocks, Bricks and Panels in India has reported consolidated total income of Rs. 59.12 crore for Q2FY24 ended September 2023, growth of 21.8% Y-o-Y as compared to total income of Rs. 48.55 crore in Q2FY23. Company has reported highest-ever EBITDA on quarterly basis in Q2FY24. EBITDA for Q2FY24 reported at Rs. 15.09 crore (EBITDA Margin 25.51%), registering 8.1% Y-o-Y rise as against EBITDA of Rs. 13.96 crore (EBITDA Margin 28.75%) in Q2FY23. Consolidated Net Profit during Q2FY24 was reported at Rs. 7.56 crore (PAT margin 12.80%) as compared to the net profit of Rs. 8.57 crore (PAT margin 17.65%) in Q2FY23. EPS for Q2FY24 was reported at Rs. 1.07 per share.

The Board of the Company has also declared 10% Interim Dividend, Rs. 0.20 per share on the face value of Rs. 2 per share for the FY 2023-24. Considering the ongoing expansion plans of the company, majority of the promoter group and its entities (Comprising 60.03% equity shares out of total 72.27% held by promoter group) have continued to waive off their dividend rights and communicated their decision to the board of directors. Promoter group had waived their rights for final dividend announced for the FY2022-23 as well.

Incorporated in 2015, BigBloc Construction Ltd is one of the largest and only listed company in the AAC Block Space with an installed capacity of 8.25 lakhs cbm per annum. Company's manufacturing plants are located in Umargaon (Vapi) and Kapadvanj (Ahmedabad) in Gujarat and Wada (Palghar) in Maharashtra. It is among very few company in AAC industry to generate carbon credits.

Commenting on the company's performance, Mr. Narayan Saboo, the Chairman, Bigbloc Construction Ltd said, "The Company has reported excellent numbers for Q2 FY24 with a steady growth in Revenue and achieved highest-ever EBITDA on a quarterly basis. We expect Q3 and Q4 FY24 to be even better with higher capacity utilization across plants. We aim to achieve 25-30% sales growth in FY24 with a healthy EBITDA margin of 20-25%.

Expansion of 2nd phase of Wada project and joint venture plant with SCG are progressing as planned. Post completion of the current expansion company's manufacturing capacity will increase to 13.75 lakhs cubic meter per annum. Further with a vision to become a prominent national player in the AAC Block space and meet the growing demand, the company is exploring manufacturing facilities in Northern as well as South India and expand the product basket."

India is the second largest block manufacturer in the World after China with approximately 150 plants. Indian AAC blocks market is expected to grow rapidly going ahead replacing red bricks.

Highlights: - HIFY24 Results

For the six months ended September 2023, company reported consolidated net profit of Rs. 13.58 crore (PAT margin 11.90%) in HIFY24, as compared to the net profit of Rs. 16.99 crore (PAT margin 16.32%) in HIFY23. Total income during HIFY24 was reported at Rs. 114.06 crore, rise of 9.5% Y-o-Y as compared to total income of Rs. 104.15 crore in HIFY23. EBITDA for HIFY24 stood at Rs. 27.80 crore (EBITDA Margin 24.37%) as against EBITDA of Rs. 26.23 crore (EBITDA Margin 25.19%) in HIFY23.

Expansion at Wada: The Company's wholly owned subsidiary – Bigbloc Building Elements Pvt Ltd is expected to start work on the 2nd phase of Wada project in Palghar, Maharashtra. The Company is planning to add another 2.5 lakhs cubic meter per annum capacity of AAC block at the facility. Post completion, Wada plant capacity will increase to 5 lakhs cubic meter. At full capacity, Wada plant is expected to generate annual revenues of Rs. 200 crore and 1 lakhs units of carbon credits every year.

In a joint venture with Thailand's SCG Group, M/s. SIAM Cement Big Bloc Construction Technologies Pvt Ltd is setting up 3 lakhs cbm per annum plant for ALC Panels and AAC Blocks at Kapadvanj, Ahmedabad (Gujarat). Company expect to start commercial production in next 6-7 months. This is SCG Group's first investment in India. BigBloc Construction holds 52% in the joint venture company.

Mr. Mohit Saboo, Director & CFO, BigBloc Construction Ltd, said, "Company currently generates 60,000 units of carbon credits per annum from Umargaon unit while Wada (1st phase) is under the process of registration. Company expects to generate over 2 lakhs units of carbon credits per annum post all expansions are completed. Going forward, company also plans to increase the product basket with the launch ALC Panels, Block jointing Mortar, Tile Adhesives, Gypsum Plaster and other construction chemicals."

BigBloc Construction Limited is India's leading AAC block and related products manufacturing company. The Company markets its products under brand name '**NXTBLOC**'. The Company has executed over 2,000 project so far and has another 1,500 plus in the pipeline. The Company client includes Lodha, Adani Realty, IndiaBulls Real Estate, Prestige, Piramal, Oberoi Realty, Shirke Group, Shapoorji Pallonji Group, Raheja, PSP Projects, L&T, Sunteck among others. The Company is installing 450 KW solar rooftop facilities at Umargam and Kapadvanj manufacturing facilities to keep the carbon footprints to the lowest possible. By this, company will be able to replace approximately 33% of its power requirement at both its plant with renewable green energy – solar power.

Green and non-toxic building construction material, AAC blocks are lightweight, soundproof, fire resistant, offer superior build quality, eco-friendly and economical too compared to traditional bricks. Use of AAC blocks are expected to grow at a much faster rate in the coming years owing to increased awareness, growth in the infrastructure sector, demand for affordable housing, Government's impetus and regulations to use eco-friendly construction material and several other beneficial attributes over red clay and fly ash bricks.

Operational Highlights:- Q2FY24

1. The Phase I of Wada plant is running at 70% plus capacity utilisation. Company to start construction activates for phase – 2 expansion shortly.
2. Construction at the upcoming JV factory of Siam Cement Bigbloc Construction Technologies Pvt Ltd is running in full swing. Company intend to start commercial production at this unit in approximately 6-7 months.
3. During the quarter company added Mundra Solar Technology Ltd (Adani Group), Mahindra Lifespace Developers Ltd, Solaris Group, Siddhi Infrastructure, Avadh Builders, Ami Organics Ltd, Alembic Ltd, Deepak Nitrite Ltd, Hindva Group, Konart Steel Buildings Pvt. Ltd and more to the list of esteemed customers and also started supplying to Govt school projects of Sarva Shiksha Abhiyan among others
4. In the quarter under review, some of the AAC (Autoclaved Aerated Concrete) manufacturing companies, which have been operating their factories for 7-10 years, experienced issues with their autoclaves. As one of the largest and leading manufacturers of AAC Blocks, our company conducted a comprehensive evaluation and testing of the autoclaves at all our factories. Given that the Umargaon factory is the oldest, we took the following proactive steps to address the issue:
 - I. We temporarily halted one of the autoclaves for half of the last quarter to assess the situation.
 - II. After the evaluation, we made the decision to replace five out of the six autoclaves at the Umargaon unit.
 - III. Orders for the upgrade of these autoclaves have already been placed, and the replacements are scheduled to be completed in the current quarter.

It's important to note that these maintenance and upgrade measures have been carefully planned to minimize any adverse effects on production. As leaders in the AAC manufacturing industry, we are committed to maintaining the highest standards of equipment reliability and efficiency by taking proactive steps for equipment maintenance and upgrades as necessary.

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