

“CREATING
A LEADING EDGE IN
RAW MATERIAL FOR
SUSTAINABLE
TOMORROW”

INVESTOR PRESENTATION
JANAURY 2019

rawedge[®]
Raw Edge Industrial Solutions Limited

The logo for rawedge features the word "rawedge" in a bold, dark blue, lowercase sans-serif font. A registered trademark symbol (®) is positioned to the upper right of the word. Below the word, the full name "Raw Edge Industrial Solutions Limited" is written in a smaller, dark blue, uppercase sans-serif font. To the right of the text, there is a stylized graphic element consisting of a downward-pointing chevron shape, filled with a gradient from orange at the top to yellow at the bottom.



“Focus on Manufacturing of Quick & Hydrated Lime”
in Line with Indian PM’s Vision of **Make in India** Programme

DISCLAIMER

Certain Statements In This Document May Be Forward Looking Statements. Such Forward-looking Statements Are Subject To Certain Risks And Uncertainties Like Government Actions, Local Political Or Economic Developments, Technological Risks, And Many Other Factors That Could Cause Our Actual Results To Differ Materially From Those Contemplated By The Relevant Forward-looking Statements. Rawedge Industrial Solutions Ltd Will Not Be In Any Way Responsible For Any Action Taken Based On Such Statements And Undertakes No Obligation To Publicly Update These Forward-looking Statements To Reflect Subsequent Events Or Circumstances



RAWEDGE ESSENTIALS

Founded in 2005 by First Generation Entrepreneur : Bimal Bansal.

Leading Manufacturer Of Quick Lime (Cao) And Hydrated Lime $\text{Ca}(\text{OH})_2$ For Varied Application Industry.

Innovation-driven Enterprise Engaged In Delivering Fully Integrated Solutions Of Raw Material Supplies To Large & Medium Industrial House.

One of the Leading Non-Captive Lime Company

Leading Suppliers Of Calcined Lime, Dolomitic Lime, AAC Lime Calcined Magnesite, Clincker, Quartz, Gypsum, Imported Coal Etc

Accredited With 9001-2015 & ISO 14001-2015 Certificate

OUR KNOWLEDGE POOL



Mr. Bimal Bansal - Managing Director

Mr. Bimal Bansal, Managing Director holds a Degree in commerce from Kurukshetra University, Haryana. He has a vast experience of more than 30 years in the fields of Textile, Chemicals, Minerals and related businesses. He was accoladed with "Highest Textile Exporter of the year", by the then Honourable President of India Mr. K.R. Narayanan.



Mr. Sourabh Bansal - Director

Mr. Sourabh Bansal, Director aged 34 years, is an IIT-Kharagpur alumnus, with a B-Tech & M-tech degree in Industrial Engineering and Management. He is also the co founder & Managing Director of Magicrete Building Solutions Pvt. Ltd., a company with Motilal Oswal Private Equity as an marquee Investor .



Mr. Siddharth Bansal - Director

Mr. Siddharth Bansal, Director aged 33 years, is an IIT-Delhi alumnus, with B. Tech. in Engineering Physics. He also holds PGDM degree from IIM-Lucknow, one of the premier management institutes in India. He act as Executive Director in Magicrete Building Solutions Pvt. Ltd.

Mr. Ajay Soni - c.o.o

He hold Masters in Business Administration from Metas Adventist College, Surat. He is associated with the company since its inception. He plays a vital role in achieving business goals set by the management. He has 2 decades of experience in manufacturing, sales, logistics and procurement.

Mr. Prashant Agarwal - c.f.o

Mr. Prashant Agarwal, aged 31 years, is a Chartered Accountant by qualification. He has been appointed as the Chief Financial Officer (CFO) of the company. He has more than 5 years of experience in the area of finance and accountancy.

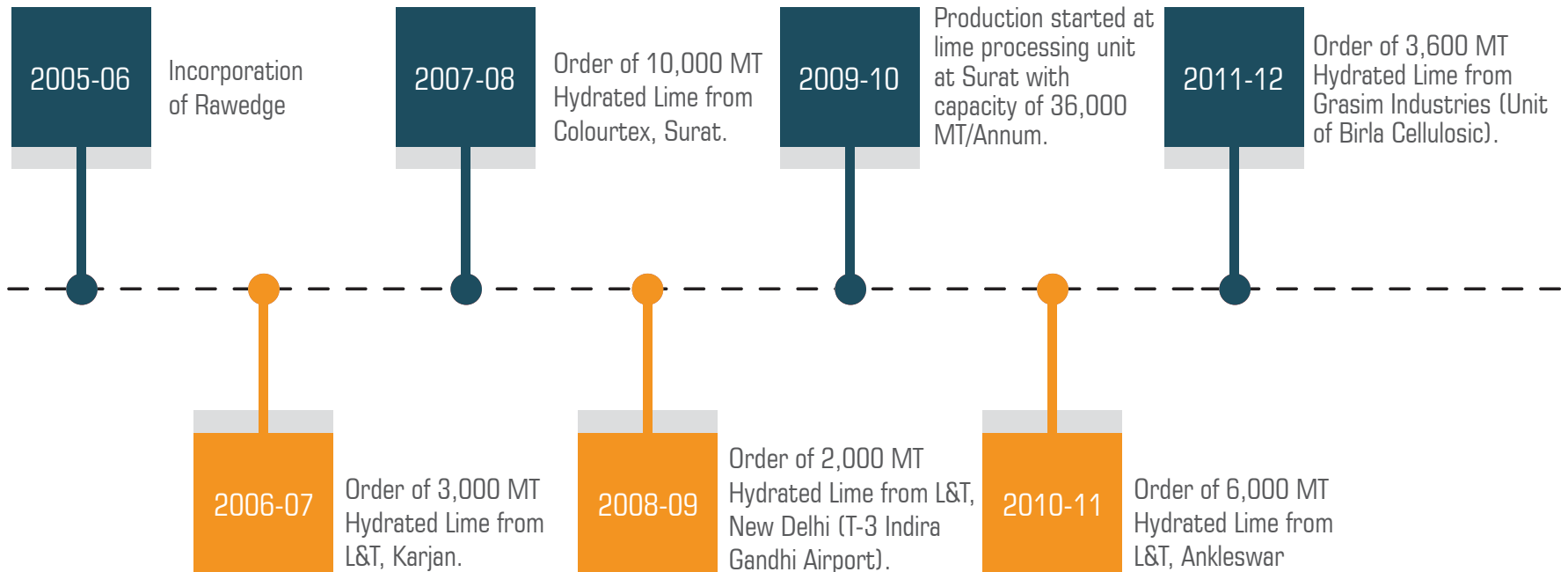
Mr. Bhavin Patel - GM-Commercial

He is an MBA with over 10 years of experience in Marketing, Commercial & Operations. He looks after the Marketing & Operations aspects of the organization.management. He has 2 decades of experience in manufacturing, sales, logistics and procurement.

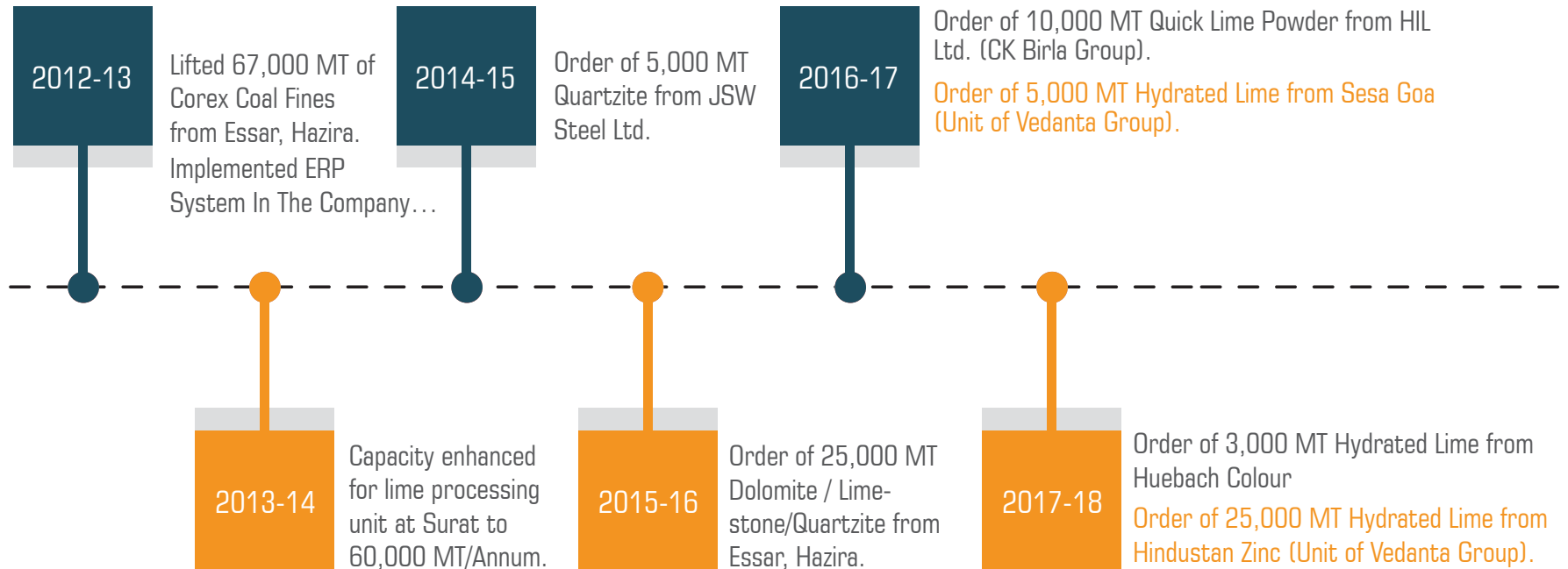
Mr. Pabitra Giri - AGM – Sales & Marketing

He is an MBA with over 8 years of experience in Commercial, Operations & Production. He looks after the operations of the plant, dispatches & customer management.

HOW WE HAVE GROWN.....



HOW WE HAVE GROWN.....



MANUFACTURING PROCESS



SUSTAINABLE BUSINESS MODEL

FOCUS ON DELIVERING
QUALITY PRODUCT
SUPPORTED BY STRONG
BACK-END OPERATION



BUSINESS STRENGTHS



Professional Management : Strong Vision

State Of Art Manufacturing Facility : Panoli

Italian Technology (Cimprogetti & Wam) : First Time In India

Research And Mapping : Dedicated Team

Increase the Mass index of $CA(OH)_2$ from CaO in 1:1.32 ratio : Italian Technology

Infrastructure of 30,000 tons per month is being established.
Present capacity of 15,000 tons per month

Cluster based Approach : Panoli Plant , Identified Panoli lime
Consuming cluster with approximate monthly consumption of 40,000 tons

Logistics Is Back Bone Our Business : 4 PL Logistic

CONVERTING INEFFICIENCIES INTO OPPORTUNITY

The Supply Of Industrial Raw Materials Involves Research & Development, Exploration, Mining, Processing, Logistics and IT Enabling



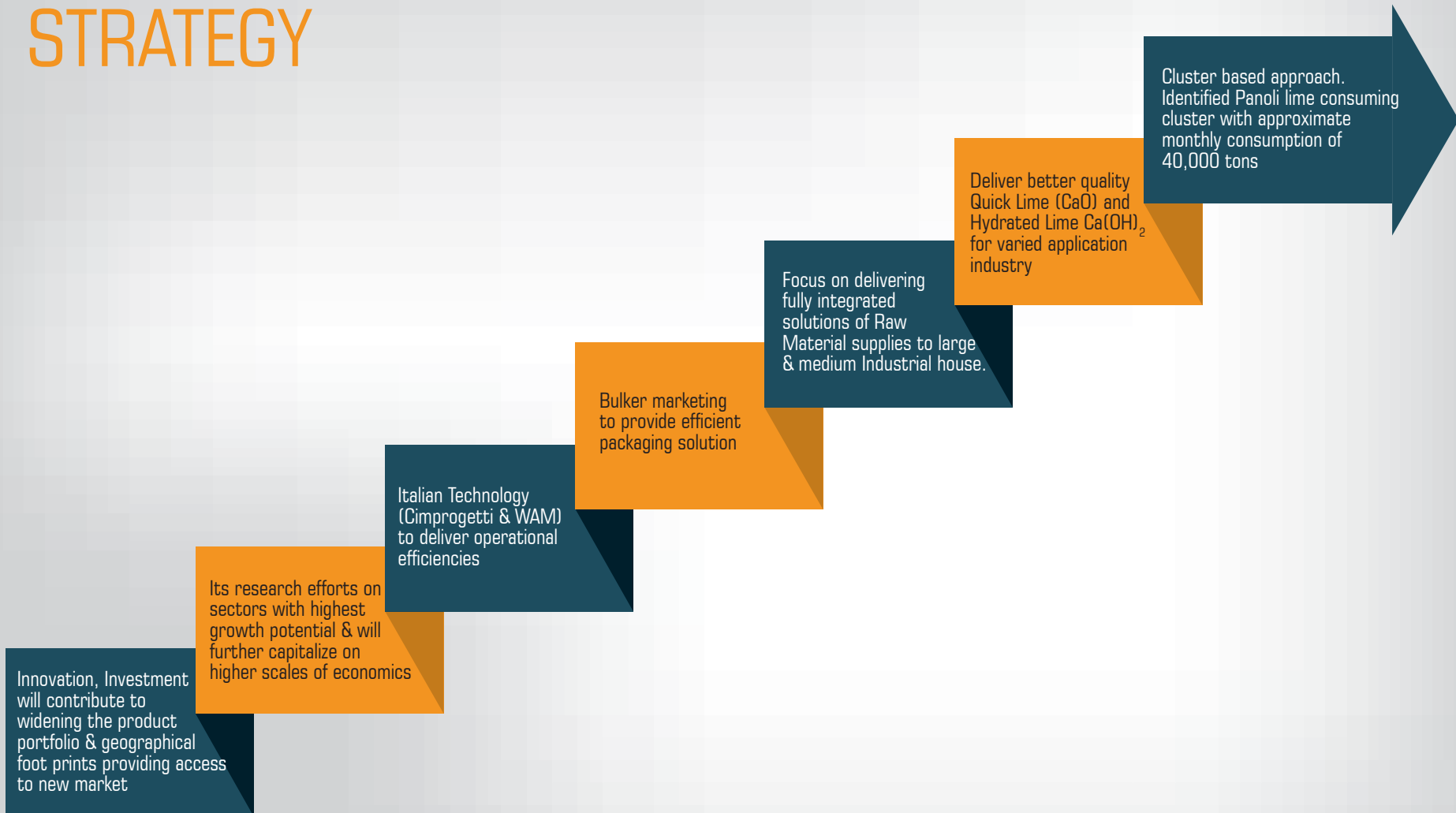
MANAGEMENT STRATEGY TO OVERCOME THE INEFFICIENCIES IN THIS SECTOR

- a. Providing outsourcing partner that are highly organized, technically advance, and very cost effective

- b. Providing all the services under one umbrella; will timely fulfill the industry's raw material requirement

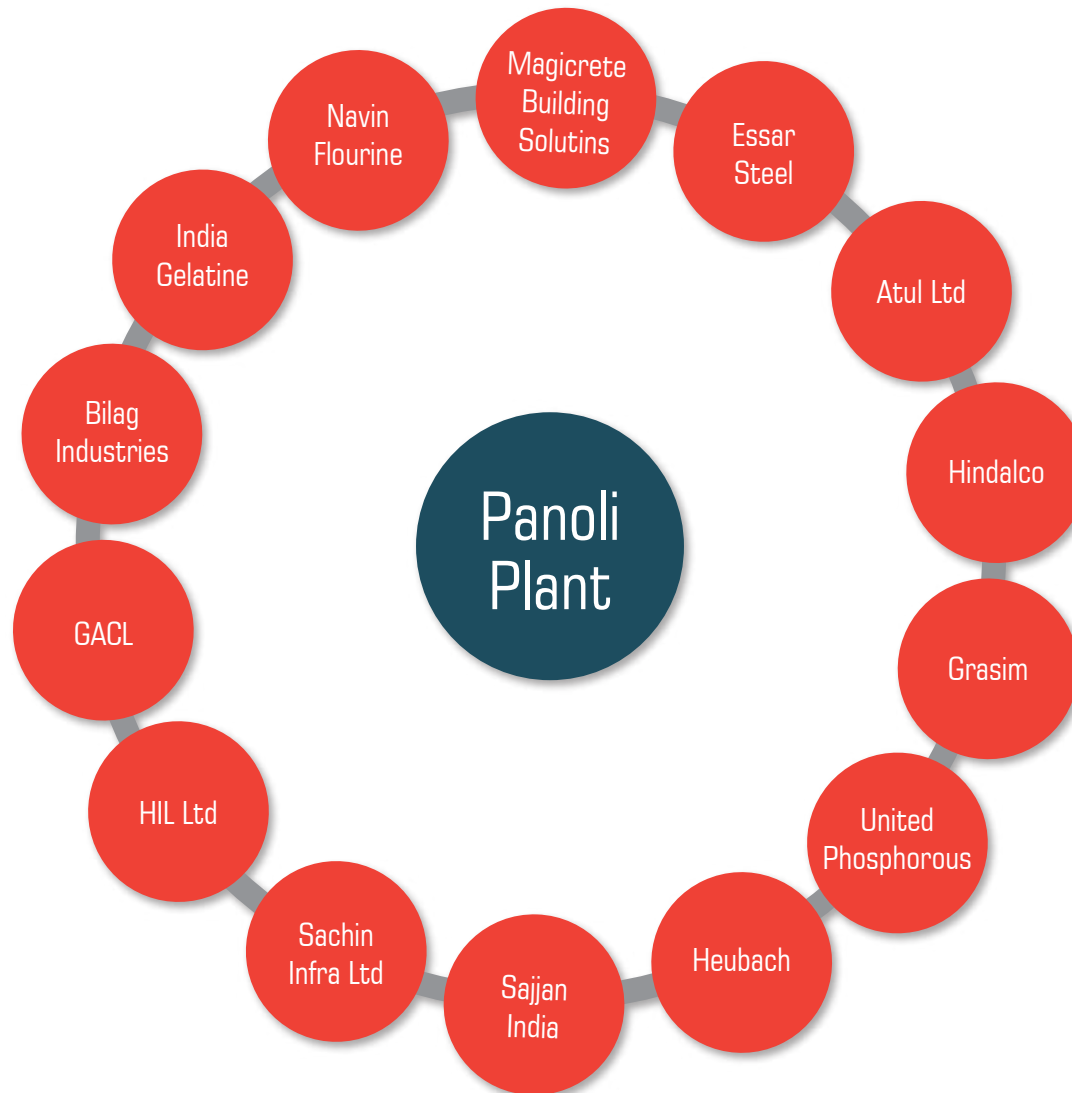
- c. Providing end to end solutions to raw material needs of the industry anywhere in India.

BUSINESS STRATEGY



CLUSTER BASED APPROACH

PANOLI PLANT STRATEGICALLY LOCATED





PANOLI PLANT STATUS UPDATE

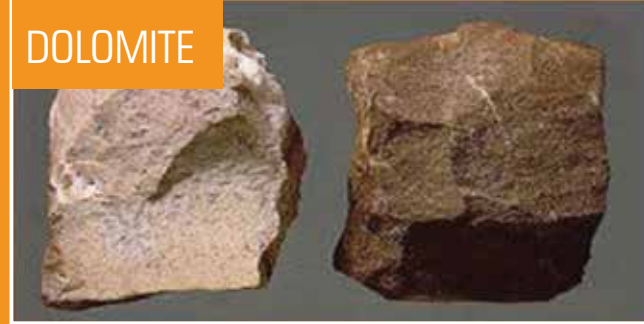
SR. NO.	PARTICULARS	STATUS
1	Land Development	Completed
2	Building & Civil Work	70% Work Completed
3	Plant and Machinery	Order Placed, Fabrication is in progress

PRODUCT PORTFOLIO

LIMESTONE



DOLOMITE



HYDRATED LIME



QUICK LIME



QUARTZITE

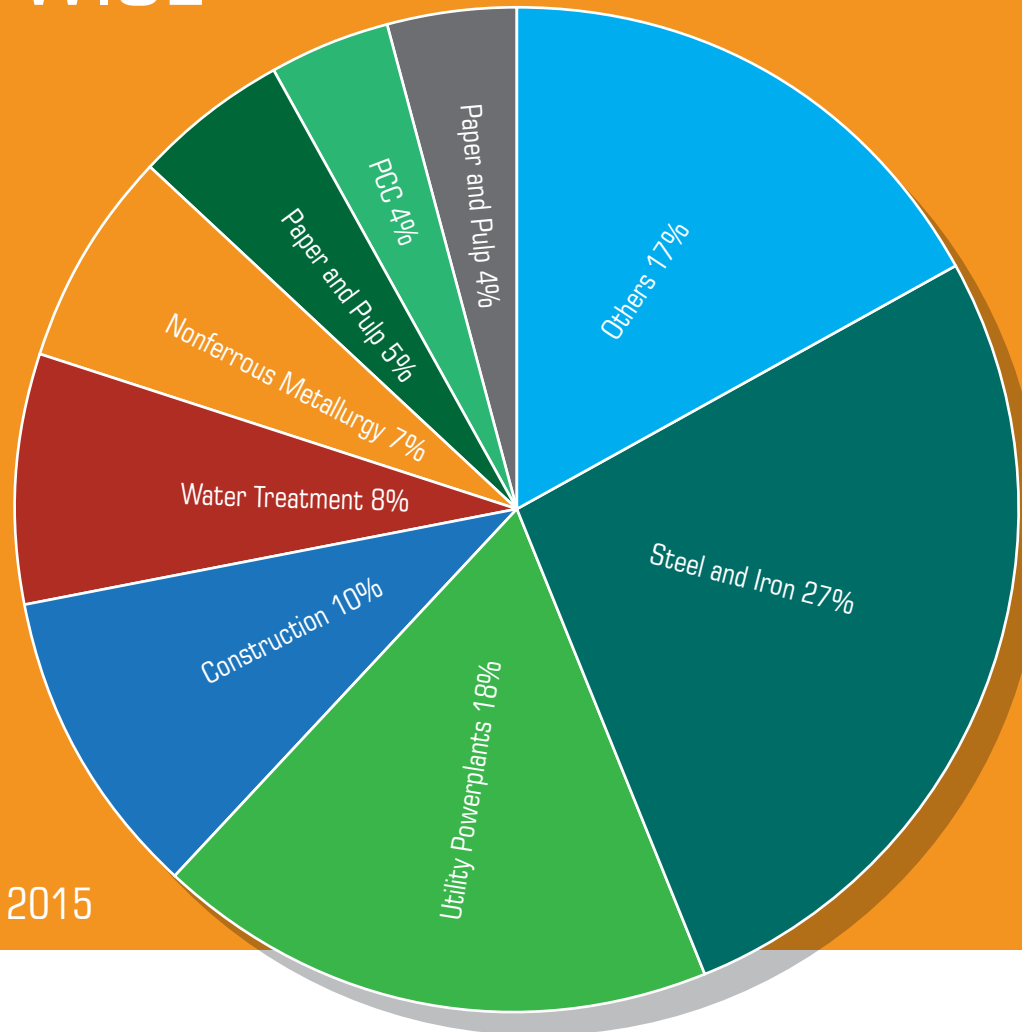


APPLICATION OF LIME PRODUCTS

Lime is an essential raw material. It is used by many Industries. It is a life line of the Industry.
Lime is used in following Industries in a major way:

Paper & Pulp	Oil, Gas & Biofuels	Animal Sanitation
Steel & Iron	Polymers	Citrus Pulp Pellets
Refractories	Chemicals	Animal Nutrition
Sewage & Effluent Treatment	Building Materials	Sugar & Alcohol
Flue Gas Desulfurization	Drinking & Process Water	AAC Blocks
Glass	Civil Engineering	Precipitated Calcium Carbonate
Nonferrous Metallurgy	Agriculture & Forestry	Soil Stabilization
Utility Power Plants	Industrial Boilers	
Incinerator	Acid Mine Drainage	

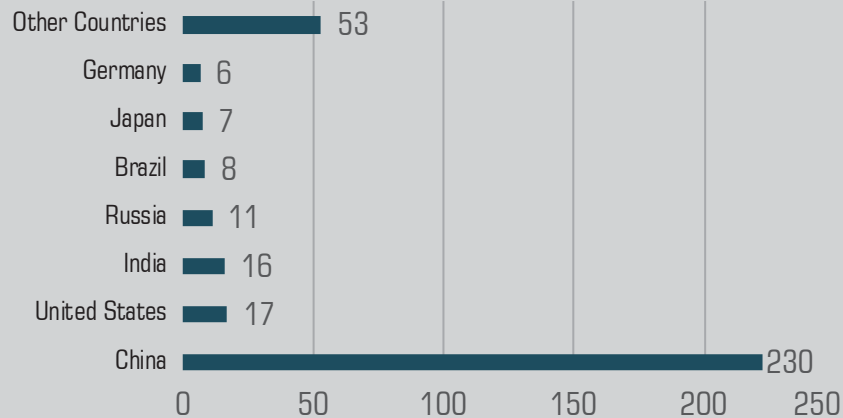
LIME CONSUMPTION - INDUSTRY WISE



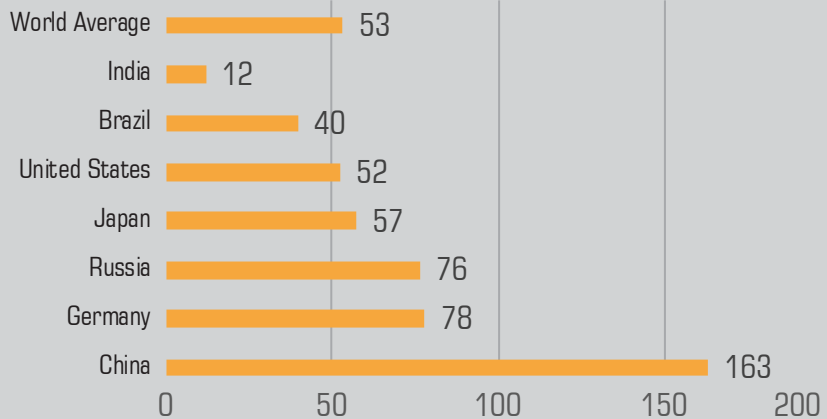
USGS Mineral Yearbook 2015

WORLDWIDE LIME PRODUCTION

PRODUCTION - 2016 (MILLION MT)



PER CAPITAL LIME CONSUMPTION 2016 (KGS)



- ❖ India is 3rd largest country in the world after US & China in terms of lime production.
- ❖ Lime Production in India for the year 2016 was 16 Million Tons valued at INR 8000 Crore.
- ❖ The Per Capita consumption of lime in India is only 12 Kg, which is very trivial compared to the world average of 53 Kg and 163 Kg for China.
- ❖ Growth in lime consuming industries & overall economy to be the drivers of increase in lime consumption.
- ❖ **Revenue Of Major Lime Companies In The World**
 - » Lhoist: 2.7 Billion Dollars
 - » Carmeuse: 1.4 Billion Dollars
 - » Mississippi Lime: 0.5 Billion Dollars

PACKAGING SOLUTION-BULKER VS BAG



- PRODUCT QUALITY REMAINS FLAWLESS IN THE BULKER
- SHORTER TRANSPORTATION DISTANCE
- MINIMAL EXPOSURE TO AIR
- FAST LOADING & UNLOADING
- DETERIORATION IN QUALITY IF TRANSPORTED FOR LONGER DISTANCE
- ABSORBS MOISTURE IF KEPT FOR LONGER PERIOD
- LONGER LOADING & UNLOADING TIME
- REQUIREMENT OF LABOUR

GRADUATING CORPORATE'S : BUILDING LOGISTICS EFFICIENCIES BY BULKER

- **USE OF BULKER TO REDUCE THE OPERATIONAL COST AT LEAST BY 10%**
- **MATERIAL CAN BE UNLOADED & STORED DIRECTLY IN SILOS THEREBY REDUCES THE STORAGE PLACE**
- **UNLOADING IN BULKER TAKES 75% LESS TIME THAN THE BAGS**
- **REDUCE THE WASTAGE WHILE LOADING AND UNLOADING**
- **USE OF BULKER REDUCES POLLUTION AND FURTHER MINIMIZE THE DAMAGE TO LABORER'S HEALTH**



COMPETITIVE EDGE.....

RAWEDGE VS OTHERS

Manufacturing Process : Conventional Vs New Technology



This is how Quick Lime is produced by associated of Rawedge

- Iron Kilns
- Quality efficient
- Production efficient
- Labour Friendly

This is how Quick Lime is handled traditionally:

- It is handled by manual labour - Time Consuming
- It is transported in open trucks - Quality Deterioration
- It is stored in open for long time - Quality Deterioration

COMPETITIVE EDGE.....

RAWEDGE VS OTHERS

Manufacturing Process : Conventional Vs New Technology

- ❯ Inefficiency in Production
- ❯ Inferior Quality of Production
- ❯ Dependent On International Market for Meeting Demand
- ❯ High Cost of Production

- ❯ High Efficiency in Production
- ❯ Ensuring Superior Quality of Production
- ❯ Self-Reliance in Meeting Domestic Demand
- ❯ Reduced Cost of Production



LIME QUALITY.....

TRADITIONAL VS RAWEDGE

	TRADITIONAL	RAW EDGE
TIME	Kiln owners stores Quick Lime lumps for long time before shifting it to grinding unit	Quick lime lumps at our 'associated' Rajathan kilns is immediately shifted to our grinding unit in Surat, hence less exposure to air
TIME & EXPOSURE	Quick Lime powder is supplied to Customer Plant in Surat, as a principle the surface area of powder is much greater than the surface area of Kali (lump). Hence moisture absorption by powder is more than Quick Lime lumps	Quick Lime lumps is transported to our Surat Grinding unit, which is than grinded. Quick Lime lumps absorbs less moisture as the surface area is only 1%
TIME	When lime comes in contact of sweat in the hands of labour it generates heat. So labour unloads Quick lime lumps slowly and it take around 8 to 10 hrs. to unload	Quick Lime lumps is unloaded with Hydraulic Truck unloader which takes 1 hr.
TIME & EXPOSURE	Quick Lime powder absorbs moisture when it is stored in bags for some time before dispatch to Surat and during transportation also it absorbs moisture due to longer travel distance. This problem exists even if the bags are brought to Surat and then unloaded to bulkers, as this is very primitive method of loading the bulker and lime is exposed to air.	Quick lime powder is stored at our Surat unit in air tight Silos before loading into bulkers and dispatching to Customer Plant in Surat. Our Plant is also located in vicinity of the AAC cluster, hence transit time is less
EXPOSURE	Lime bags are unloaded and stored in open at End user's warehouse for some time before it is consumed. Here also the moisture is absorbed	Lime at Customer Plant is unloaded directly from Bulker to air tight Silos of End user. Hence moisture is not absorbed.

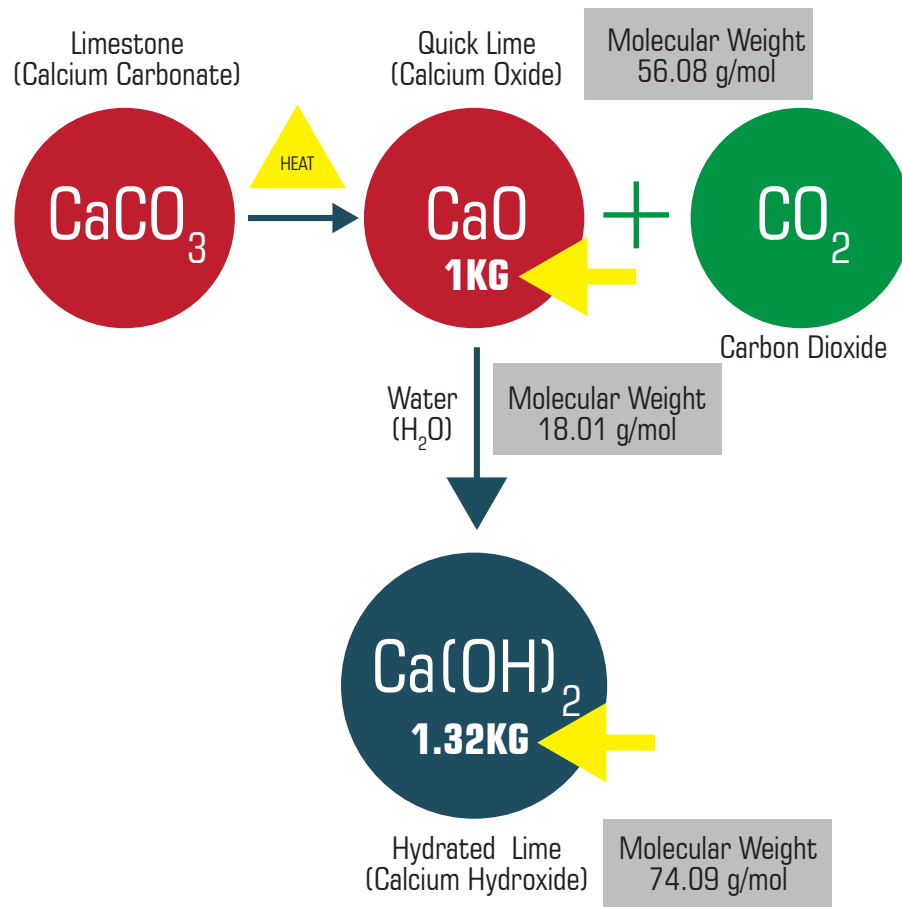
QUALITY CONTROL AT RAW EDGE



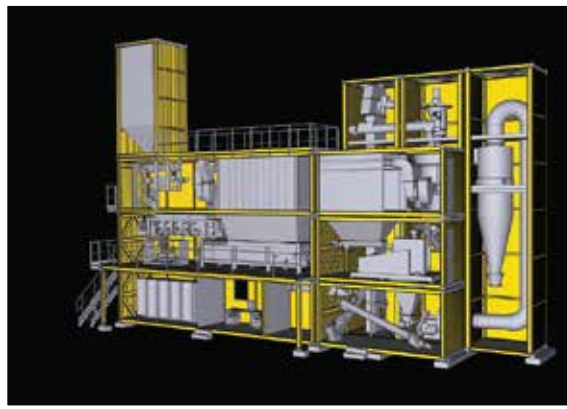
- Well Equipped Laboratories.
- Multi Level Testing of Raw Material & Final Product
- Qualified Lab Technicians
- Maintaining Quality Records
- Test Report of Each Truck is Communicated to Customer with the Help of Technology
- Utilization of Molecular Weights also to give Better Scientific Idea about the Inflation

NEW TECHNOLOGY'S UNIQUE TRAIT

Operational process to improve the mass index of **CAO to CA(OH)2** by **1:1.32 (x)**



MANUFACTURING FACILITIES - AGGREGATE INSTALLED CAPACITY



Commenced full-fledged production at our **KADODARA UNIT** which was inaugurated in Aug.2013 in Surat. This plant is equipped with the most advanced machinery of its time with a production capacity of **60,000 MT** per annum.

Proposed incremental capacity at **PANOLI UNIT** to be **180,000 MT / Annum** of quick lime and hydrated lime plant in South Gujarat in FY2018-19 equipped state of the art Italian machinery.

OUR CLIENTELE



ACCOLADES



Promoter Mr. Bimal Bansal Receiving Award From Then President Of India Shri K.R. Narayanan.



Promoter Mr. Sourabh Bansal receiving ET-Now "Best Brand Award" for our group company "Magicrete"



Promoter Mr. Siddharth Bansal Receiving Award From Mr. Ratan Tata At "Tata Business Leadership Awards – 2007"



Mr. Sourabh Bansal appearing on TV Show "Kissey Kamyabi ke" hosted by Anu Kapoor

SEQUENTIAL PERFORMANCE

Particulars (INR MN)	FY 19 H1	FY 18 H1	Shift %	FY 19 H1	FY 18 H2	Shift %	FY16 12M
Revenue from Operations	273	215	27.06%	273	319	-14.34%	4454
Other Income	0	2		0	4		26
Total Revenue	274	217	26.18%	274	323	-15.29%	4481
Total Expenses	244	201		244	293		4086
EBITDA	30	16	90.91%	30	30	0.11%	394
EBITDA Margin (%)	11.0%	7.3%	370 bps	11.0%	9.3%	170 bps	8.82
Depreciation	5	5		5	5		41
Finance Cost	6	4		6	9		124
PBT with Exceptional Item	19	7	173.58%	19	17	12.17%	229
Exceptional Items	-	-		-	-		0
PBT	19	7	173.58%	19	17	12.17%	229
Current Tax	7	2		7	6		77
Deferred Tax	-	-		-	(0)		4
Tax	7	2		7	5		81
PAT	12	5	145.57%	12	12	5.88%	148
PAT Margin %	4.5%	2.3%	220 bps	4.5%	3.6%	90 bps	3.3
Diluted EPS	1.85	6.03		1.85	7.04		12.84

ANNUAL PROFIT & LOSS

Particulars (INR MN)	FY14	FY15	FY16	FY17	FY18
Revenue from Operations	334.27	379.42	407.67	479.30	534.39
Other Income	0.68	3.26	5.72	6.78	5.90
Total Revenue	334.96	382.68	413.40	486.07	540.28
Total Expenses	323.75	375.69	404.35	476.57	516.37
EBITDA	20.19	22.97	27.78	31.98	37.55
EBITDA Margin (%)	6.03%	6.00%	6.72%	6.58%	6.95%
Depreciation	3.09	7.69	8.55	9.06	0.93
Finance Cost	5.89	8.29	10.19	13.40	12.71
PBT with Exceptional Item	11.21	6.99	9.05	9.51	23.91
Exceptional Items	-	-	-	-	-
PBT	11.21	6.99	9.05	9.51	23.91
Tax	4.12	2.40	3.95	3.19	6.55
PAT before Minority Interest	7.09	4.60	5.10	6.31	17.36
Minority Interest	-	-	-	-	-
Share of profit of associate	-	-	-	-	-
PAT	7.09	4.60	5.10	6.31	17.36
PAT Margin %	2.12%	1.20%	1.23%	1.30%	3.21%
Diluted EPS	9.42	6.11	6.09	7.54	2.59

BALANCE SHEET

Liabilities (INR MN)	FY14	FY15	FY16	FY17	FY18
Shareholders Fund					
Share Capital	7.53	7.53	8.38	8.38	67.01
Reserve and Surplus	33.45	37.89	48.07	54.38	13.11
Total Shareholders Fund	40.98	45.41	56.45	62.76	80.12
Minority Interest	-	-	-	0	0
Non-Current Liabilities					
Long term Borrowing	27.66	9.49	39.91	41.44	30.96
Deferred Tax Liabilities	4.03	4.15	3.73	3.99	2.72
Other Long term Liabilities	-	-	-	0	0
Long Term Provision	-	-	-	0	0.84
Total Non Current Liability	31.69	13.64	43.64	45.43	34.52
Current Liabilities					
Short Term Borrowing	43.84	48.97	73.42	77.68	93.91
Trade Payable	12.53	33.10	47.37	77.54	69.94
Other Current Liabilities	4.93	5.03	5.16	5.68	3.55
Short Term Provision	3.75	2.71	4.47	2.76	7.82
Total Current Liabilities]	65.05	89.80	130.42	163.66	175.22
Total	137.72	148.86	230.51	271.85	289.86
Equity Share Capital	7,52,600	7,52,600	8,37,600	8,37,600	67,00,800

BALANCE SHEET CONTD...

Assets (INR MN)	FY14	FY15	FY16	FY17	FY18
Fixed Assets					
Tangible Assets	51.83	54.95	55.87	58.71	51.96
Intangible Assets	1.55	1.37	1.19	1.01	0.83
Capital Work in Progress	0	0	-	-	-
Intangible Assets under development	0	0	-	-	-
Total Fixed Assets	53.38	56.32	57.06	59.72	52.79
Non Current Investment	0	0	-	-	-
Long Term Loans and Advances	3.08	3.08	21.36	25.36	3.20
Other Non-Currents Assets	0	0	-	-	-
Goodwill	0	0	-	-	-
Total Non Current Assets	56.46	59.4	78.42	85.08	55.98
Current Assets					
Current Investment	0	0	-	-	-
Inventories	2.88	5.73	1.10	2.64	3.47
Trade Receivable	65.18	71.94	135.68	174.95	215.27
Cash & Cash Equivalent	0.82	0.37	0.37	0.15	0.08
Short term loans and Advances	1.28	1.42	4.53	-	-
Other Current Assets	11.11	10	10.41	9.03	15.05
Total Current Assets	81.27	89.46	152.09	186.77	233.88
Total	137.73	148.86	230.51	271.86	289.86



FINANCIAL PROFILE

- ➔ The margins across the revenue board has been growing by 150 bps to 200 bps since the past 3 years, EBIDTA margins have expanded from 6.7% to 8.5% and PAT margins have grown from 1.2% to 3.2%
- ➔ Revenue from operations has clocked a growth of 10% CAGR over the last 3 years and this is attributable to efficient capacity utilization
- ➔ **ROCE & ROE** have recorded a significant upside which clearly earmarks the growth in profits on the capital employed
- ➔ Working cycle efficiency is decently managed as the short term borrowing at similar level to previous fiscal despite an 11% growth in the revenues

FINANCIAL OUTLOOK



- The management expects to cloak a disruptive growth factoring the additional capacity in Panoli of 11,000 MT per month to add
- With a total capacity of 15,000 MT per month the management expects to operate atleast at 80% capacity utilization
- The change in product mix can contribute to significant growth in the margins and the range of this growth is quoted to be 200 bps to 300 bps at operating/EBIDTA and PAT levels
- The state of the art facility with advanced technology will be able to produce 30% additional output which further adds to the rationale of growth in revenue and margins
- The demand in the vicinity of the unit is estimated to be 40,000 MT per month which makes it imperative and accretive for REIL to grow its capacity in the next 2 years and the PANOLI unit is well equipped for any further expansion by way of de-bottlenecking

Thank
you

COMPANY

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