



KAJARIA CERAMICS LIMITED

Investor Update – Q4 FY18 / FY18

May 8, 2018

Kajaria
TRANSFORM YOUR WORLD

- Chairman's Message
- Financial Performance – Q4 FY18 / FY18
- Balance sheet perspective
- Joint Venture / Subsidiaries
- Income Statement
- Shareholding Pattern

The year gone by has faced several inflection points like aftermath of demonetization, introduction of GST on Tiles & Sanitaryware initially at 28% which later got reduced to 18%.

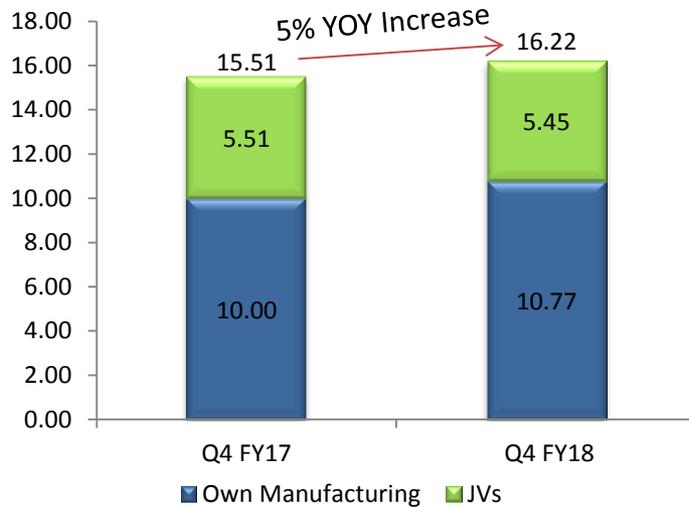
Against these headwinds, the company registered growth of 5% in tile volume to 20.24 MSM and 4% in revenue to Rs 750 crore in Q4FY18 over the corresponding period in the previous year.

Also, the increase in gas prices, decline in price of GVT and inefficiency in our some of the JV's have impacted the margins. The Company registered an EBIDTA of Rs 120 crore and a net profit of Rs 66 crore in Q4FY18 against Rs 131 crore and Rs 71 crore respectively in Q4FY17.

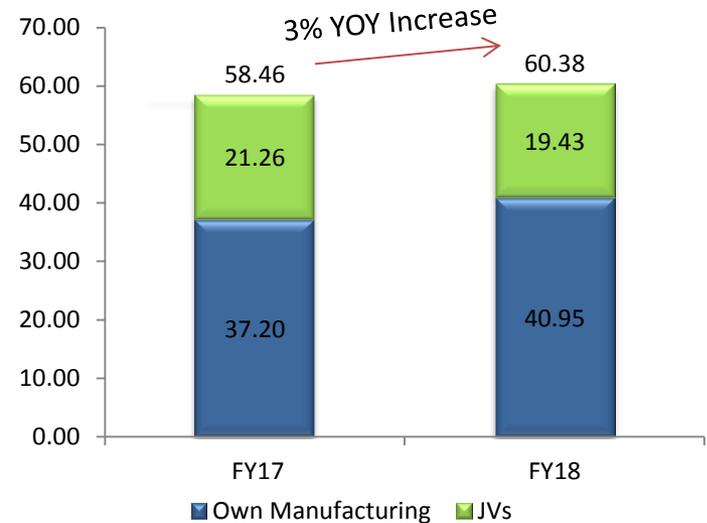
West Bridge Crossover fund, LLC has committed for making investment in Kajaria Bathware for Rs. 64.50 cr for 15% equity stake, reposing the confidence back in Kajaria.

We enter the new fiscal with optimism. The improved consumer sentiment and implementation of the e-way bill will lead to healthier performance going forward.

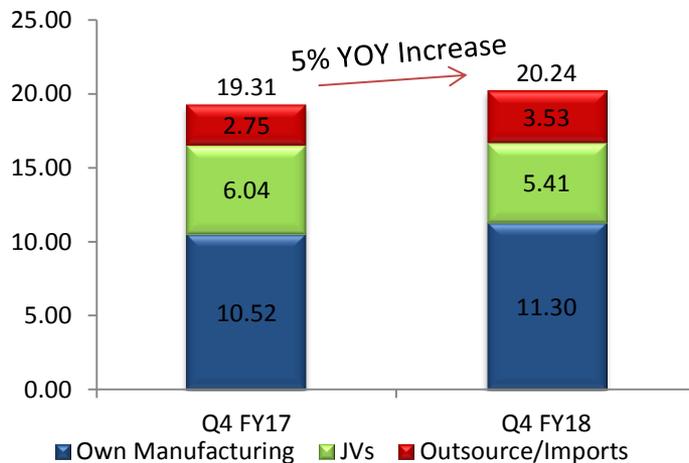
Production Growth (MSM) - Q4 FY18



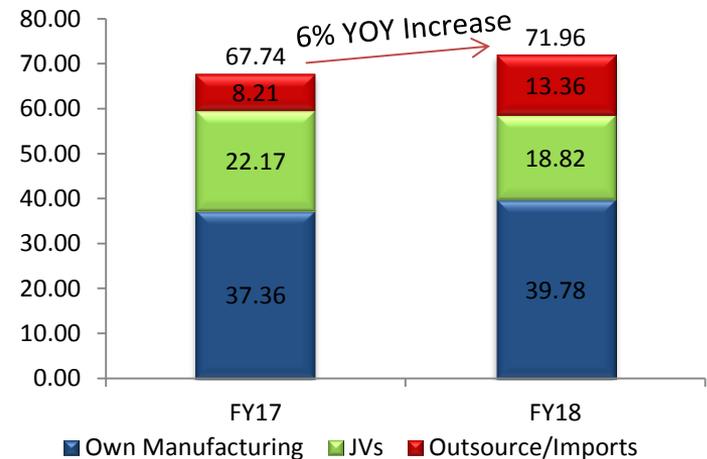
Production Growth (MSM) - FY18



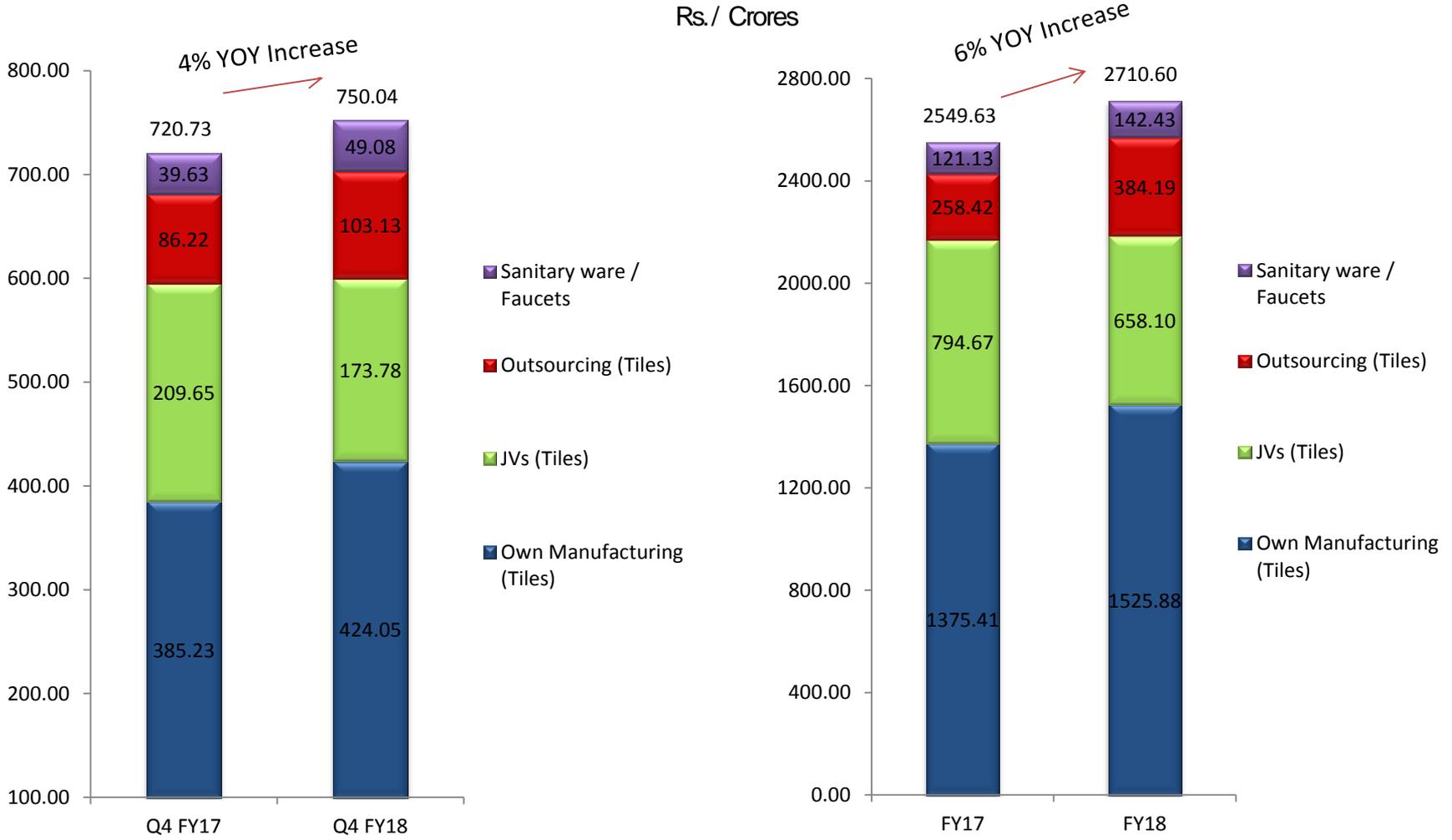
Sales Growth (MSM) - Q4 FY18



Sales Growth (MSM) - FY18



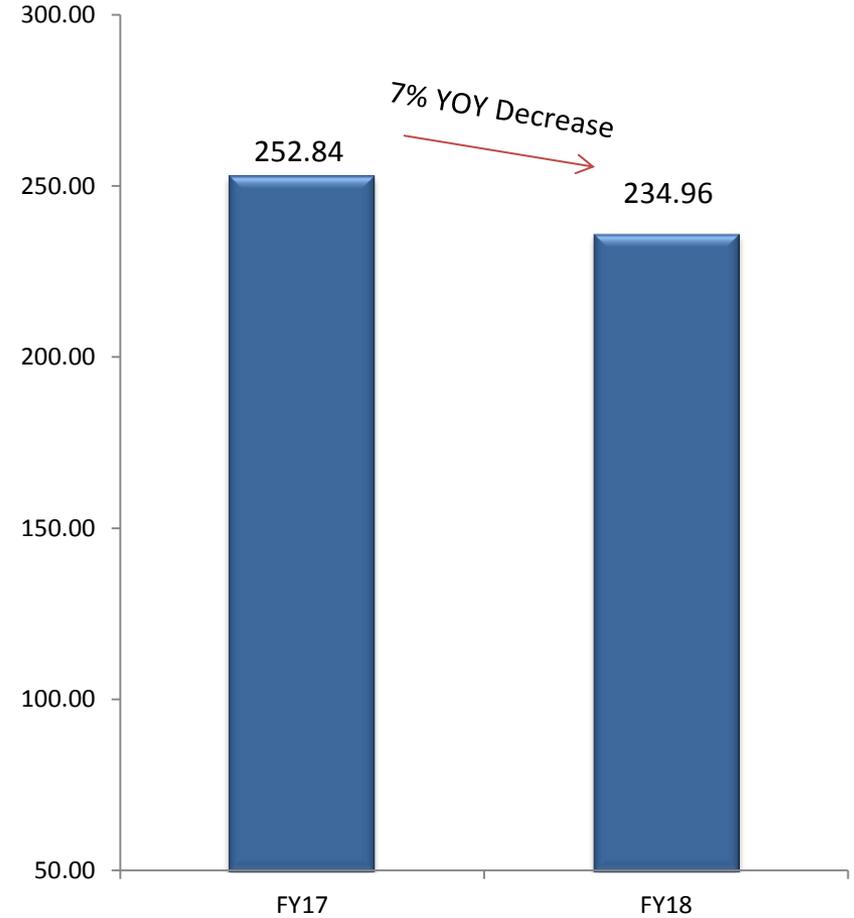
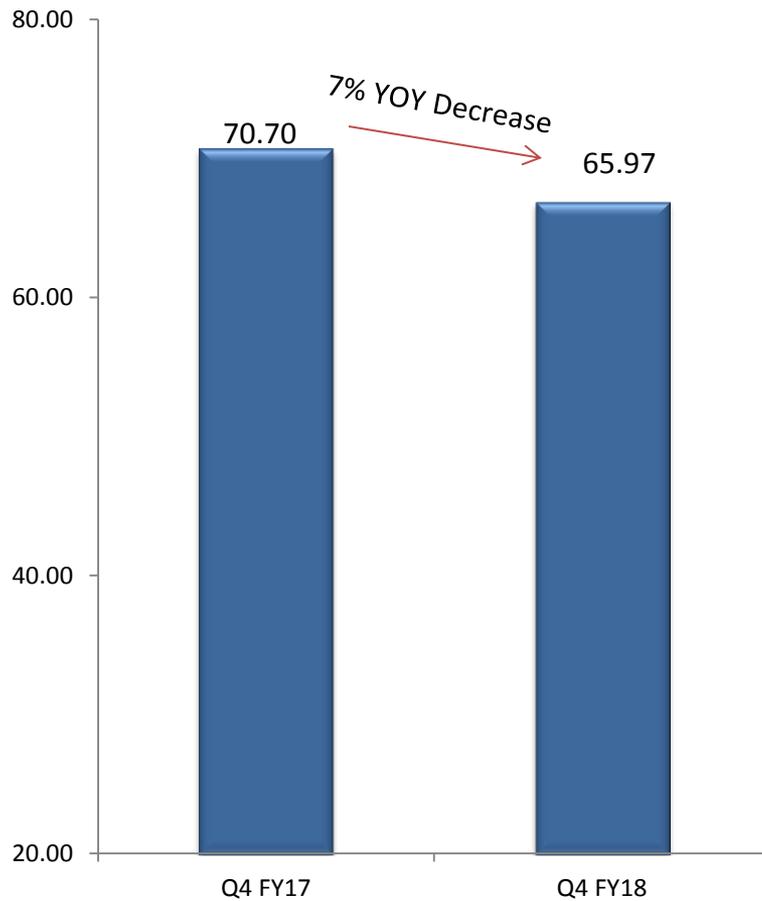
Revenue Growth - Consolidated



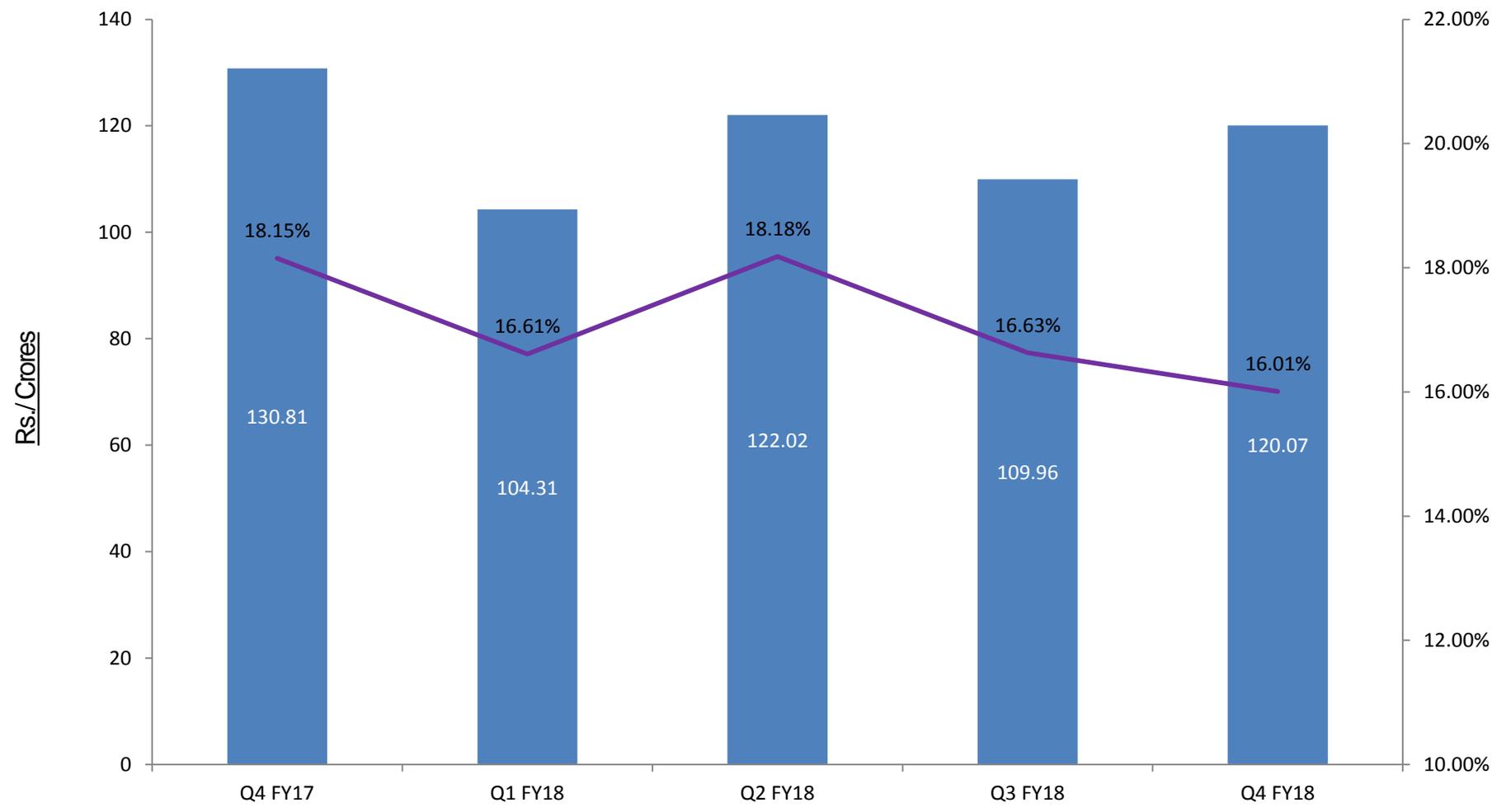
Refer Slide 12 for detailed Income Statement

PAT Growth - Consolidated

Rs./ Crores

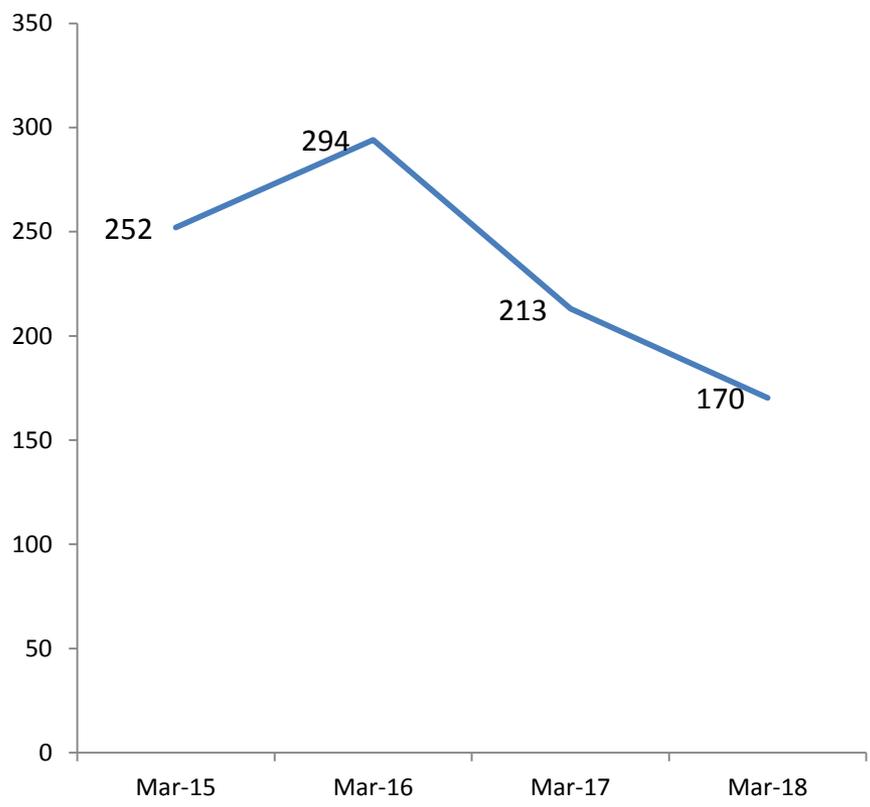


Refer Slide 12 for detailed Income Statement

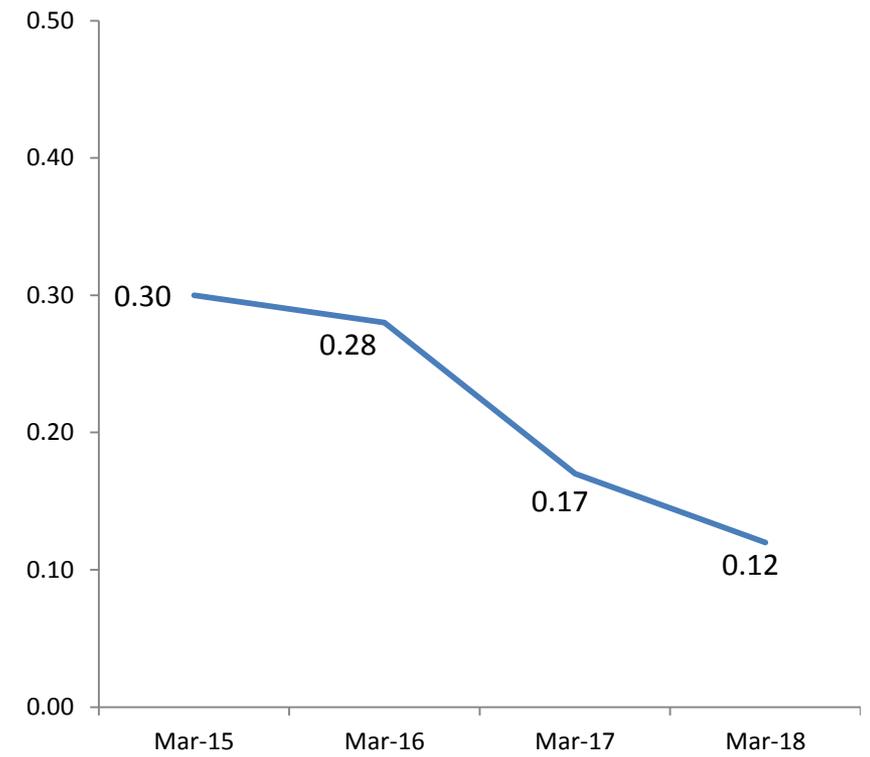


* Recomputed as per IND - AS

Debt (Rs. Crore)

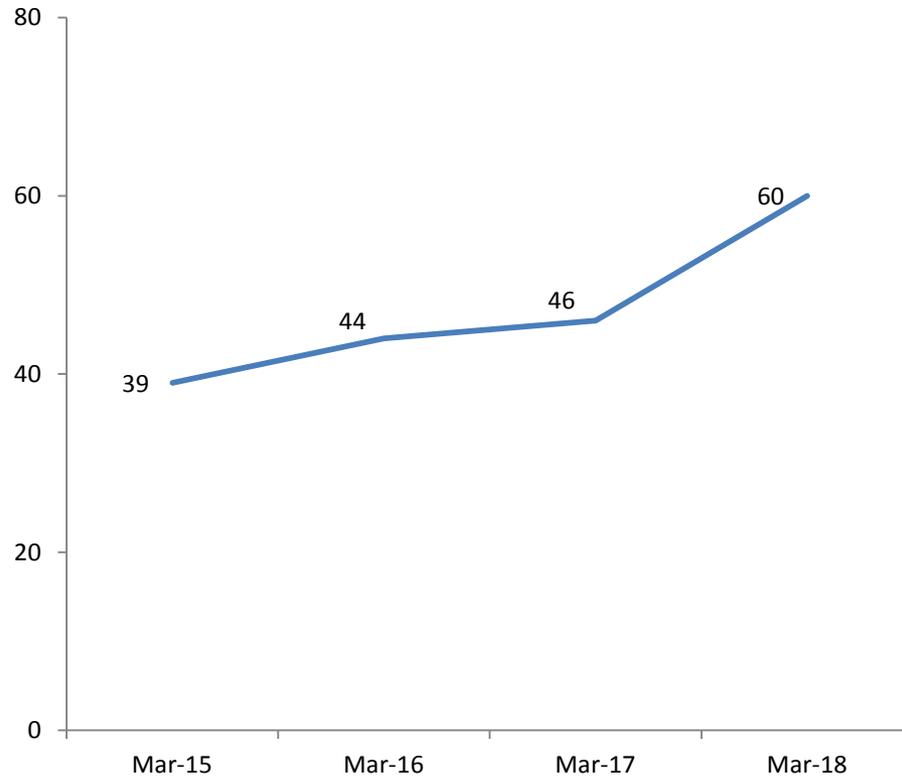


Debt Equity (X)

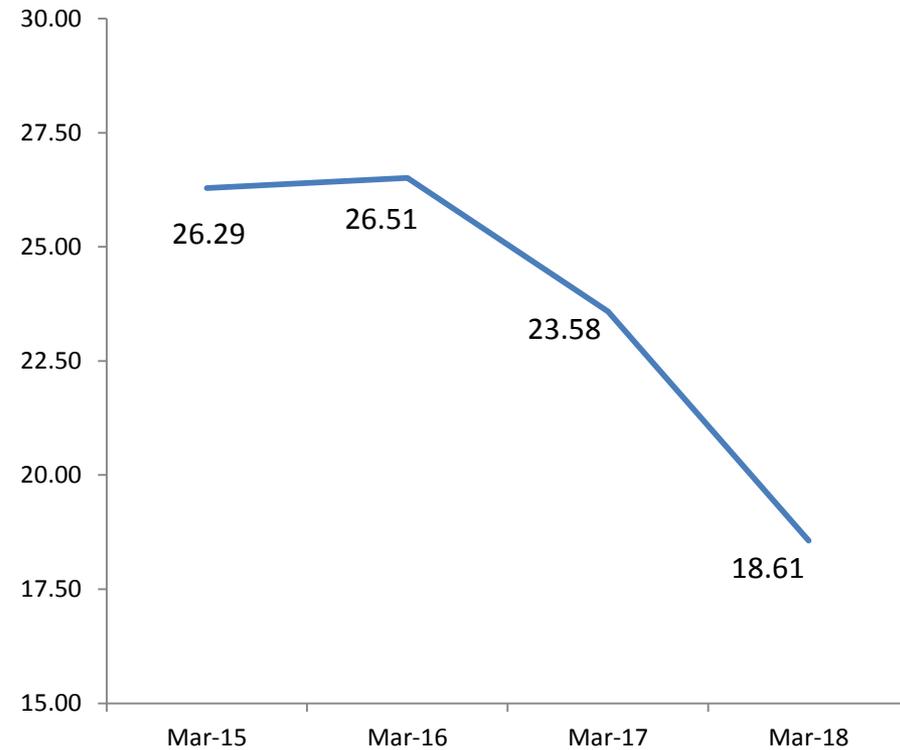


*Recomputed as per IND - AS

Working Capital Cycle (days)



Return on Equity (Avg.) *



*Recomputed as per IND - AS

Working capital days excludes capex creditors and cash & Bank balance and not comparable with previous periods due to GST.

ROE as on 31st Mar 18 taken at average of net worth as on 31st Mar 17 & 31st Mar. 18 and FY18 PAT.

A. SORISO CERAMICS

Acquired 51% stake in Soriso Ceramic Pvt Ltd. based in Morbi, Gujarat in February 2011 with an annual capacity of 2.30 MSM of ceramic floor tiles. Further expanded the capacity to 4.60 MSM in March 2012. The revised capacity of Soriso works out to 3.67 MSM per annum due to change in product profile.

B. JAXX VITRIFIED

Acquired 51% stake (now 82%) in Jaxx Vitrified Pvt Ltd, based in Morbi, Gujarat in February 2012, with an annual capacity of 3.10 MSM. Production commenced in March 2012. Jaxx has acquired another plant with a 2.60 MSM annual capacity of polished vitrified tile in April 2013 in Morbi making the total capacity of Jaxx to 5.70 MSM per annum. Further expansion of 4.50 MSM polished vitrified tile has increased Jaxx capacity to 10.20 MSM.

C. VENNAR CERAMICS

Acquired 51% stake in Vennar Ceramics Ltd, based in Vijayawada, Andhra Pradesh in April 2012, with an annual capacity of 2.30 MSM of high end ceramic wall tiles. Production has commenced on the 1st July, 2012. The revised capacity of Vennar works out to 2.90 MSM per annum due to change in product profile.

D. COSA CERAMICS

Acquired 51% stake in Cosa Ceramics Pvt. Ltd., based in Morbi, Gujarat – on 16th Oct.'12, with an annual production capacity of 2.70 MSM of polished vitrified tiles and further increased to 5.70 MSM in Sep. 2014.

E. FLOERA CERAMICS

The Company has acquired 51% stake (increased to 70%) in Kajaria Floera Ceramics Pvt. Ltd, which is putting up a manufacturing facility of glazed vitrified tiles with a capacity of 5.00 MSM p.a. (earlier planned 5.70 msm p.a. of polished vitrified tiles) in Andhra Pradesh. The land has already been acquired. The plant is expected to be commissioned by end of this fiscal.

F. KAJARIA BATHWARE (P) LTD. (KBL)

a)Sanitaryware: Kajaria Sanitaryware (P) Ltd., in which KBL was holding 64% shares (82% Now), has started the production of sanitaryware in April 2014. KBL is in the process of increasing the capacity at the existing location from 5.40 lac pcs p.a. to 7.20 pcs p.a.. The same will be completed by May 2018.

b)Faucet: The 1.00 million pieces faucet facility at Gailpur (Rajasthan) commenced commercial production in July 2015. The product quality has come out well.

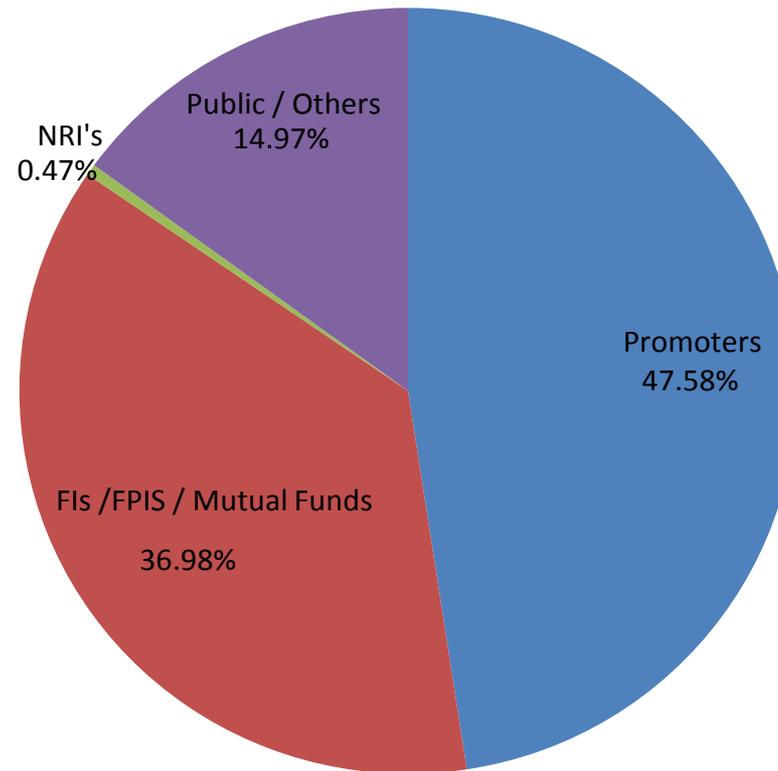
Financial highlights

(Rs / Crores)

	Q4 FY18		Q4 FY17		Growth		FY18		FY17		Growth	
	Standalone	Consolidated										
Net Sales	701.36	750.04	704.19	720.73	0%	4%	2580.68	2710.60	2527.96	2549.63	2%	6%
EBIDTA	106.37	120.07	114.31	130.80	-7%	-8%	427.89	456.36	438.66	496.33	-2%	-8%
EBIDTA MARGIN	15.17%	16.01%	16.23%	18.15%			16.58%	16.84%	17.35%	19.47%		
Depreciation	16.15	22.86	13.62	20.49	19%	12%	61.76	88.53	53.20	81.39	16%	9%
Other Income	8.91	5.14	7.36	7.75	21%	-34%	23.51	10.84	25.34	15.36	-7%	-29%
Interest	0.84	4.69	0.63	7.82	33%	-40%	4.48	24.10	3.54	34.00	27%	-29%
Exceptional Items							3.61	-0.75				
Profit Before Tax	98.29	97.66	107.42	110.24	-8%	-11%	381.55	355.32	407.26	396.30	-6%	-10%
Tax Expense	32.61	28.03	37.03	38.07	-12%	-26%	129.23	126.72	137.10	142.49	-6%	-11%
Minority Interst		3.66		1.47				-6.36		0.97		
Cash Profit	81.83	88.83	84.01	91.19	-3%	-3%	314.08	323.49	323.36	334.23	-3%	-3%
Profit After Tax	65.68	65.97	70.39	70.70	-7%	-7%	252.32	234.96	270.16	252.84	-7%	-7%
Equity Share Capital	15.9	15.90	15.89	15.89			15.90	15.90	15.89	15.89		
EPS (Basic) (Rs.)	4.13	4.15	4.43	4.45	-7%	-7%	15.88	14.78	17.00	15.91	-7%	-7%

Ason 31st Mar 2018

Equity Shares Outstanding - 158.95 millions



Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India and the 9th largest in the world. It has an annual capacity of 68.37 mn. sq. meters presently, distributed across eight plants - one in Sikandrabad (UP), one in Gailpur (Rajasthan), One in Malutana (Rajasthan), four in Morbi (Gujarat) and one in Vijaywada (AP).

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