



KAJARIA CERAMICS LIMITED

Investor Update – Q4 FY19 / FY19

May 10, 2019

Kajaria
TRANSFORM YOUR WORLD

- Chairman's Message
- Financial Performance – Q4 FY19 / FY19
- Balance sheet perspective
- Joint Venture / Subsidiaries
- Income Statement
- Shareholding Pattern

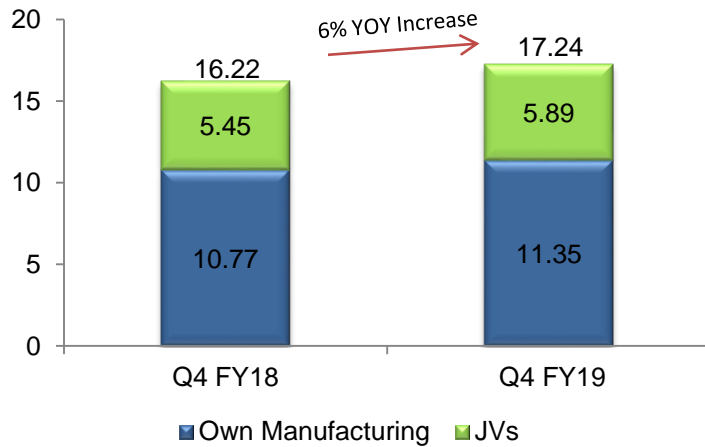
Calendar 2019 started on a satisfying note as sales volumes maintained a steady growth.

In Q4 FY19, Sales volumes increased by 11% over the corresponding quarter in the previous year and revenue increased by 9% over the same period. And despite, competitive pressure and high fuel cost, Net profit for the quarter remained almost same to the corresponding quarter in the previous year.

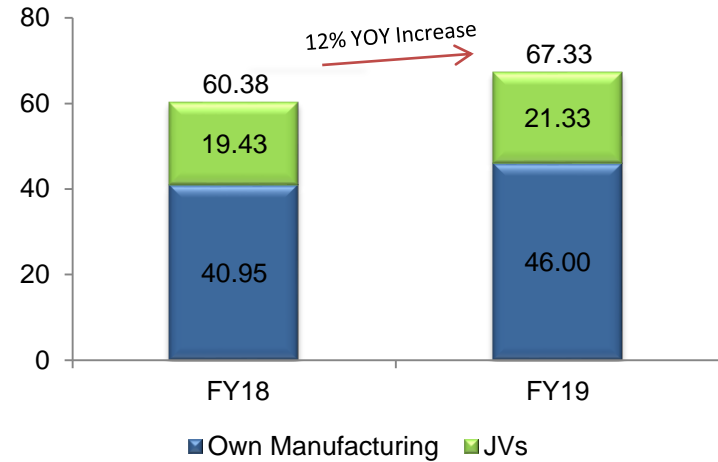
From a financial year perspective, while growth was healthy considering the gloom prevailing in the real estate sector. But profits and profitability dipped marginally owing to cost escalation.

I am optimistic about our future because of strict implementation of E-way bill pan-India. Moreover, tile manufacturers in Gujarat, using coal gasifier are under stress owing to the recent ban on coal gasification mandating them to switch to natural gas as the fuel source. This would lead to enhanced compliance resulting in increase in cost, stability in prices which in turn will narrow down the gap with national brands.

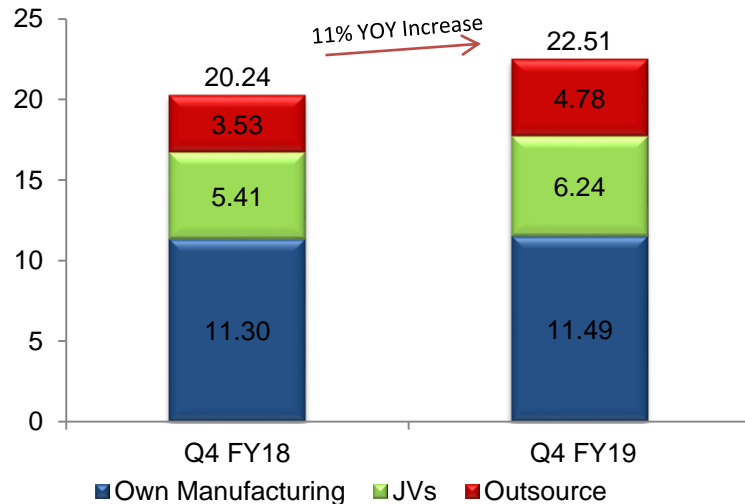
Production Growth (MSM) - Q4 FY19



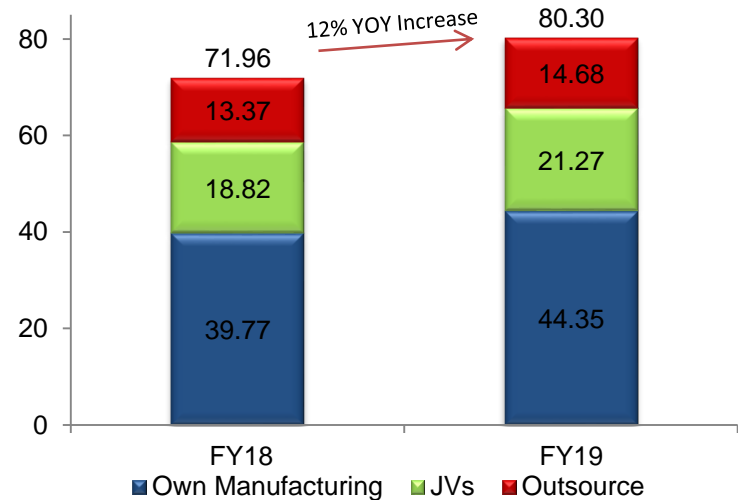
Production Growth (MSM) - FY19

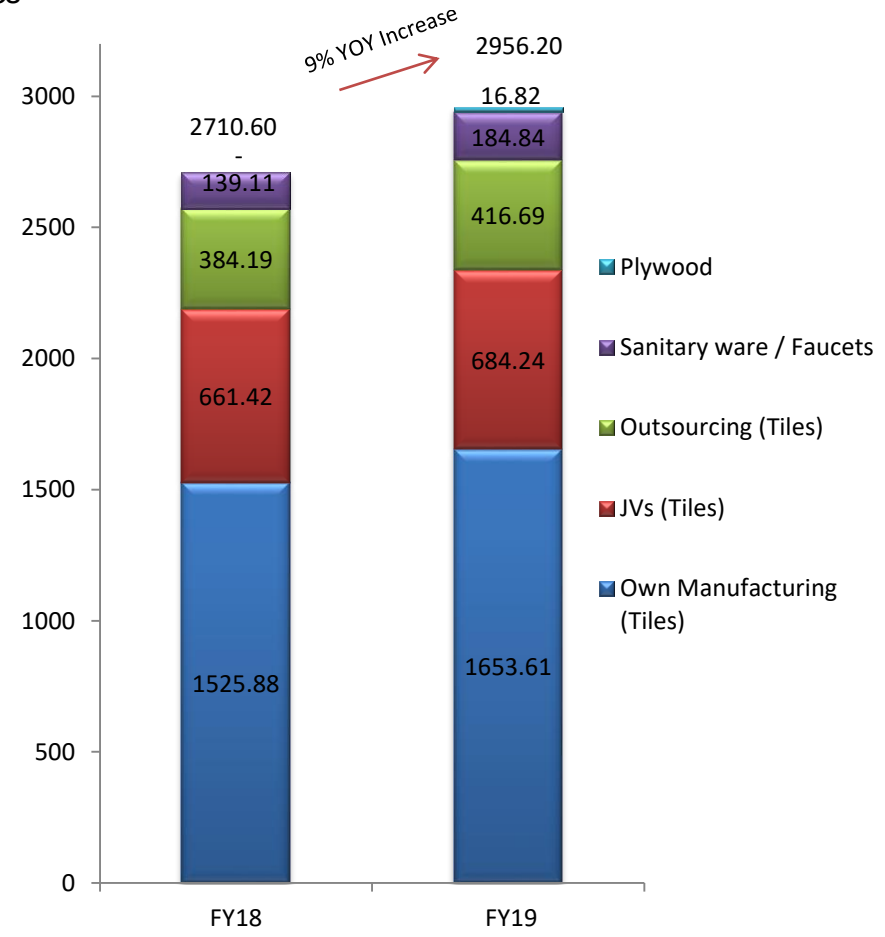
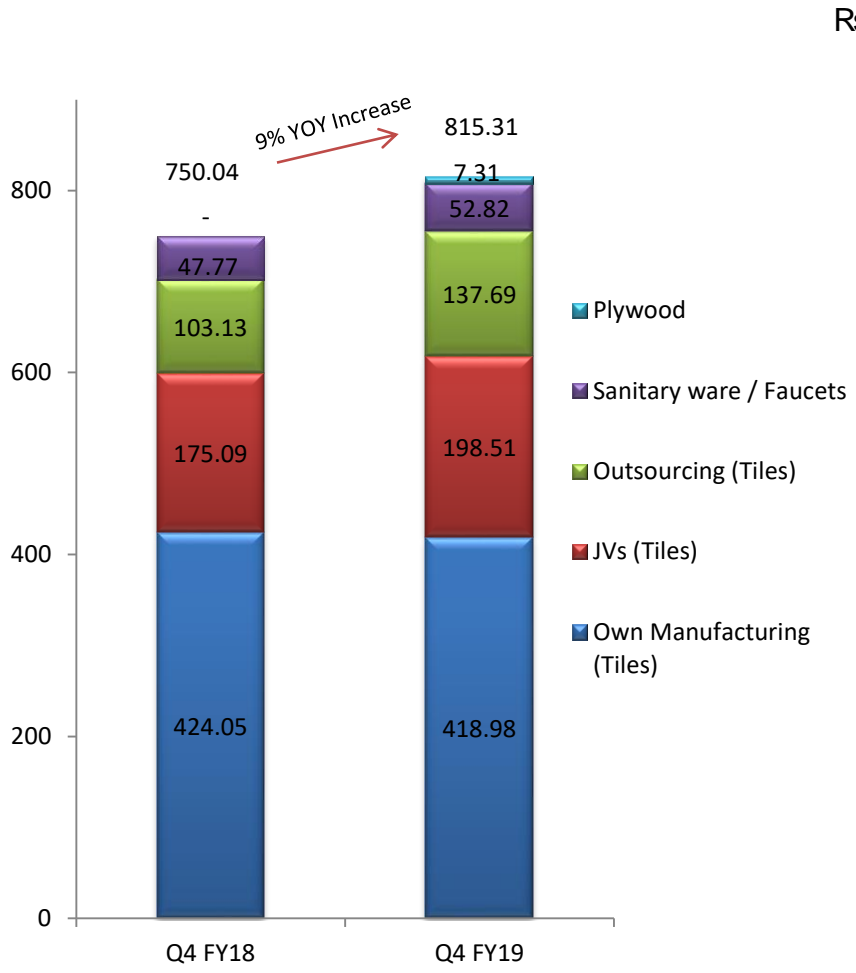


Sales Growth (MSM) - Q4 FY19



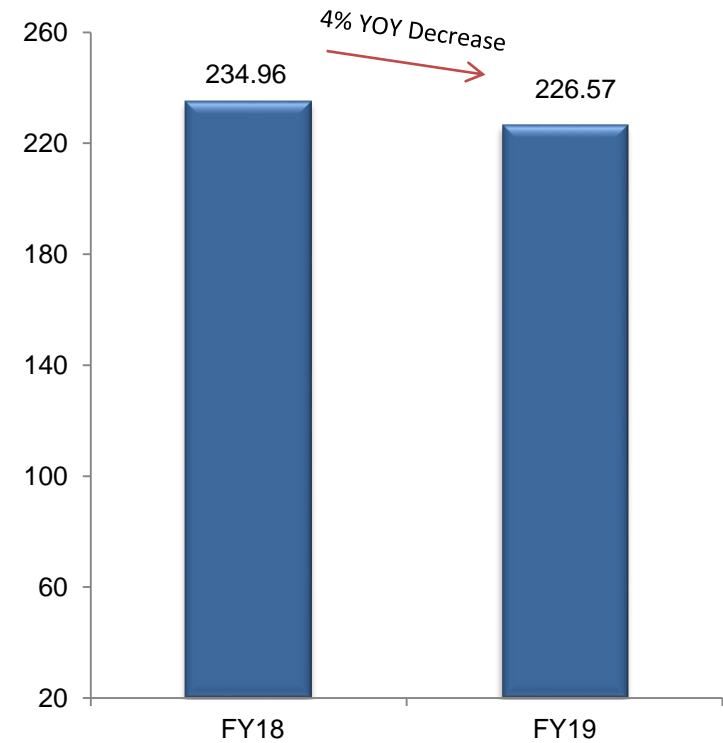
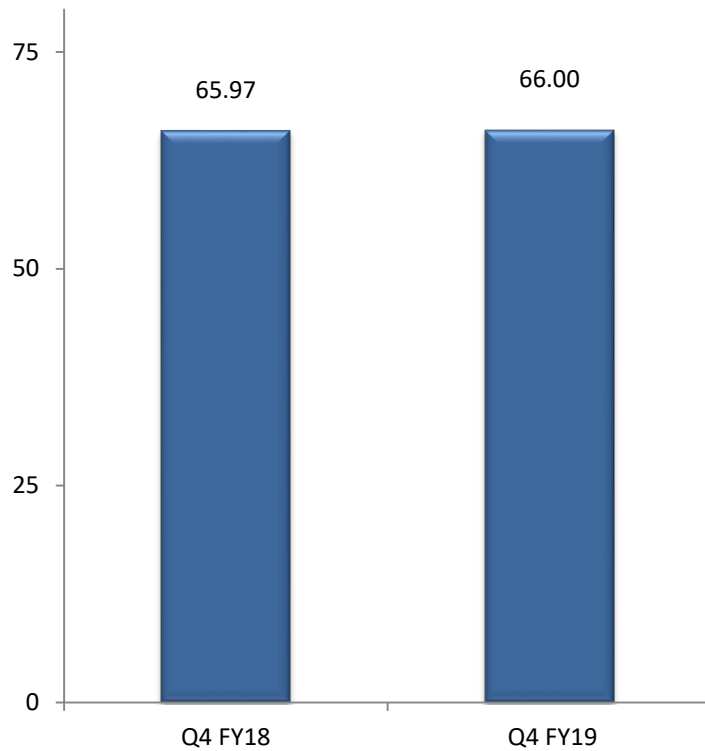
Sales Growth (MSM) - FY19

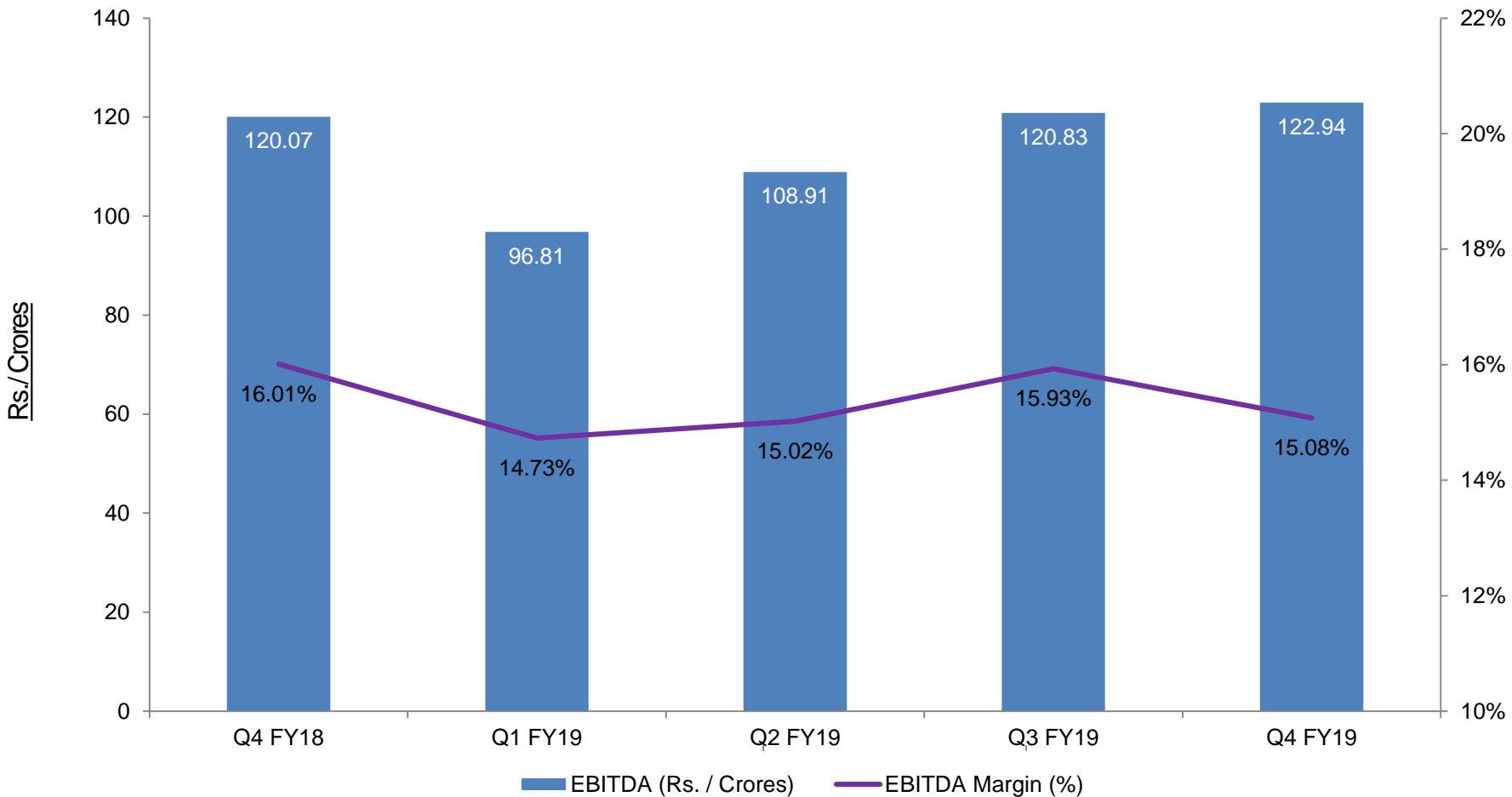




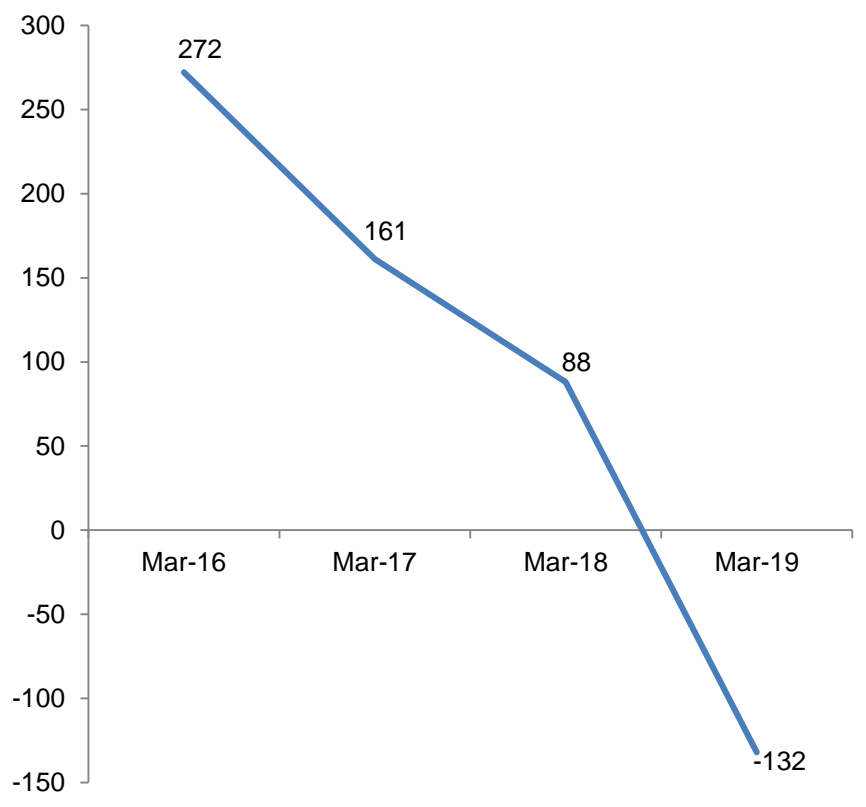
Refer Slide 12 for detailed Income Statement

Rs./ Crores



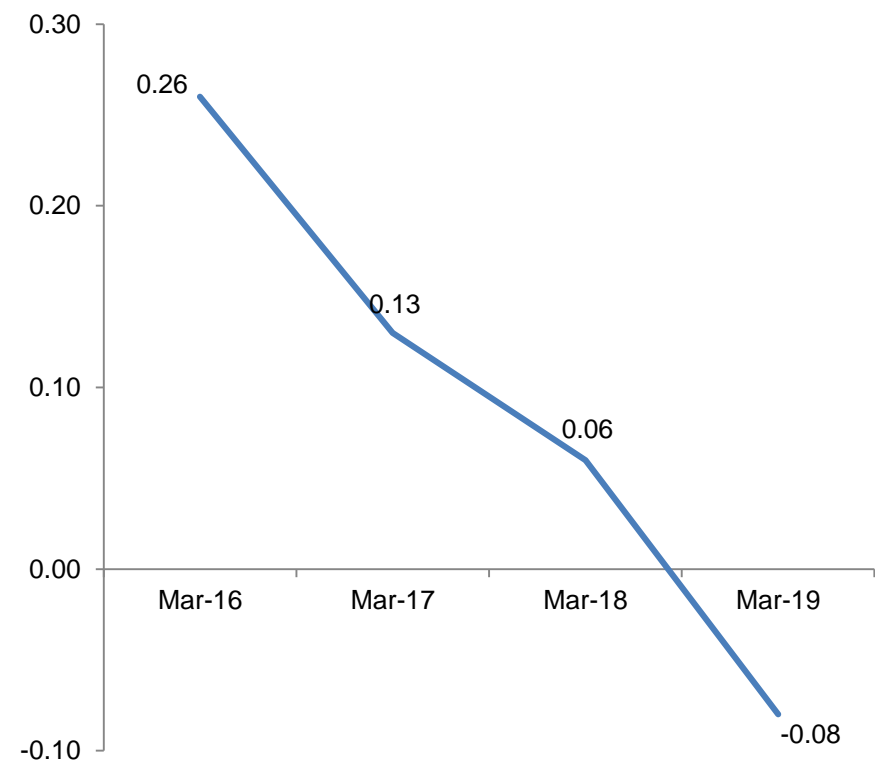


Net Debt (Rs. Crore) *

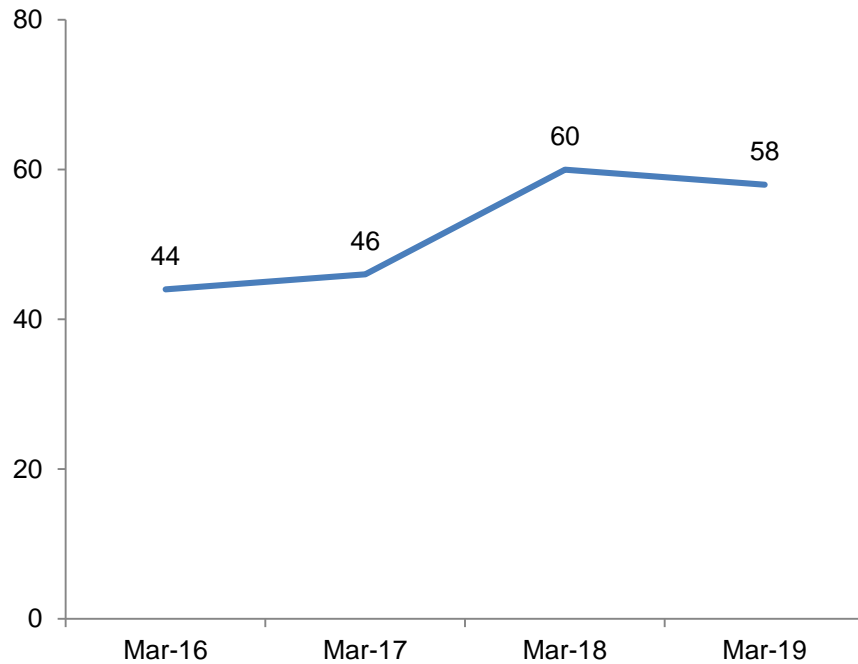


* Net of cash and cash equivalents

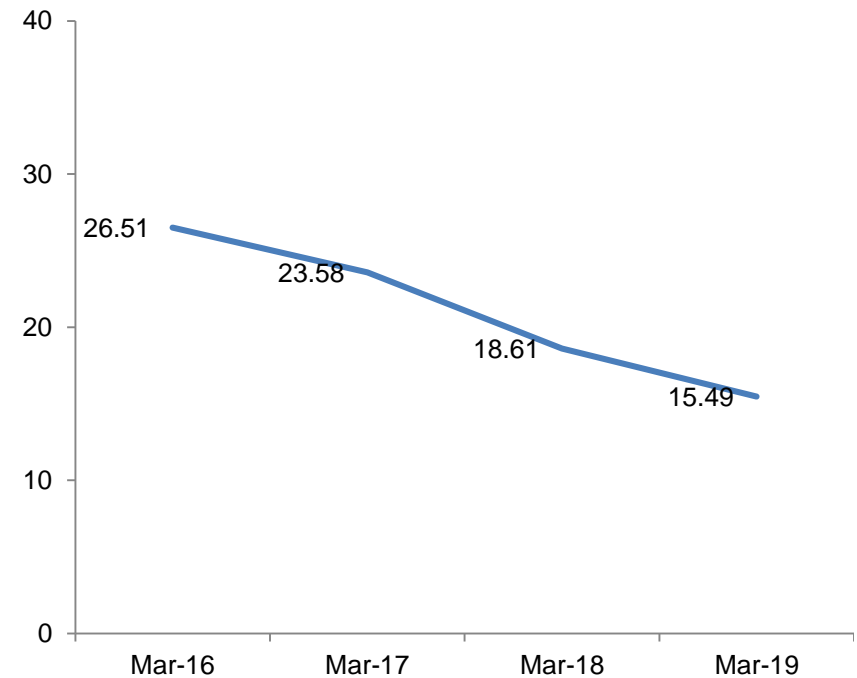
Net Debt Equity (X) *



Working Capital Cycle (days)



Return on Equity (Avg.)



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

ROE as on 31st Mar. 19 taken at average of net worth as on 31st Mar 19 & 31st Mar. 18 and on FY19 PAT.

A. JAXX VITRIFIED

Jaxx Vitrified is based in Morbi (Gujarat). Kajaria has 82% stake in the same. Jaxx has combined annual capacity of 10.20 MSM of polished vitrified tiles comprising 2 plants. Jaxx has operated at full capacity during FY 2018-19.

B. VENNAR CERAMICS

Vennar is based in Vijayawada (Andhra Pradesh). Kajaria has 51% stake in the same. Vennar has annual capacity of 2.90 MSM of high end ceramic wall tiles. Vennar has operated at full capacity during FY 2018-19.

C. COSA CERAMICS

Cosa is based in Morbi (Gujarat). Kajaria has 51% stake in the same. Cosa has annual capacity of 5.70 MSM of polished vitrified tiles. Cosa has operated at full capacity during FY 2018-19.

D. KAJARIA FLOERA CERAMICS

Kajaria Floera (a wholly owned subsidiary) is putting up a manufacturing facility of glazed vitrified tiles with a capacity of 5.00 MSM p.a. in Andhra Pradesh. The Plant is expected to be commissioned in August 2019.

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

Kajaria Bathware is a subsidiary of Kajaria Ceramics Ltd, in which Kajaria owns 85% and Aravali Investment Holdings, Mauritius, a wholly-owned subsidiary of WestBridge Crossover Fund, LLC owns 15% stake.

a) Sanitaryware: The Sanitaryware plant is situated in Morbi (Gujarat) having production capacity of 6.00 lac pcs p.a. The plant is nearing optimum capacity utilization. The unit is in the process to expand further by 1.50 lac pcs p.a., which is expected to be completed in August 2019.

b) Faucet: This facility is situated at Gailpur (Rajasthan) having 1.00 million pcs p.a. The plant has operated at 65% capacity in FY19 and expected to attain a 90% capacity utilization in FY20.

Financial highlights

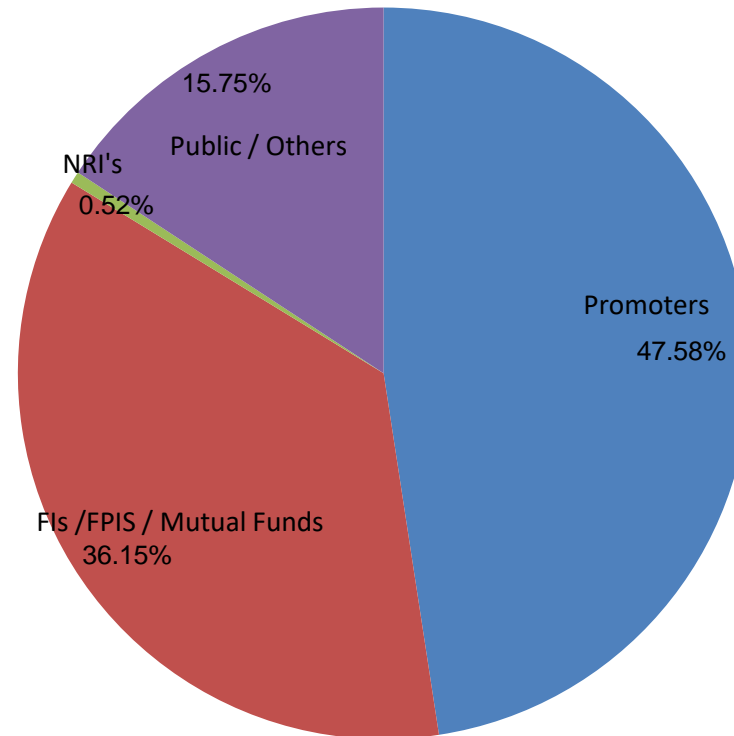
(Rs / Crores)

	Q4 FY19		Q4 FY18		Growth		FY19		FY18		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net Sales	734.27	815.31	701.36	750.04	5%	9%	2726.07	2956.20	2580.68	2710.60	6%	9%
EBITDA	109.01	122.94	106.37	120.07	2%	2%	400.36	449.49	427.89	456.36	-6%	-2%
EBITDA MARGIN	14.85%	15.08%	15.17%	16.01%			14.69%	15.20%	16.58%	16.84%		
Depreciation	15.52	21.68	16.15	22.86	-4%	-5%	63.45	89.06	61.76	88.53	3%	1%
Other Income	10.92	6.53	8.91	5.14	23%	27%	34.81	18.03	23.51	10.84	48%	66%
Interest	0.23	3.27	0.84	4.69	-73%	-30%	3.39	15.59	4.48	24.10	-24%	-35%
Exceptional Items - loss (gain)		1.43					-4.78	4.84	3.61	-0.75		
Profit Before Tax	104.18	103.09	98.29	97.66	6%	6%	373.11	358.03	381.55	355.32	-2%	1%
Tax Expense	35.86	36.23	32.61	28.03	10%	29%	127.21	129.28	129.23	126.72	-2%	2%
Minority Interest		0.86		3.66				2.18		-6.36		
Profit After Tax	68.32	66.00	65.68	65.97	4%	-	245.90	226.57	252.32	234.96	-3%	-4%
Cash Profit	83.84	87.68	81.83	88.83	2%	-1%	309.35	315.63	314.08	323.49	-2%	-2%
Equity Share Capital	15.90	15.90	15.90	15.90			15.90	15.90	15.90	15.90		
EPS (Basic) (Rs.)	4.30	4.15	4.13	4.15	4%	-	15.47	14.25	15.88	14.78	-3%	-4%

As on 31st Mar. 2019

Equity Shares Outstanding – 158.95 millions

Shareholding



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 68.00 mn. sq. meters presently, distributed across seven plants - one in Sikandrabad (UP), one in Gailpur (Rajasthan), One in Malutana (Rajasthan), three in Morbi (Gujarat) and one in Vijaywada (AP).

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