

Kajaria

Corporate Presentation

September 2021

Agenda

Global Tile Industry

Indian Tile Industry











Kajaria Ceramics – overview

Financials

Shareholding Pattern

Production Trend for Top Ten Countries











(Million Sq.m)

		CY15	CY16	CY17	CY18	CY19	
	CHINA	5970	6495	6400	5683	5187	→ 41%
	INDIA	850	955	1080	1145	1266	→ 10%
	BRAZIL	986	871	867	872	909	
	VIETNAM	440	485	560	602	560	
	SPAIN	440	492	530	530	510	
	ITALY	395	416	422	416	401	
	IRAN	300	340	373	383	398	
	INDONESIA	370	360	307	383	347	
	EGYPT	230	250	300	300	300	
	TURKEY	320	330	355	335	296	
TOTAL WORLD PRODUCTION		12530	13322	13627	13157	12673	

- After many years, global production witnessed de-growth of 3.7% over CY 2018 mainly due to fall in China's production.
- India has shown a positive growth of 10.6% (mainly due to surge in exports) over the previous year.

Consumption Trend for Top Ten Countries

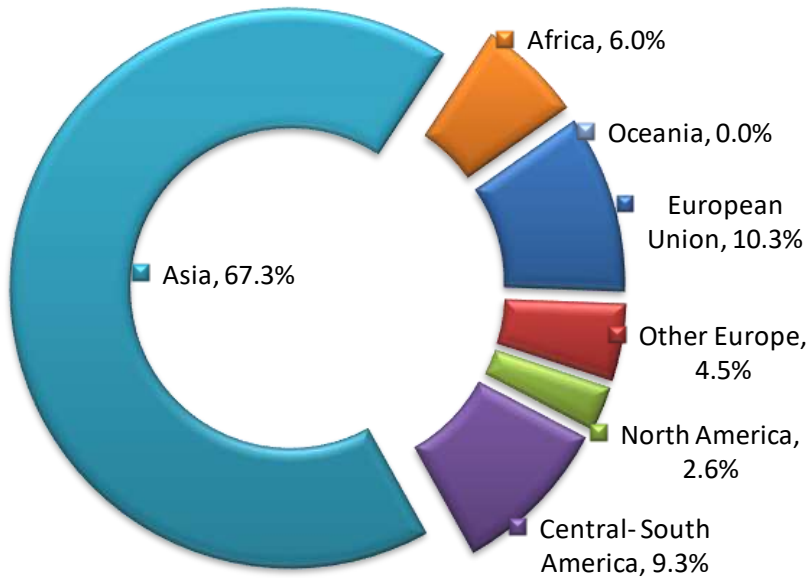
(Million Sq.m)

		CY15	CY16	CY17	CY18	CY19	
	CHINA	4885	5475	5498	4840	4424	→ 36%
	INDIA	763	785	760	750	780	→ 6%
	BRAZIL	927	789	765	775	802	
	VIETNAM	400	412	580	542	467	
	INDONESIA	357	369	336	450	413	
	USA	254	274	284	289	273	
	EGYPT	192	215	252	236	239	
	MAXICO	218	235	242	236	238	
	RUSSIA	234	174	194	209	200	
	IRAN	190	169	170	240	200	
TOTAL WORLD CONSUMPTION		12378	13069	13340	12902	12375	

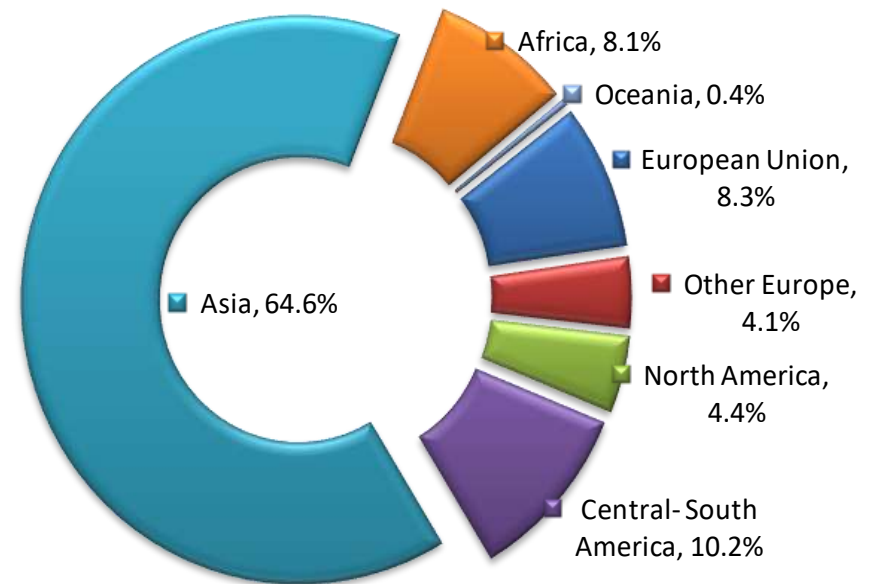
- In line with production, global consumption was also down by 4.1% over CY 2018, mainly due to fall in China's consumption, which fell by 8.6% in CY 2019 over the previous year.
- India's consumption was increased by 4% as compared to the previous year.

World Production & Consumption (CY19)

Production



Consumption



Indian Tile Industry

- Indian tile production is 1,266 million sq. mtr. as of CY2019 – increased by 11% over previous year.
- Indian tile consumption is 780 million sq. mtr. as of CY 2019 –increased by 30 million over previous year.
- However, export has grown from 274 MSM in CY 2018 to 360 MSM in CY 2019.
- Industry size is estimated to be Rs. 30,000 crore as of FY21. Out of this, domestic consumption is ~Rs 18,000 crore and exports constitutes ~ Rs 12,000 crore.
- National brands contribute 45% of industry.

Kajaria Ceramics - Overview

'Kajaria' is the largest manufacturer of ceramic/vitrified tiles in India and the 8th largest in the world. It has an annual manufacturing capacity of 70.40 million sq. meters presently, distributed across eight tile plants - one at Sikandrabad (UP), one at Gailpur (Rajasthan), one at Malootana (Rajasthan), three at Morbi (Gujarat) and one in Vijaywada and one at Srikalahasti (Andhra Pradesh).

Our Journey – No 1 Ceramic Tile Company in India and 8th Largest in world

- Started production in Aug 1988 at Sikandrabad (UP) with 1 MSM p.a.
- Current Capacity 8.40 MSM p.a. of glazed vitrified tiles.

- Commissioned 2nd plant in March 1998 at Gailpur (Rajasthan) with a capacity of 6 MSM p.a.
- Current Capacity is 34.30 MSM p.a. of ceramic wall and floor tiles and glazed vitrified tiles.

Subsidiaries - Tiles:

- 2012: JAXX (87.37% stake), Morbi, Gujarat : 7.60 MSM p.a. polished vitrified tiles.
- 2012: Vennar (51% stake), Vijayawada, Andhra Pradesh : 2.90 MSM p.a. ceramic wall & floor tiles.
- 2012: Cosa (51% stake), Morbi, Gujarat: 5.70 MSM p.a. of polished vitrified tiles.

- Commissioned 3rd plant in Jan 2016 at Malootana (Rajasthan) with a capacity of 6.50 MSM p.a. of polished vitrified tiles.

- Commissioned 4th Plant in Sep 2019 at Srikalahasti (Andhra Pradesh) with a capacity of 5 MSM p.a. of glazed vitrified tiles.

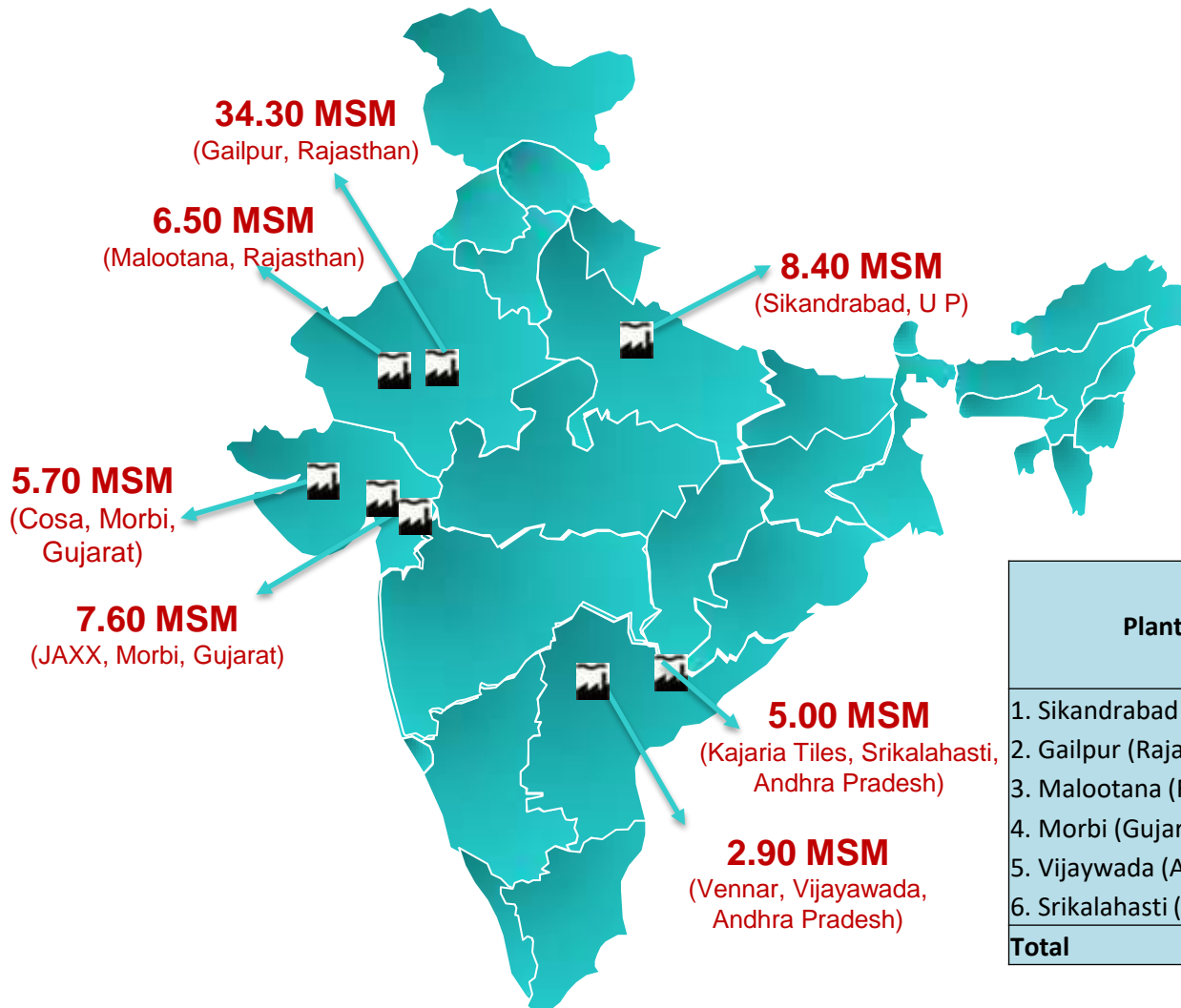
Geographical Spread of the Production Capacity

ASSET OVERVIEW

Total Capacity 70.40 MSM

8

MANUFACTURING FACILITIES



Plant	Production Capacity (MSM)			
	Ceramic Wall & Floor Tiles	Polished Vitrified Tiles	Glazed Vitrified Tiles	Total
1. Sikandrabad (UP)	-	-	8.40	8.40
2. Gailpur (Rajasthan)	25.20	-	9.10	34.30
3. Malootana (Rajasthan)	-	6.50	-	6.50
4. Morbi (Gujarat)	-	13.30	-	13.30
5. Vijaywada (AP)	2.90	-	-	2.90
6. Srikalahasti (AP)	-	-	5.00	5.00
Total	28.10	19.80	22.50	70.40

Tile Manufacturing Facilities – Own Plants



Gailpur, Rajasthan



Malootana, Rajasthan



Sikandrabad, UP



Srikalahasti, AP

Tile Manufacturing Facilities – Subsidiaries Plants



Jaxx I, Gujarat



Jaxx II, Gujarat

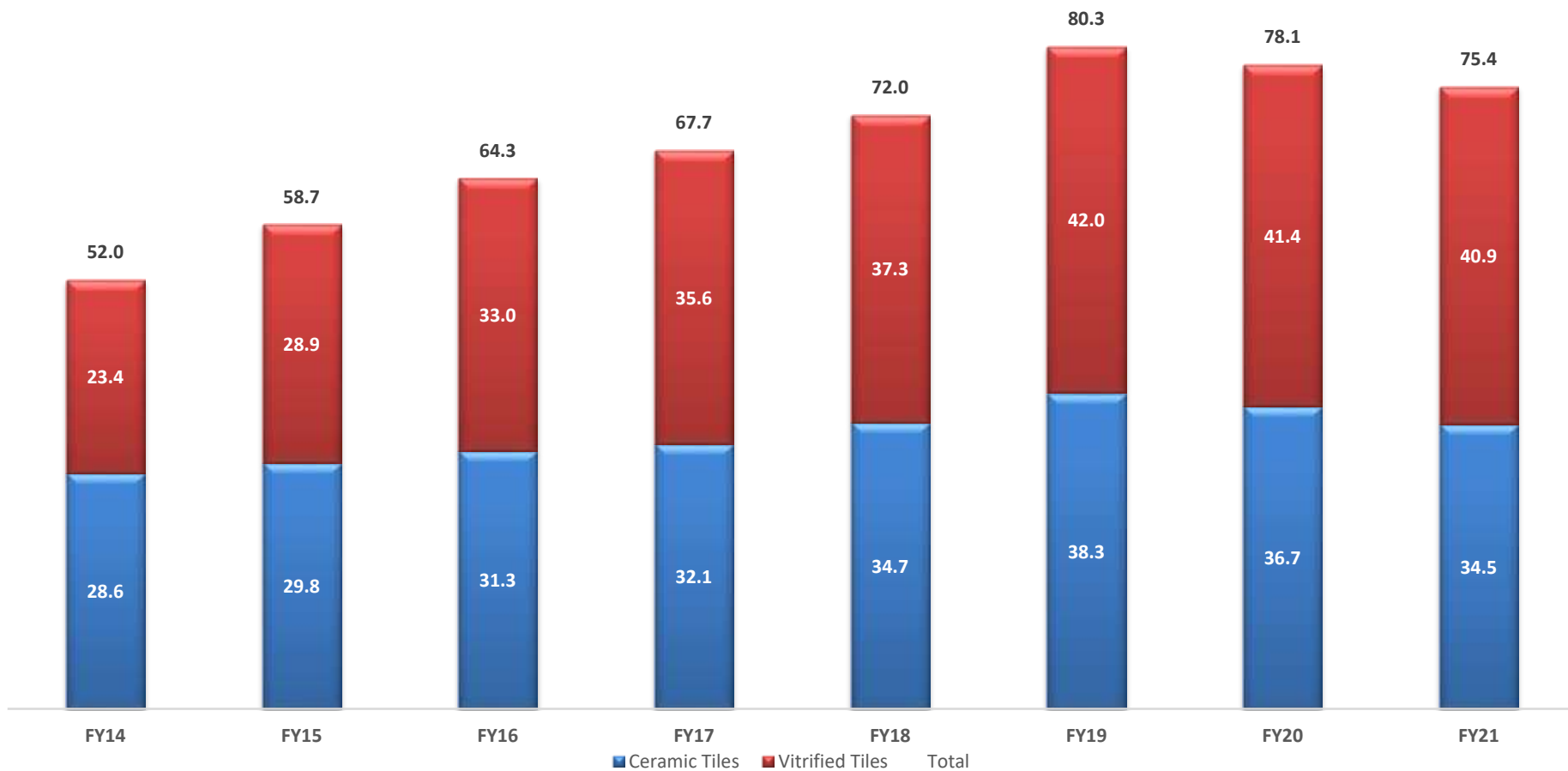


Cosa, Gujarat



Vennar, Andhra Pradesh

Tile sales growth (msm per annum)



Expansions on card....

A. Gailpur Plant (Rajasthan)

The company is adding 4.20 msm of floor tiles capacity at its Gailpur location. The same is expected to be completed by March 2022. Estimated cost for this expansion is Rs. 60 crore approx.

B. Srikalahasti Plant (Andhra Pradesh)

The company's subsidiary KTPL is adding a capacity of 3.80 msm of value added tiles. The same is expected to be completed by March 2022. Estimated cost for this expansion is Rs. 110 crore approx.

C. Jaxx Plant, Morbi (Gujarat)

Adding 4.40 new capacity at the same site for an approximate cost of Rs 80 crore. This expansion is expected to be completed by March 2022.

Our Brand Ambassador Akshay Kumar



Advertisement - Focused and Strategic

OTT

Kajaria

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TV commercial

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Print Media

Kajaria

CATCH THE STORY OF A BRAND THAT HAS EMERGED FROM DESH KI MITTI. IS INDIA JAI SA STRONG AND DEFINES FREEDOM IN BUSINESS STANDARD - 15th August.

HAPPY INDEPENDENCE DAY

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Airport Branding

More than 30 Airports Pan INDIA

Delhi Airport



Mumbai Airport



Trays at airport checkpoints



Transit area



Branding In Cricket Stadium

India Vs Bangladesh



India Vs South Africa



India Vs Westindies



Experience Centers Across India



Distribution Network : Strong and loyal dealers all over the country



**1600 +
Operative
Dealers**

Tiles display at dealers' showrooms



Diversification – Bathware

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



Sanitaryware : The plant is situated in Morbi (Gujarat) with production capacity of 7.50 lac pcs p.a.



Faucet: This facility is situated at Gailpur (Rajasthan) with production capacity of 1.00 million pcs p.a.

**'Kerovit' Brand Ambassador
Anushka Sharma**



Manufacturing Facilities – Bathware Plants



Sanitaryware, Gujarat



Faucet Plant, Rajasthan

Diversification – Plywood & Laminates

Kajaria Plywood Pvt. Ltd - a subsidiary company offering wood panel products under the brand of Kajaria PLY



PLYWOOD: This product is manufactured using selective hardwood species (incl. Gurjan) along with Glued Core Protection technology in both BWP & MR grades.



BLOCKBOARD: This product comes with pinewood construction and hardwood veneers along with Glued Core Protection technology in both BWP & MR grades.



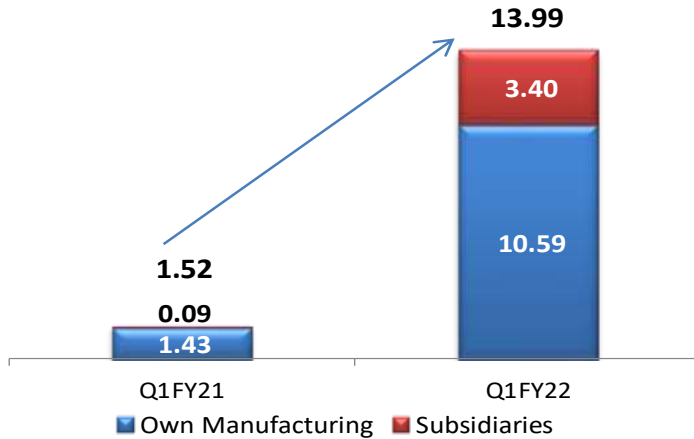
FLUSH DOOR: This product is available in both Pinewood & Hardwood construction and comes with unmatched industry-first warranty coverage.

**'Kajaria Ply' Brand Ambassador
Ranveer Singh**

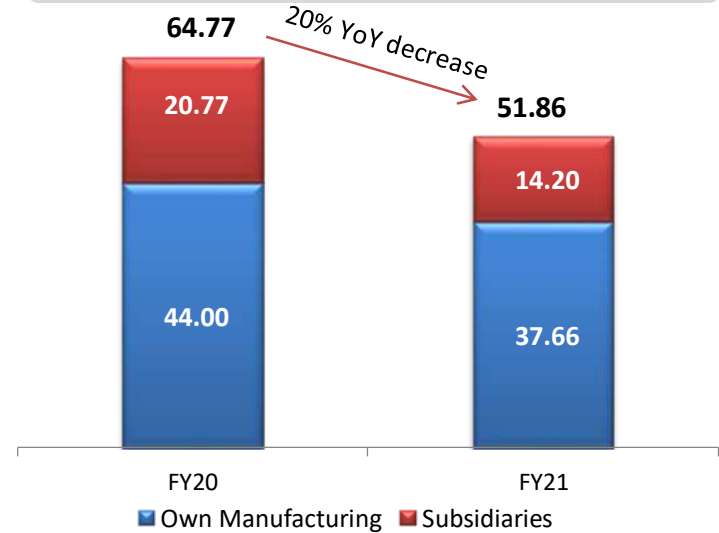


Volume Data (tiles) – Quarterly and Yearly

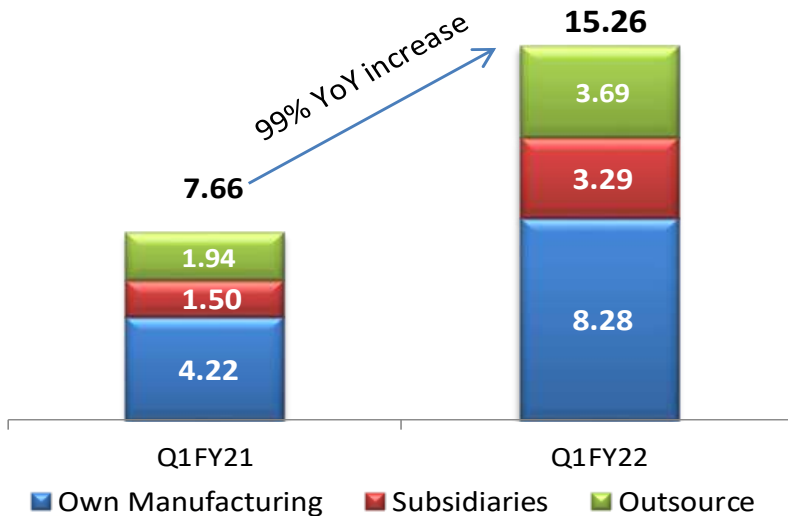
Production Growth (MSM) - Q1 FY22



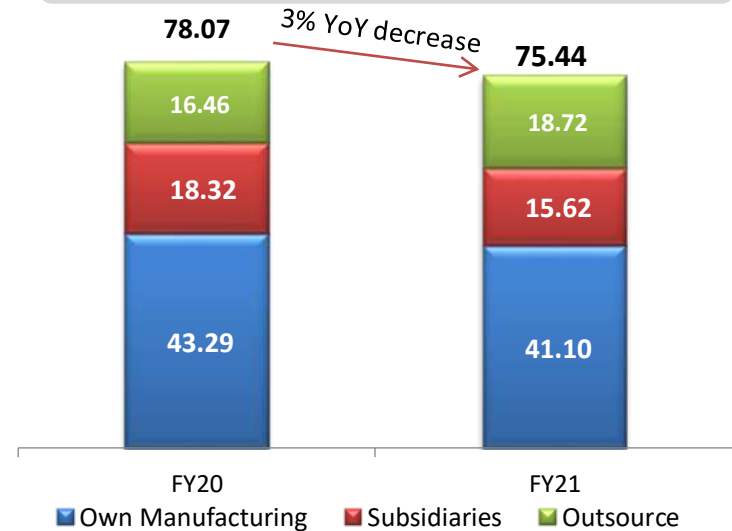
Production Growth (MSM) - FY21



Sales Growth (MSM) - Q1 FY22

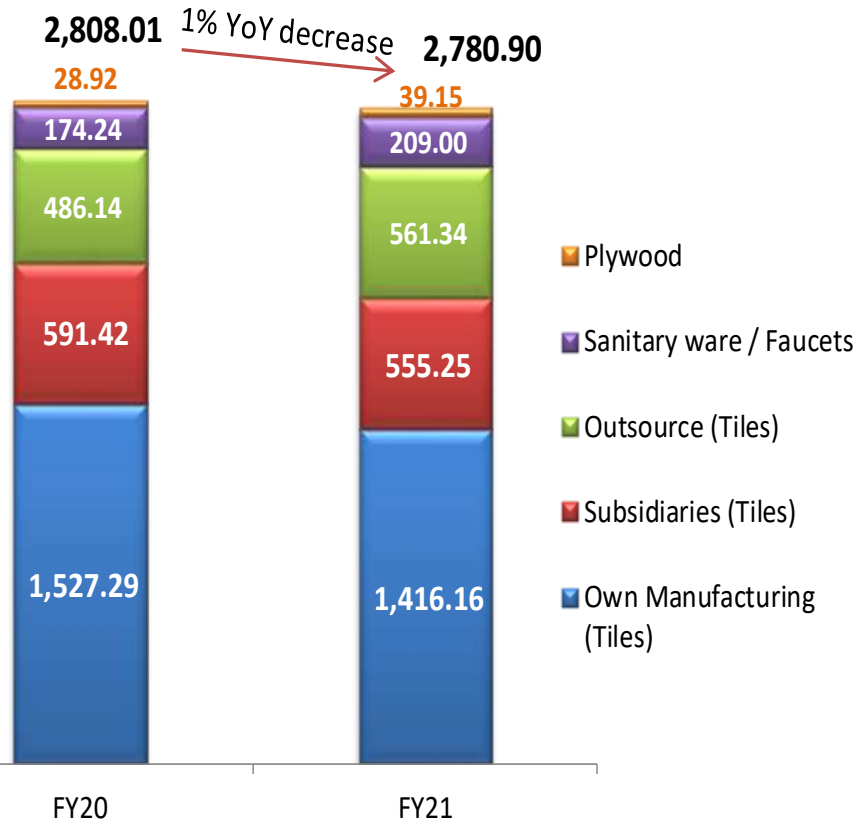
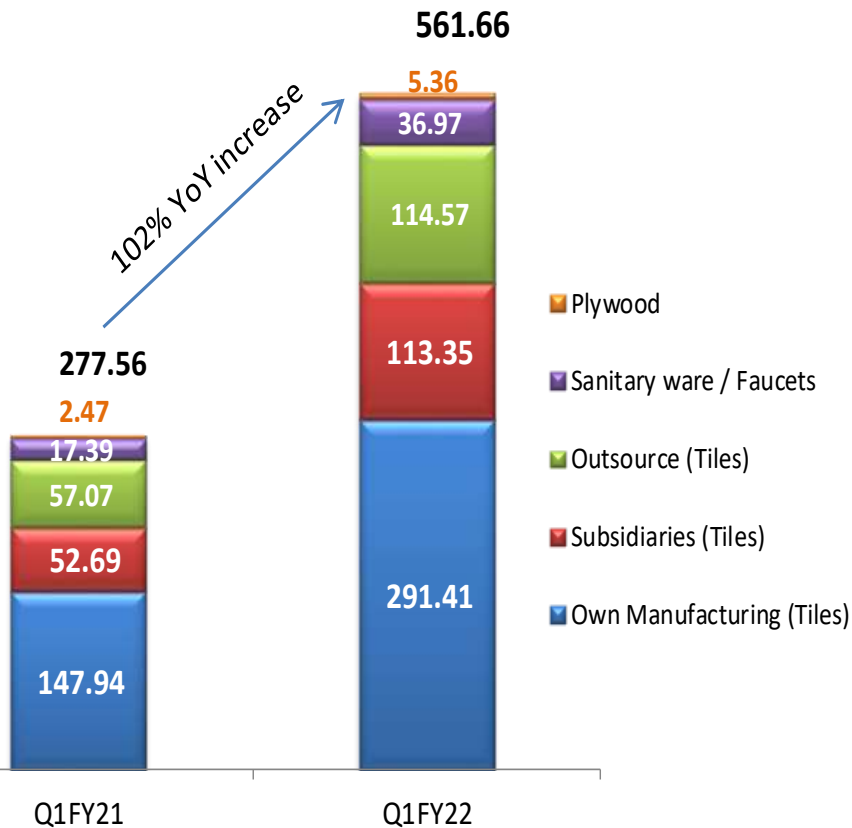


Sales Growth (MSM) - FY21



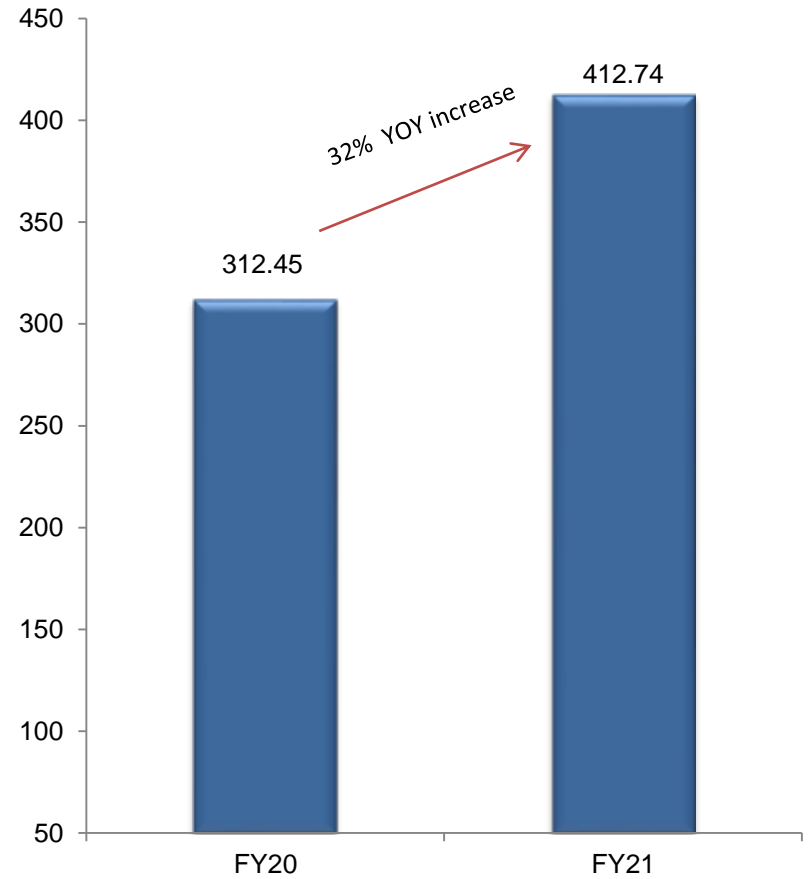
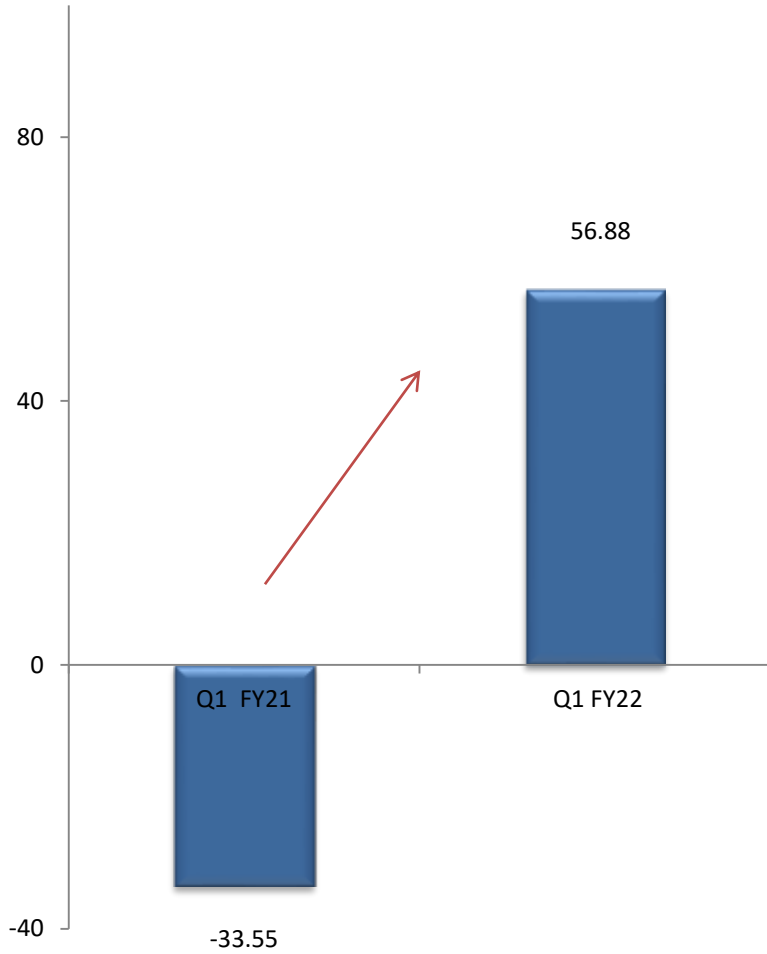
Revenue Growth – Quarterly and Yearly

Rs./ Crores



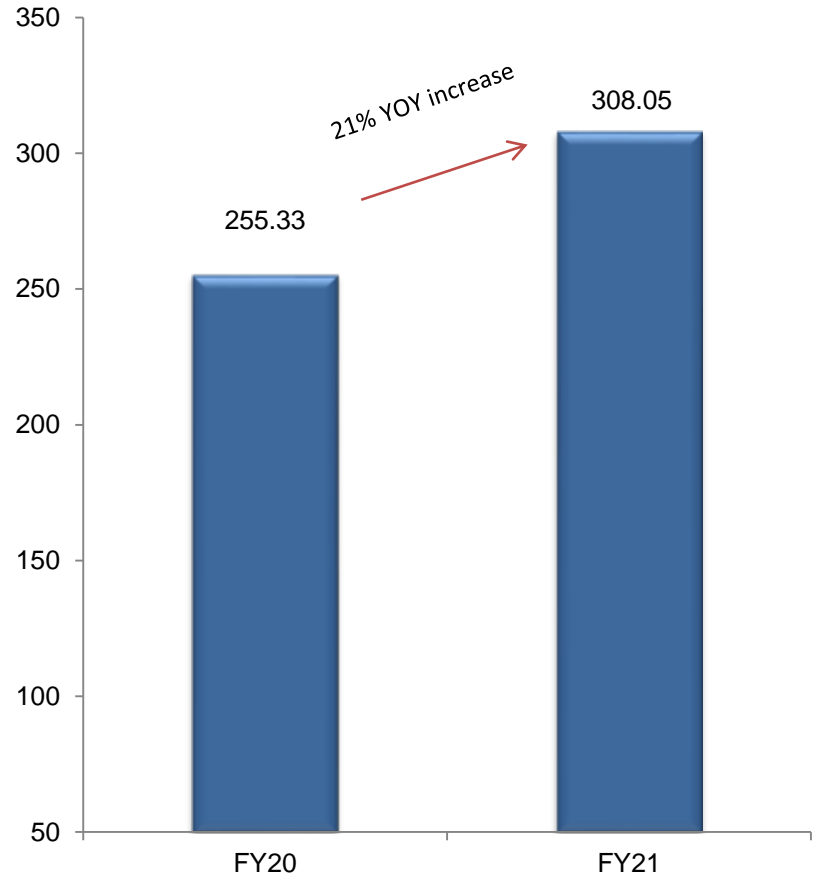
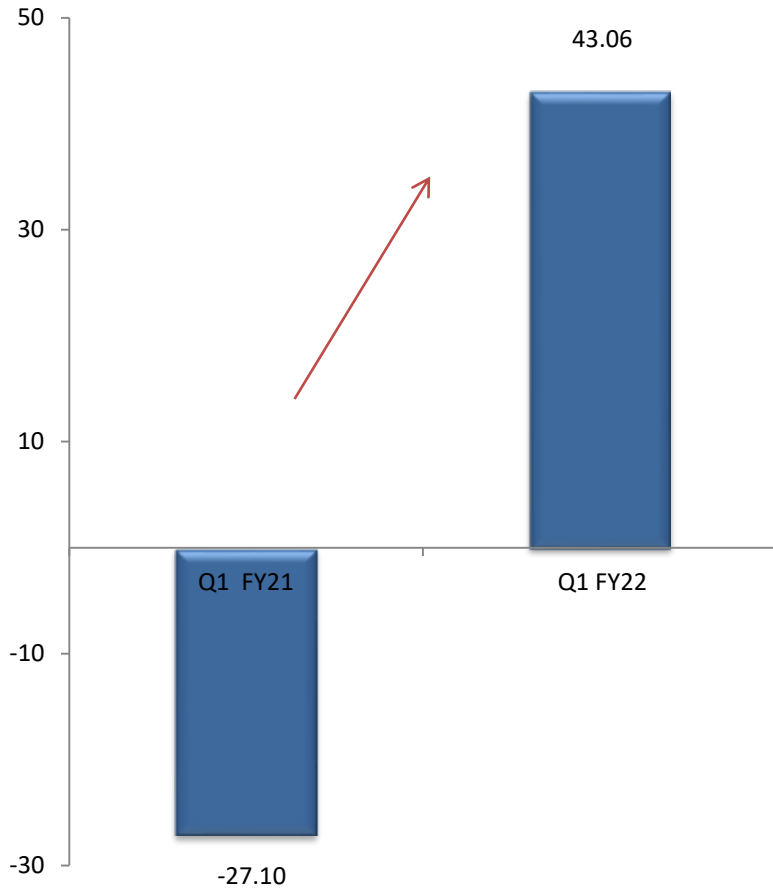
PBT – Quarterly and Yearly

Rs./ Crores



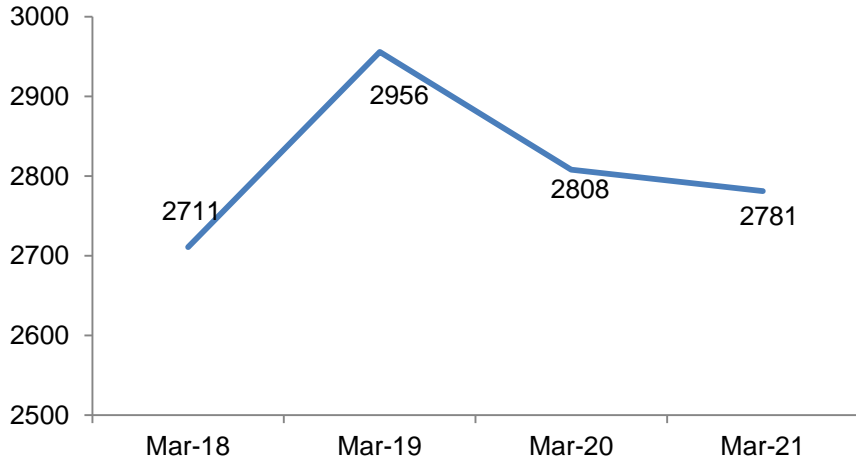
PAT – Quarterly and Yearly

Rs./ Crores

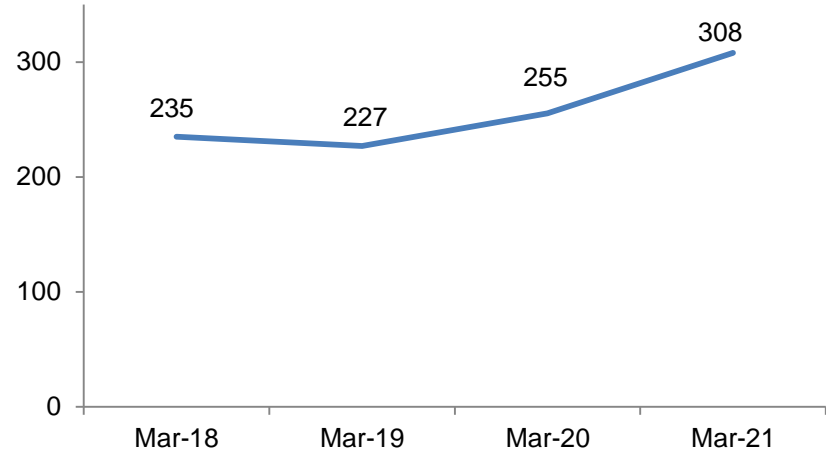


Historical Data

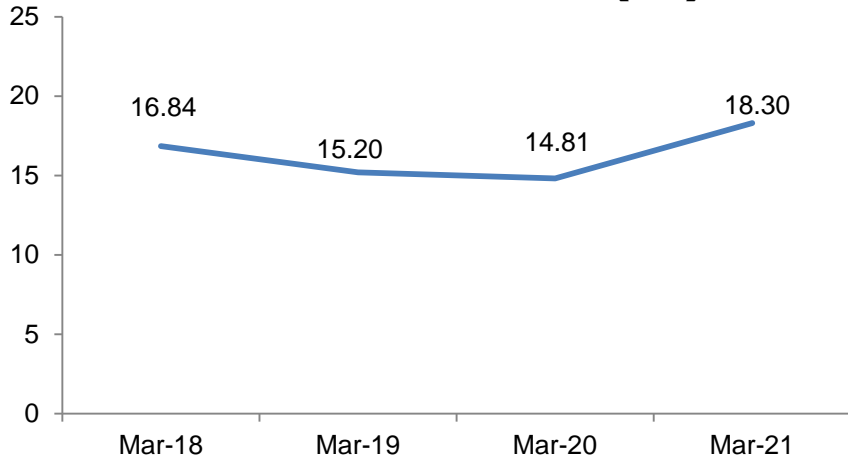
Net Sales (Rs. Crore)



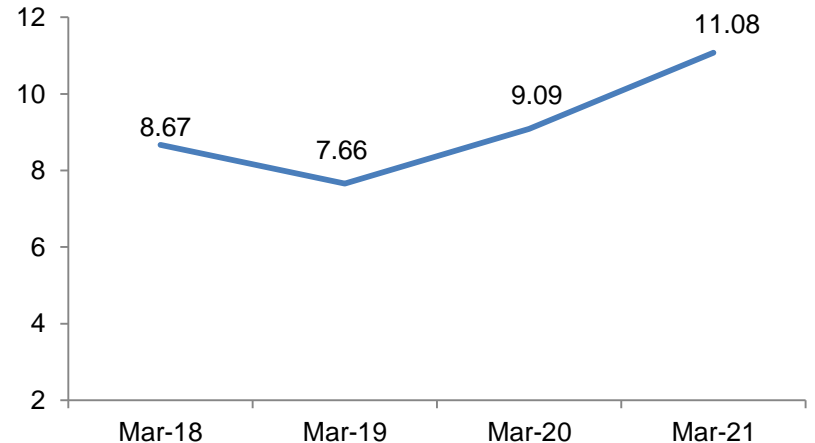
PAT (Rs. Crore)



EBDITA MARGIN (%)

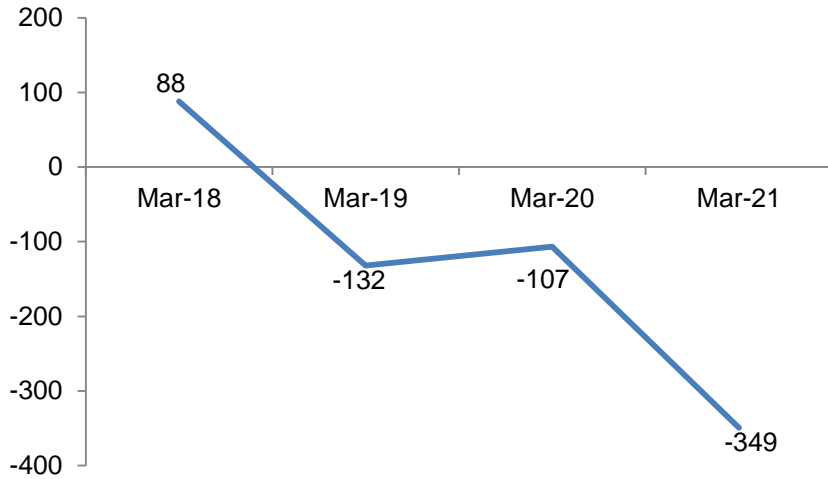


PAT MARGIN (%)

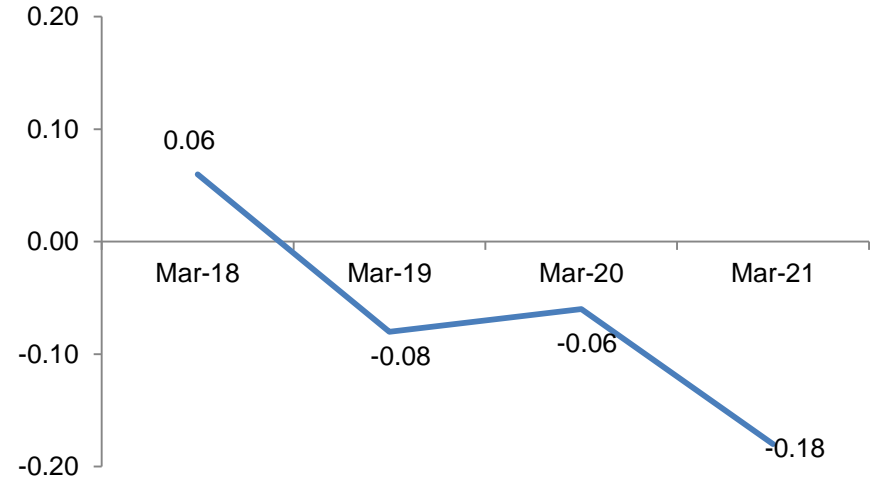


Historical Data

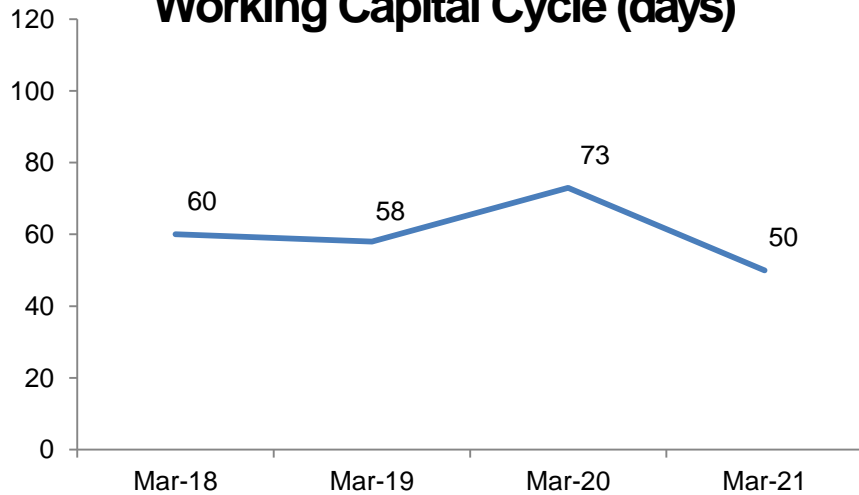
Net Debt (Rs. Crore)*



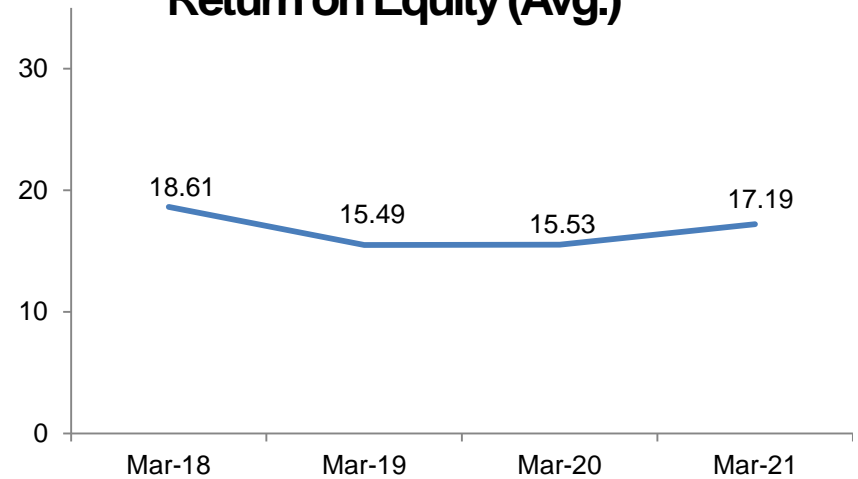
Net Debt Equity (X)



Working Capital Cycle (days)



Return on Equity (Avg.)



* Net of cash and cash equivalents

Working capital days' excludes capex creditors and cash & Bank balance and not comparable with previous periods due to GST. For calculation of Mar-21 working capital cycle, sales of only Q2, Q3 and Q4 FY21 has been considered.

Financial Highlights

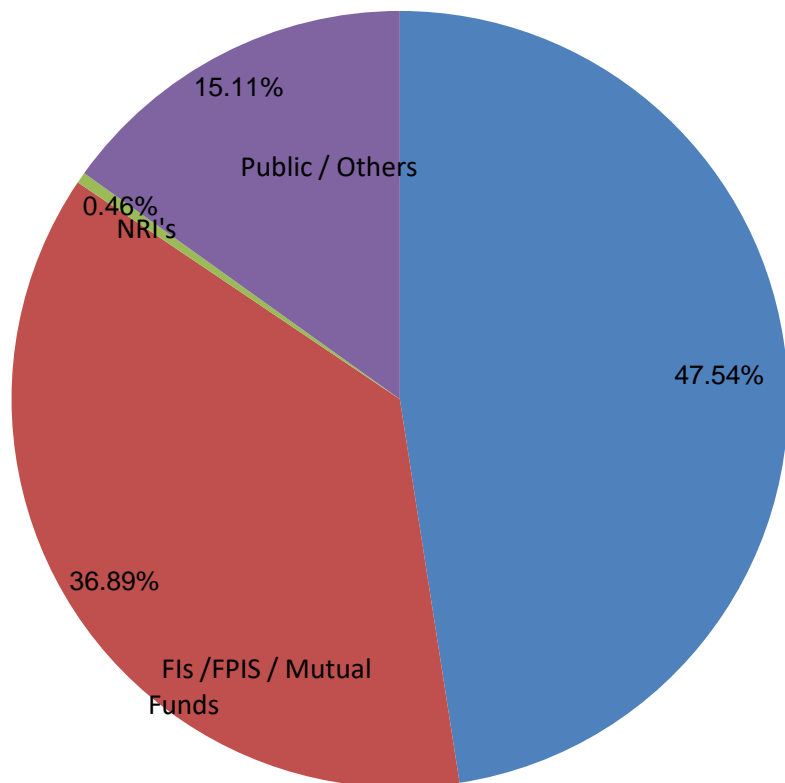
(Rs in Crore)

	Q1 FY22		Q1 FY21		FY21		FY20		Growth over FY 20	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net Sales	499.67	561.66	257.53	277.56	2523.18	2780.90	2571.80	2808.01	-2%	-1%
EBITDA	69.49	80.42	9.41	-7.57	432.96	508.82	376.15	415.90	15%	22%
EBITDA MARGIN	13.91%	14.32%	3.65%	-2.73%	17.16%	18.30%	14.63%	14.81%		
Depreciation	18.17	26.52	17.02	25.22	73.91	106.67	78.85	108.09	-6%	-1%
Other Income	12.88	6.00	9.76	2.62	51.57	21.30	50.56	24.15	2%	-12%
Interest	1.34	3.02	1.41	3.38	5.05	10.71	8.53	19.51	-41%	-45%
Exceptional Items - loss (gain)										
Profit Before Tax	62.86	56.88	0.74	-33.55	405.57	412.74	339.33	312.45	20%	32%
Tax Expense	16.12	15.42	0.19	-0.61	103.82	103.84	60.53	58.92	72%	76%
Minority Interest		-1.60		-5.84		0.85		-1.80		
Profit After Tax	46.74	43.06	0.55	-27.10	301.75	308.05	278.80	255.33	8%	21%
Cash Profit	64.91	69.58	17.57	-1.88	375.66	414.72	357.65	363.42	5%	14%
Equity Share Capital	15.92	15.92	15.90	15.90	15.91	15.91	15.90	15.90		
EPS (Basic) (Rs.)	2.94	2.71	0.03	-1.70	18.98	19.37	17.54	16.06	8%	21%

Shareholding Pattern

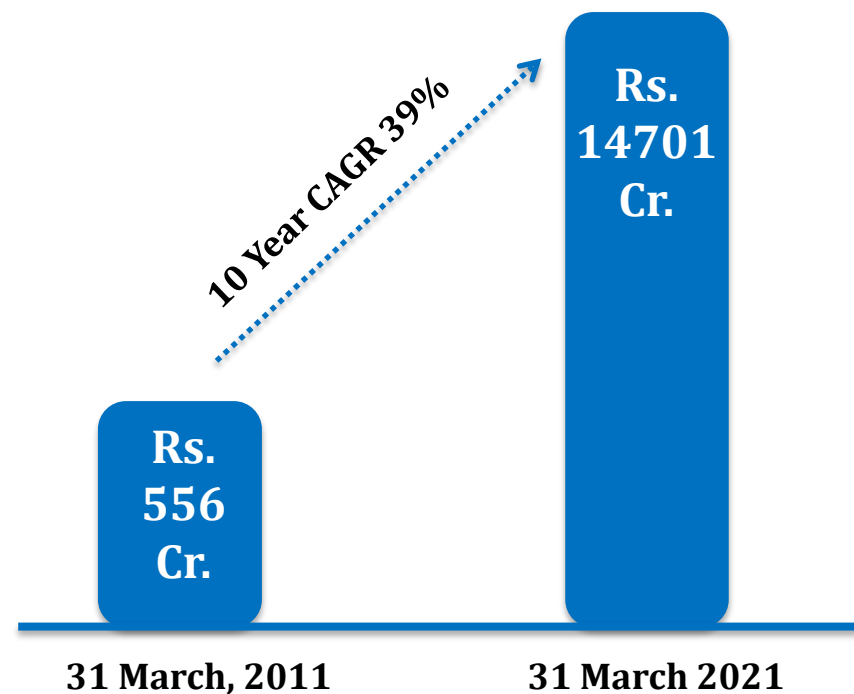
Equity Shares Outstanding – 159.16 millions

As on 30th Jun. 2021



Value Creation

Market capitalization



Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India and the 8th largest in the world. It has an annual capacity of 70.40 mn. sq. meters presently, distributed across eight plants - one at Sikandrabad in Uttar Pradesh, one at Gailpur and one at Malootana in Rajasthan, three at Morbi in Gujarat and one at Vijaywada and one at Srikalahasti in Andhra Pradesh.

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