



# KAJARIA CERAMICS LIMITED

## Investor Update – Q1 FY24

**July 26, 2023**

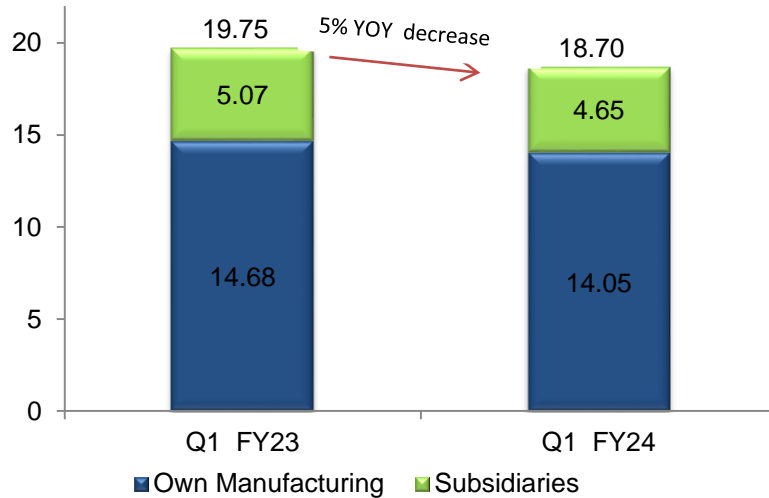
- Chairman's Message
- Financial Performance – Q1 FY24
- Subsidiaries
- Income Statement
- Shareholding Pattern

Q1 FY24 saw a mixed performance with volume growth witnessing some pressure but margins did show an encouraging reversal driven by softening fuel costs across all plant locations.

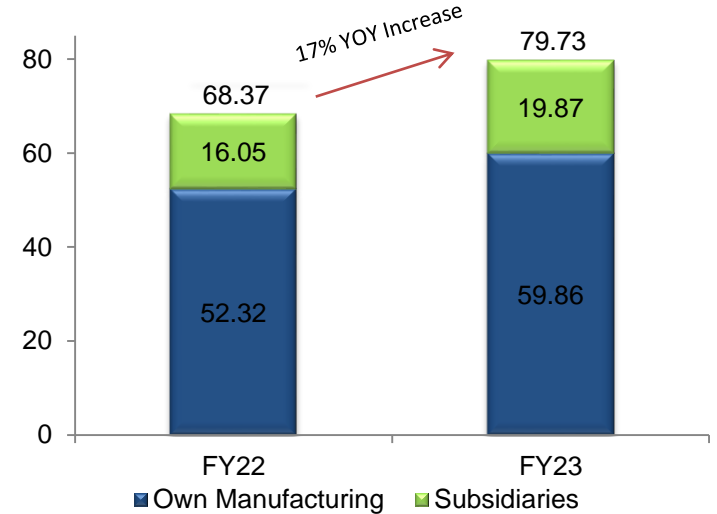
Despite the challenges, we achieved 7% growth in sales volume, selling 25.02 MSM compared to 23.33 MSM in Q1 FY23. Furthermore, consolidated revenue for the quarter reached ₹1064 crores, representing a 6% growth compared to the same period last year and EBITDA margin stood at 15.90%, a 67 basis points increase over the corresponding previous quarter.

Looking ahead, we remain optimistic about the medium to long term prospects of the real estate sector and our capacity-building initiatives, positioning us to deliver strong performance in the industry.

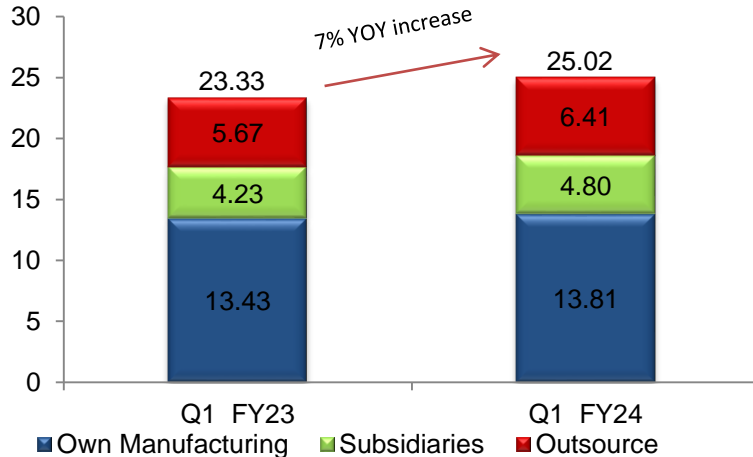
### Production Growth (MSM) - Q1 FY24



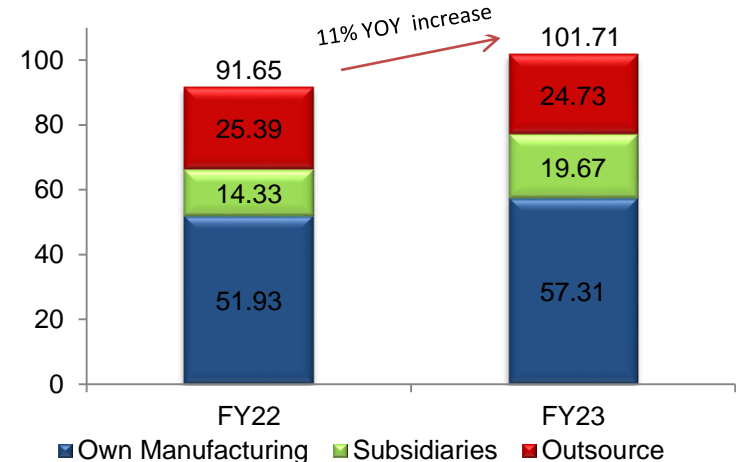
### Production Growth (MSM) - FY23



### Sales Growth (MSM) - Q1 FY24



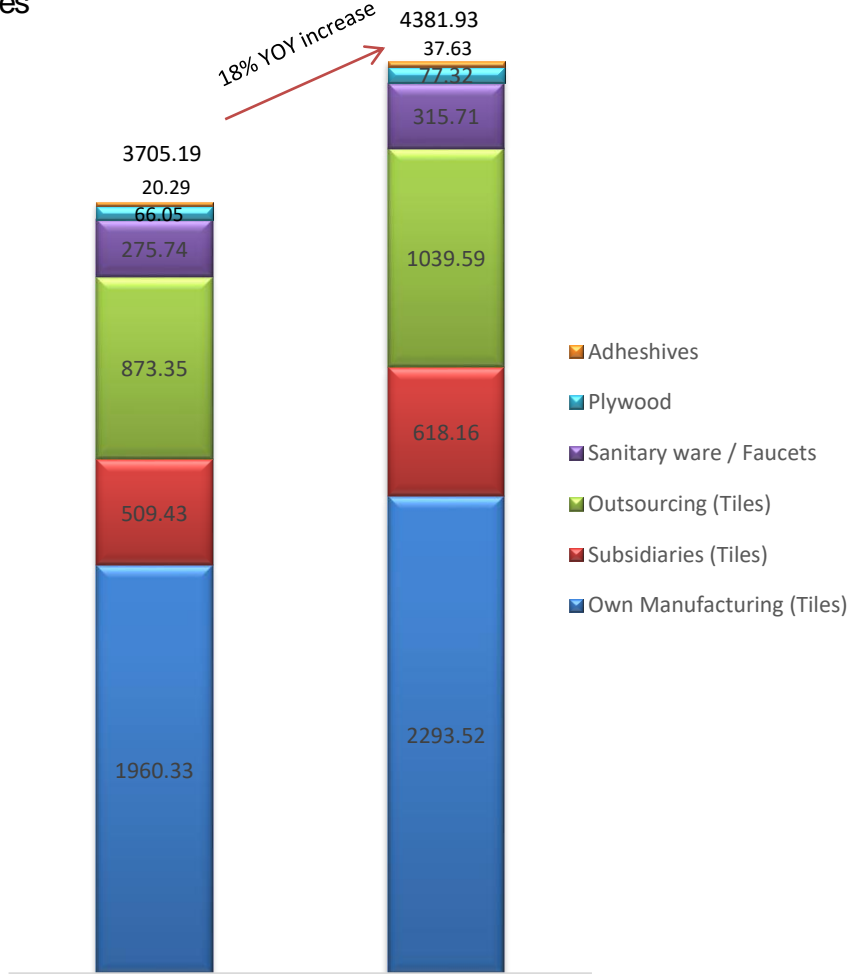
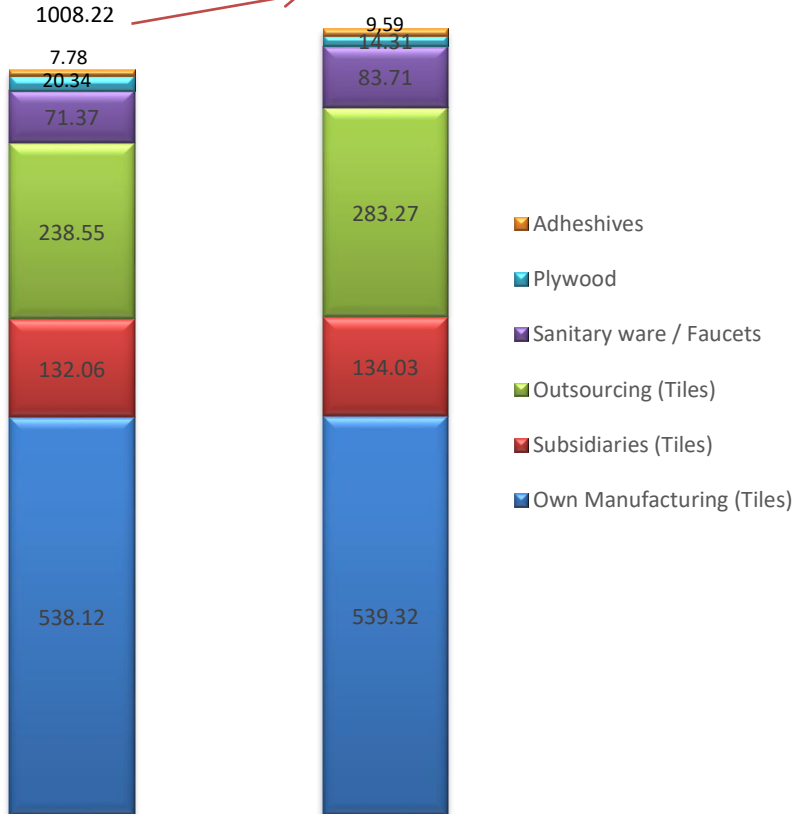
### Sales Growth (MSM) - FY23



Rs./ Crores

6% YOY increase

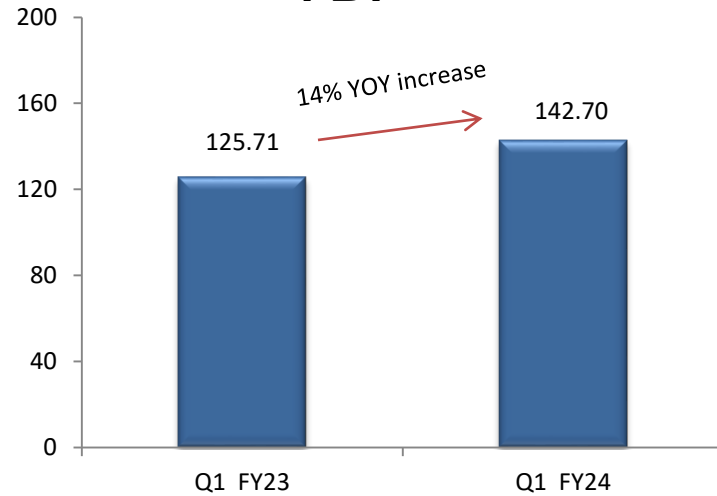
18% YOY increase



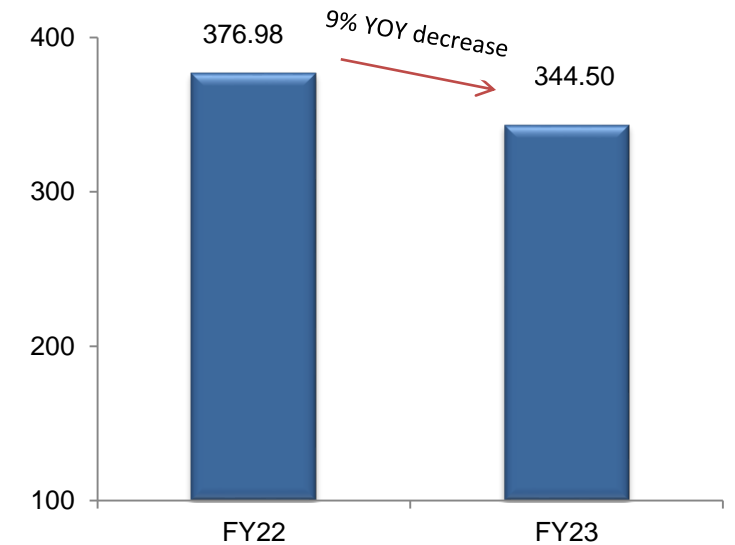
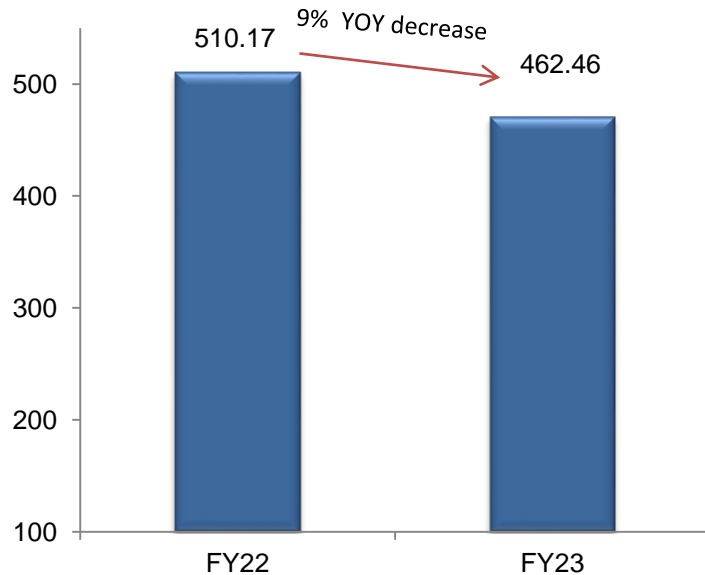
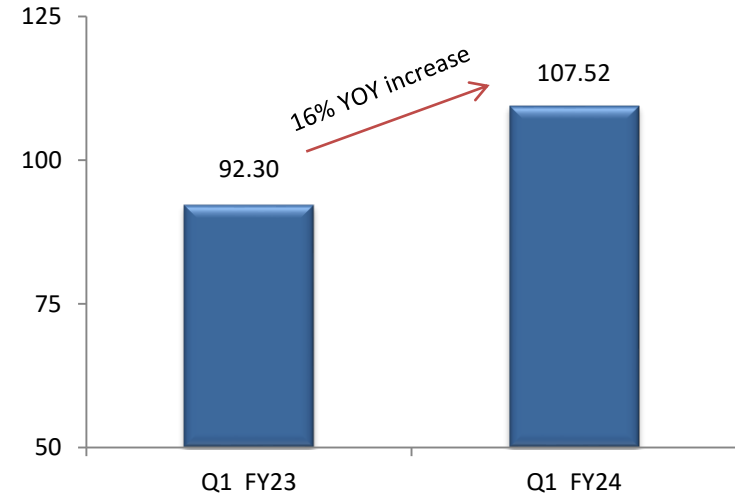
Refer Slide 15 for detailed Income Statement

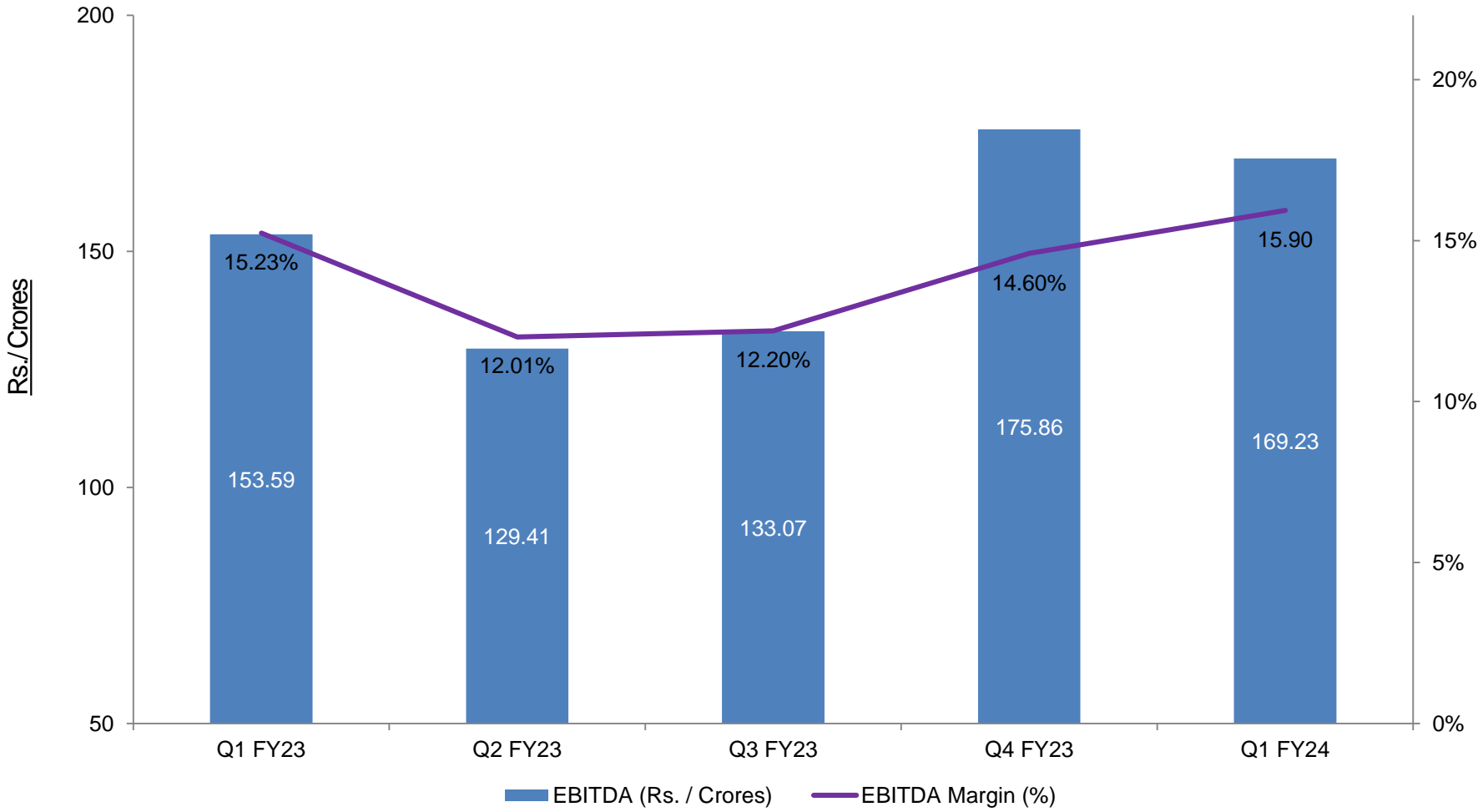
## PBT

Rs./ Crores

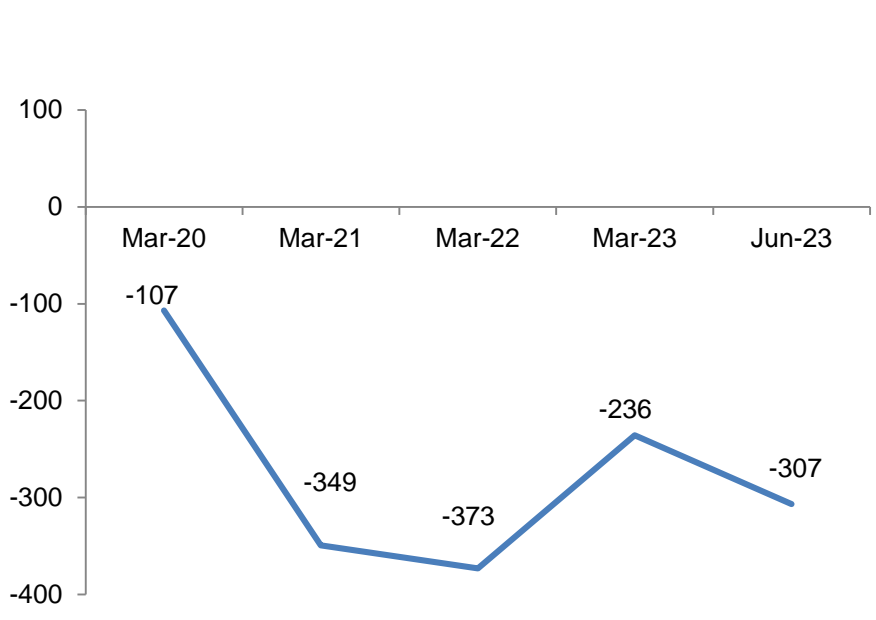


## PAT

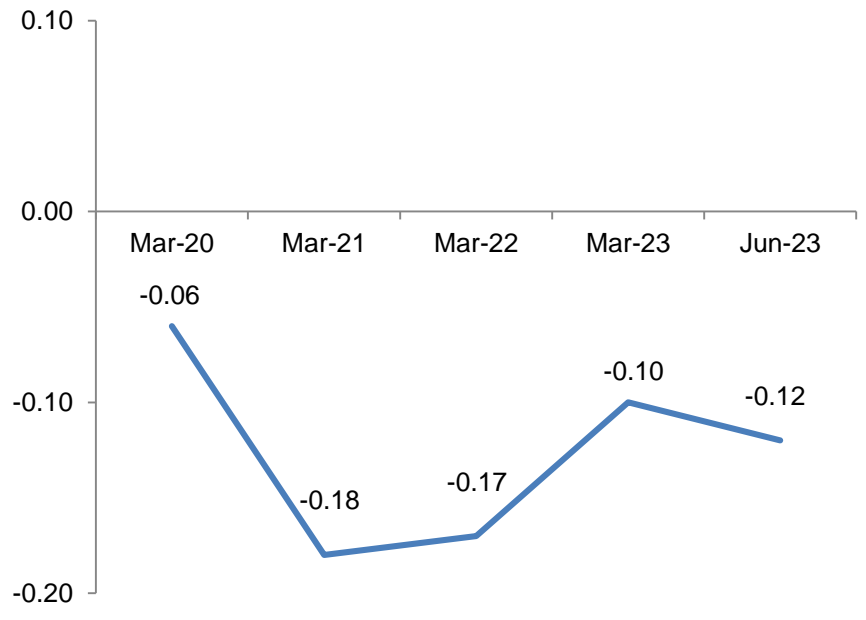




Net Debt (Rs. Crore) \*



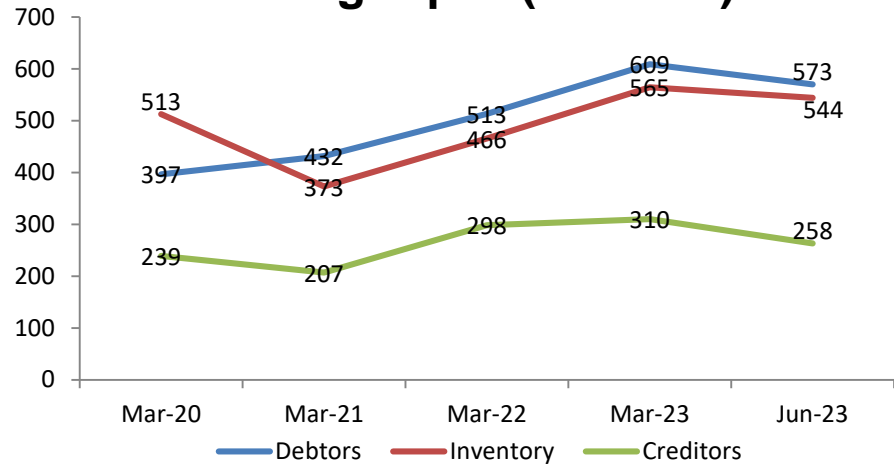
Net Debt Equity (X) \*



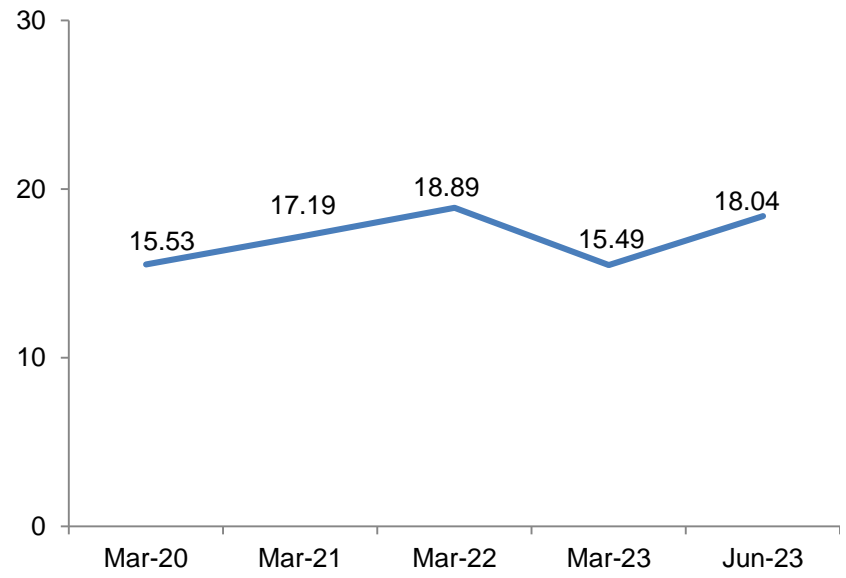
\* Net of cash and cash equivalents



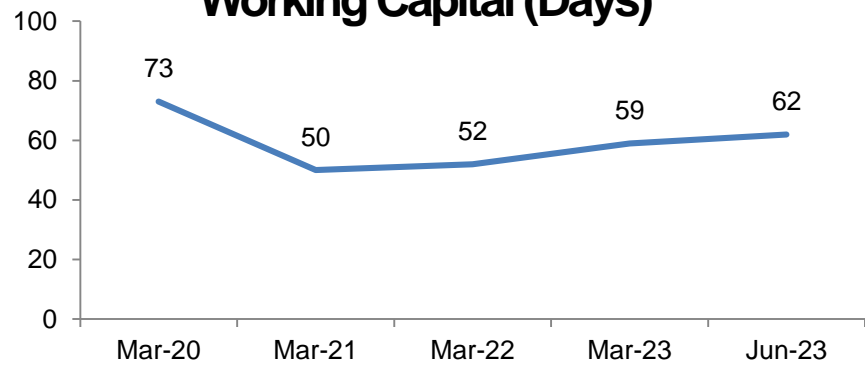
### Working Capital (Rs. Crore)



### Return on Equity (Avg.)



### Working Capital (Days)



- ROE as on 30<sup>th</sup> Jun. 23 taken at average of net worth as on 31<sup>st</sup> Mar.23 & 30<sup>th</sup> Jun 23 and on Q1 FY24 PAT.
- Working capital days excludes capex creditors, capital advances and cash, cash equivalent & bank balance.
- For calculation of Mar-21 working capital days, only Q2 ,Q3 and Q4 FY21 sale has been considered.

A. KAJARIA VITRIFIED

Kajaria Vitrified Pvt. Ltd. is based in Morbi (Gujarat). Kajaria has 95% stake in the same. The company has annual capacity of 8.90 MSM of polished vitrified tiles. The Company has operated at optimum capacity during Q1 FY24.

B. KAJARIA INFINITY

Kajaria Infinity Pvt. Ltd. is based in Morbi (Gujarat). Kajaria Ceramics has 77% stake in the same. Kajaria Infinity has annual capacity of 5.70 MSM of glazed vitrified tiles and operated at optimum capacity during Q1 FY24.

C. SOUTH ASIAN CERAMICS TILES PVT. LTD.

Kajaria Ceramics has 51% stake in South Asian Ceramics Tiles Pvt. Ltd., Telangana. The Annual production capacity of South Asian Ceramics is 4.75 MSM ceramic floor tiles. The Company has operated at 61% capacity during Q1 FY24.

## D. KAJARIA BATHWARE (P) LTD. (KBPL)

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 7.50 lac pcs p.a. The Plant has been producing more value added products and operated at 87% in Q1 FY24.

b) Faucet: This facility is situated at Gailpur (Rajasthan) having 1.60 million pcs p.a. Plant has operated at 73% in Q1 FY24.

## E. KAJARIA PLYWOOD PVT. LTD. (KPPL)

Kajaria Plywood Pvt. Ltd, a wholly owned subsidiary of Kajaria Ceramics Ltd.

KPPL is offering plywood and laminate products under the brand of KajariaPLY.

G. KAJARIA INTERNATIONAL DMCC (wholly owned subsidiary)

Kajaria International DMCC was incorporated to increase the footprint in international market.

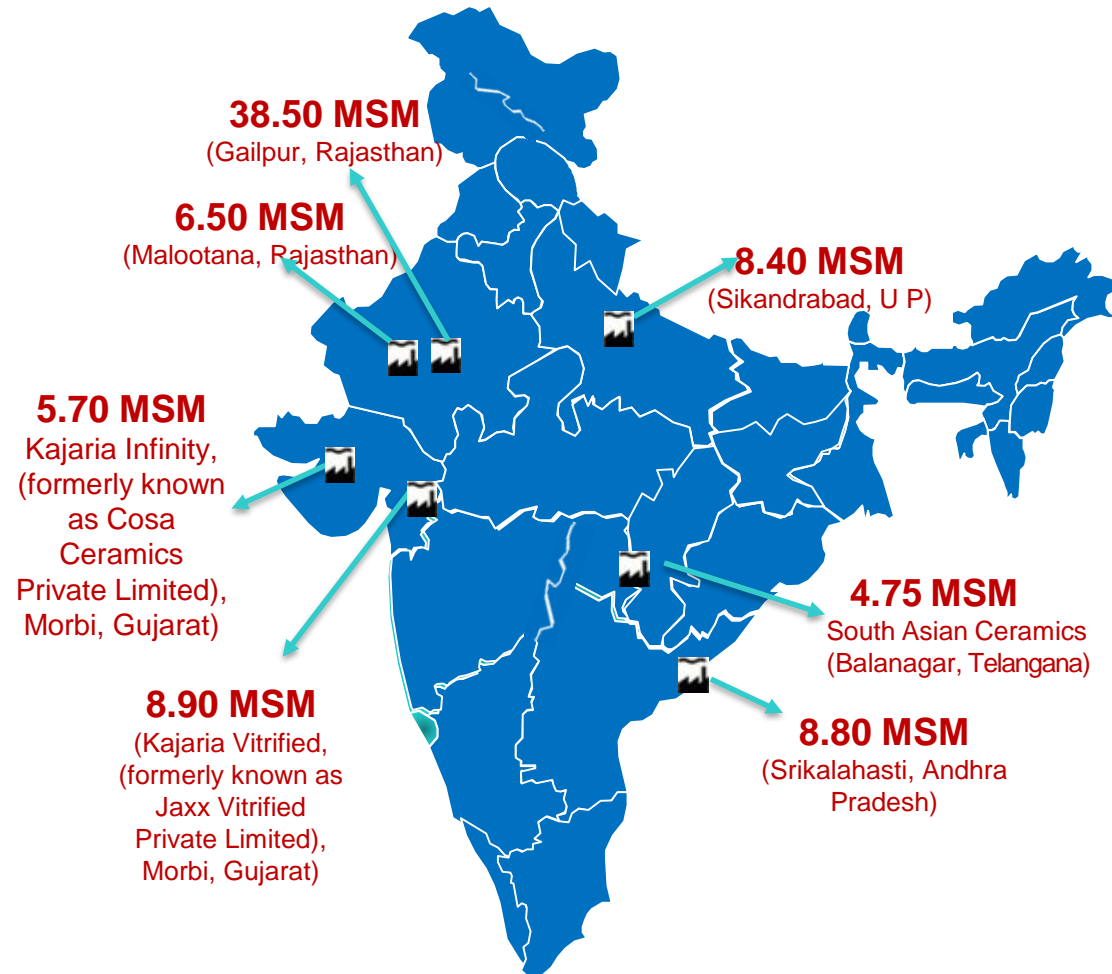
During Q2 FY23, the company had subscribed 100% equity shares (50 shares of AED 1000 each) of Kajaria International DMCC, Dubai for AED 50000 (Rs. 10.88 lakh).

During Q3 FY23, the company had further subscribed 950 shares (of AED 1000 each) of Kajaria International DMCC, Dubai for AED 950000 (Rs. 213.66 lakh), which makes the total investment of Kajaria Ceramics Limited in Kajaria International DMCC, Dubai to AED 1000000 (Rs. 224.53 lakh).

KAJARIA INTERNATIONAL DMCC, has invested AED 9 lakh in KAJARIA RMF TRADING LLC , Dubai, making it a JV Partner.

## ASSET OVERVIEW

**Total Tile Capacity 81.55 MSM at present**



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)	29.40	-	9.10	38.50
3. Malootana (Rajasthan)	-	6.50	-	6.50
4. Morbi (Gujarat)	-	8.90	5.70	14.60
5. Srikalahasti (AP)	-	-	8.80	8.80
6. Balanagar (Telangana)	4.75	-	-	4.75
<b>Total</b>	<b>34.15</b>	<b>15.40</b>	<b>32.00</b>	<b>81.55</b>

## **A. Kerrovit Global Pvt. Ltd. (Gujarat)**

The Board in its meeting held on 21<sup>st</sup> January, 2022, had considered that Kajaria Bathware Pvt Ltd (KBPL) to invest upto Rs 80 crores in Kerovit Global Pvt Ltd (KGPL) to make it a WoS and to set up a sanitaryware manufacturing facility having production capacity of 6 lacs pcs p.a. in the state of Gujarat. This expansion is expected to be completed by March 2024.

## **B. Investment in Nepal**

The Board in its meeting held on 25<sup>th</sup> March, 2023, had approved putting up a 5.1 MSM capacity plant at a project cost of 181.49 crore in Nepal, on joint venture basis between the Company and various individuals affiliated with Ramesh Corp, Nepal.

## **C. Sikandrabad Facility (Uttar Pradesh)**

Expansion cum modernisation for bigger size Glazed Vitrified Tiles with latest continua plus technology at Sikandrabad plant is completed and expected to commence production in early August. The total capacity of the plant is now increased from 8.40 MSM to 11.00 MSM p.a.

## **D. Gailpur Facility (Rajasthan)**

The Board has also approved the modernisation of the manufacturing facility at Gailpur (Rajasthan) for ceramic tiles by replacing 2 of the existing kilns with latest model of kilns having capacity for production of bigger size of ceramic tiles. This modernisation will cost Rs. 51 crores and is expected to be completed by August 2023.

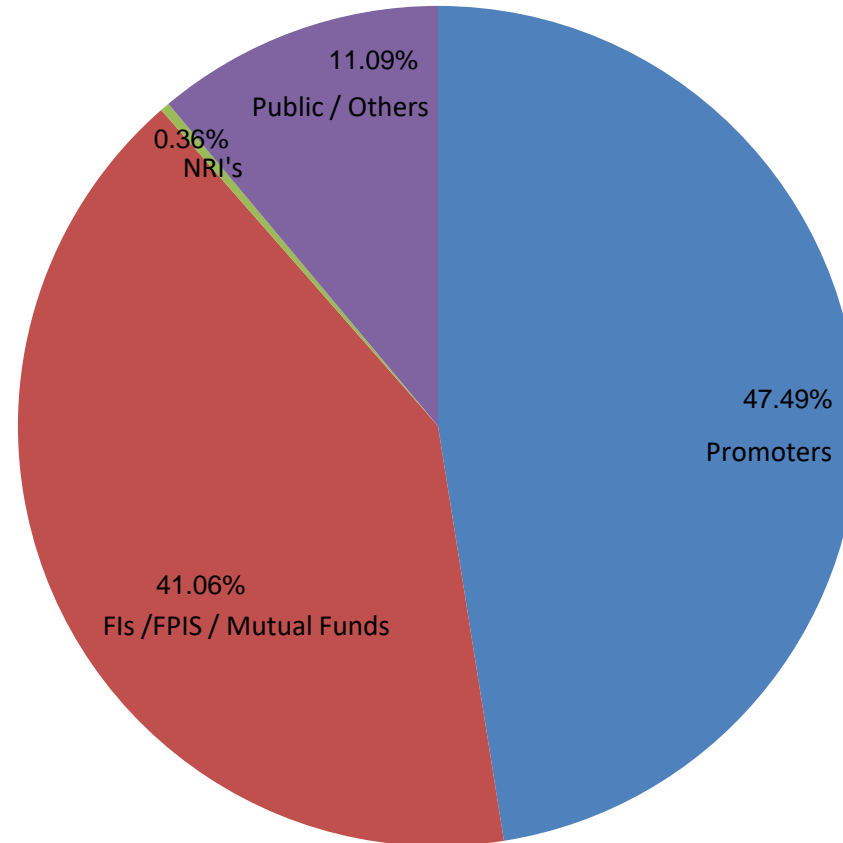
## Financial highlights

(Rs / Crores)

	Q1 FY24		Q1 FY23		Growth		FY 23		FY 22		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net Sales	964.42	1064.23	913.95	1008.22	6%	6%	3970.75	4381.93	3299.38	3705.19	20%	18%
EBITDA	136.53	169.23	136.79	153.59	0%	10%	514.41	591.93	531.56	610.69	-3%	-3%
EBITDA MARGIN	14.16%	15.90%	14.97%	15.23%			12.95%	13.51%	16.11%	16.48%		
Depreciation	21.82	30.52	21.50	32.36	1%	-6%	90.91	132.86	84.16	115.36	8%	15%
Other Income	13.92	9.26	12.27	8.09	13%	14%	50.71	33.62	43.77	27.57	16%	22%
Interest	2.54	5.27	2.05	3.61	24%	46%	10.80	22.32	6.12	12.73	76%	75%
Exceptional Items - loss (gain)								7.91				
Profit Before Tax	126.09	142.70	125.51	125.71	0%	14%	463.41	462.46	485.05	510.17	-4%	-9%
Tax Expense	32.43	33.59	32.16	32.75	1%	3%	119.02	116.26	122.71	127.43	-3%	-9%
Minority Interest		1.59		0.66				1.7		5.76		
Profit After Tax	93.66	107.52	93.35	92.30	0%	16%	344.39	344.50	362.34	376.98	-5%	-9%
Cash Profit	115.48	138.04	114.85	124.66	1%	11%	435.30	477.36	446.50	492.34	-3%	-3%
Equity Share Capital	15.93	15.93	15.92	15.92			15.92	15.92	15.92	15.92		
EPS (Basic) (Rs.)	5.88	6.75	5.86	5.80	0%	16%	21.63	21.64	22.77	23.69	-5%	-9%

**As on 30<sup>th</sup> Jun. 2023**

**Equity Shares Outstanding – 159.25 millions**





Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India and the 7<sup>th</sup>\* largest in the world. It has annual capacity of 81.55 mn. sq. meters presently, distributed across Seven plants - one at Sikandrabad in Uttar Pradesh, one at Gailpur, one at Malootana in Rajasthan, two at Morbi in Gujarat, one at Srikalahasti in Andhra Pradesh and one at Balanagar in Telangana.

For further information, please visit [www.kajariaceramics.com](http://www.kajariaceramics.com) or contact:

**Mr. Sanjeev Agarwal**, CFO

+91 11 26946409 (Board),

+91 11 41064110 (Direct)

Email: [sanjeev@kajariaceramics.com](mailto:sanjeev@kajariaceramics.com)

**Mrs. Pallavi Bhalla**, GM Investor Relations

+91 11 26946409 (Board),

+91 11 40946552 (Direct)

Email: [pallavibhalla@kajariaceramics.com](mailto:pallavibhalla@kajariaceramics.com)

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\* As per Ceramic World Review