



# KAJARIA CERAMICS LIMITED

## Investor Update – Q1 FY25

**23 July 2024**

***Kajaria***  
TRANSFORM YOUR WORLD  
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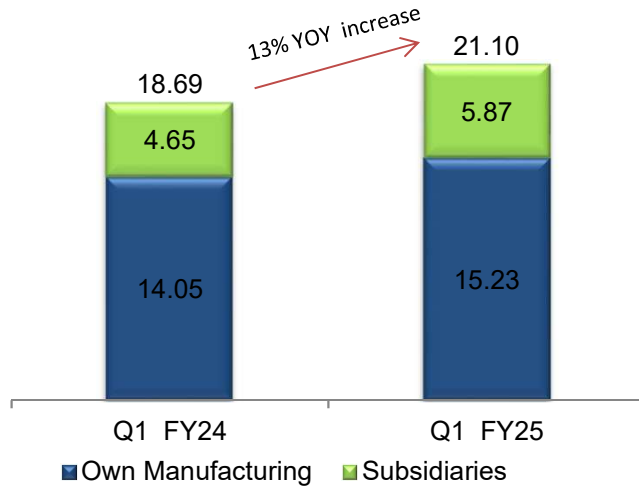
- Chairman's Message
- Financial Performance – Q1 FY25
- Subsidiaries
- Expansion on Card
- Income Statement
- Shareholding Pattern

Despite the softness in domestic demand being an election led quarter, our tile volumes in Q1FY25 grew satisfactorily by 7.8% YoY to 26.98 MSM. The EBITDA margin for the quarter stood at 15.00%, representing a decline of 90 basis points from the same quarter previous year, primarily attributed to lower realisations. PAT for the quarter de-grew by 16% to ₹90 crore in Q1FY25 as compared to ₹108 crore in Q1FY24.

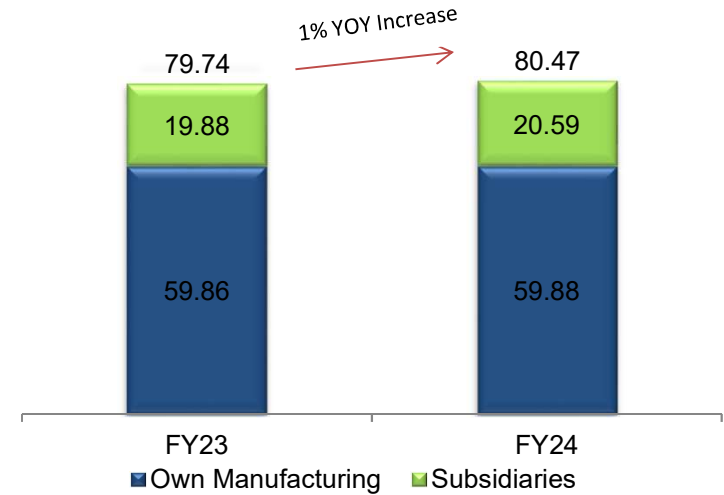
We continue to maintain a positive demand outlook for the tile industry in FY25. With exports momentum likely to sustain and rub-off of strong real estate demand likely to drive improvement in off-take for tiles in FY25, we expect the tiles industry to fare much better than it did in FY24.

We are confident of achieving low double-digit volume growth for the current financial year driven by our extensive and relentless branding and distribution efforts.

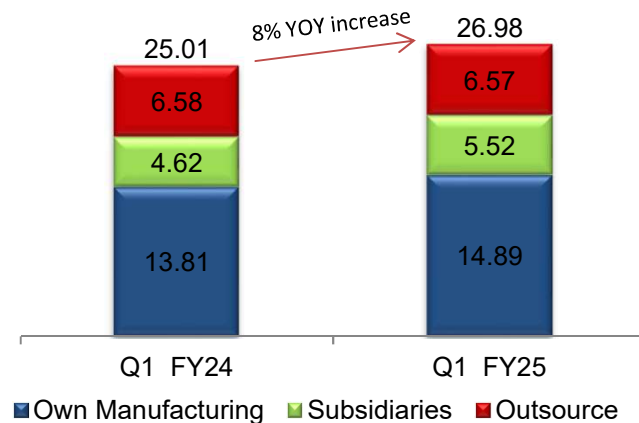
### Production Growth (MSM) - Q1 FY25



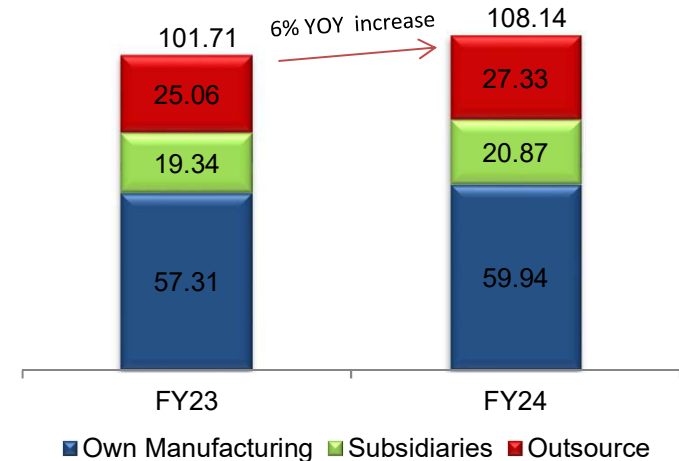
### Production Growth (MSM) - FY24



### Sales Growth (MSM) – Q1 FY25

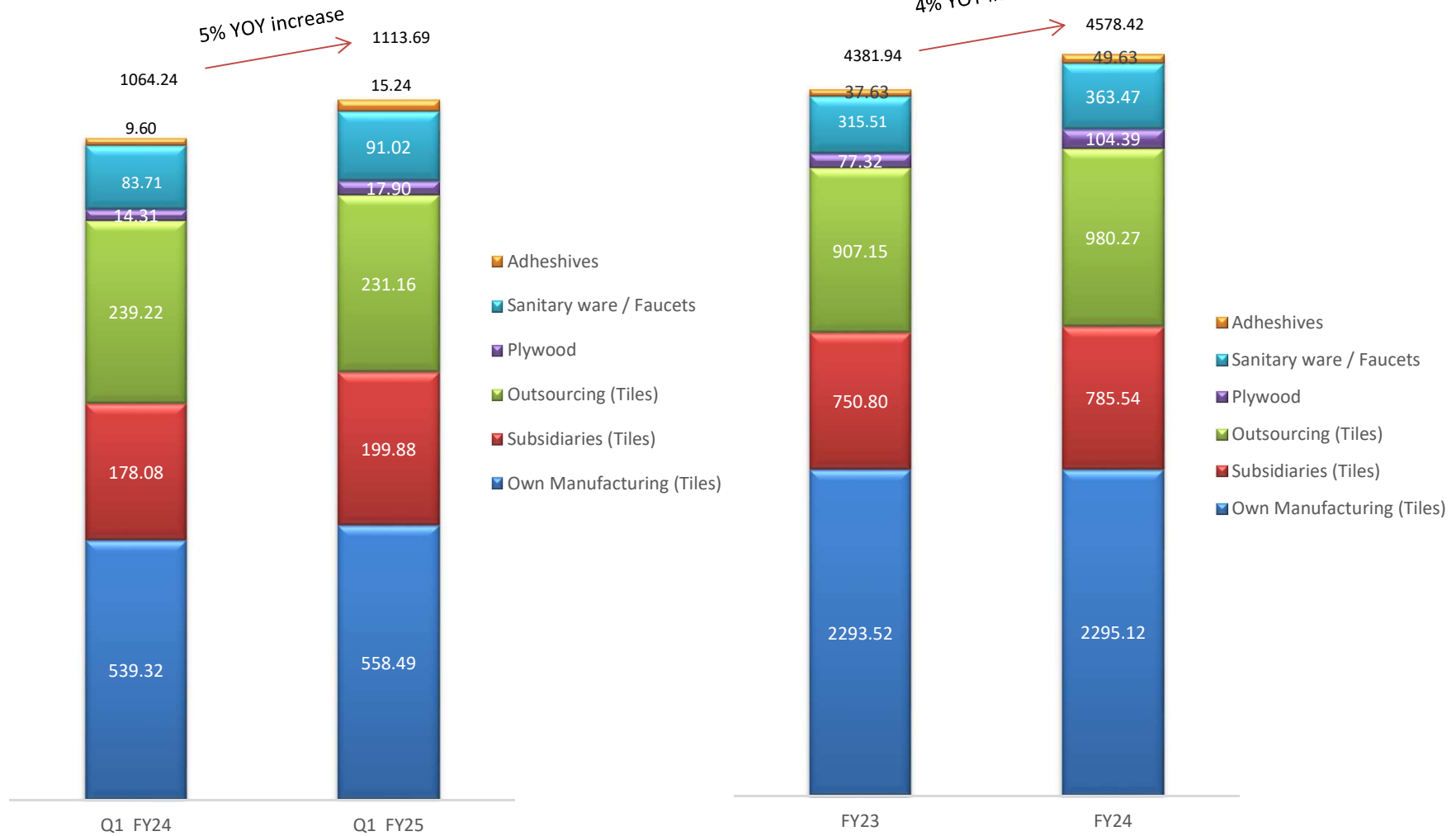


### Sales Growth (MSM) – FY24



# Revenue Growth - consolidated

Rs./ Crores



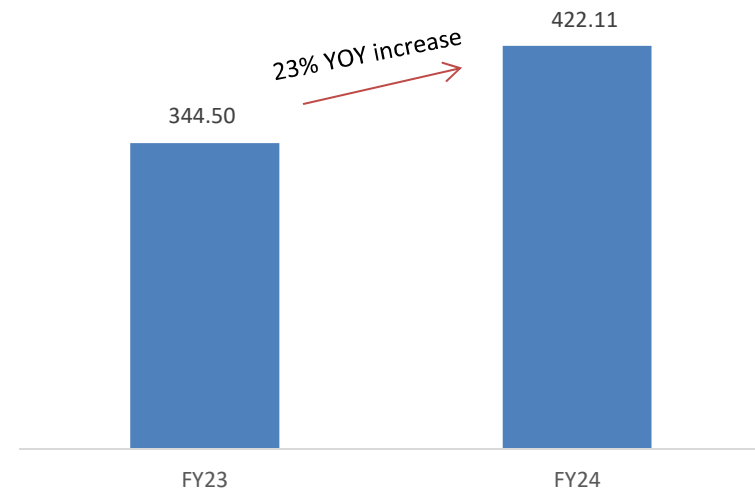
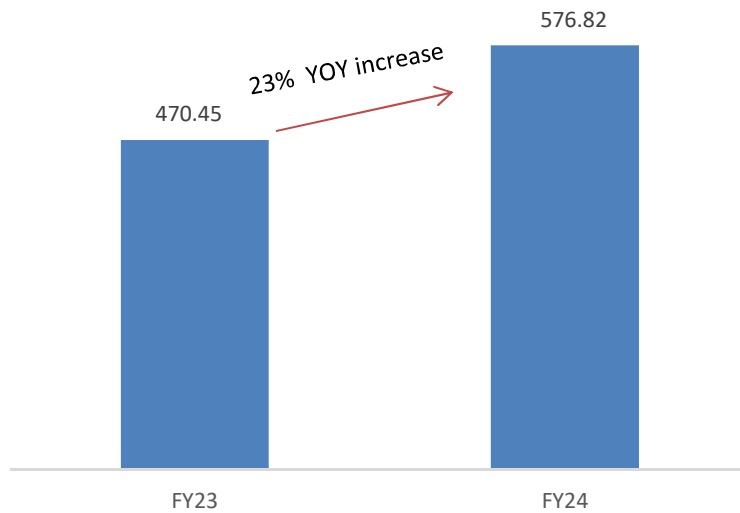
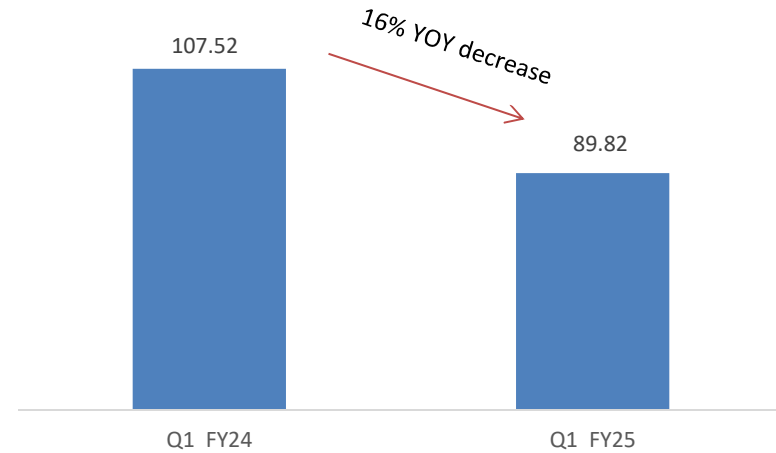
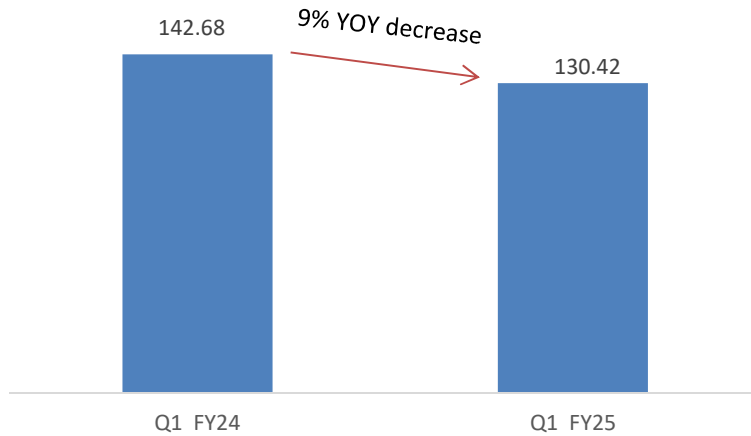
# Profitability - Consolidated



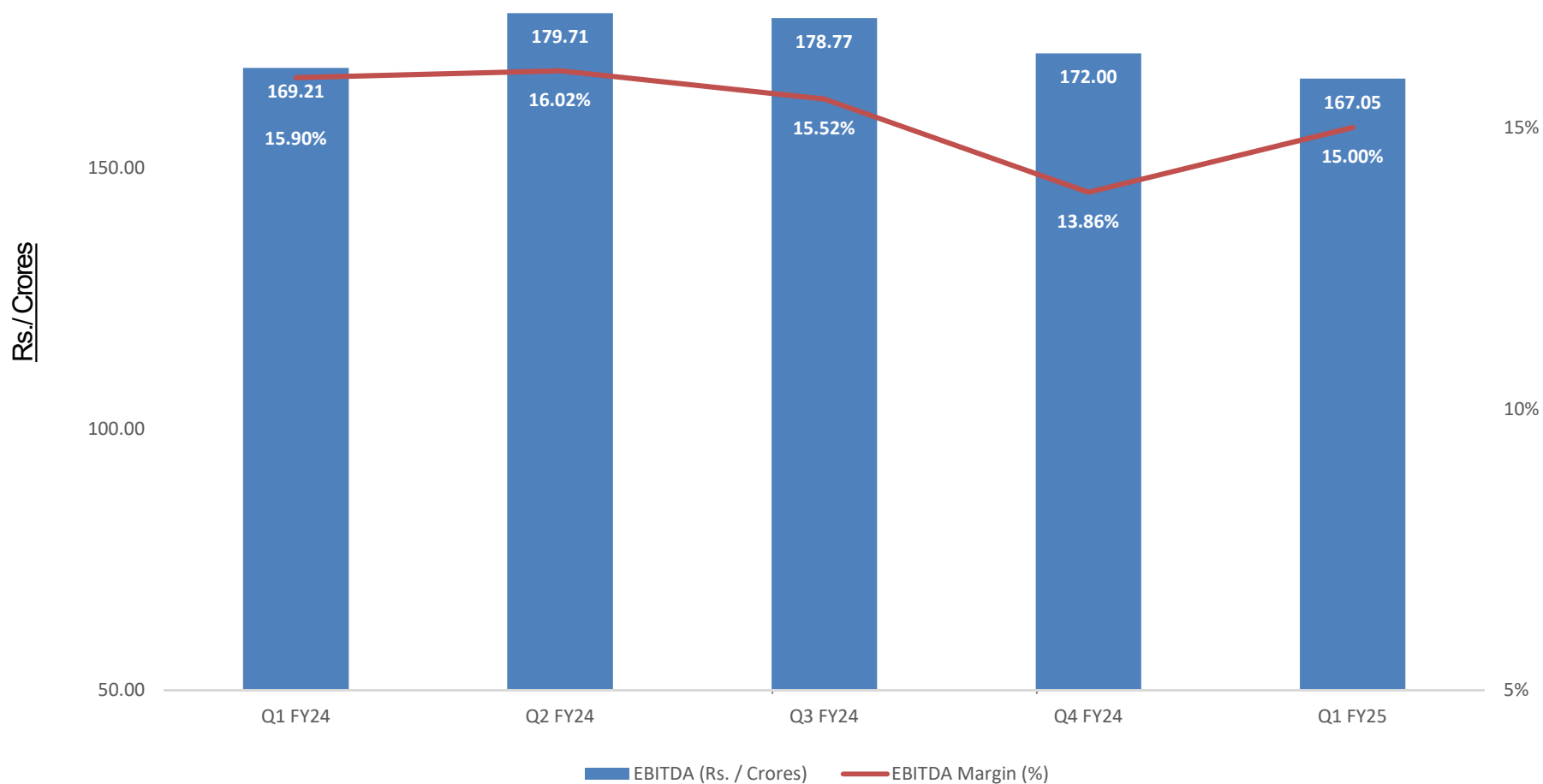
## PBT

Rs. / Crores

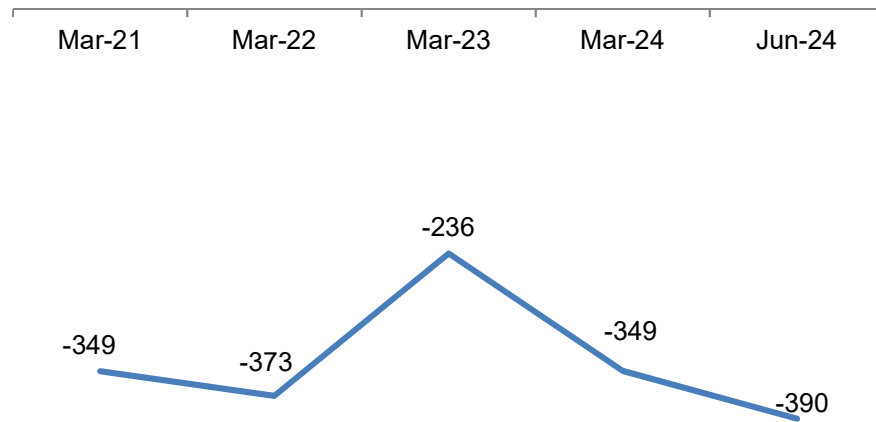
## PAT



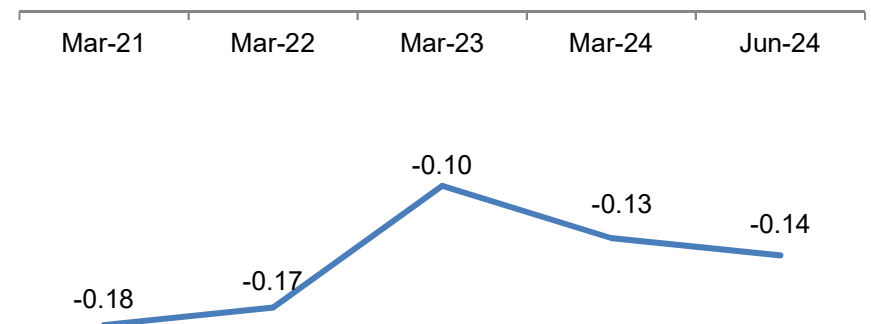
# EBITDA/ EBITDA Margin (consolidated) – quarterly progression



### Net Debt (Rs. Crore) \*



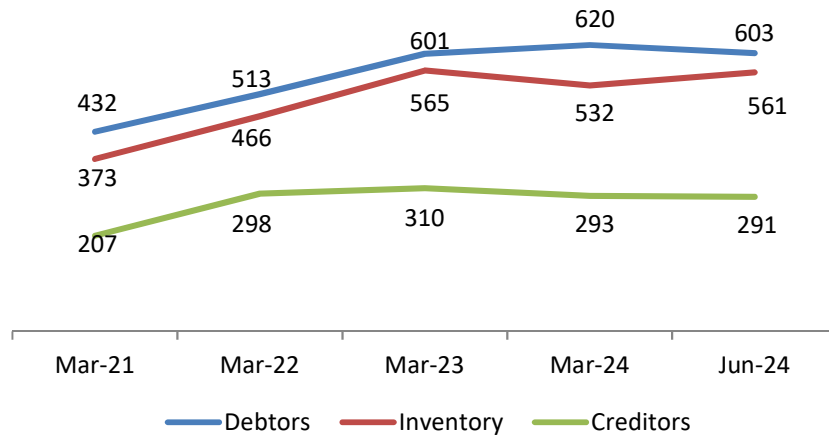
### Net Debt Equity (X) \*



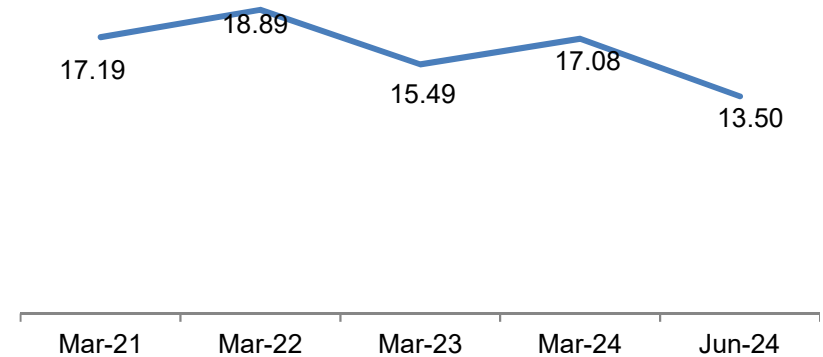
\* Net of cash and cash equivalents



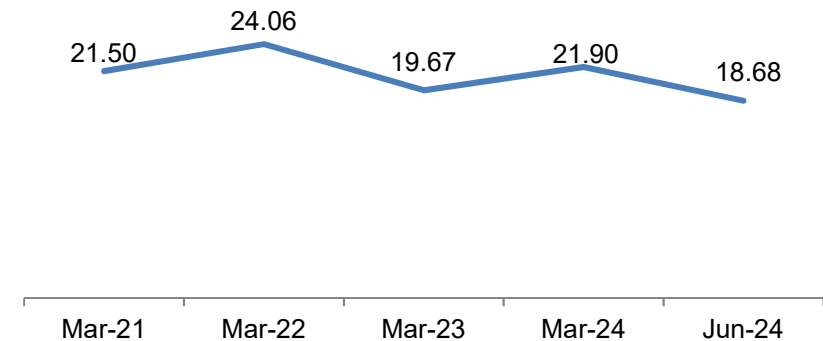
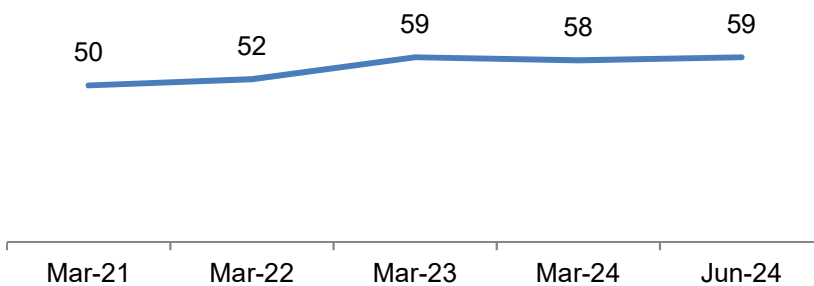
## Working Capital (Rs. Crore)



## Return on Equity (Avg.)



## Working Capital (Days)



- ROE as on 30<sup>th</sup> Jun. 24 taken at average of net worth as on 31<sup>st</sup> Mar.24 & 30<sup>th</sup> Jun. 24 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 FY25.

B. KAJARIA INFINITY

Kajaria Infinity Pvt. Ltd. is based in Morbi (Gujarat). Kajaria Ceramics has 84.59% stake in the same. Kajaria Infinity has annual capacity of 5.70 MSM of glazed vitrified tiles and operated at optimum capacity during Q1 FY25.

C. SOUTH ASIAN CERAMICS TILES PVT. LTD.

Kajaria Ceramics has 59.50% 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 91% capacity during Q1 FY25.

D. KERONITE TILES

Kajaria Ceramics has acquired 90% stake in Keronite Tiles Pvt. Ltd., Morbi (Gujarat) on 20<sup>th</sup> May 2024. The company has annual capacity of 6 MSM of glazed vitrified tiles.

## E. 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: i) KajariaSanitarywarePvt.Ltd.(KSPL):KSPL Plant is situated In Morbi (Gujarat) having production capacity of 7.50 lac pcs p.a. The Plant has operated at 76% in Q4FY24.

ii)Kerovit Global Pvt. Ltd. (KGPL): KGPL Plant is also situated in Morbi (Gujarat) having production capacity of 4.50 lac pcs p.a. The Plant has started commercial productionon 30<sup>th</sup> March 2024 and will produce high end products.

b) Faucet: This facility is situated at Gailpur (Rajasthan) having 1.60 million pcs p.a. Plant has operated at 86% in Q1 FY 25.

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

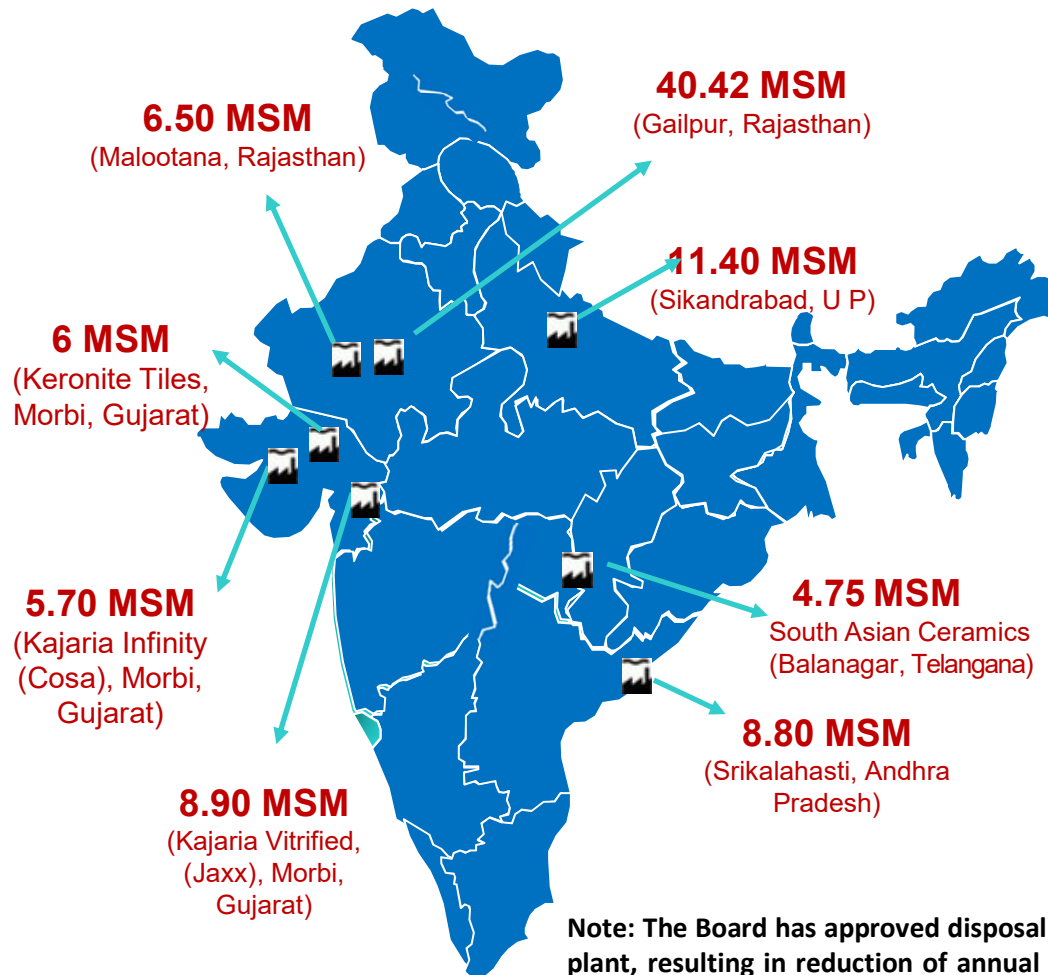
Kajaria Plywood Pvt. Ltd, a wholly owned subsidiary of Kajaria Ceramics Ltd. KPPL is offering plywood and laminate products under the brand of KajariaPLY.

G. KAJARIA INTERNATIONAL DMCC (wholly owned subsidiary)

Kajaria International DMCC was established to expand its presence in the international market. The company has undertaken two joint ventures – one in UAE and the other in UK.

## ASSET OVERVIEW

**Total Tile Capacity 92.47 MSM as on 30<sup>th</sup> June 2024**



| Plant                    | Production Capacity (MSM)  |                          |                        | Total        |
|--------------------------|----------------------------|--------------------------|------------------------|--------------|
|                          | Ceramic Wall & Floor Tiles | Polished Vitrified Tiles | Glazed Vitrified Tiles |              |
| 1. Sikandrabad (UP)      | -                          | -                        | 11.40                  | 11.40        |
| 2. Gailpur (Rajasthan)   | 31.32                      | -                        | 9.10                   | 40.42        |
| 3. Malootana (Rajasthan) | -                          | 6.50                     | -                      | 6.50         |
| 4. Morbi (Gujarat)       | -                          | 8.90                     | 11.70                  | 20.60        |
| 5. Srikalahasti (AP)     | -                          | -                        | 8.80                   | 8.80         |
| 6. Balanagar (Telangana) | 4.75                       | -                        | -                      | 4.75         |
| <b>Total</b>             | <b>36.07</b>               | <b>15.40</b>             | <b>41.00</b>           | <b>92.47</b> |

**Note:** The Board has approved disposal of machineries of two lines of ceramic tiles of Unit 1 at Gailpur plant, resulting in reduction of annual production capacity of ceramic tiles to 26.85 MSM from 31.32 MSM. Hence the revised aggregate tile capacity will be 88 MSM per annum from July 2024 onwards.

## **A. 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. The project has been delayed due to heavy rain, and the project commissioning is now expected by Sep. 2024.

## **B. Investment in Kajaria Ultima Private Limited (KUPL)**

The Board in its meeting held on 31st January 2024, has approved an investment upto ₹ 30 crore in KUPL to purchase land in Morbi. KUPL plans to put up a large format tile manufacturing facility in Morbi at a later date. After the proposed investment, KUPL will become a wholly owned subsidiary (WOS) of the company.

## **C. Investment in manufacturing facility for tile adhesives**

The Board in its meeting held on 7<sup>th</sup> May, 2024, has approved an investment of Rs. 15 crore to set up a manufacture facility for tile adhesives in Gailpur, Rajasthan. The plant is likely to come on stream by Dec. 2024.

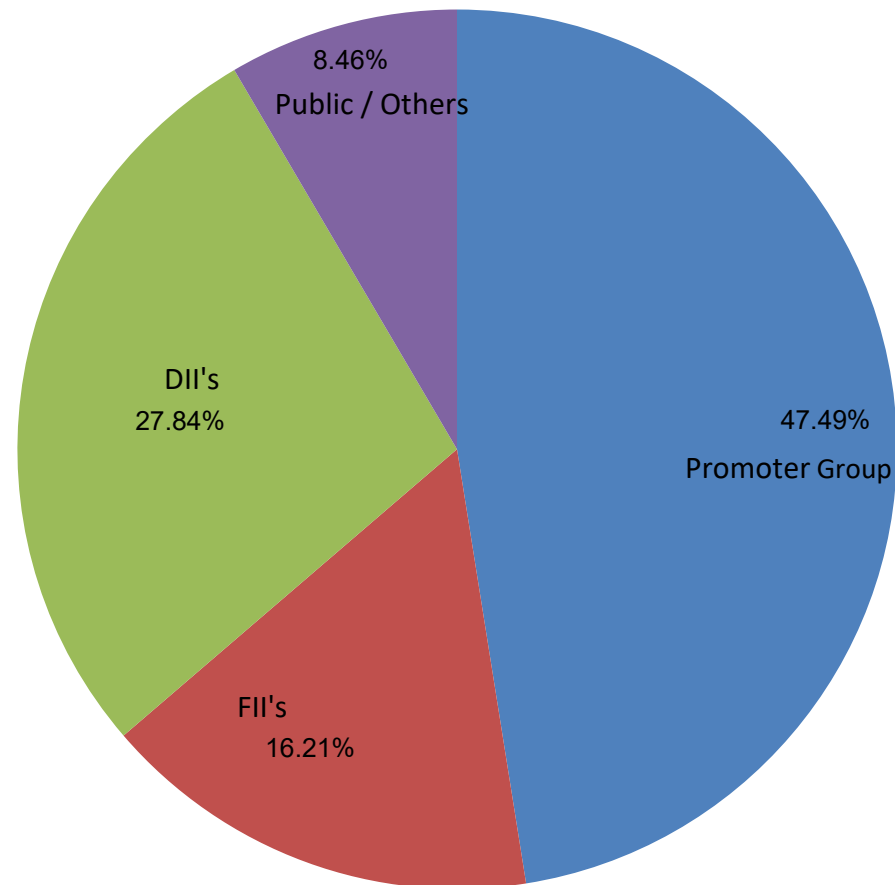
## Financial highlights

(Rs / Crores)

|  | Q1 FY25    |              | Q1 FY24    |              | Growth     |              | FY24       |              | FY23       |              | Growth     |              |
|--|------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|--------------|
|  | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated |
| Net Sales  | 1,001.75   | 1,113.69     | 964.42     | 1,064.23     | 4%         | 5%           | 4,103.02   | 4,578.42     | 3,970.75   | 4,381.93     | 3%         | 4%           |
| EBITDA   | 133.98     | 167.05       | 136.53     | 169.21       | -2%        | -1%          | 562.39     | 699.69       | 514.41     | 592.01       | 9%         | 18%          |
| EBITDA MARGIN  | 13.37%     | 15.00%       | 14.16%     | 15.90%       |            |              | 13.71%     | 15.28%       | 12.95%     | 13.51%       |            |              |
| Depreciation   | 31.55      | 42.14        | 21.82      | 30.52        | 45%        | 38%          | 110.54     | 147.99       | 90.91      | 132.86       | 22%        | 11%          |
| Finance Costs  | 1.56       | 4.68         | 2.54       | 5.27         | -39%       | -11%         | 8.17       | 21.12        | 10.80      | 22.32        | -24%       | -5%          |
| Other Income   | 15.58      | 10.19        | 13.92      | 9.26         | 12%        | 10%          | 68.56      | 46.24        | 50.71      | 33.62        | 35%        | 38%          |
| Profit before Share of (loss) / profit from JV, exceptional items, and Tax | 116.45     | 130.42       | 126.09     | 142.68       | -8%        | -9%          | 512.24     | 576.82       | 463.41     | 470.45       | 11%        | 23%          |
| Share of (loss) / profit from JV   |            | (2.30)       |            | 0.02         |            |              |            | (1.20)       |            | (0.08)       |            |              |
| Exceptional Items - (loss) gain  | -          | -            | -          | -            |            |              | -          | -            | -          | (7.91)       |            |              |
| Profit Before Tax  | 116.45     | 128.12       | 126.09     | 142.70       | -8%        | -10%         | 512.24     | 575.62       | 463.41     | 462.46       | 11%        | 24%          |
| Tax Expense  | 29.88      | 35.80        | 32.43      | 33.59        | -8%        | 7%           | 130.79     | 143.46       | 119.02     | 116.26       | 10%        | 23%          |
| Minority Interest  |            | 2.50         |            | 1.59         |            |              |            | 10.05        |            | 1.70         |            |              |
| Profit After Tax   | 86.57      | 89.82        | 93.66      | 107.52       | -8%        | -16%         | 381.45     | 422.11       | 344.39     | 344.50       | 11%        | 23%          |
| Cash Profit  | 118.12     | 131.96       | 115.48     | 138.04       | 2%         | -4%          | 491.99     | 570.10       | 435.30     | 477.36       | 13%        | 19%          |
| Equity Share Capital   | 15.93      | 15.93        | 15.92      | 15.92        |            |              | 15.93      | 15.93        | 15.92      | 15.92        |            |              |
| EPS (Basic) (Rs.)  | 5.44       | 5.64         | 5.88       | 6.75         | -8%        | -17%         | 23.95      | 26.51        | 21.63      | 21.64        | 11%        | 23%          |

As on 31<sup>st</sup> Jun. 2024

Equity Shares Outstanding – 159.26 millions





Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India and the 8<sup>th</sup>\* largest in the world. It has annual capacity of 88 mn. sq. meters presently, distributed across Eight plants - one at Sikandrabad (Uttar Pradesh), one at Gailpur, one at Malootana (Rajasthan), three at Morbi (Gujarat), one at Srikalahasti (Andhra Pradesh) and one at Balanagar (Telangana).

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

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\* As per Ceramic World Review