



KAJARIA CERAMICS LIMITED

Investor Update – Q3 FY22

January 21, 2022

Kajaria
TRANSFORM YOUR WORLD

- Chairman's Message
- Financial Performance – Q3 FY22
- Balance sheet perspective
- Subsidiaries
- Income Statement
- Shareholding Pattern

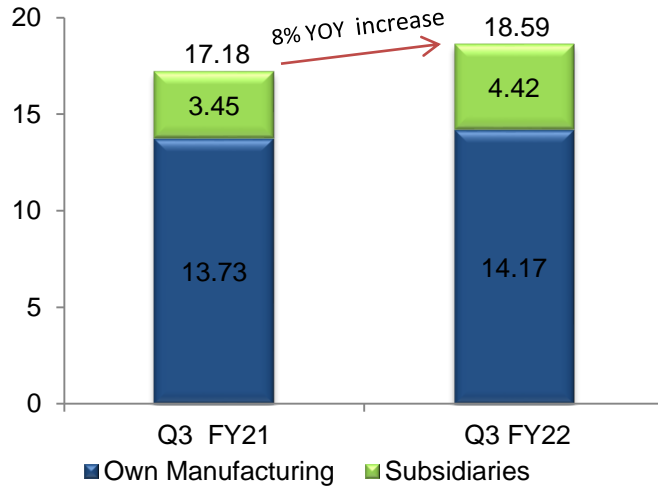
Against all odds, our country has demonstrated commendable economic resilience despite stringent lockdowns and supply chain disruptions.

In Q3 FY22 our sales volumes upped by 14% (yoy) while revenue increased by 27% (yoy). These numbers are a testament to a resilient India and confident Indians who continued to fuel the nation's economic resurgence.

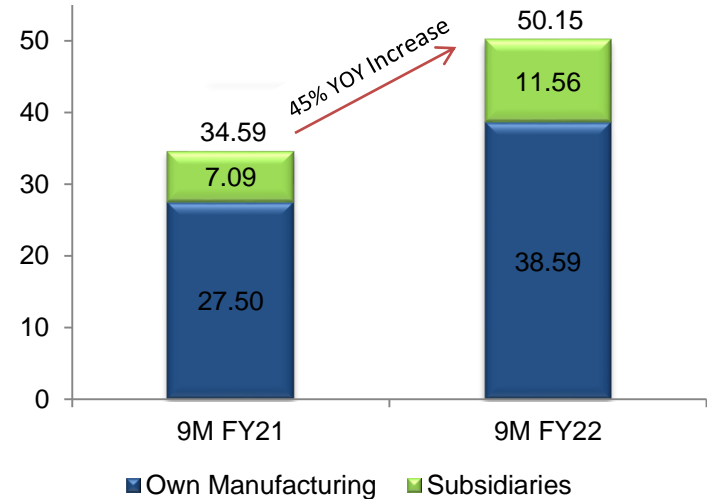
In Q3 FY22 our EBITDA and Net Profit marginally increased by 1% and 3% respectively. However, EBITDA margin declined by 447 bps due to spurt in gas prices during the quarter.

We believe that the underlying macro drivers for investments in India remain intact. This should enable the business to thrive and grow once the immediate challenges posed by the pandemic are over.

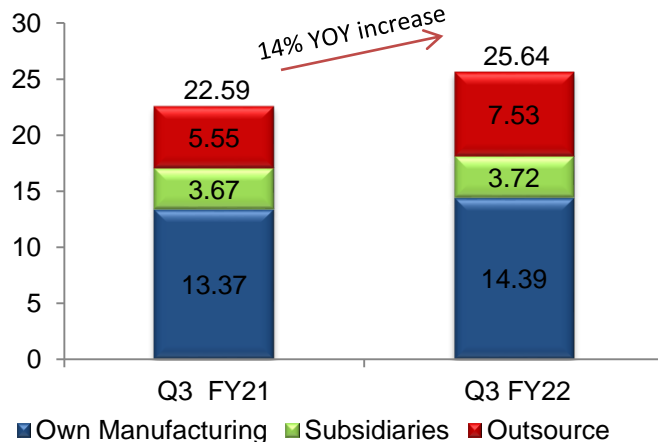
Production Growth (MSM) - Q3 FY22



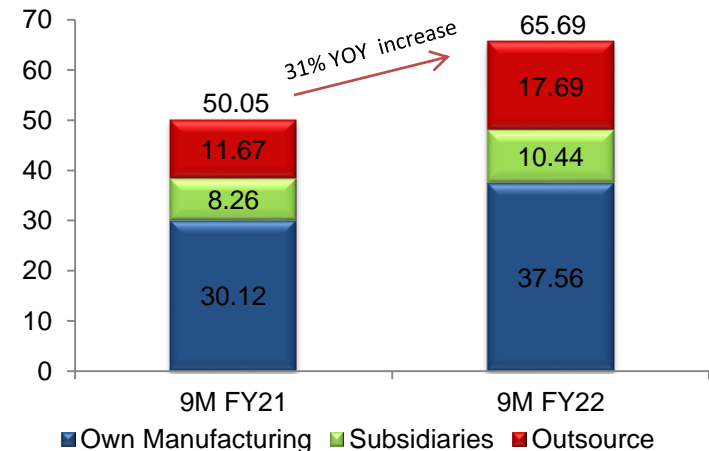
Production Growth (MSM) - 9M FY22



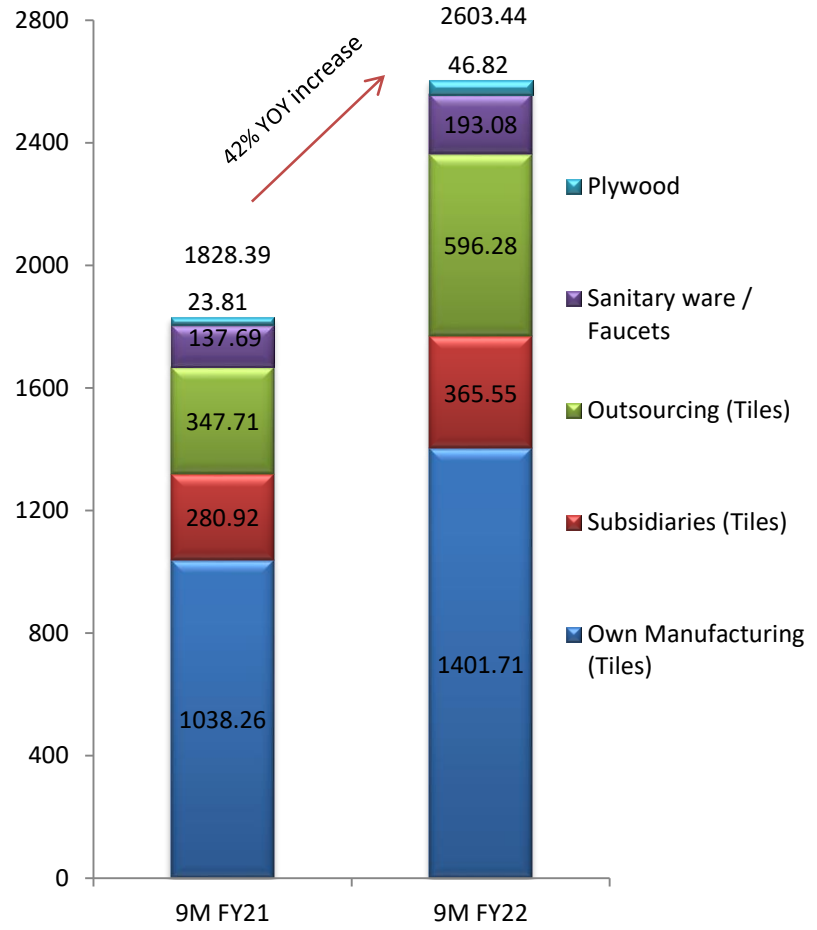
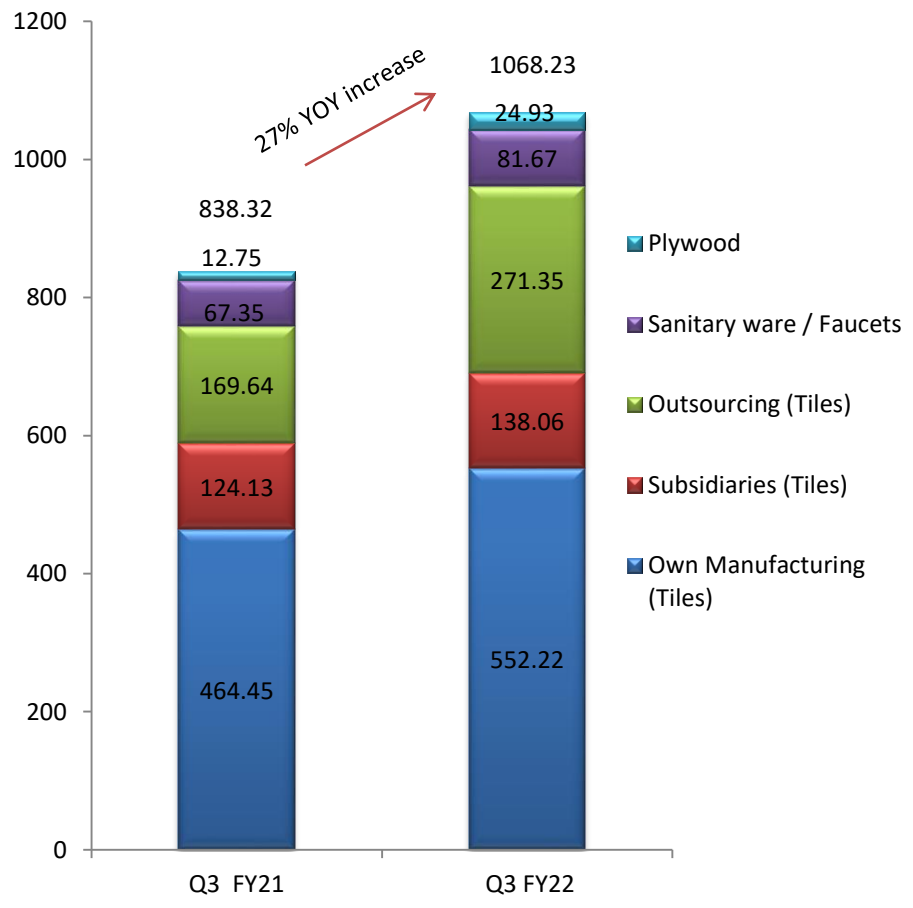
Sales Growth (MSM) - Q3 FY22



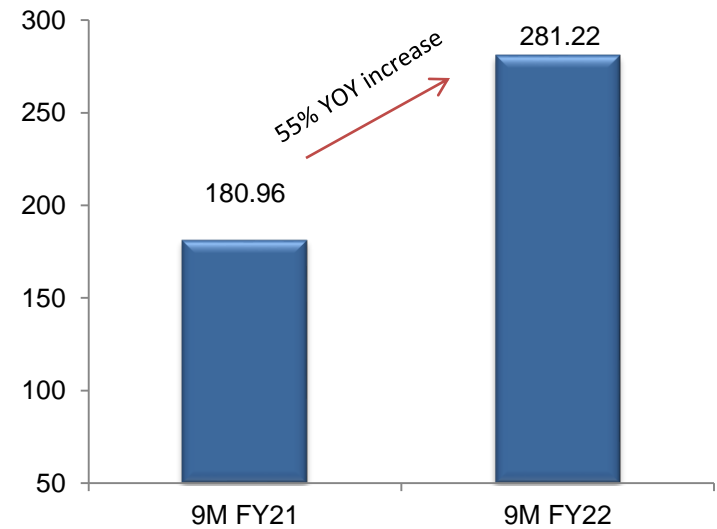
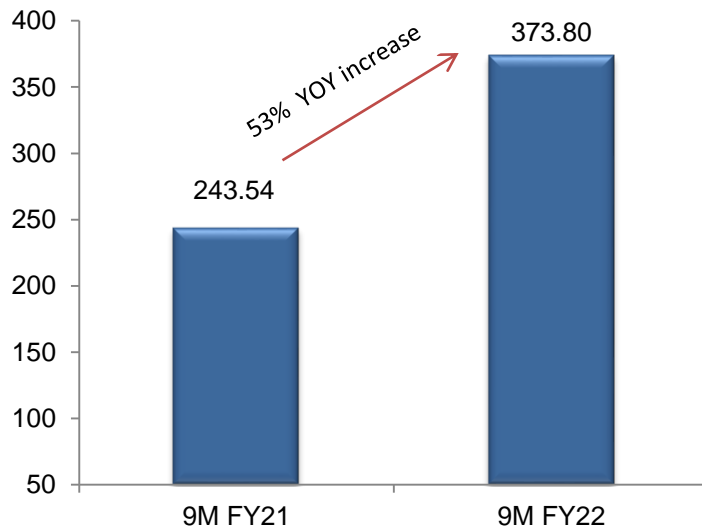
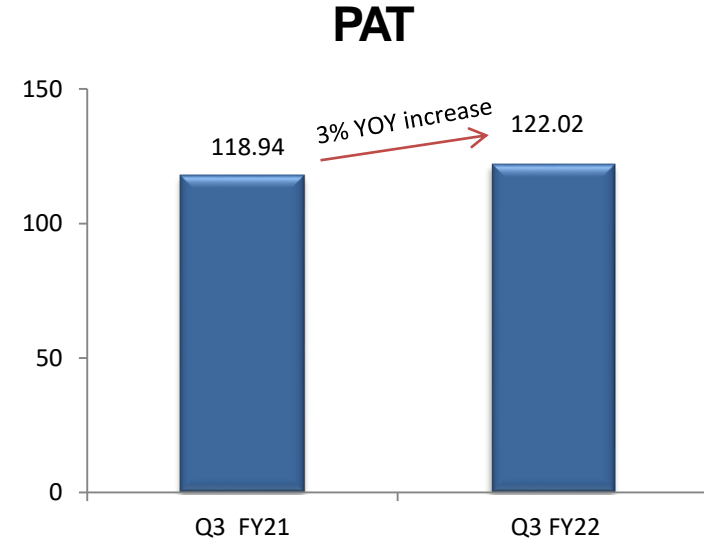
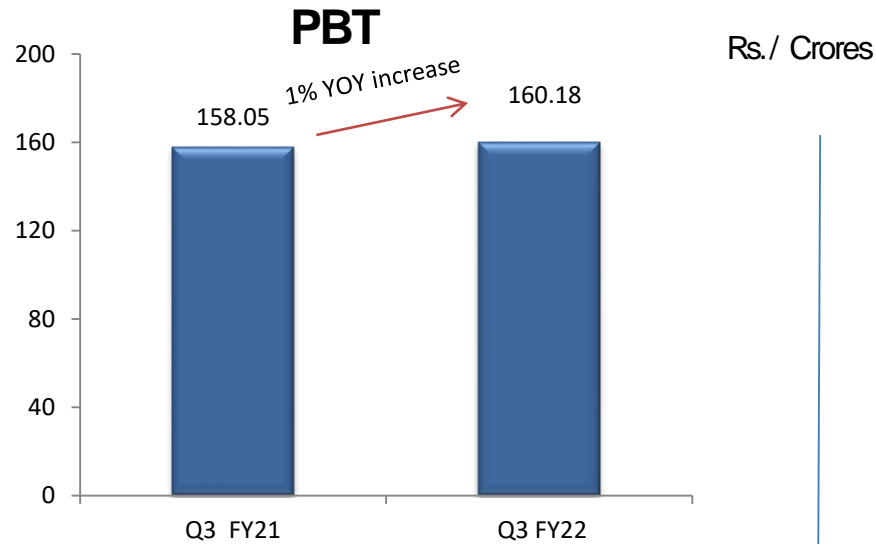
Sales Growth (MSM) - 9M FY22

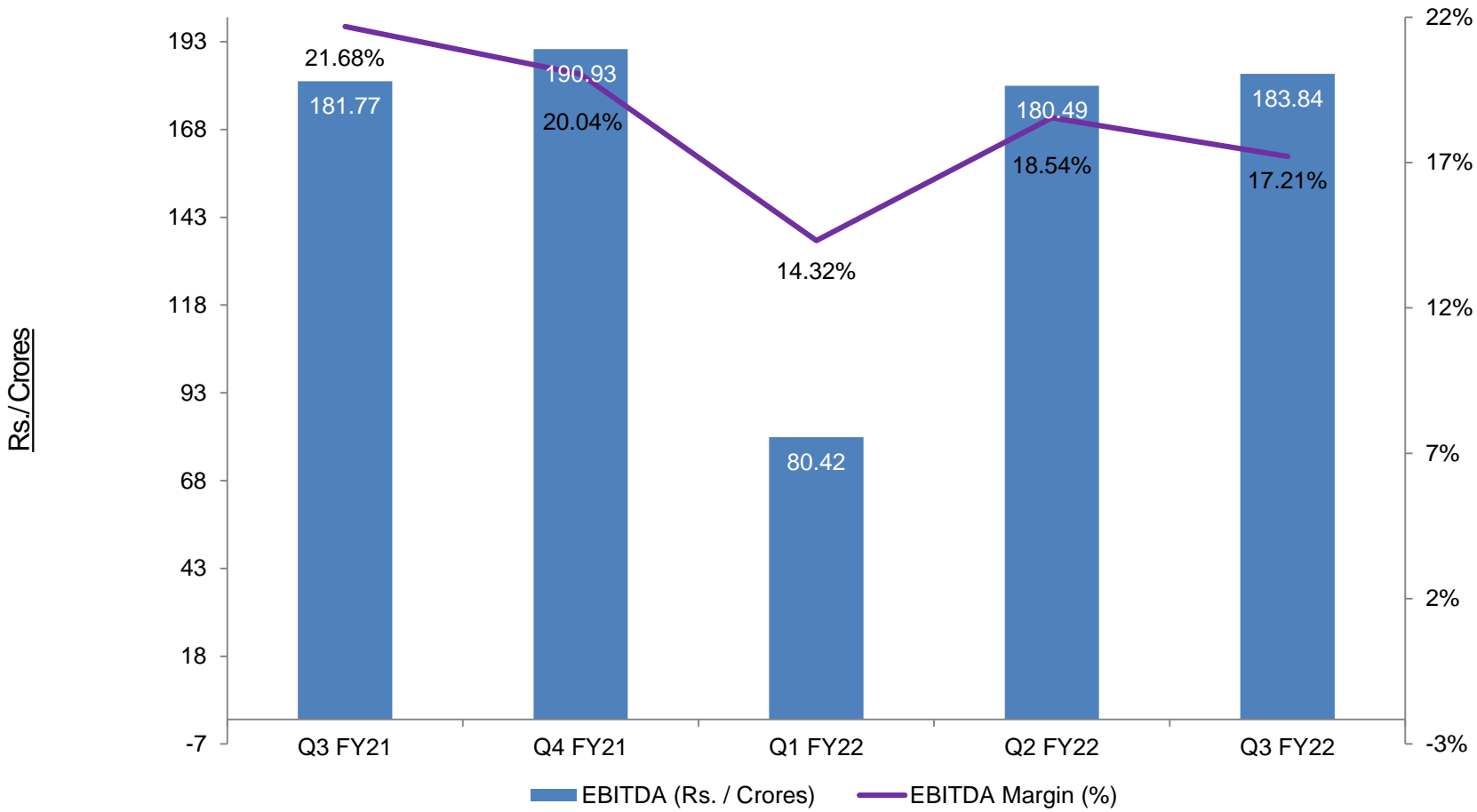


Rs. / Crores

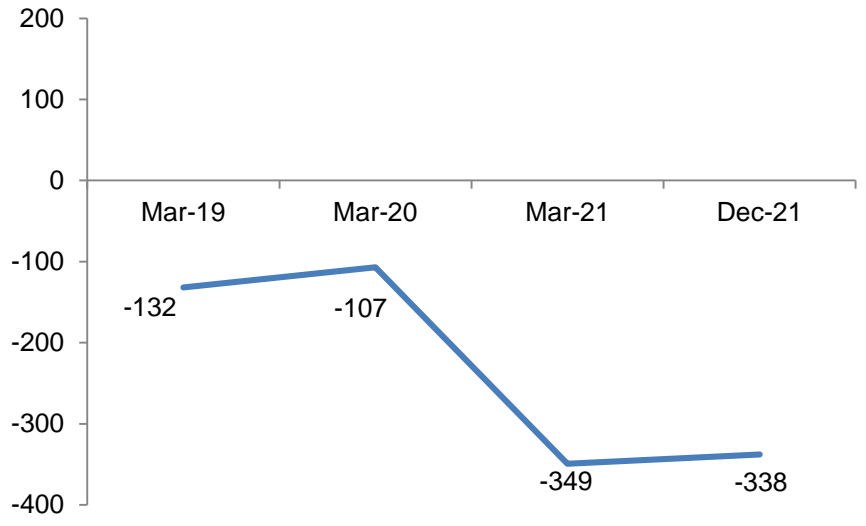


Refer Slide 14 for detailed Income Statement

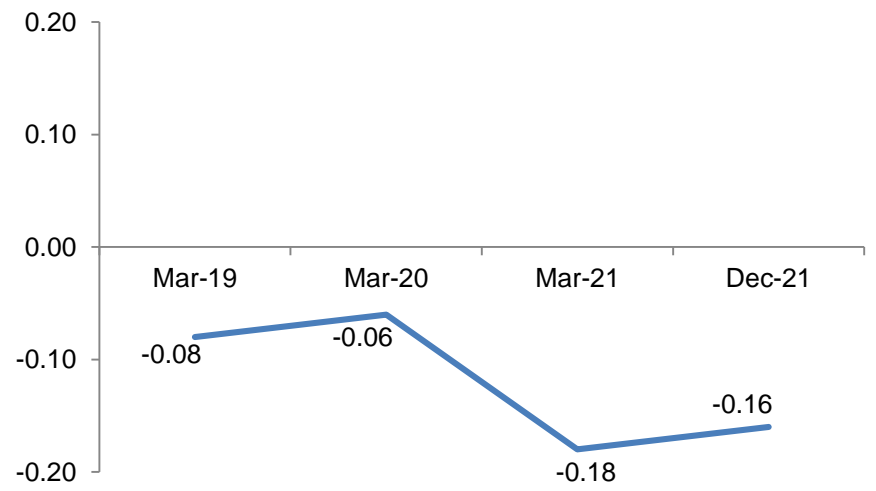




Net Debt (Rs. Crore) *

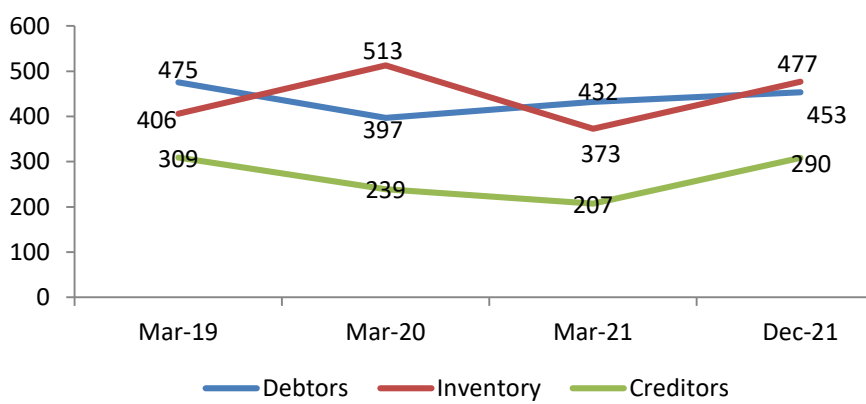


Net Debt Equity (X) *

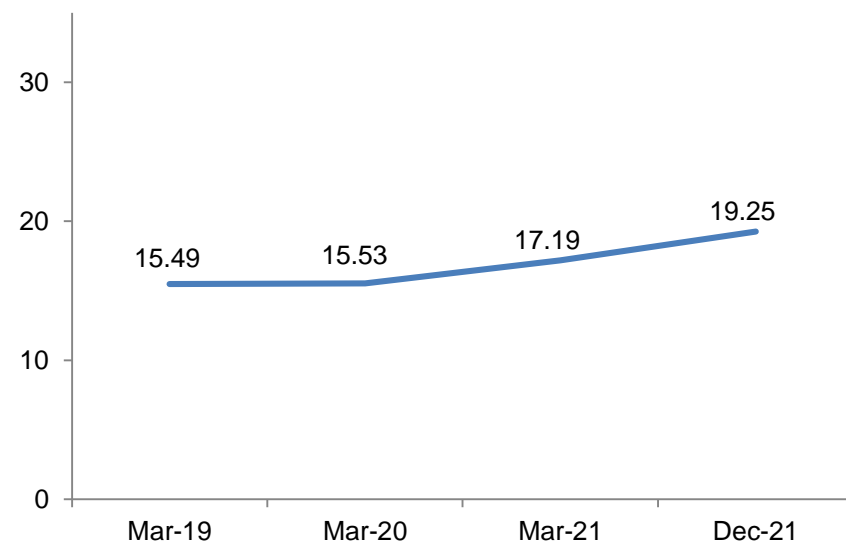


* Net of cash and cash equivalents

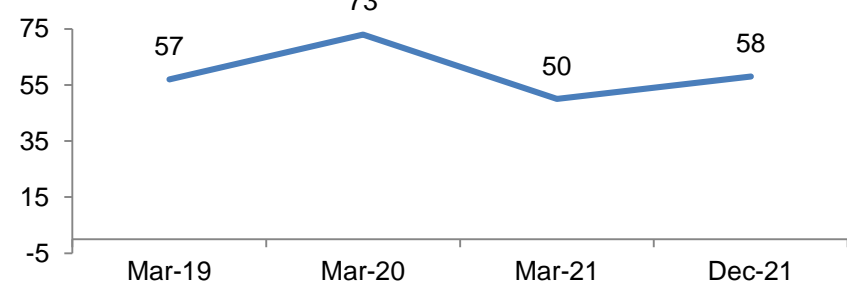
Working Capital (Rs. Crore)



Return on Equity (Avg.)



Working Capital (Days)



- ROE as on 31st Dec. 21 taken at average of net worth as on 31st Mar.21 & 31st Dec. 21 and on 9M FY22 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. JAXX VITRIFIED

Jaxx Vitrified is based in Morbi (Gujarat). Kajaria has 87.37% stake in the same. Jaxx had combined annual capacity of 7.60 MSM of polished vitrified tiles. Jaxx has operated at optimum capacity during Q3 FY22.

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 ceramic wall tiles. Vennar has operated at optimum capacity during Q3 FY22.

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 / glazed vitrified tiles. Cosa has operated at 94% capacity during Q3 FY22. The Kajaria board has approved acquisition of further 26% stake in Cosa.

D. KAJARIA TILES PRIVATE LIMITED (KTPL)

Kajaria Tiles (a wholly owned subsidiary) has commissioned a manufacturing facility of glazed vitrified tiles with a capacity of 5.00 MSM p.a. in Andhra Pradesh and started commercial production in September 2019.

KTPL has since been merged with Kajaria Ceramics Ltd. vide NCLT order dated 22 December, 2021 (w.e.f. 1st April 2019). Due to this merger, KTPL figures have been regrouped with Kajaria standalone numbers.

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. And also commissioned additional capacity of 1.50 lac pcs p.a. in September 2019. Plant has operated at 77% capacity in Q3 FY22.

b) Faucet: This facility is situated at Gailpur (Rajasthan) having 1.00 million pcs p.a. Plant has operated at optimum capacity in Q3 FY22.

A. Gailpur Plant (Rajasthan)

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

B. Srikalahasti Plant (Andhra Pradesh)

The company's subsidiary KTPL (Now part of Kajaria Ceramics) is also adding a capacity of 3.80 MSM of value added glazed vitrified tiles at a cost of Rs. 110 crore. This expansion is expected to be completed in April 2022.

C. Jaxx Plant, Morbi (Gujarat)

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

D. Kajaria Bathware (Rajasthan)

Adding new capacity of 6 lakh pieces per annum at existing location in Gailpur, which will increase the capacity to 16 lakh pieces per annum. Estimated cost for this expansion is Rs. 5 crore approx. This expansion is expected to be completed by April 2022.

E. Kajaria Ultima Pvt. Ltd. (Gujarat)

The Board has approved Investments by the Company up to Rs 210 crores in Kajaria Ultima Pvt Ltd (KUPL), so as to make KUPL as a wholly owned subsidiary (WoS) and to setup a slab manufacturing facility having production capacity of 5 MSM p.a. in the state of Gujarat.

F. Kerrovit Global Pvt. Ltd. (Gujarat)

The Board has considered that Kajaria Bathware Pvt Ltd (KBPL), wholly owned subsidiary (WoS) to invest upto to Rs 80 crores in Kerovit Global Pvt Ltd (KGPL) to make KGPL as a WoS of KBPL and to set up a sanitaryware manufacturing facility having production capacity of 7 lacs pcs p.a. in the state of Gujarat.

Financial highlights

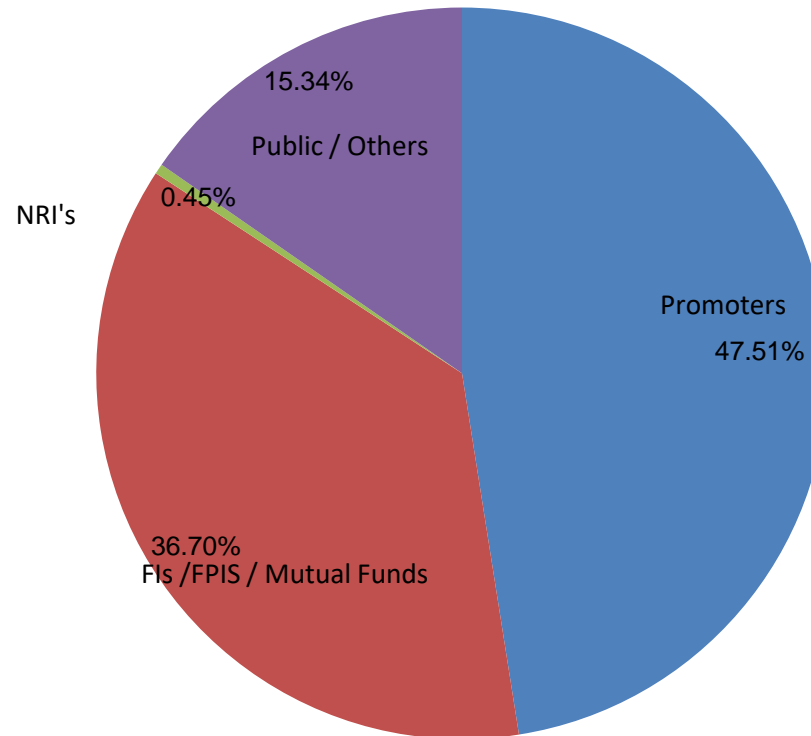
(Rs / Crores)

	Q3 FY22		Q3 FY21		Growth		9M FY22		9M FY21		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net Sales	950.49	1068.23	756.27	838.32	26%	27%	2312.38	2603.44	1663.94	1828.39	39%	42%
EBITDA	159.00	183.84	159.40	181.77	0%	1%	386.60	444.75	296.17	317.89	31%	40%
EBITDA MARGIN	16.73%	17.21%	21.08%	21.68%			16.72%	17.08%	17.80%	17.39%		
Depreciation	21.41	28.07	20.88	27.56	3%	2%	63.02	82.74	60.27	80.14	5%	3%
Other Income	11.56	7.42	11.20	6.45	3%	15%	32.40	20.54	26.57	13.86	22%	48%
Interest	1.49	3.01	1.14	2.61	31%	15%	3.95	8.75	3.74	8.07	6%	8%
Exceptional Items - loss (gain)												
Profit Before Tax	147.66	160.18	148.58	158.05	-1%	1%	352.03	373.80	258.73	243.54	36%	53%
Tax Expense	34.91	35.45	36.57	37.02	-5%	-4%	87.36	88.29	65.92	65.81	33%	34%
Minority Interest		2.71		2.09				4.29		-3.23		
Profit After Tax	112.75	122.02	112.01	118.94	1%	3%	264.67	281.22	192.81	180.96	37%	55%
Cash Profit	134.16	150.09	132.89	146.50	1%	2%	327.69	363.96	253.08	261.10	29%	39%
Equity Share Capital	15.92	15.92	15.91	15.91			15.92	15.92	15.91	15.91		
EPS (Basic) (Rs.)	7.09	7.68	7.05	7.48	1%	3%	16.65	17.69	12.13	11.38	37%	55%

As on 31st Dec. 2021

Equity Shares Outstanding – 159.17 millions

Shareholding



Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India and the 8th* largest in the world. It has present 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 Vijayawada and one at SriKalahasti in Andhra Pradesh.

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* As per Ceramic World Review