

Kajaria

Corporate Presentation

November 2020

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

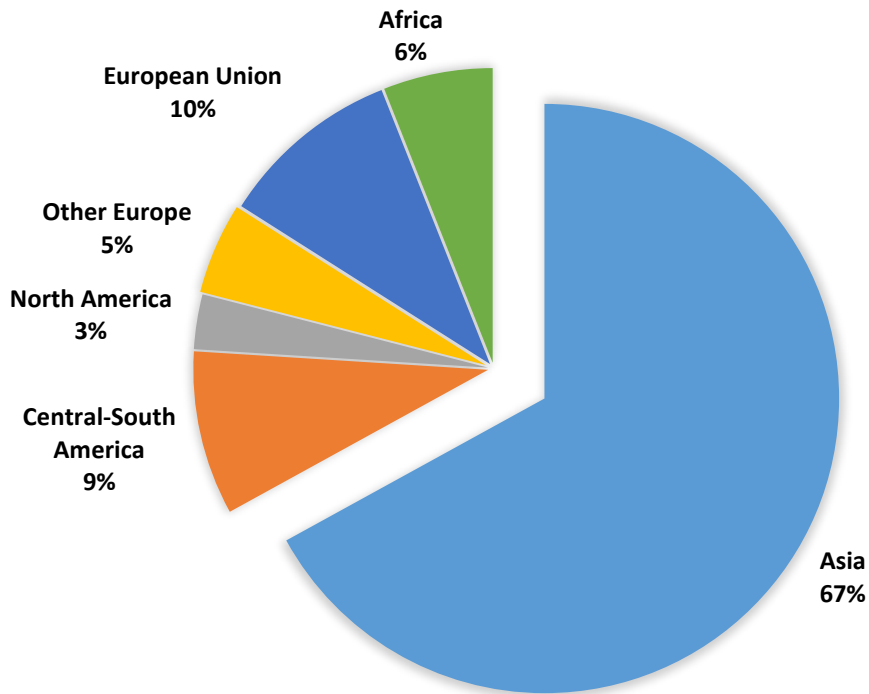
(Million Sq.m)

		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	

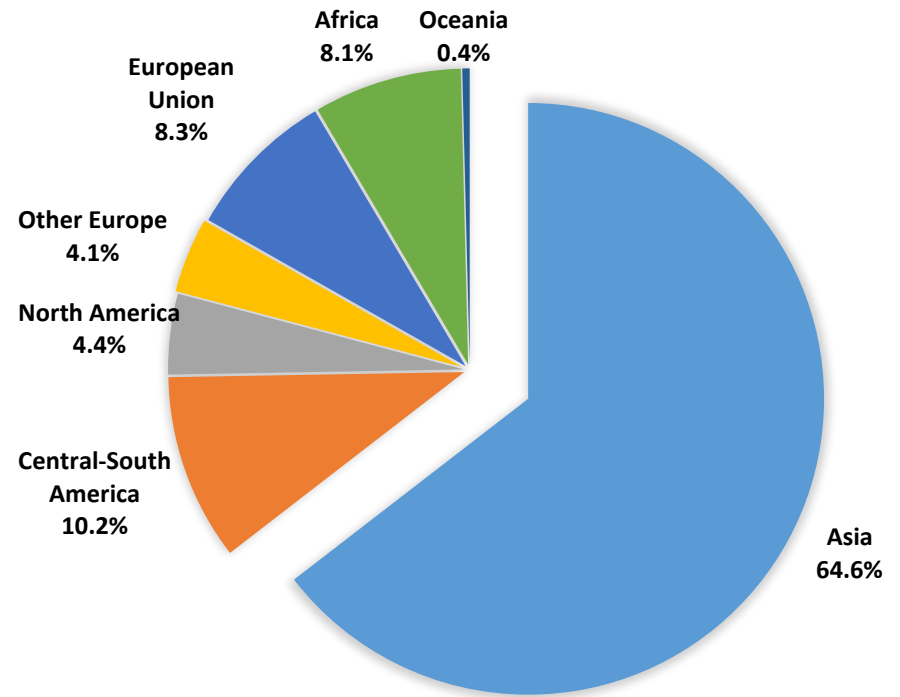
- In line with production, global consumption was also down by 4.1% over CY 2018, mainly due to fall in China's consumption, which fell by 8.6% in CY 2019 over the previous year.
- India's consumption was increased by 4% as compared to the previous year.

World production & Consumption

Production



Consumption



Indian Tile Industry

- Indian tile production is 1,145 million sq. mtr. as of March 2019.
- Indian tile consumption is 750 million sq. mtr. as of March 2019 -marginally down by 10 million over last year.
- However, export has grown from 228 MSM in March' 2018 to 274 MSM in March' 2019.
- Industry size is estimated to be Rs. 28,500 crore (Net Sales) as of March 2019. Out of this, domestic consumption is approx. Rs 21,000 crore and exports constitutes approx. Rs 7,500 crore.
- National brands contribute 45% of industry.
- The industry has been growing at a CAGR of 8 - 9% in the last 4-5 years, but has de-grown marginally in FY2018 and FY 2019.

Indian Tile Industry – Major Players

National brands contribute 45% of the Industry

National Brands	Turnover (Rs. Cr.) as on 31.03.20
Kajaria Ceramics	2808
Prism Cements (TBK Division)*	1823
Somany Ceramics	1610
Asian Granito	1225
Simpolo *	690
Varmora *	625
Sun Heart *	540
RAK Ceramics *	500
Nitco Tiles	461
Orient Bell Ceramics	492
Murudeshwar Ceramics	103
Others (Restile, Marbomax, ITACA, IKON, Bell Granito etc.)	773
Total	11650

Balance of the industry is represented by other regional brands/unbranded players present in Morbi / Himmatnagar in Gujarat

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 in 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.

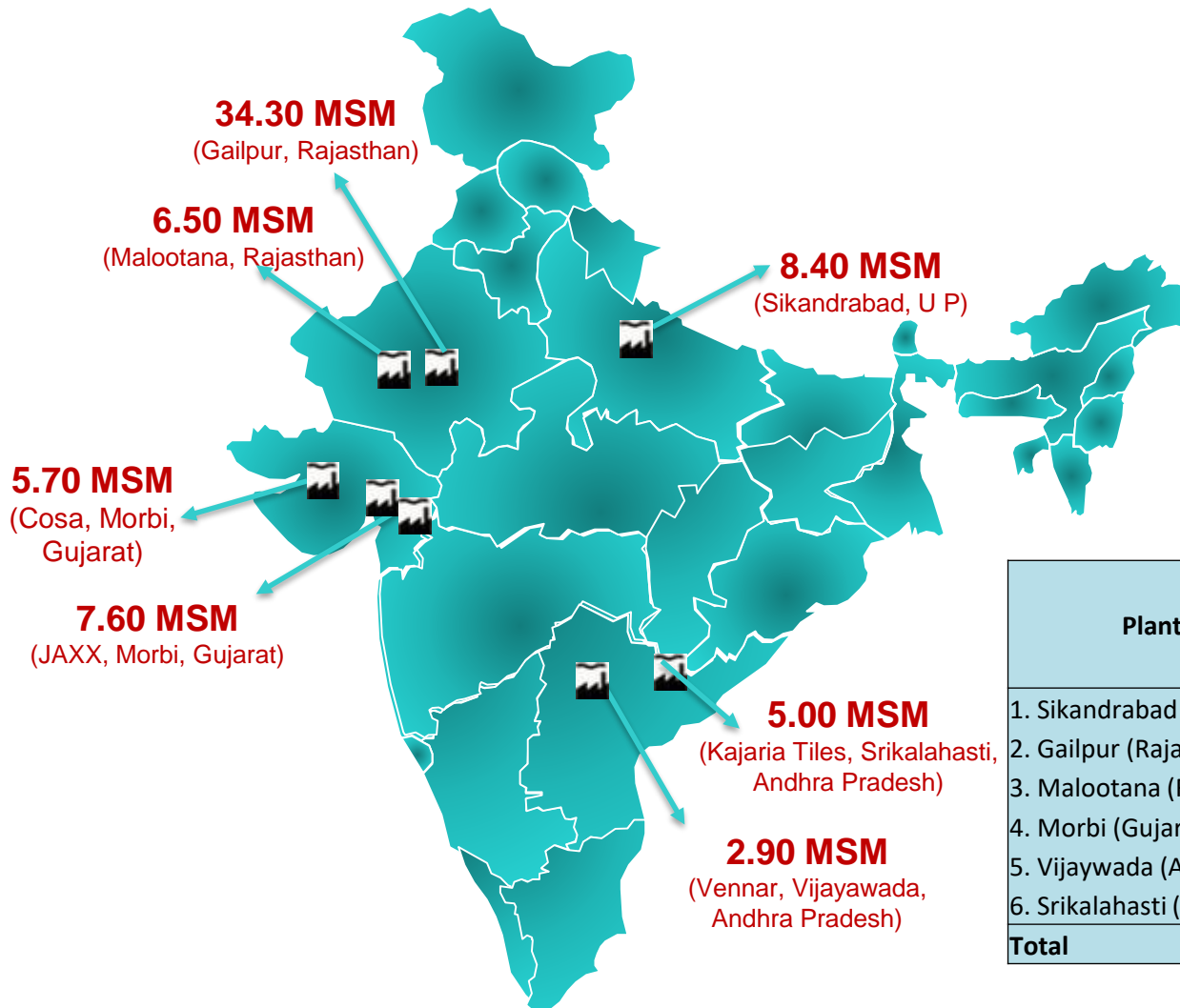
Geographical Spread of the Production Capacity

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

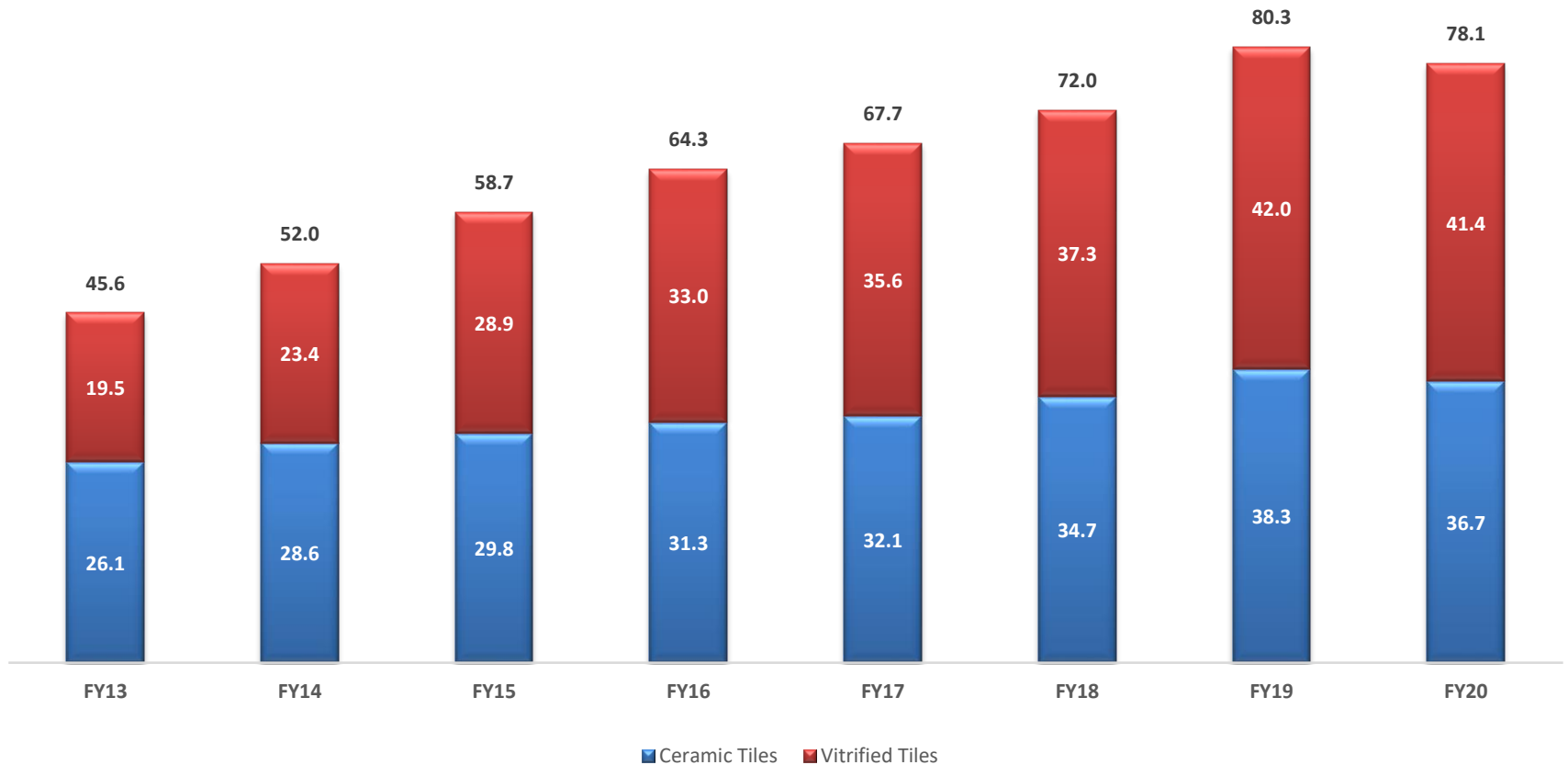


Cosa, Gujarat



Vennar, Andhra Pradesh

Tile sales growth (msm per annum)



Our Brand Ambassador Akshay Kumar



Kajaria

Advertisement - Focused and Strategic

Print Media

Kajaria

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

Business Standard
Kajaria
DESH KI MITTI SE BANI TILE SE
DESH KO BANATE HAIN
HAPPY INDEPENDENCE DAY
INDIA'S NO. 1 TILE COMPANY

Kajaria PLY
INDIA JAISA STRONG
INDEPENDENCE DAY
Freedom to CHOOSE
Korout
FREEDOM

HAPPY INDEPENDENCE DAY

TV commercial

Kajaria

Get ready for a power packed weekend with Kajaria

Presenting Sponsor
DANCE INDIA DANCE
FINALE
22nd & 23rd Sep
ZEE TV HD

SUPERSTAR SINGER
FINALE
6th October

THE KAPIL SHARMA SHOW
Sat-Sun @ 9:30pm

ZEE TV HD | SO NY | ZEE CINEMA HD | & pictures HD | SO NY | इन्डिया | ZEE BUSINESS

Cinema commercial

Kajaria

*Kuch baat hai iss desh ki mitti mein,
jisse desh ka har kona juda hai. Aur hum bhi.*

Watch the latest TV Commercial at your nearest **PVR** CINEMAS

Airport Branding

More than 30 Airports Pan INDIA

Delhi Airport



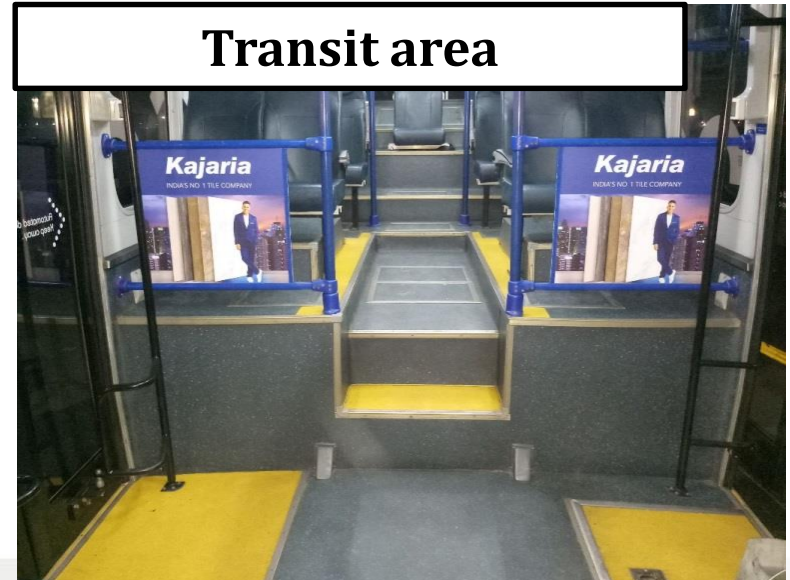
Mumbai Airport



Trays at airport checkpoints



Transit area



Branding In Cricket Stadium

India Vs Bangladesh



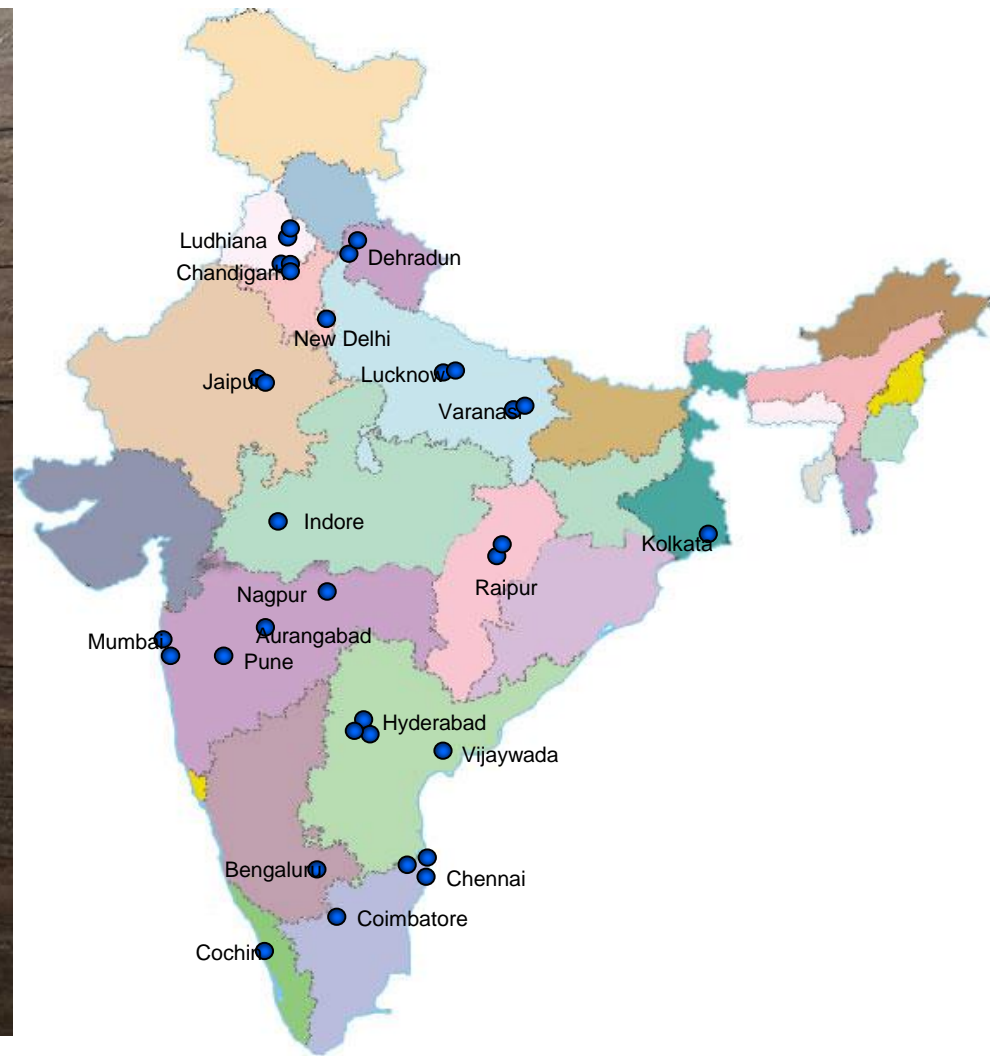
India Vs South Africa



India Vs Westindies



Experience centers across India



Distribution Network of strong and loyal dealers all over the country



**1500
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.

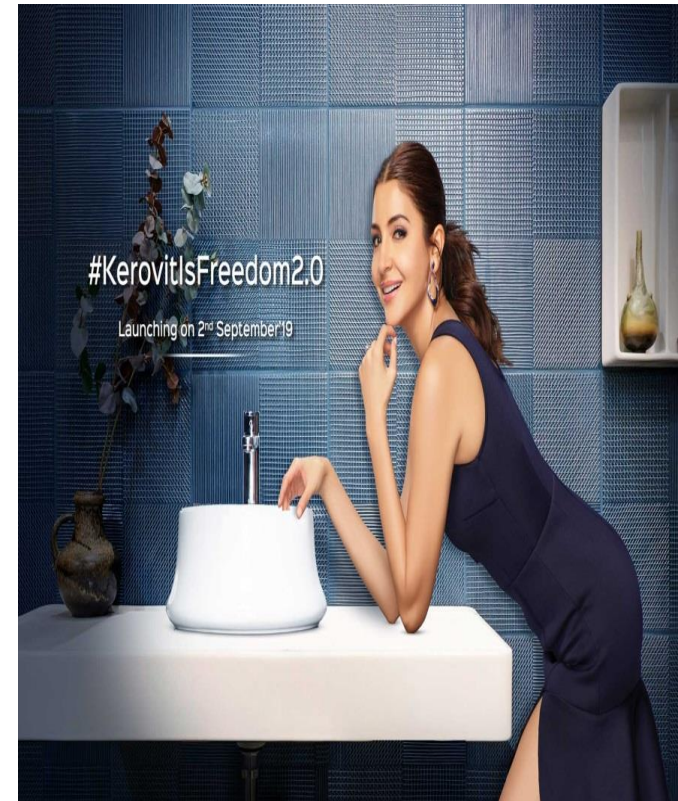


Sanitaryware : The plant is situated in Morbi (Gujarat) with production capacity of 7.50 lac pcs p.a.



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

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.

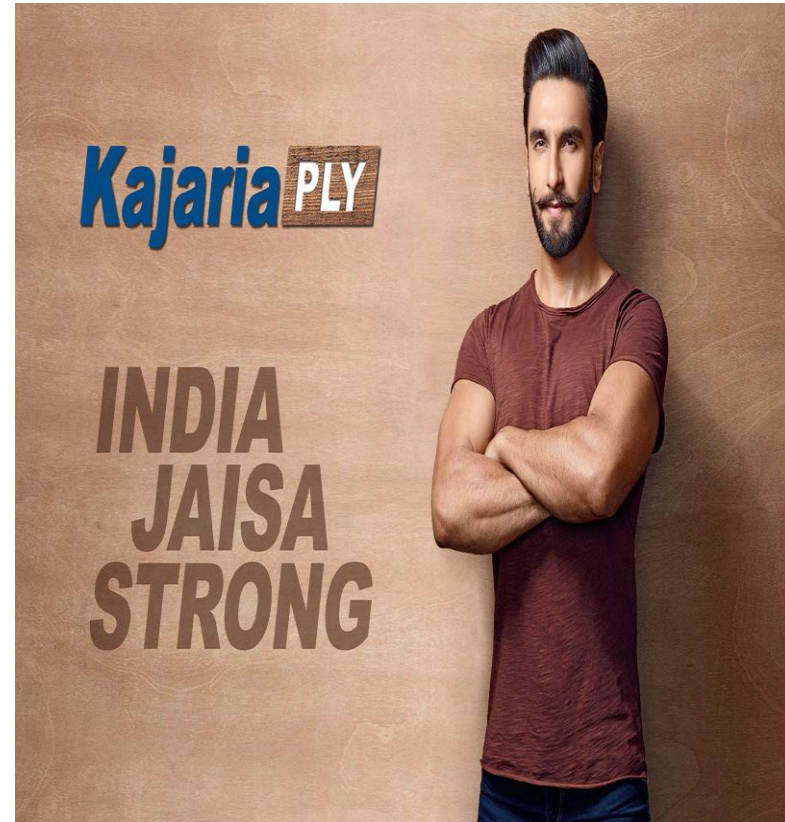


BLOCKBOARD: This product comes with pinewood construction and hardwood veneers along with Glued Core Protection technology in both BWP & MR grades.



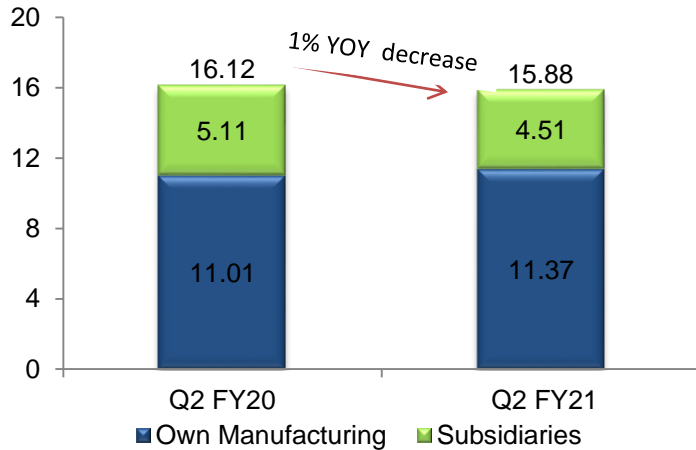
FLUSH DOOR: This product is available in both Pinewood & Hardwood construction and comes with unmatched industry-first warranty coverage.

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

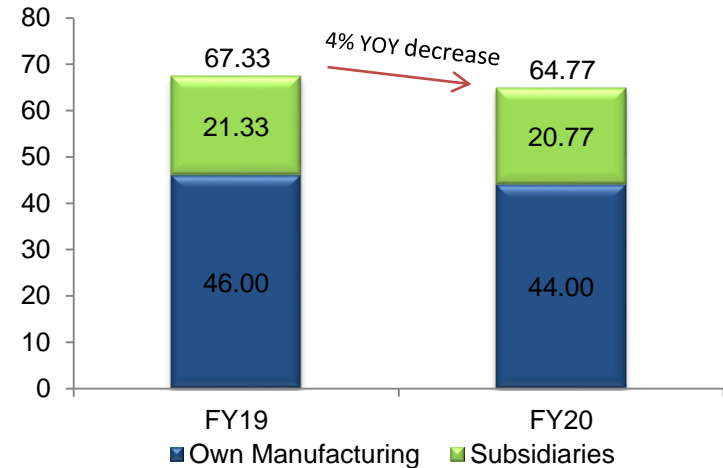


Volume Data (tiles) – Quarterly and Yearly

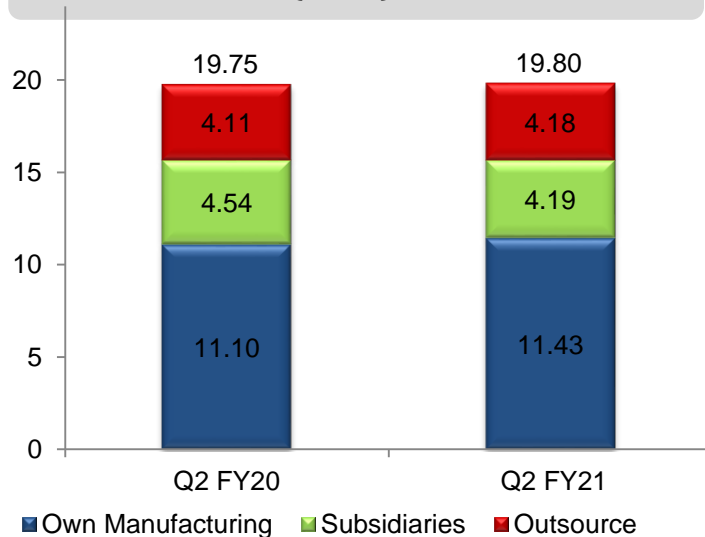
Production Growth (MSM) - Q2 FY21



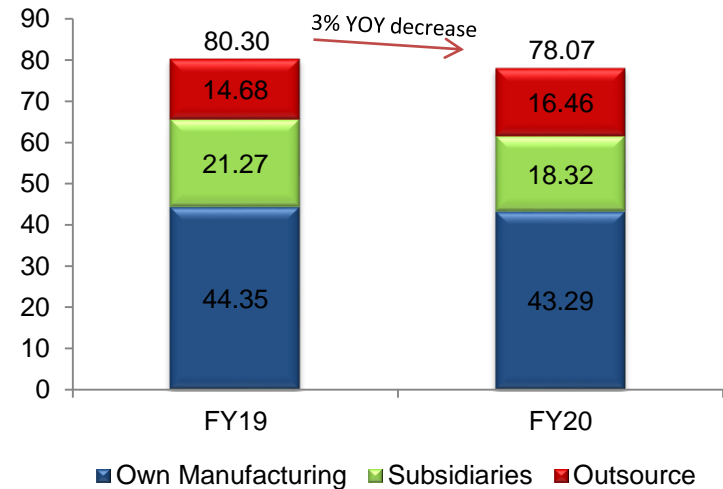
Production Growth (MSM) - FY20



Sales Growth (MSM) - Q2 FY21

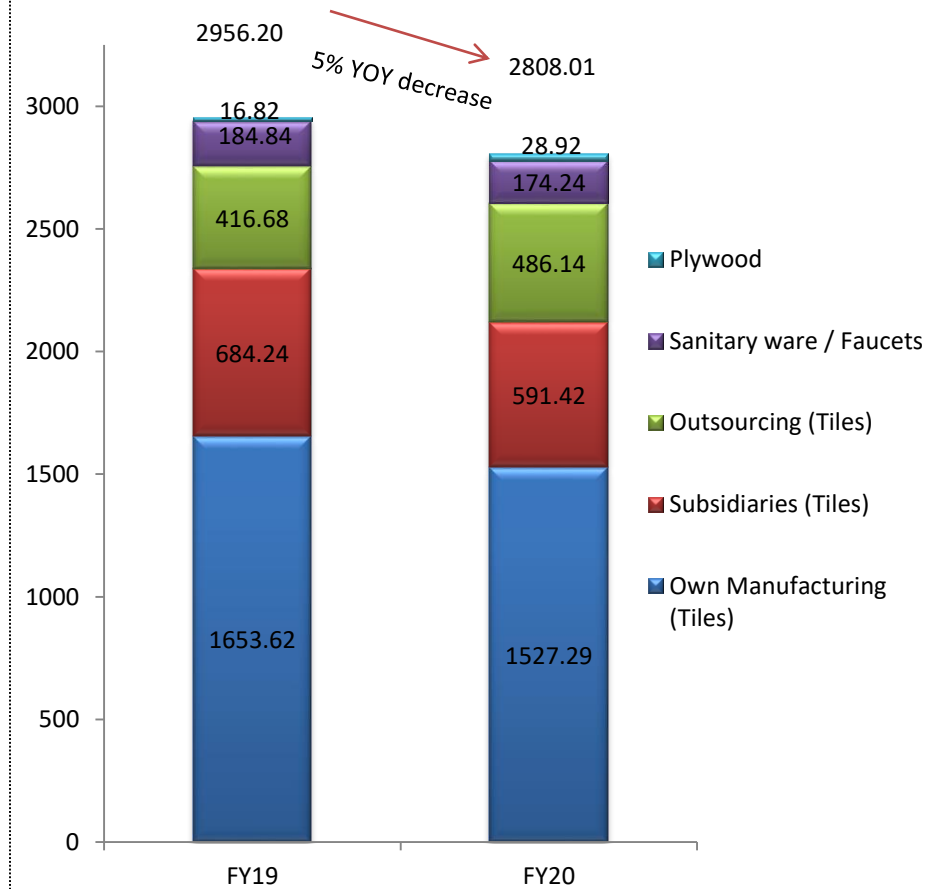
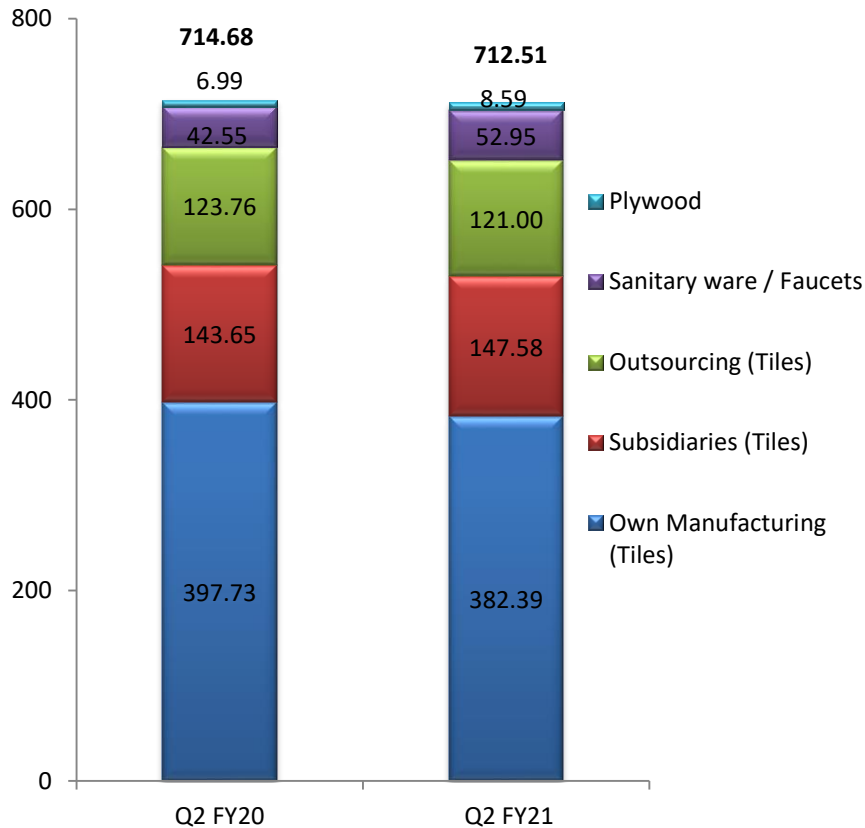


Sales Growth (MSM) - FY20



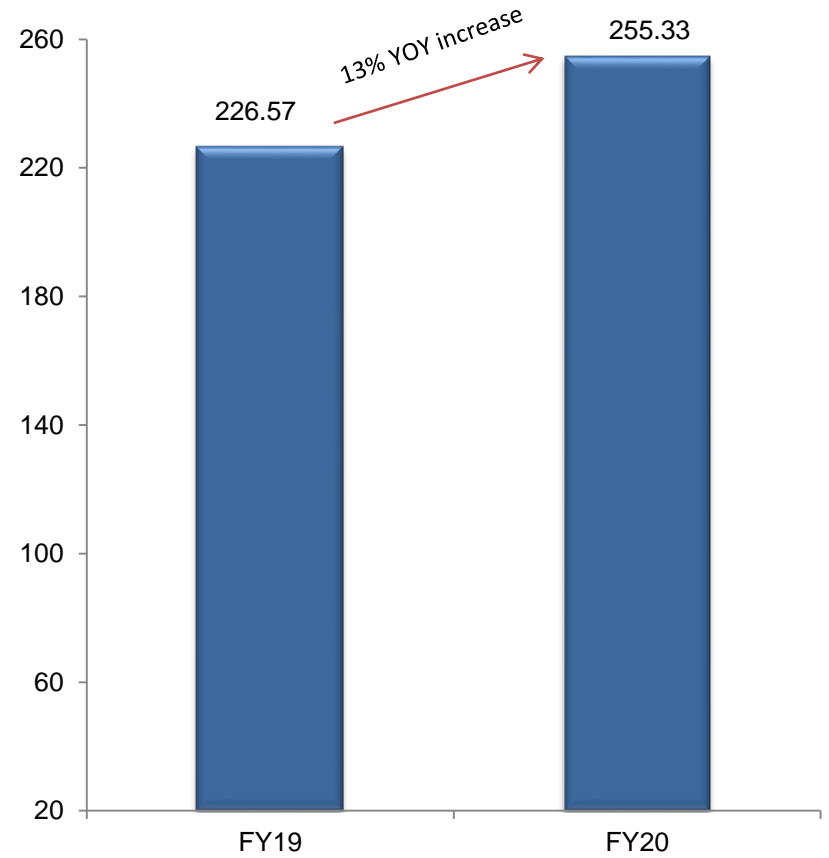
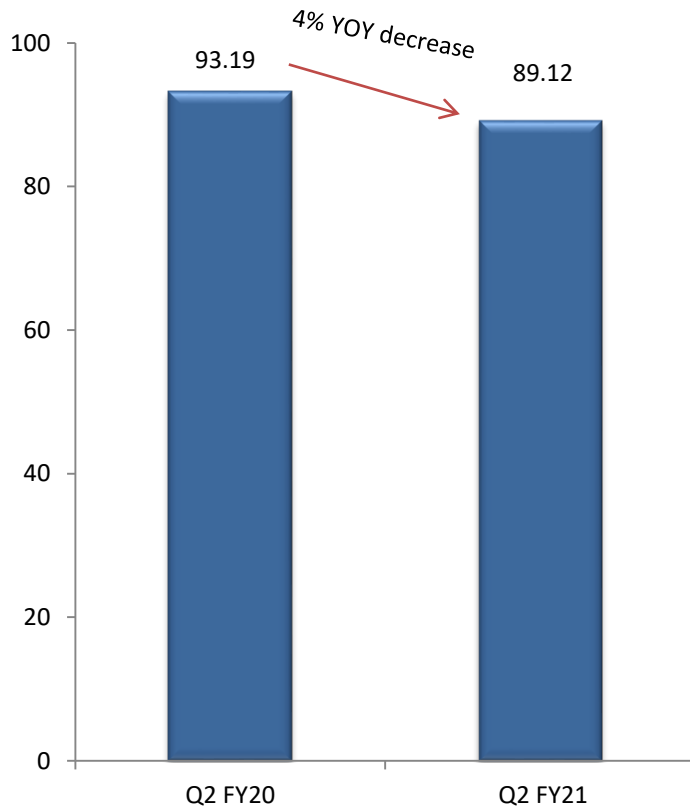
Revenue Growth – Quarterly and Yearly

Rs./ Crores



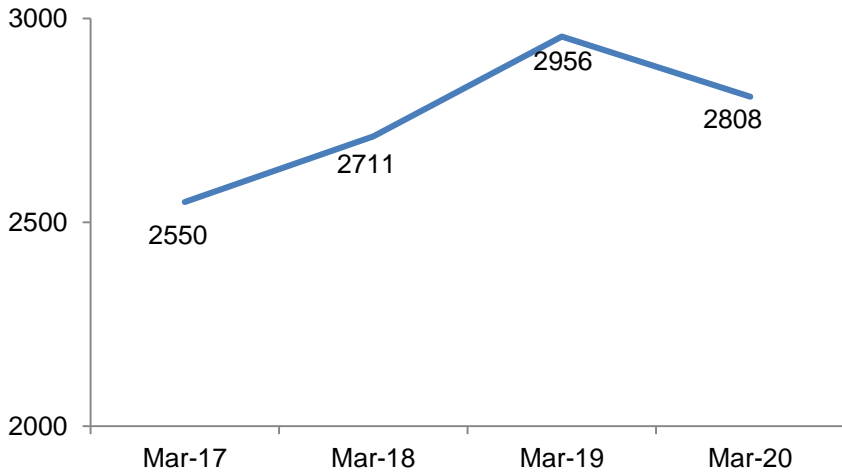
PAT – Quarterly and Yearly

Rs./ Crores

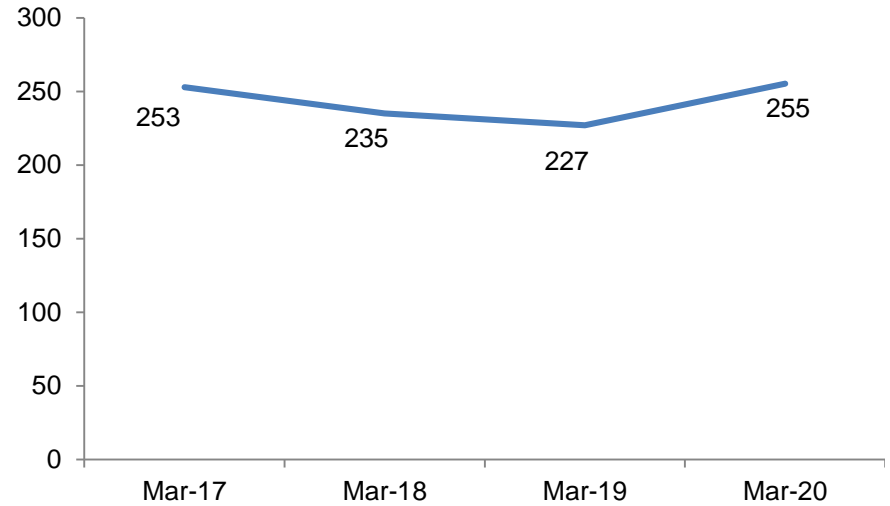


Historical Data

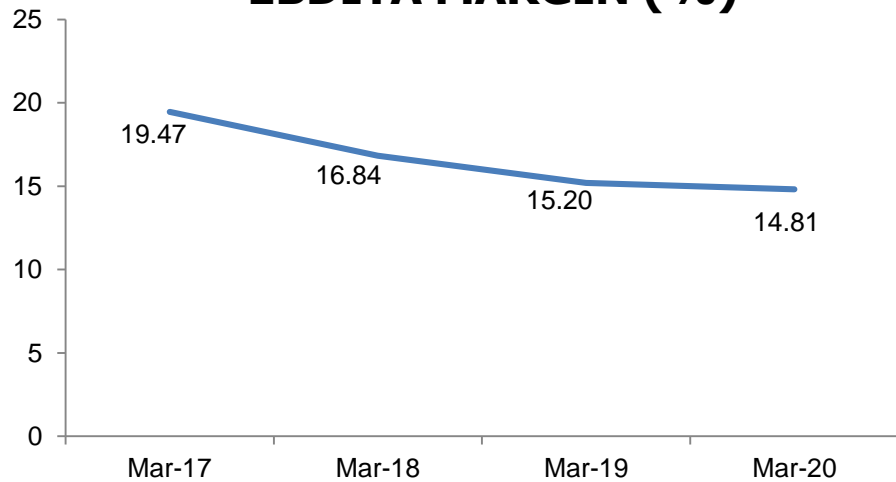
Net Sales (Rs. Crore)



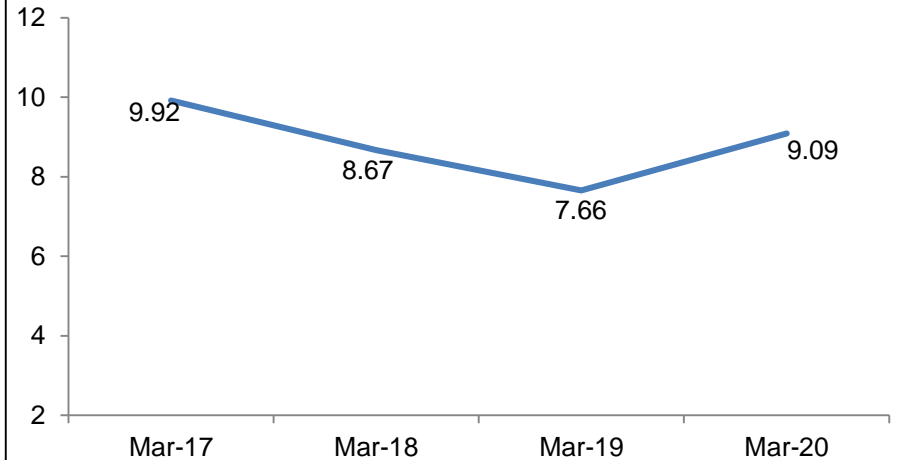
PAT (Rs. Crore)



EBDITA MARGIN (%)

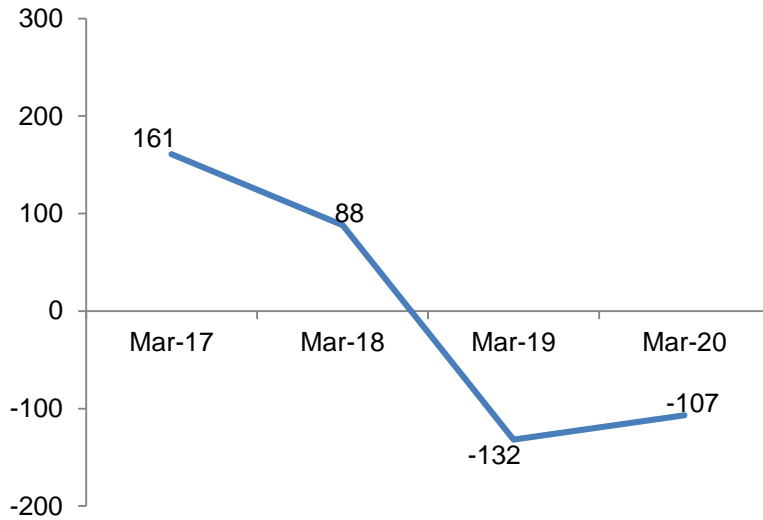


PAT MARGIN (%)

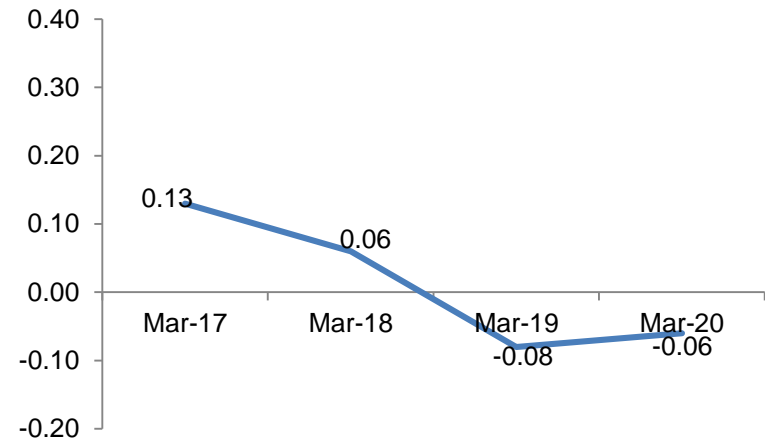


Historical Data

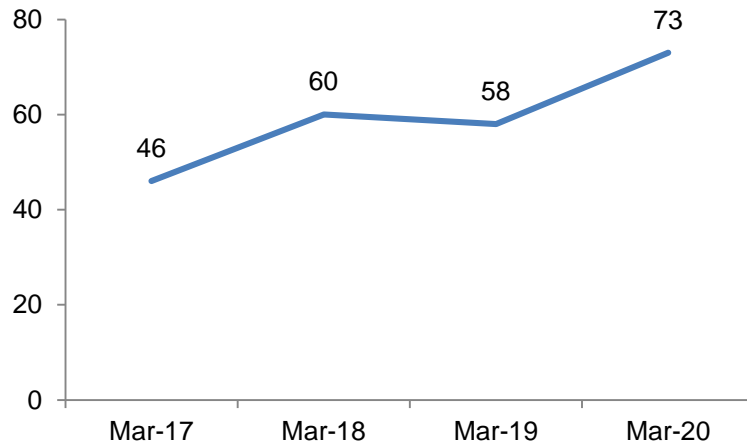
Net Debt (Rs. Crore)*



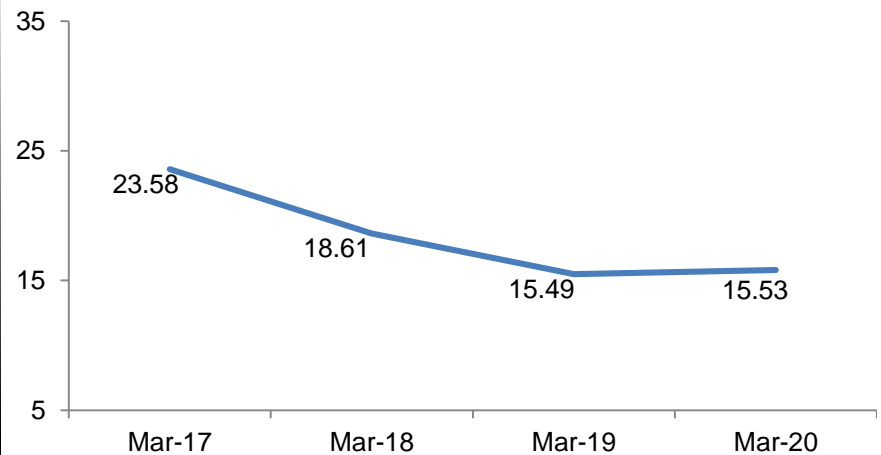
Net Debt Equity (X)



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.

ROE as on 31st Mar. 20 taken at average of net worth as on 31st Mar. 19 and on FY20 PAT.

Financial Highlights

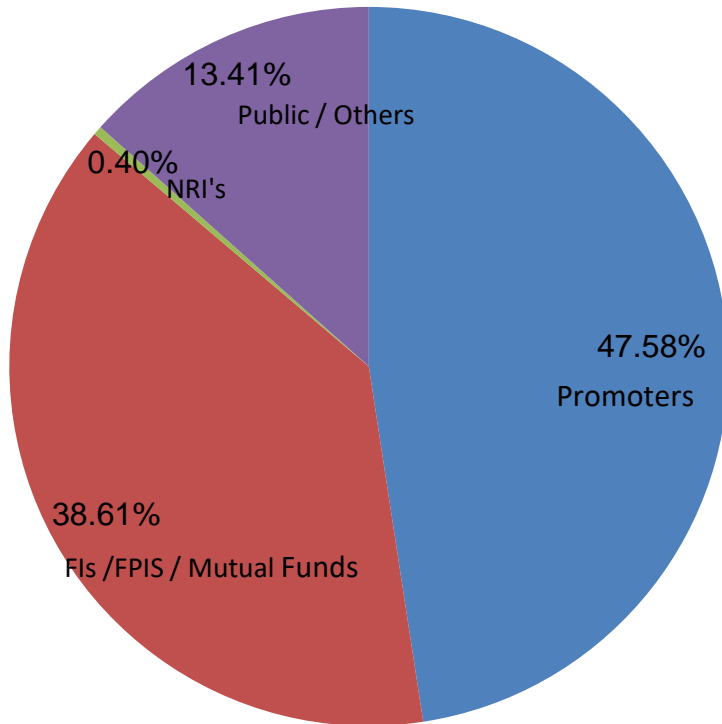
(Rs in Crore)

	Q2 FY21		Q2 FY20		Growth		H1 FY21		H1 FY20		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net Sales	650.13	712.51	651.40	714.68	-	-	907.66	990.07	1291.10	1414.67	-30%	-30%
EBITDA	121.33	143.69	97.14	105.23	25%	37%	130.74	136.12	195.06	211.20	-33%	-36%
EBITDA MARGIN	18.66%	20.17%	14.91%	14.72%			14.40%	13.75%	15.11%	14.93%		
Depreciation	19.15	27.36	19.67	26.15	-3%	5%	36.17	52.58	39.16	51.97	-8%	1%
Other Income	12.33	4.79	12.91	6.82	-4%	-30%	22.09	7.41	23.70	12.10	-7%	-39%
Interest	1.18	2.08	2.46	5.22	-52%	-60%	2.59	5.46	4.20	9.74	-38%	-44%
Profit Before Tax	113.33	119.04	87.92	80.68	29%	48%	114.07	85.49	175.40	161.59	-35%	-47%
Tax Expense	29.54	29.40	-12.48	-12.39	-337%	-337%	29.73	28.79	18.02	18.14	65%	59%
Minority Interest		0.52		-0.12				-5.32		-0.75		
Profit After Tax	83.79	89.12	100.40	93.19	-17%	-4%	84.34	62.02	157.38	144.20	-46%	-57%
Cash Profit	102.94	116.48	120.07	119.34	-14%	-2%	120.51	114.60	196.54	196.17	-39%	-42%
Equity Share Capital	15.90	15.90	15.90	15.90			15.90	15.90	15.90	15.90		
EPS (Basic) (Rs.)	5.27	5.61	6.32	5.86	-17%	-4%	5.31	3.90	9.90	9.07	-46%	-57%

Shareholding Pattern

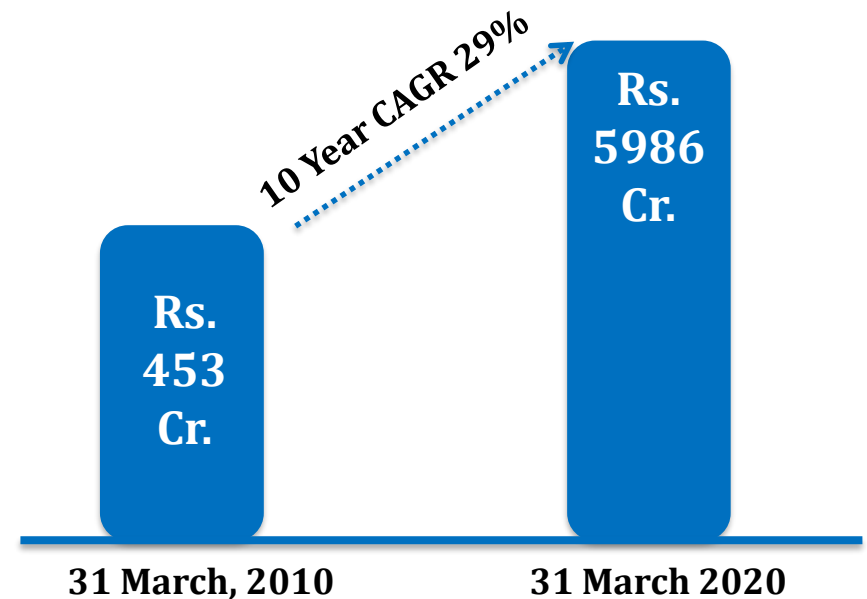
Equity Shares Outstanding – 158.95 millions

As on 30th Sep. 2020



Value Creation

Market capitalization



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 70.40 mn. sq. meters presently, distributed across eight plants - one in Sikandrabad in Uttar Pradesh, one in Gailpur and one in Malootana in Rajasthan, three in Morbi in Gujarat and one in Vijaywada and one in Srikalahasti in Andhra Pradesh.

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