

Equity Statistics		
Current Market Price	Rs.	589.90
52 Week High/Low -NSE	Rs.	686.50/228.50
Market Capitalization	Rs. Crore	4772.11
P/E	Times	33.2
Industry PE	Times	41.18
Book Value	Rs.	62.08

Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India. It has an annual aggregate capacity of 54.10 mn. sq. meters, distributed across seven plants-Sikandrabad in Uttar Pradesh, Gailpur in Rajasthan, four plants in Morbi in Gujarat and one at Vijayawada in Andhra Pradesh. The manufacturing units are equipped with cutting edge technology. Intense automation, robotic car application and a zero chance for human error are just few reasons why Kajaria remains at the top in the industry. Kajaria Ceramics has increased its capacity from 1 mn. sq. mtrs to

54.10 mn. sq. mtrs. in last 25 years and offers more than 1200 options in ceramic wall & floor tiles, vitrified tiles, designer tiles and much more. These tiles come in a wide range of colours and textures to complement bathrooms, living rooms, corridors, study rooms & kitchen, born out of an inspired creativity of those who feel that rooms should be an extension of the beauty reflected. With an unparalleled commitment towards quality we have strived to adopt technologies and standards with the changing times.

No. of Independent Directors - 5	
Management - Kajaria Ceramics	
Name	Designation
Ashok Kajaria	Chairman & Managing Director
Rishi Kajaria	Joint Managing Director
Sandeep Singhal	Independent Director
D P Bagchi	Independent Director
H Rathnakara Hegde	Independent Director
Chetan Kajaria	Joint Managing Director
B K Sinha	Director - Technical
R K Bhargava	Independent Director
R R Bagri	Independent Director
M/s O P Bagla & Co.	Chartered Accountant

Share Holding Pattern in (%)				
	MAR' 14	DEC' 13	NOV' 13	SEP' 13
Promoter	52.09	52.09	52.09	53.51
FII	25.53	25.61	24.25	23.5
DII	3.94	3.78	1.35	1.45
Others	18.44	18.52	22.31	21.54
Total	100	100	100	100

Returns	1M	3M	6M	1Y
Kajaria	-8.84%	-5.11%	30.30%	143.91%

Annual Financial Snapshots			
Income Statement	FY14	FY13	FY12
Net Sales (Rs. Crore)	1877.89	1588.20	1401.76
Growth in Net Sales (%)	18.24%	13.30%	39.53%
Networth (Rs. Crore)	517.58	356.79	281.90
Growth in Networth (%)	45.06%	26.56%	26.65%
Per Share Data			
Book Value (Rs.)	65.17	48.49	38.31
Growth in Book Value (%)	34.39%	26.57%	26.64%
Earning Per Share (Rs.)	15.45	13.66	10.97
Growth in EPS (%)	13.10%	24.52%	33.13%
Key Financial Ratios			
Return on Capital Employed (%)	33.18%	32.56%	34.50%
Current Ratio	0.71	0.58	0.93
Long Term Debt Equity Ratio	0.17	0.25	0.33
Interest Coverage (times)	5.88	4.48	3.47
Debtors Turnover Ratio	11.93	11.2	11.01
Inventory Turnover Ratio	9.53	7.34	7.04

Mutual Funds Holding as on 30th Sep 2014		
Scheme	Shares	Price (in Rs.)
<u>HDFC Equity Fund (G)</u>	18,87,508	635.59
<u>SBI Magnum Global Fund (G)</u>	6,11,324	635.76
<u>SBI Infrastructure Fund - Series I (G)</u>	3,06,476	635.61
<u>DSP BlackRock Tax Saver Fund (G)</u>	2,40,872	635.6

Quarterly Financial		
	Q2FY14	Q1FY14
	Sep-14	Jun-14
Sales (Rs. Cr)	546.97	511.94
Growth in Sales (% Change)	15.35%	18.27%
Net Profit (Rs Crore)	39.22	36.34
Net Profit (% Change)	59.56%	51.48%
EPS	5.24	4.81
Growth in EPS	8.93%	-8.20%

Peer Comparison (Year Ended -March 14)				
	Somany	HSIL	CERA	Kajaria
Equity (Rs. Cr.)	7.26	13.21	6.33	15.12
BV	5.32	169.8	176.98	65.17
Face Value	10	2	5	2
Dividend	-	150%	100%	175%
Promoters Holding	25.81%	51.57%	56.17%	52.09%
RONW	-91.55%	5.01%	23.17%	23.70%
ROCE	-42.50%	8.10%	33.35%	35.10%
Debt to Equity	0.94	0.82	0.19	0.12
Market Cap/Sales	0.62	1.43	3.17	2.57
P/E	35.57	33.12	35.29	31.34
Industry P/E	39.59			
P/Bv	5.57	2.22	9.37	9.67

Promoter and Promoter Group Holding as 30 <sup>th</sup> Sept 2014			
No.	Name of the Shareholders	Total Shares Held	
		Number	%
1	Kajaria Exports Ltd	15,311,999	20.26
2	Kajari Securities Pvt Ltd	6,581,905	8.71
3	Cheri Ceramics Pvt Ltd	5,088,385	6.73
4	Pearl Tile Marketing Pvt Ltd	5,080,240	6.72
5	Ashok Kumar Kajaria	2,053,500	2.72
6	Versha Devi Kajaria	1,200,007	1.59
7	A.K Kajaria HUF	955,375	1.26
8	Rishi Kajaria	902,858	1.19
9	Chetan Kajaria	669,940	0.89
10	Rasika Kajaria	902,858	1.19
11	Shikha Kajaria	300,000	0.40
12	Kartik Kajaria	225,106	0.30
13	Parth Kajaria	225,000	0.30
14	Raghav kajaria	225,000	0.30
15	Vedant Kajaria	225,000	0.30
16	Rishi Kajaria (HUF)	21,500	0.03
17	Chetan Kajaria (HUF)	21,000	0.03
<b>Total</b>		<b>39,371,815</b>	<b>52.03</b>

Top Public Shareholders as on 30 <sup>th</sup> Sept 2014			
No.	Name of the Shareholders	Total Shares Held	
		Number	%
1	HSBC (Mauritius) Ltd	6,321,005	8.36
2	Swiss Finance Corporation (Mauritius) Ltd	3,257,538	4.31
3	Government Pension Fund Global	2,500,000	3.31
4	HDFC Trustee Company Ltd – HDFC Equity Fund	2,160,896	2.86
5	Westbridge Crossover Fund LLC	2,000,000	2.65
6	Macquarie Bank Ltd	1,925,118	2.55
<b>Total</b>		<b>1,81,64,557</b>	<b>24.04</b>

Latest Large Deal – in December 2014					
Date	Exchg.	Qty	Price	Value (Cr)	Time
30.12.2014	NSE	100119	565	5.66	10:26
29.12.2014	NSE	100000	565	5.65	13:38
24.12.2014	NSE	291985	558	16.29	15:24
24.12.2014	BSE	100000	559	5.59	15:29
24.12.2014	NSE	100000	559	5.59	14:24
17.12.2014	BSE	200000	547	10.94	11:06
17.12.2014	NSE	100007	549	5.49	11:06
15.12.2014	BSE	100000	565	5.65	15:28
12.12.2014	NSE	100000	578	5.78	14:49
11.12.2014	NSE	99763	579	5.78	15:09
2.12.2014	NSE	164000	595	9.76	10:57
1.12.2014	BSE	310150	592	18.36	10:20
<b>Total Quantity</b>		<b>1766024</b>	<b>568</b>	<b>100.54</b>	

**Note:- No shares are pledged from the promoters and company reported on 4<sup>th</sup> Nov 2014 to the exchange that 38,85,420 equity shares have allotted to M/s WestBridge Crossover Fund LLC (on conversion of warrants in to equity shares) vide resolution passed by the Board of the Directors on 27<sup>th</sup> Oct 2014. As per the large deals concern 17,66,024 shares traded on NSE and BSE on the average price of Rs. 568 with value 100.54 Cr in December 2014.**

## Technical Analysis



### Technical View on Kajaria



**Analysis:** - As per the above chart, the strong support is looking around Rs. 531/-. As RSI is at 18.84 on 18<sup>th</sup> Dec 2014, which is clear indicating that this stock is oversold means there may be good buying opportunity. MACD is also preparing for bullish crossover signal. Once it crosses and sustains above 568 then it can touch up to 660 and if maintains above 595 on four days closing basis then it can touch up to 720 – 760.

#### DISCLOSURES

- The report is circulated for academic / research purpose only.
- The paper is issued by Financial Market Wing of NIFM under the supervision of Dr. A.M Sherry, Professor & Course Director

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