

OBL:HO:SEC:00:

New Delhi : 11.11.2019

BSE Limited
Corporate Relation Department
1st Floor, New Trading Ring
Rotunga Building Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Stock Code - 530365

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E)
Mumbai-400 051

Stock Code: **ORIENTBELL**

SUB: INVESTOR UPDATE FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019.

Dear Sir/ Madam,

Please find enclosed herewith Investor update of Orient Bell Ltd. highlighting the performance of the Company during the quarter and half year ended on 30th September, 2019.

Kindly take the same on record.

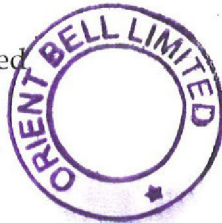
Yours faithfully,

for Orient Bell Limited



Yogesh Mendiratta

Company Secretary & Head - Legal



Encl: as above

Orient Bell Limited

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CIN: L14101UP1977PLC021546



Investor Presentation

Q2/1H – FY20



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① Business Environment – Q2 FY20

Indian Macro-economic situation

- No respite as yet from macro-economic headwinds
- Green shoots emerging though – benign inflation, lower interest rates, good monsoon and slew of measures announced by the government.

Indian Tile Industry

- No major capacity addition except in South.
- Demand from housing sector continues to remain subdued.
- NGT ban on coal gasifier still in place at Morbi - cost push largely absorbed by the manufacturers.
- Aggressive pricing continues from all players in domestic markets.
- The downward pricing trend has led to destocking by Channel.
- Tile Exports continued to do well during 1HFY20. Anti dumping duty of 40%-106% however imposed recently by GCC – will have an impact from Q3FY20 onwards.
- Power & Fuel Costs – relatively stable for now.

2 OBL's Key Highlights – 1H FY20

Marketing Investments almost trebled

New Products Launched –
Valencica, Multiplica and Duazzle

Vitrified Ratio improved further to 36% vs.
35% during 1HFY19

Sale from HVP products ~40%

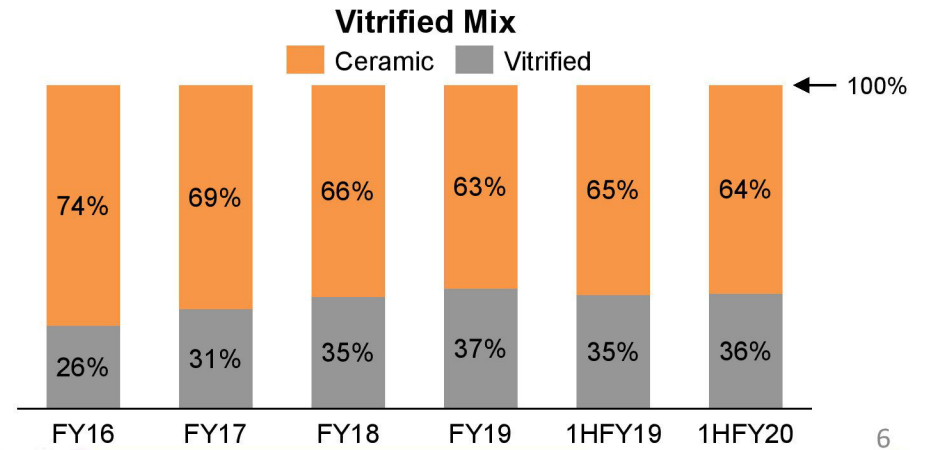
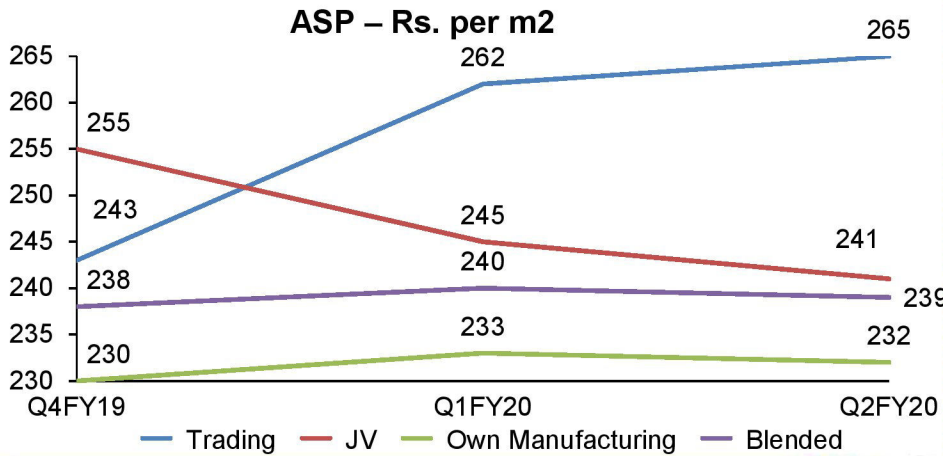
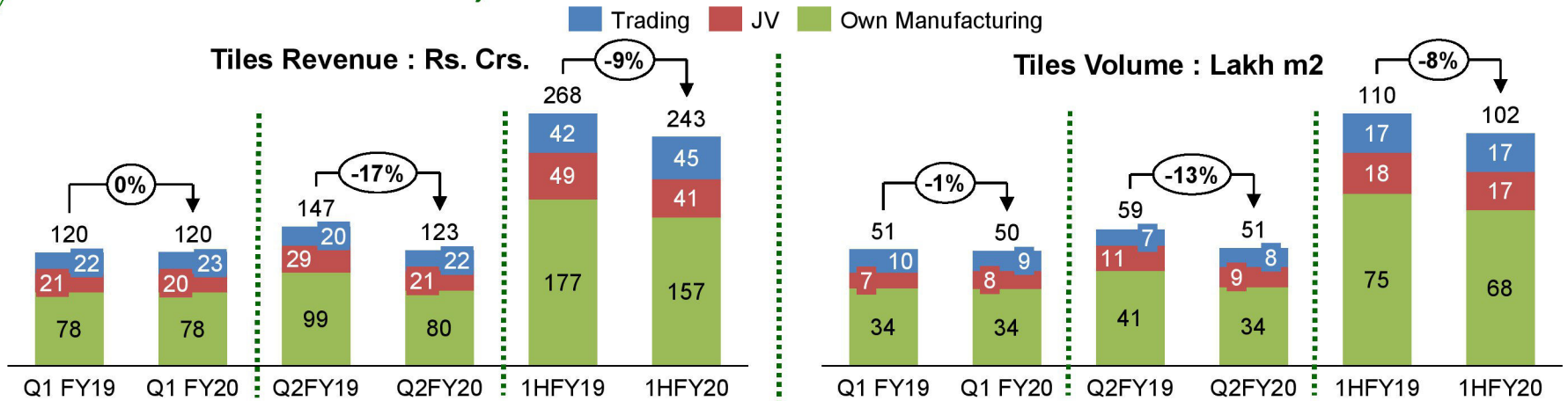
Dependence on grid reduced at Hoskote –
commenced sourcing solar power via PPA
from Q2FY20

Excluding impact of increased marketing
investments on a L-f-L* basis EBITDA almost
flat over the last year due to concerted
efforts on manufacturing and G&A costs

Working Capital cycle improved by +19 days
&
Net Debt reduced by 40% over 31-Mar-2019
to ~Rs. 61 Crores as on 30-Sep-2019

*L-f-L = Like for Like

3 Tiles Revenue – Volumes, Prices & Mix of Products

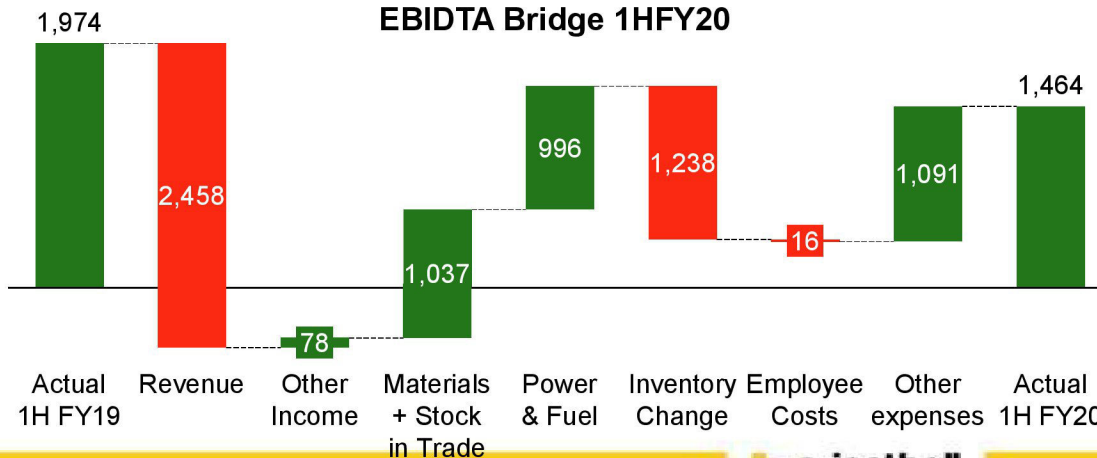


4 Abridged Income Statement & EBIDTA Bridge - Standalone

Rs. Lakhs

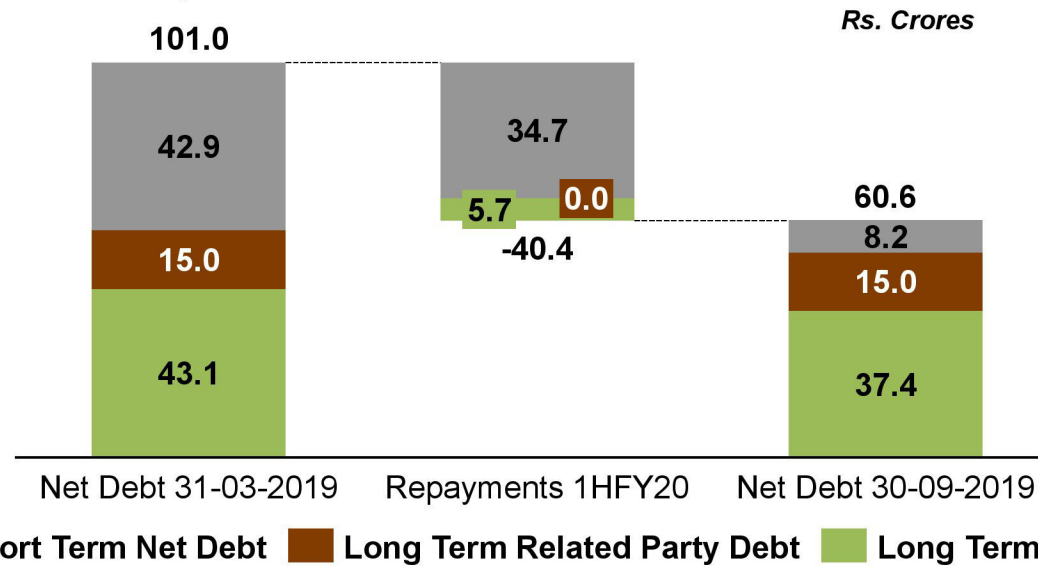
Particulars	Quarter ended		% Change	Half Year ended		% Change
	Q2FY19	Q2FY20		1HFY19	1HFY20	
Revenue from Operations	14,742	12,274	-16.7%	26,753	24,295	-9.2%
Other Income	120	81	-32.6%	159	238	49.2%
Operating expenses	13,570	11,595	-14.6%	24,937	23,069	-7.5%
EBITDA	1,292	759	-41.2%	1,975	1,464	-25.9%
EBITDA Margin %	8.8%	6.2%	-2.6%	7.4%	6.0%	-1.4%
Depreciation/amortization	395	460	16.6%	777	910	17.1%
EBIT	897	299	-66.6%	1,198	555	-53.7%
Interest and financial charges	214	194	-9.5%	405	400	-1.3%
Profit Before Tax (PBT)	682	105	-84.6%	793	155	-80.5%
PBT Margin %	4.6%	0.9%	-3.8%	3.0%	0.6%	-2.3%
Tax Expenses	250	36	-85.6%	287	54	-81.2%
Profit After Tax (PAT)	432	69	-84.0%	506	101	-80.1%
PAT Margin %	2.9%	0.6%	-2.4%	1.9%	0.4%	-1.5%

EBIDTA Bridge 1HFY20



- Concerted efforts continue on the costs front – Manufacturing KPI's improved and G&A costs optimized further in 1HFY20.
- On a like for like (L-f-L) basis excluding the impact of additional marketing investments made during 1H FY20, EBITDA almost flat y-o-y.
- On a consolidated basis (including impact of OBL's share of profit/(loss) from Associates), PAT for 1H FY20 was Rs. 1.5 Crores against Rs. 5.0 Crores in 1H FY19.

5 Net Debt - Development



- Working Capital cycle reduced by ~20 days during 1HFY20 vs. 31-Mar-2019 – multiple initiatives undertaken on all fronts during the last 6 months.
 - Inventory – Production Planning improved further
 - Debtors – Focused monitoring of Collection Efficiency (Collections/Billing) initiated
 - Creditors – Renegotiations undertaken to align with the evolving market conditions
- Working capital released used to repay short term bank loans thus resulting in lower interest expense during 1HFY20.
- Net Debt reduced by 40% over 31-March-2019

6 Abridged Balance Sheet - Standalone

Rs. Crores

Liabilities	Sep-18	Mar-19	Sep-19
Equity Share Capital	14.2	14.2	14.3
Other Equity	211.6	217.4	218.9
Net Worth	225.9	231.6	233.1
Borrowings	97.8	101.0	60.6
Trade Payables	73.9	70.9	81.5
Other Liabilities	50.4	54.3	46.8
Total Liabilities	447.9	457.7	422.0
Assets	Sep-18	Mar-19	Sep-19
Property Plant and Equipment	238.0	239.8	232.8
Investments	5.7	5.7	5.7
Inventories	91.9	85.5	77.9
Trade Receivables	100.0	116.2	95.8
Cash & Cash Equivalents	3.6	3.5	2.2
Others Assets	8.8	7.0	7.6
Total Assets	447.9	457.7	422.0

Leverage reduced further during 1HFY20 –

Net Debt/EBITDA now at 2X

Note :

1. Other Liabilities : Deferred Tax Liabilities, Employee Cost Provisions, Unpaid Dividends, Statutory dues & provisions
2. Other Assets : Deposits with Government and others, Advance Tax (Net of Provisions), GST Receivable (Net of Payables) and advances.

7A

Marketing Initiatives – Extended Proven Creatives to TV/Cable/Print in high priority markets



Front page ADs in 3 Newspapers



200-300 spots on TV
Direct + Split Beam



FM radio across 12 cities



50-Buses from Patna



INOX & UFO across key cities in UP

7B Marketing Initiatives – Continue brand-building on digital



छोटी जगहों को बड़ा बनाएं

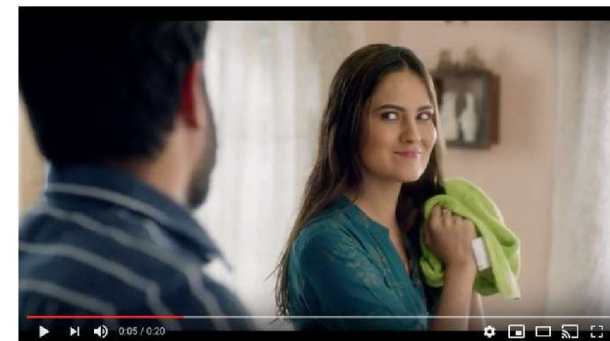
हमारे विशेषज्ञ आपकी छोटी सी जगह को बड़ा बनाने में कैसे मदद कर सकते हैं, यह जानने के लिए हमारे नजदीकी ओरियेंटबेल टाइल्स स्टोर पर जाएं.

स्टोर में जाएं

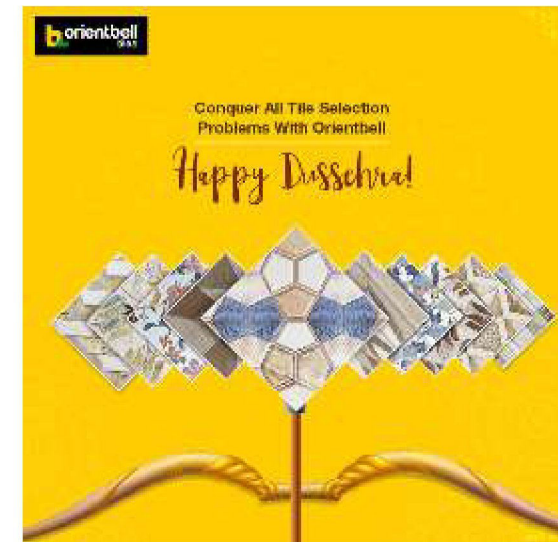
अपॉइंटमेंट बुक करें

orientbell tiles
Looking For **Premium Designs** That Are **Affordable?**
Look No Further! **VISIT STORE**

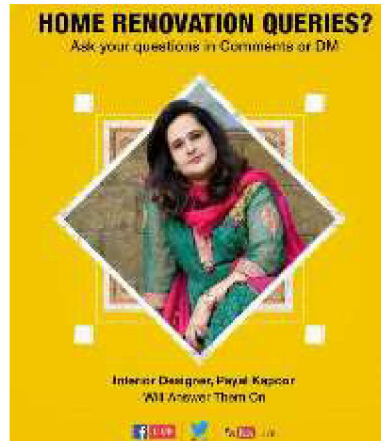
orientbell tiles
Industry Expertise Of Over 40 Years
To Help You Realise Your Dream Home
VISIT STORE



7C A few examples of driving reach & impact



7D Building brand with Social Media Using organic reach & impact



Facebook Live sessions
-Shrutika (Kia motors)
-Payal Kapoor



7F Focus on High Value Products (HVP), New Product Designs (NPD) & Displays

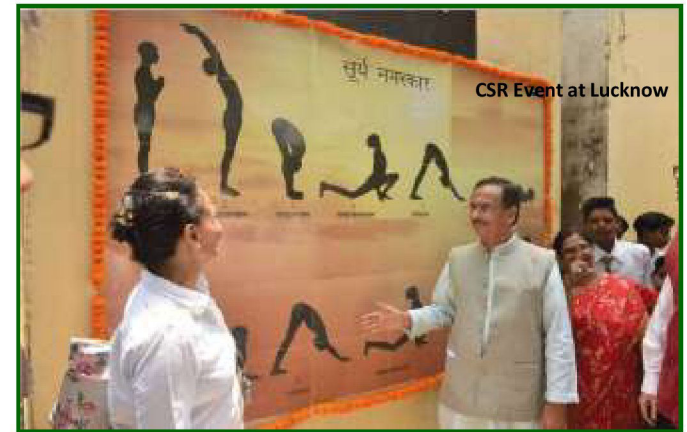
- HVP contribution to total sales improved to 40% during Q2FY20 vs. 39% in Q1FY20.
- NPD launches continue upgrading the range for our channel partners. In Q2FY20 the Company consolidated on earlier Q1 launches of Multiplica/Valencica and launched ~100 new SKUs across
 - Double charge: We introduced the river series & the larger size for DC
 - Duazzle: 10x15 ceramic tiles were produced for the first time at HSK especially for Southern states
- 9 new Orient Bell Tiles Boutiques (OBTBs) were added during H1FY20 in focus towns.



8 People Connect at OBL



9 OBL's Social Connect



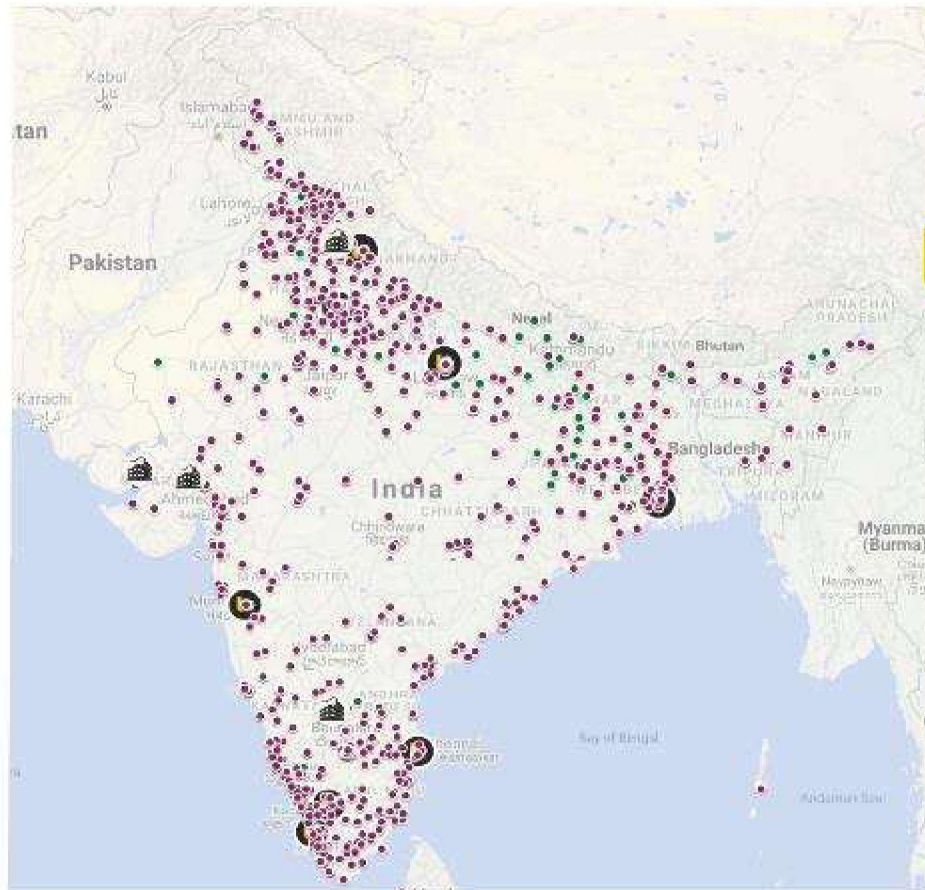
10 Awards & Accolades - Moment of pride for OBL



Our CEO, Mr. Aditya Gupta has been awarded with the title of "CEO with HR Orientation" presented by World HRD Congress at ZEE BUSINESS National Human Capital Leadership Congress & Awards ceremony conducted on 28th September 2019.



11 OBL Network and Facilities



A Network of
2500+
Channel Partners

- Franchise Owned Boutiques
- Channel Partners
- Company Owned Boutiques
- Plants

Orient Bell Limited – Investor Relations Contact

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Thank you