

OBL:HO:SEC:00:

New Delhi : 27.10.2021

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 PRESENTATION FOR THE QUARTER & HALF YEAR ENDED 30.09.2021

Dear Sir/ Madam,

Please find enclosed herewith Investor Presentation of Orient Bell Ltd. highlighting the performance of the Company during the quarter & half year ended on 30th September, 2021.

Kindly take the same on record.

Yours faithfully,

for Orient Bell Limited



Yogesh Mendiratta
Company Secretary & Head - Legal

Encl: as above

Orient Bell Limited



Quarterly Update

Investor Presentation
Q2FY22



Disclaimer

This presentation may contain certain forward-looking statements relating to Orient Bell Ltd. and its future business, development and economic performance. These statements include descriptions regarding the intent, belief or current expectations of the Company, its subsidiaries and associates and their respective directors and officers with respect to the results of operations and financial condition of the Company, subsidiary or associate, as the case may be.

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OrientBell Limited – a leading manufacturer of tiles



44

Years in
Ceramics Industry



5

3 State-of-the-art own Facilities
2 JV Facilities

- Sikandrabad, UP - 13.3 MSM
- Hoskote, KAR - 4.80 MSM
- Dora, GUJ - 2.40 MSM
- Morbi, GUJ - 10.0 MSM



+30

Million sqmt Annual
Capacity (including JV)



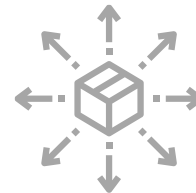
Strong Balance sheet with
Zero Net Debt



3,000+

SKUs

- Ceramic
- Vitrified
- Double Charge
- Cool Tile
- Pavers
- Germ Free Tile
- Anti Static
- Big Slabs
- Scratch Free



249

Tile Boutiques
(Experience Centre)



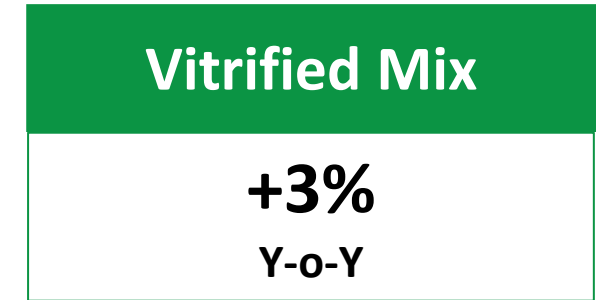
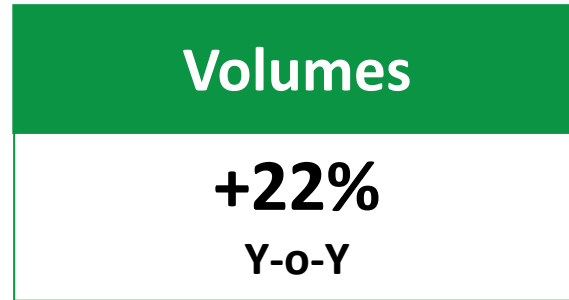
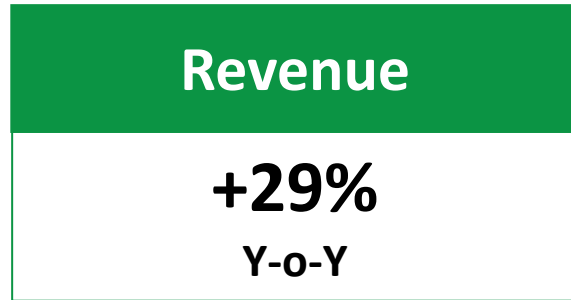
2000+

Business Partners

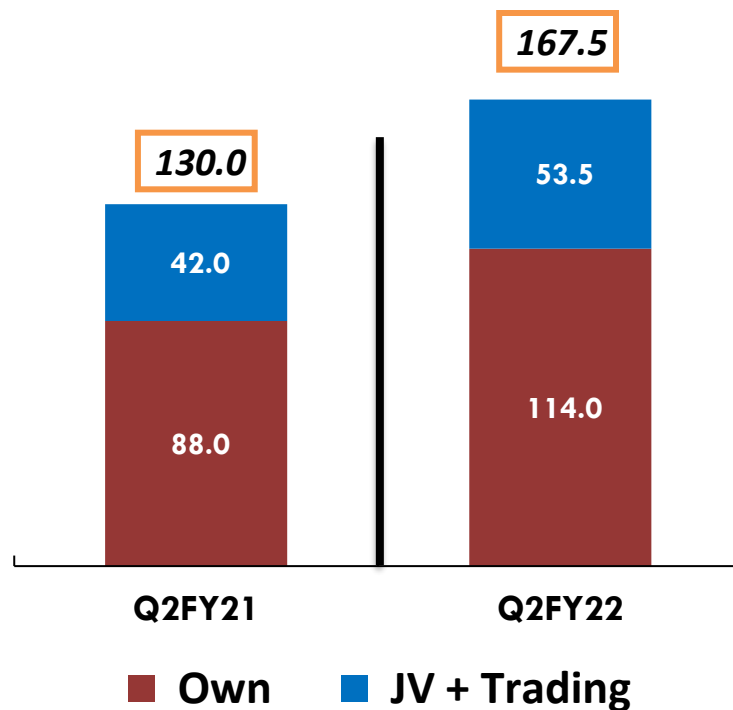
Business Environment – Q2FY22

- Domestic Demand revival significantly better than initial expectations – clear preference for branded products.
- Morbi –
 - Export order flows remained robust though physical exports impacted due to non-availability of containers/ higher ocean freights and closure of certain geographies post Covid resurgence.
 - Temporary shutdowns announced in Q2 to realign supply with offtake.
 - Capex projects announced in the past expected to be delayed as well.
- Significant & Consistent cost escalation in all inputs – Raw Material, Gas, Power, Logistics impacting margins and working capital cycles.
- Price increases taken though to offset impact of rising costs.

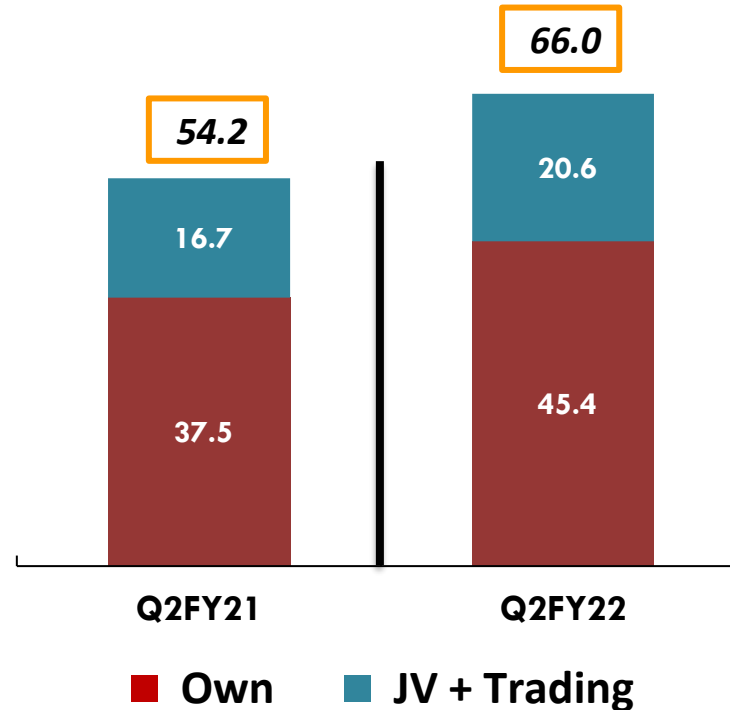
Q2FY22 – Revenue Development



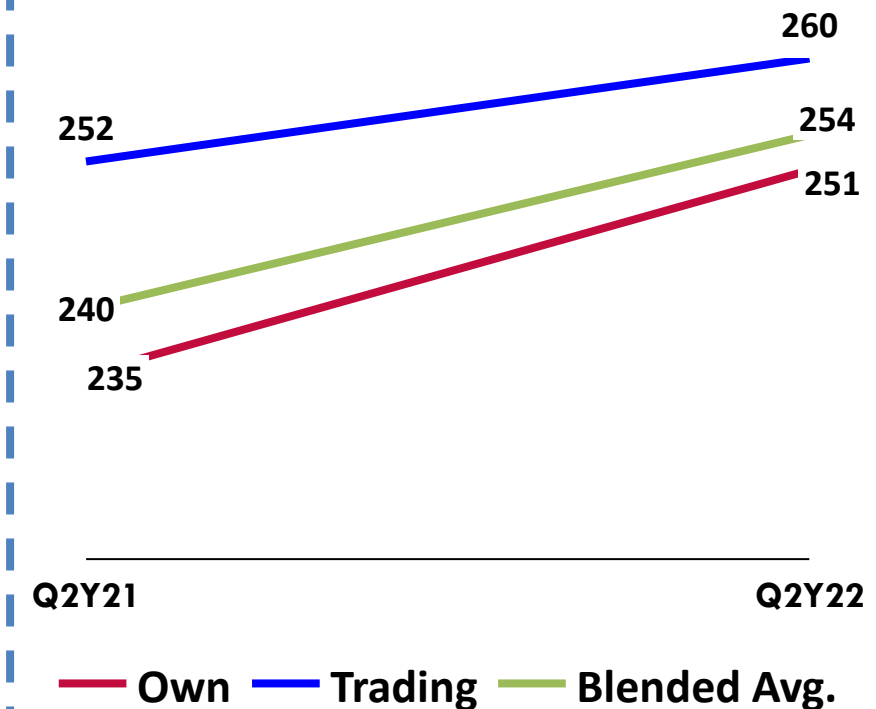
Revenue (Rs Cr.)



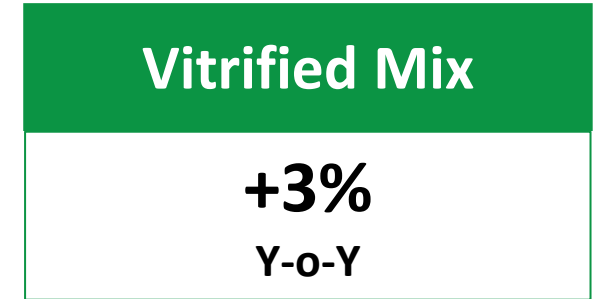
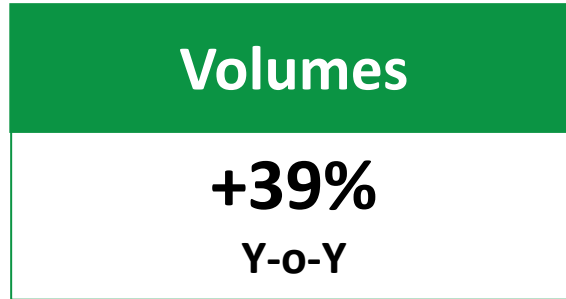
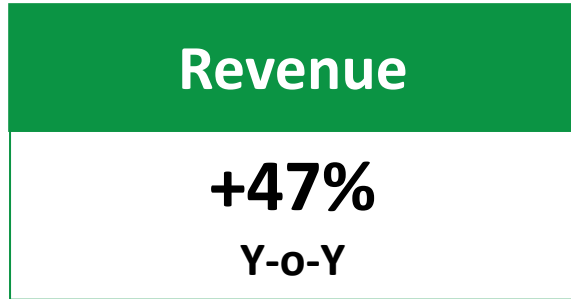
Volume (Lac m²)



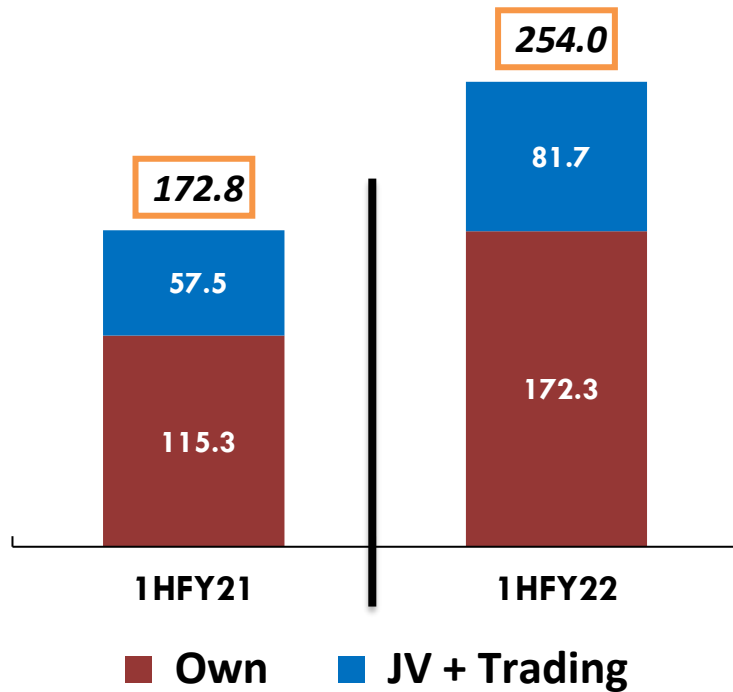
ASP (In Rs. per m²)



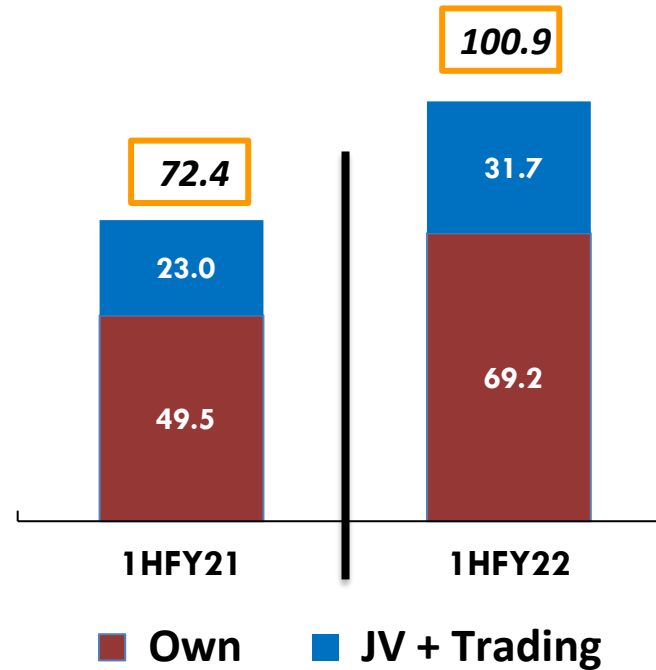
1HFY22 – Revenue Development



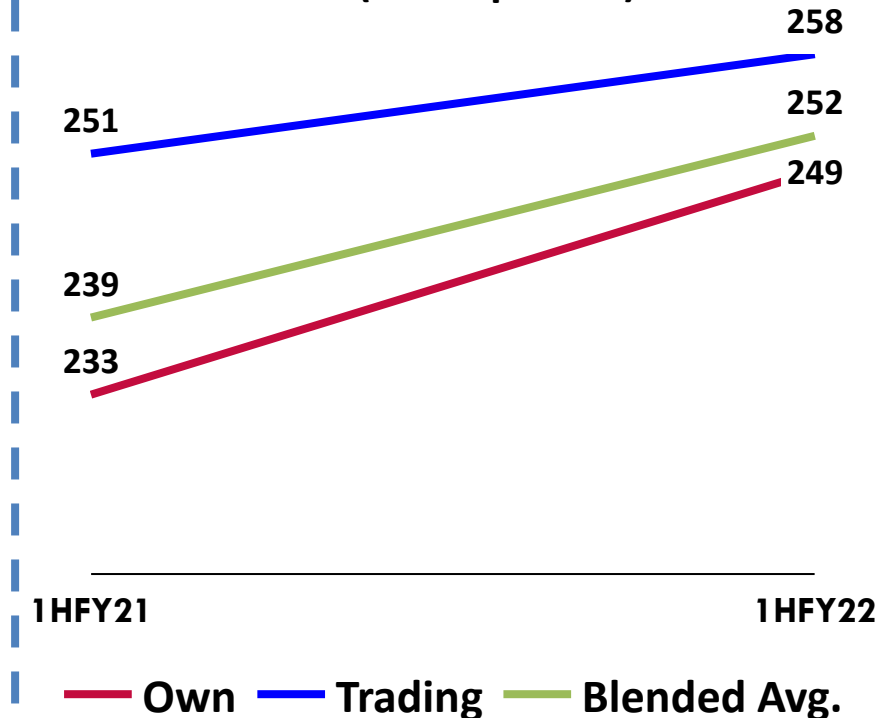
Revenue (Rs Cr.)



Volume (Lac m²)



ASP (In Rs. per m²)



Operational Highlights of Q2FY22

People

- Continued to invest on people - 83 new Joinees.
- Learning & Development – Training Man Hours crossed 2000 in 1HFY22.
- Zero major accidents.

Product

- Filling up profitable portfolio gaps – 800x1600, Hi depth Elevation and pavers Launched.
- ~180 new SKUs launched in Q2FY22, found increasing acceptance with CPs.
- Successful Launch of #Actually Scratch Free campaign for Forever tile.

Brand Building

- Marketing Investments increased further – more than DOUBLED vs. Q2FY21 and also increased sequentially by ~90%.

Sales

- ASP up 6% y-o-y and 2% sequentially – reflects improving end consumer profile.
- Vitrified ratio improved by 3% vs LY Q2.
- 11 net OBTB's added. Total Active Count is now 249.
- Ashwamedha Project 3.0 – 128 CPs added/revived.

Manufacturing

- Capacity Utilization +91%.
- Modernization of MP-1 Wall plant (adding 0.7 MSM capacity p.a.) expected to be completed in Q3FY22.
- Project for Debottlenecking of MF-4 (adding 0.7 MSM capacity p.a.) on target.

**Ashwamedha – CP addition project*

Consolidated Abridged Income statement

(Rs. Crore)	Quarter Ended			1H Ended		
	Q2FY21	Q2FY22	Y-o-Y	1HFY21	1HFY22	Y-o-Y
Revenue from Operations	130.4	167.7	28.6%	173.1	254.4	47.0%
Other Income	0.5	0.6	24.3%	3.5	1.3	-62.3%
Operating Expenses	120.3	152.5	26.7%	174.8	243.6	39.3%
EBITDA	10.6	15.9	50.8%	1.8	12.1	583.2%
EBITDA Margin%	8.1%	9.5%	1.4%	1.0%	4.8%	3.7%
Depreciation and Amortisation	5.1	4.7	-8.2%	10.1	9.3	-7.9%
EBIT	5.5	11.2	106.1%	-8.4	2.8	133.5%
Interest and Financial Charges	1.5	1.1	-28.4%	3.3	2.3	-31.2%
Share of profit/(loss) of Associates	0.4	0.4	23.4%	0.0	0.3	1667.4%
Profit Before Tax(PBT)	4.3	10.6	147.1%	-11.7	0.9	107.7%
PBT Margin %	3.3%	6.3%	3.0%	-6.7%	0.4%	7.1%
Tax Expenses	1.0	1.8	89%	-3.6	-2.7	25.3%
Profit After Tax(PAT)	3.3	8.7	164.0%	-8.1	3.6	143.9%
PAT Margin %	2.5%	5.2%	2.7%	-4.7%	1.4%	6.1%

- ASP increased not only a y-o-y basis by 6% but also sequentially over Q1FY22 by 2%.
- Concerted efforts on consumption KPI's and improved Capacity Utilizations also helped improve margins vs. last year.

Consolidated Abridged Balance Sheet

(Rs. Crores)

Liabilities	Year ended	
	Sep 30, 2021	March 31, 2021
Equity Share Capital	14.4	14.4
Other Equity	239.3	234.9
Net Worth	253.7	249.3
Borrowings	13.5	31.8
Trade Payables	88.6	99.2
Other Liabilities	43.4	46.2
Liability for Lease Assets	7.1	8.0
Total Liabilities	406.5	434.5

Assets	Year ended	
	Sep 30, 2021	March 31, 2021
Property Plant and Equipment	203.0	201.1
Lease Assets	5.1	6.0
Investments	8.0	7.6
Inventories	65.0	60.2
Trade Receivables	80.9	92.6
Cash & Cash Equivalents	28.9	50.9
Others Assets	15.7	16.0
Total Assets	406.5	434.5

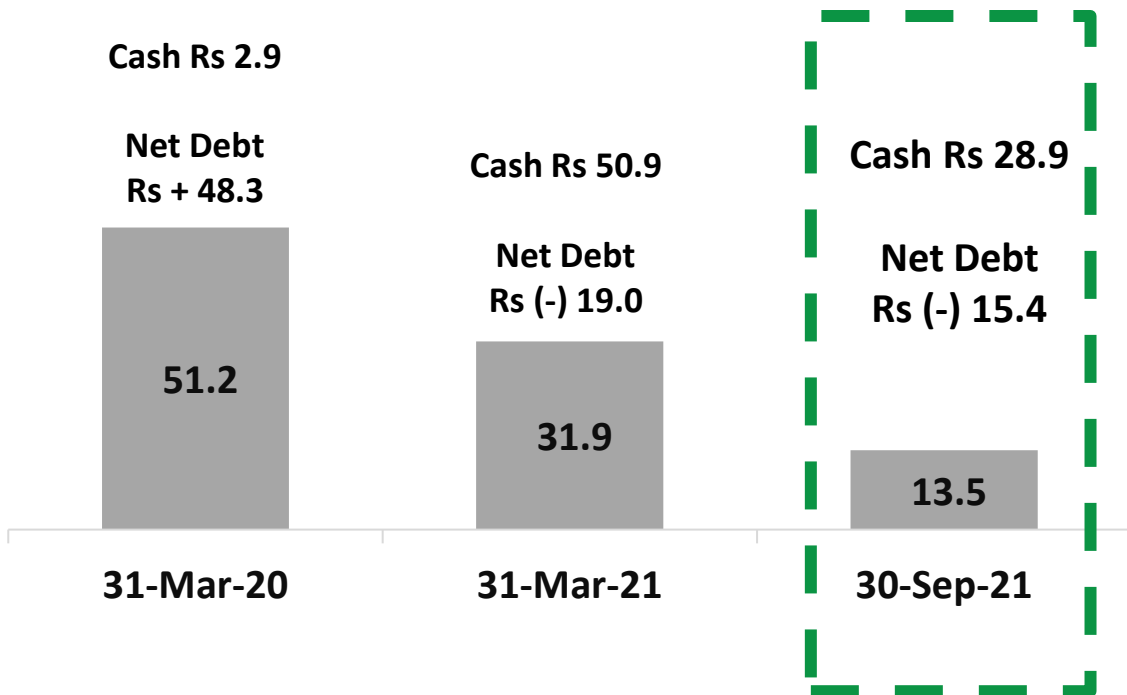
Note :

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.

Debt & Working Capital

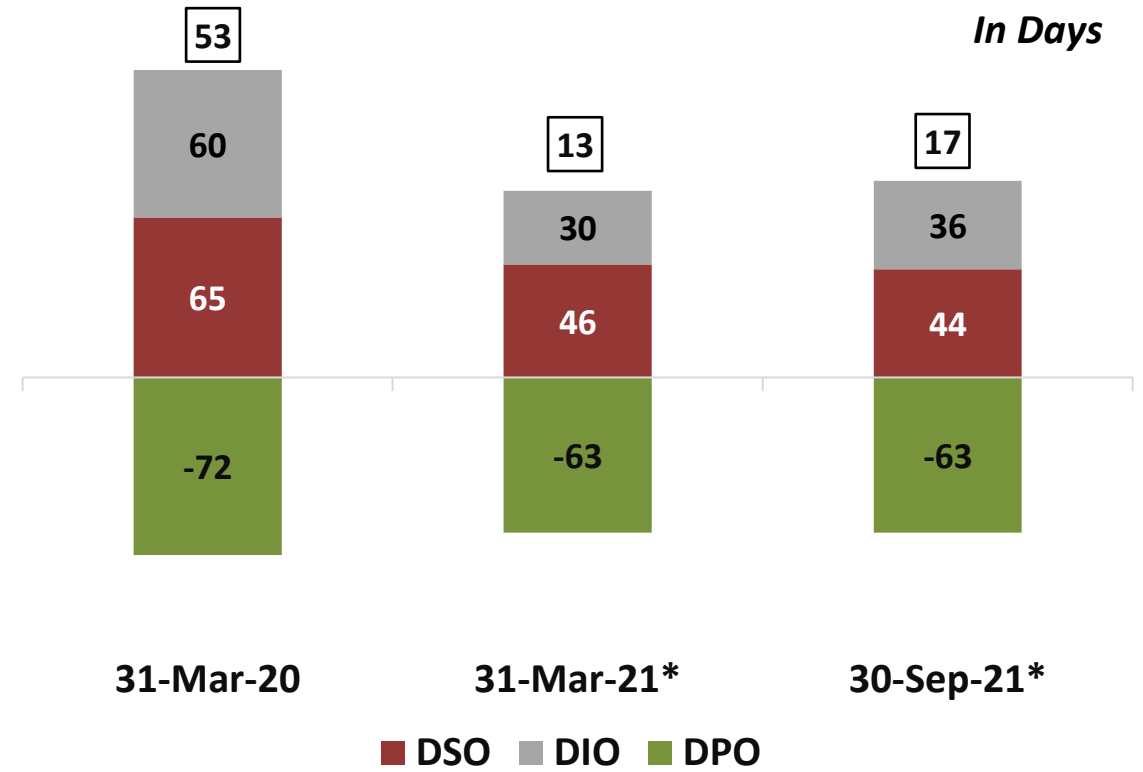
Debt

Rs. Crores



Working Capital

In Days



*based on quarterly Sales/COGS as applicable

- Cash Conversion cycle continues to be < 20 days.
- Debt reduction continued in Q2FY22 despite increased strategic investments towards capex and branding – we also continued to remain “NET CASH POSITIVE”.

We continue to invest in GROWTH & EFFICIENCY

- **Projects Announced in last 1 year to strengthen our own facilities at Sikandrabad for catering to our existing markets of North & East :**
 - ✓ Restart of MF-2 (Ceramic Floor) – 1.1 MSM capacity with Capex of Rs. 5 crores – Completed.
 - ✓ Modernization of MP-1 (Ceramic Wall) – incremental 0.7 MSM capacity with Capex of < Rs. 10 Crores – Under Progress, should be completed within Q3FY22.
 - ✓ Debottlenecking MF-4 (GVT Floor) – incremental 0.7 MSM capacity with Capex of < Rs. 11 Crores – Under Progress, should be completed by Q1FY23.
- **New Capex Projects Approved with focus on Bigger + High Growth Markets of South & West :**
 - ✓ Conversion of Dora plant from Ceramic Floor to Vitrified Floor – to be completed by Q1FY23.
 - ✓ Upgradation of Line-1 at Hoskote plant (Ceramic) – to be completed by Q3FY23.

Total Capex Involved for these new projects ~**Rs. 42 Crores** and creates an opportunity for further “Scale Up” - incremental volume potential of ~**3 MSM p.a.** in South & West where traditionally OBL had a lower RMS.

With this total investments announced so far ~Rs. 68 crores to unlock incremental ~5.5 MSM p.a. volume potential from own manufacturing locations.

Build Brand Awareness and Preference



Consumers today spend more time on their mobiles than on TV.

Our brand-building approach is to meet consumers where they are with content that they can engage with.

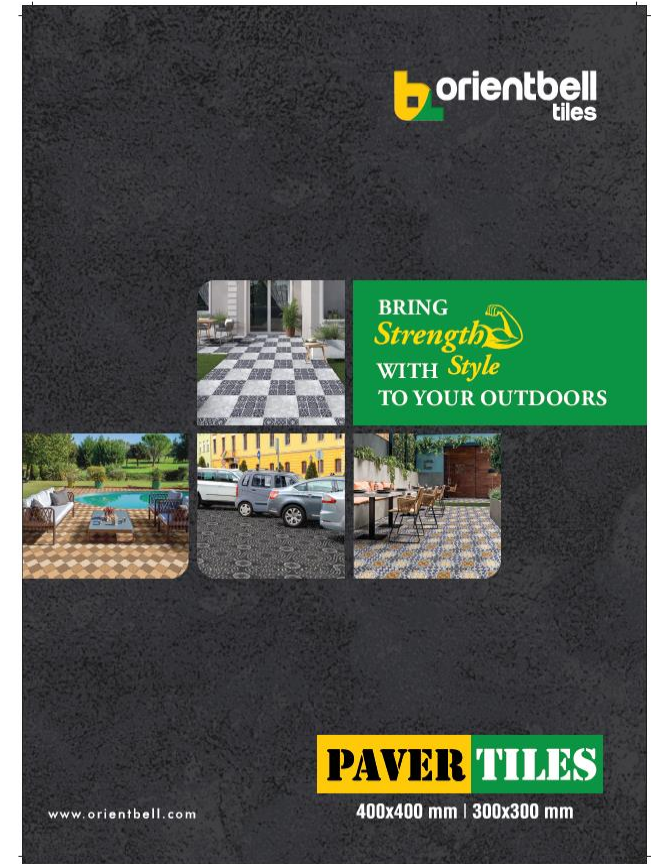
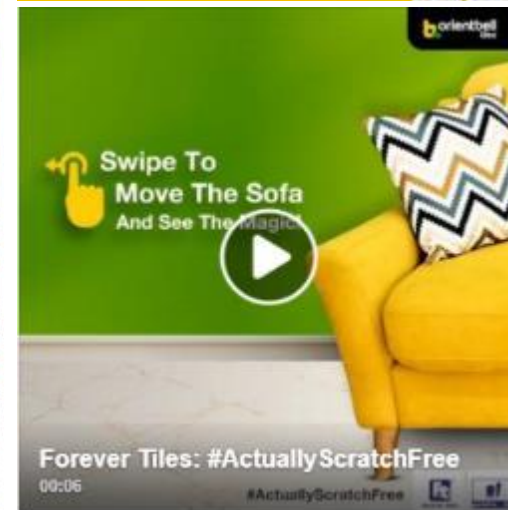


https://youtu.be/mM0-bQwB_tY

- ✓ 90-sec video gets 3.5+ Million views.
- ✓ 1500+ shares, high engagement.
- ✓ Released in 5 languages.

NPD's:

Inspire 800x1600 & Art, Hi-Depth Elevation, Pavers, Forever Tiles



Driving People Excellence Across Functions



Historical Financial performance



Historical consolidated profit & loss statement

(Rs. Crores)

Header	FY19	FY20	FY21
Revenue from operation	571.1	492.3	502.5
Other Income	1.9	5.3	1.9
Cost of Goods Sold	256.7	236.3	238.9
Employee Benefit Expense	75.7	73.6	79.2
Other Expenses	201.8	156.4	149.2
Total Operating Expenses	534.1	466.2	467.3
EBITDA	39.0	31.3	37.0
EBITDA margin	6.8%	6.4%	7.4%
Interest	8.7	8.1	5.7
Depreciation	16.5	20.6	20.6
Share of profit/(loss) of Associates	0.4	0.3	0.7
Exceptional Item	-	-	-
PBT	14.1	2.9	11.4
Tax Expenses (Credits)	4.8	-4.2	3.8
PAT	9.3	7.1	7.7
PAT Margin	1.6%	1.4%	1.5%

Consolidated balance sheet

(Rs. Crores)

Header	Mar'19	Mar'20	Mar'21
Share Capital	14.2	14.3	14.4
Reserves	218.3	225.3	234.9
Shareholders' Funds	232.6	239.6	249.3
Long Term Borrowings	45.1	33.4	24.4
Lease Liabilities	-	7.9	6.1
Other Long Term Financial liabilities	10.4	10.5	11.2
Deferred Tax Liabilities	27.2	22.0	21.3
Long Term Provisions	2.4	1.5	1.8
Total Non-Current Liabilities	85.1	75.2	64.8
Trade Payables	70.9	77.3	97.2
Lease Liabilities	-	2.2	1.9
Other Current Liabilities	26.6	19.4	20.2
Short Term Provisions	0.6	0.4	1.1
Short Term Borrowings	43.0	6.0	-
Total Current Liabilities	141.0	105.3	120.3
Total Liabilities	458.7	420.2	434.4

Header	Mar'19	Mar'20	Mar'21
Fixed Assets incl. CWIP	239.8	225.5	201.1
Right-of-use assets	-	7.9	6.0
Non-Current Investments	6.7	7.0	7.6
Other Non Current Assets	4.1	4.0	6.0
Total Non-Current Assets	250.6	244.4	220.7
Inventories	85.5	80.6	60.2
Trade Receivables	116.2	86.9	92.6
Cash and Bank	3.5	3.0	51.0
Other Current Assets	2.9	5.3	9.9
Total Current Assets	208.1	175.8	213.7
Total Assets	458.7	420.2	434.4

Thank You

Orient Bell Limited

Mr. Himanshu Jindal – CFO

Mr. Ashish Kapur – AGM Treasury, Investor Relations & Corporate Finance

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