



## Investor Presentation Q4 & FY 2016-17



**STERNHAGEN**  
GERMANY

May 25, 2017



German Engineered

## Disclaimer

*This presentation may contain statements which reflect Management's current views and estimates and could be construed as forward looking statements. The future involves certain risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product & pricing pressures and regulatory developments. Responses can only be given to questions which are not price sensitive.*

# Content



# Economic Environment

# Economic Environment

- ❑ Economy gained momentum towards the end of the year and modest improvement witnessed in the domestic macro business environment
- ❑ GDP growth expected to be about 6.7% in FY17 about 1% lower than the previous year
- ❑ Demonetization in Nov'16 hurt the overall demand in domestic market however slight recovery seen towards end of last quarter
- ❑ Commodity prices showing upward trend in the last 2 quarters
- ❑ Rupee has strengthened significantly in the last quarter, 5.4% appreciation vis-à-vis dollar since January 2017
- ❑ Indian economy expected gain by strong capital inflows, driven by global liquidity and partly by the expected improvement in the Indian economy
- ❑ GST expected to bring radical change in tax collection and tax administration, however, it may have some adverse impact on domestic businesses in initial few months.

# Company Overview

# Introduction



Incorporated in 1987



Markets its products under the brand names “**CARYSIL**” & “**STERNHAGEN**”.



IMS (Integrated Management System) Certification for ISO 9001:2008, ISO 14001:2004 OHSAS 18001:2007 management systems and other international product certifications.



Exports to more than 43 countries worldwide and enjoys No. 1 position in India in Granite Sink Manufacturing & Sales



“Carysil” products are distributed across PAN India through more than ~ 1000 dealers, ~ 65 Galleries, 100 new Galleries planned to open in next 3 years.



Exclusive “Carysil” product galleries in major cities of India.

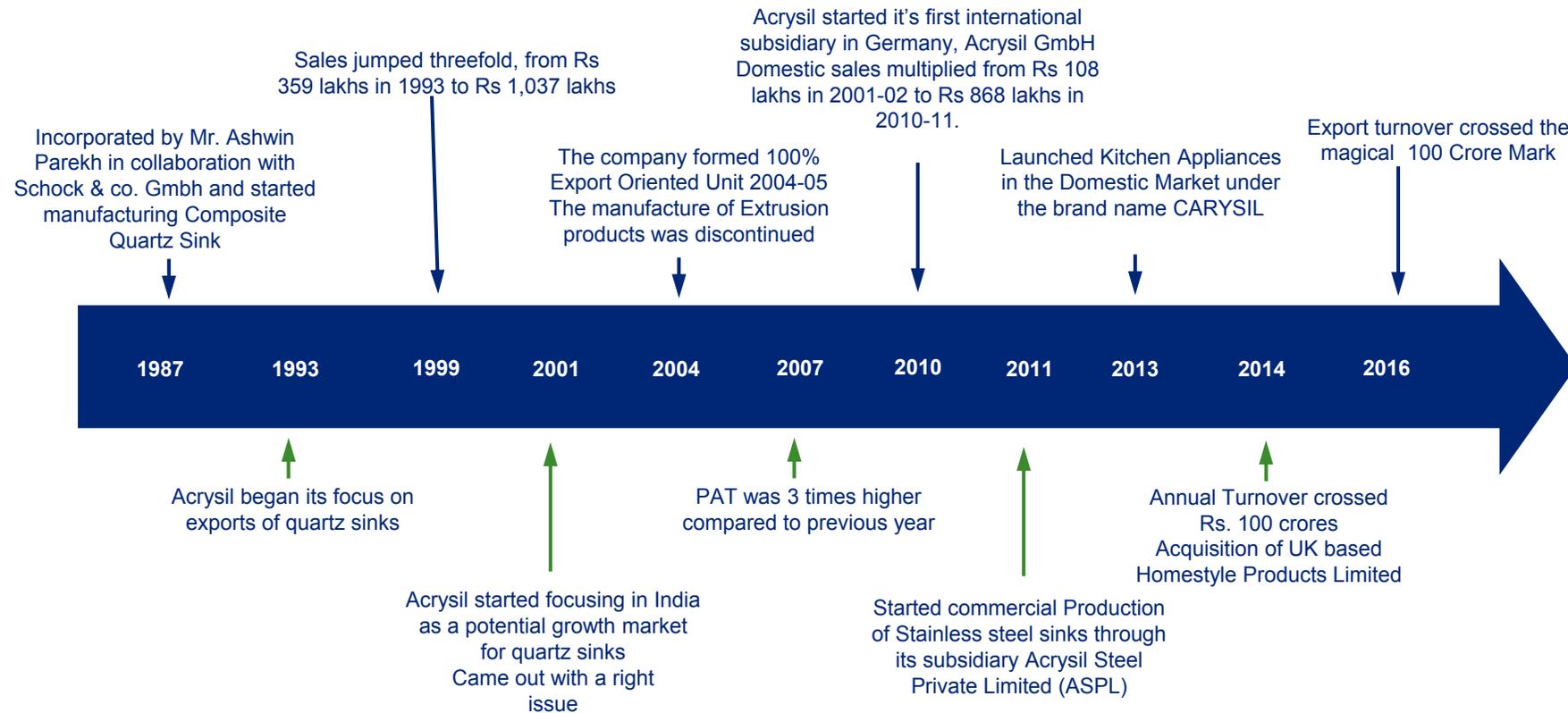


India’s first state of art Show Room cum Experience Center opened in Ahmedabad and Mumbai for display of Sternhagen products



Spreading its wings across the globe, planning to open global offices in US, Europe, UAE.

# Journey



**Today, it is India's only indigenous brand of kitchen sinks made of Quartz**

# Board of Directors Profile

## **Shri Chirag A. Parekh, Chairman & Managing Director**

- Shri Ashwin Parekh laid the foundation of Acrysil. Shri Chirag Parekh has magnificently steered from 2008 to bring Acrysil as one of the top Granite Sink manufacturing Companies in world .
- He heads the company as a Managing Director since 2008.

## **Shri Jagdish R. Naik, Independent Director**

- A Chartered Accountant, was a partner in a reputed firm of Chartered Accountants of M/s S.V. Ghatalia & Associates for about nine years from 1983 to 1992. Advising companies on corporate matters including Amalgamation, Demerger, Joint Ventures, Business Valuation, Income Tax and Company Law matters.
- He has rendered services as director and Corporate Advisor to reputed Companies.

## **Shri Ajit R. Sanghvi, Independent Director**

- A Chartered Accountant, having extensive experience in financial service industry & stock brokering.

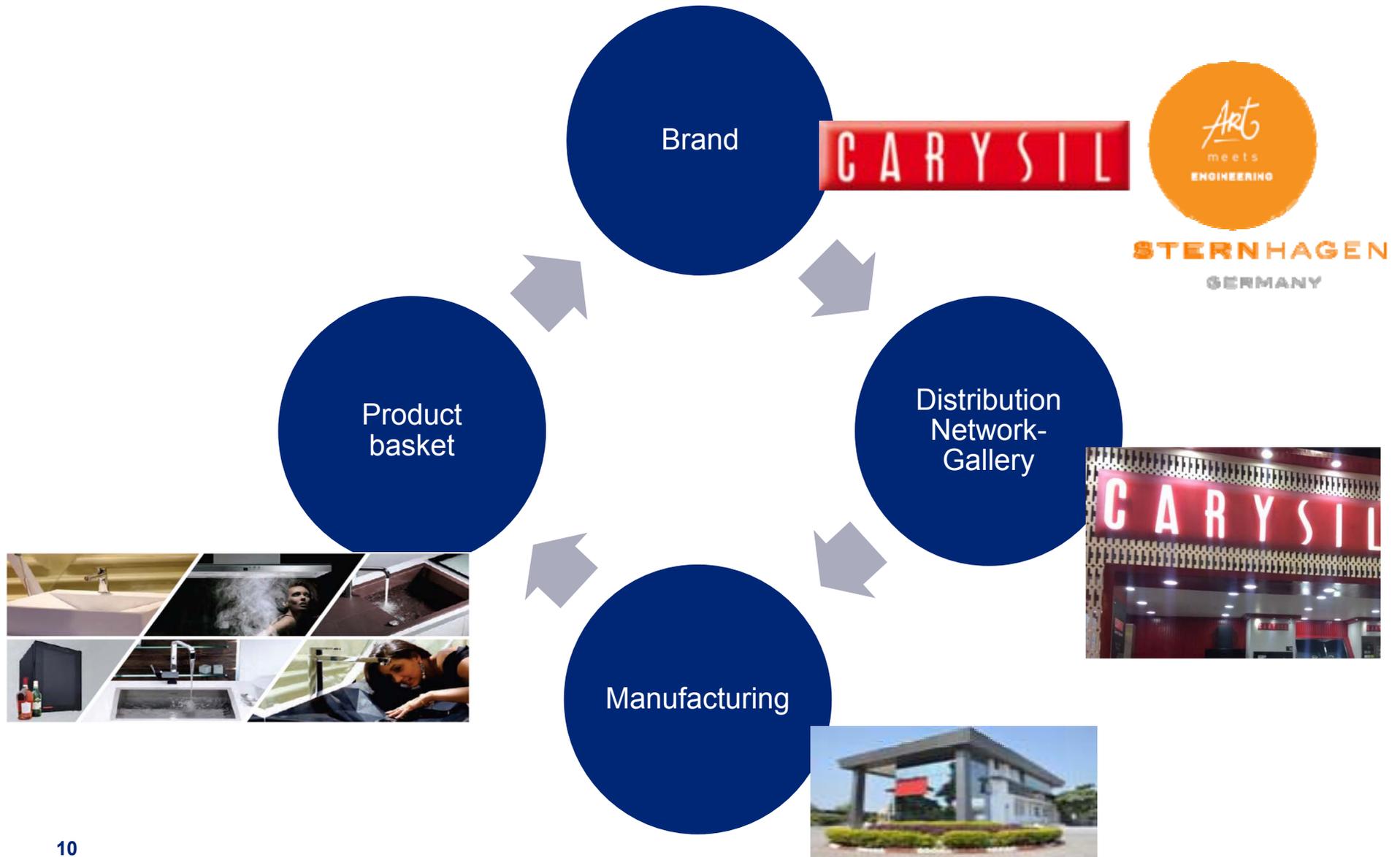
## **Shri Pradeep H. Gohil, Independent Director**

- A highly qualified professional, he has been associated with various Companies.
- He is having experience in the field of Chemical Engineering for more than 35 years.

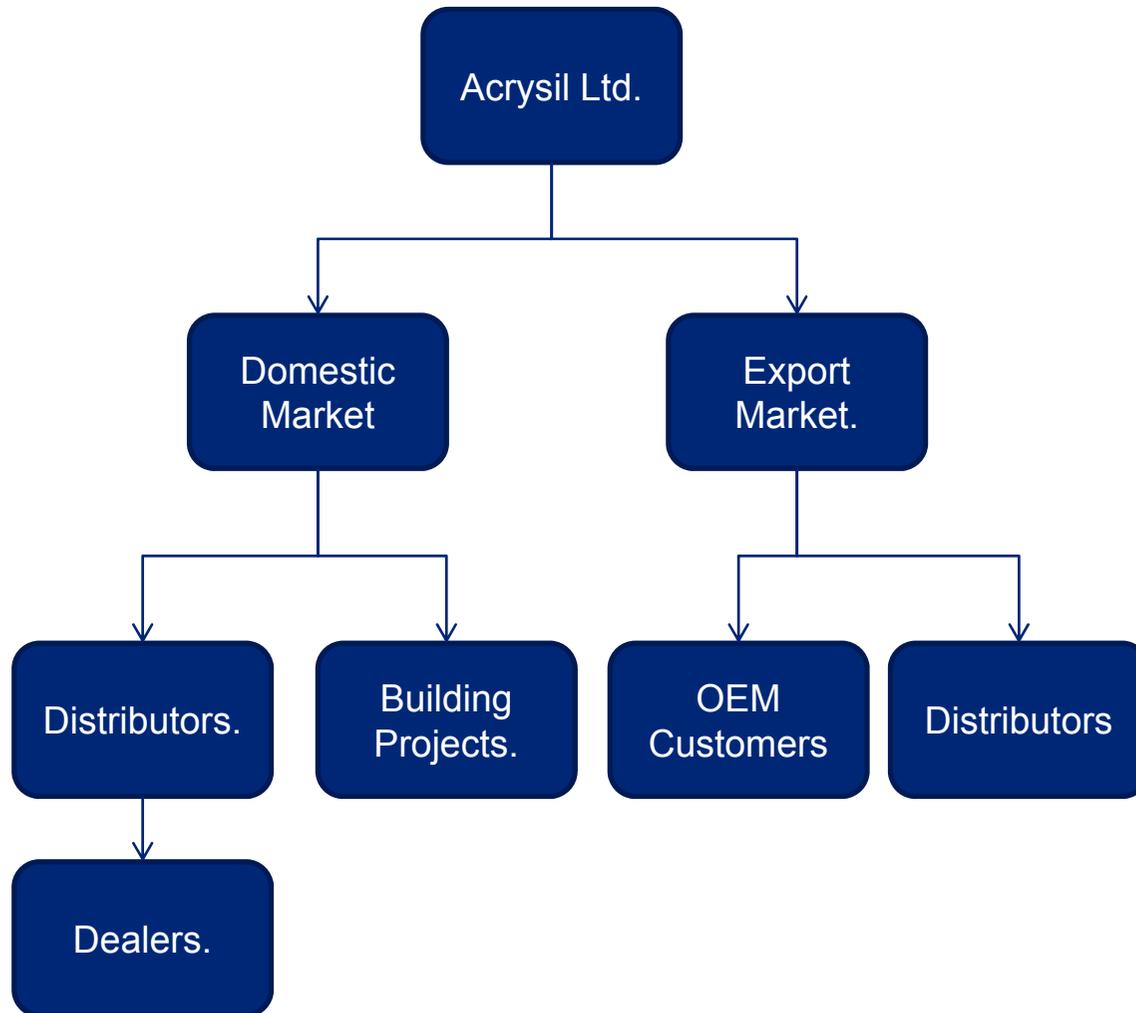
## **Dr. Sonal V. Ambani, Independent Director**

- She holds Bachelor's Degree in Chemistry , MBA in Marketing & Finance and Ph. D in Business Management.
- She has worked as an assistant Vice President in Morgan Stanley Dean Witter.
- She is Director and Curator of Samara Art Gallery.

# A Premier Kitchen Sink and Appliances Company

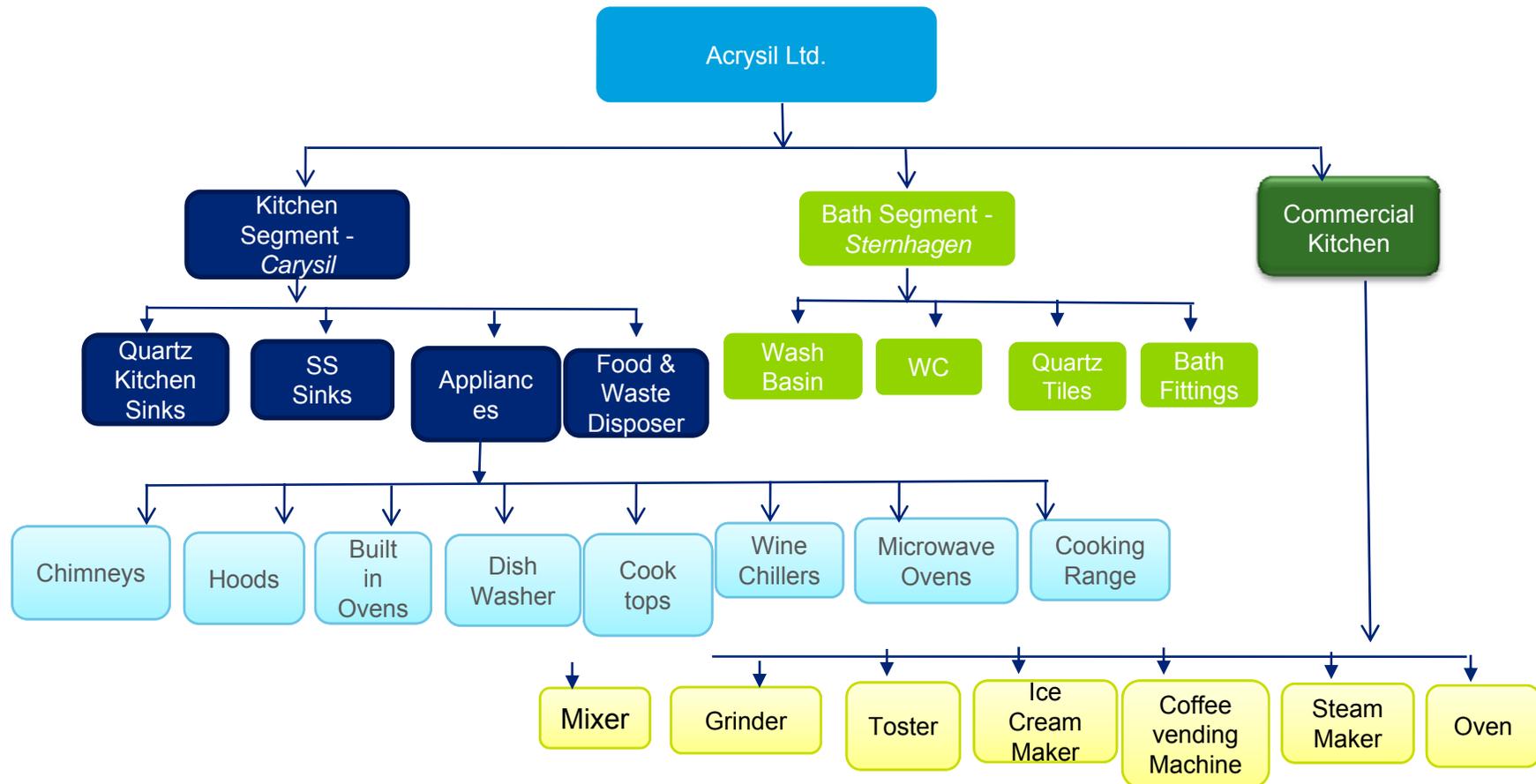


# Product Sales & Marketing

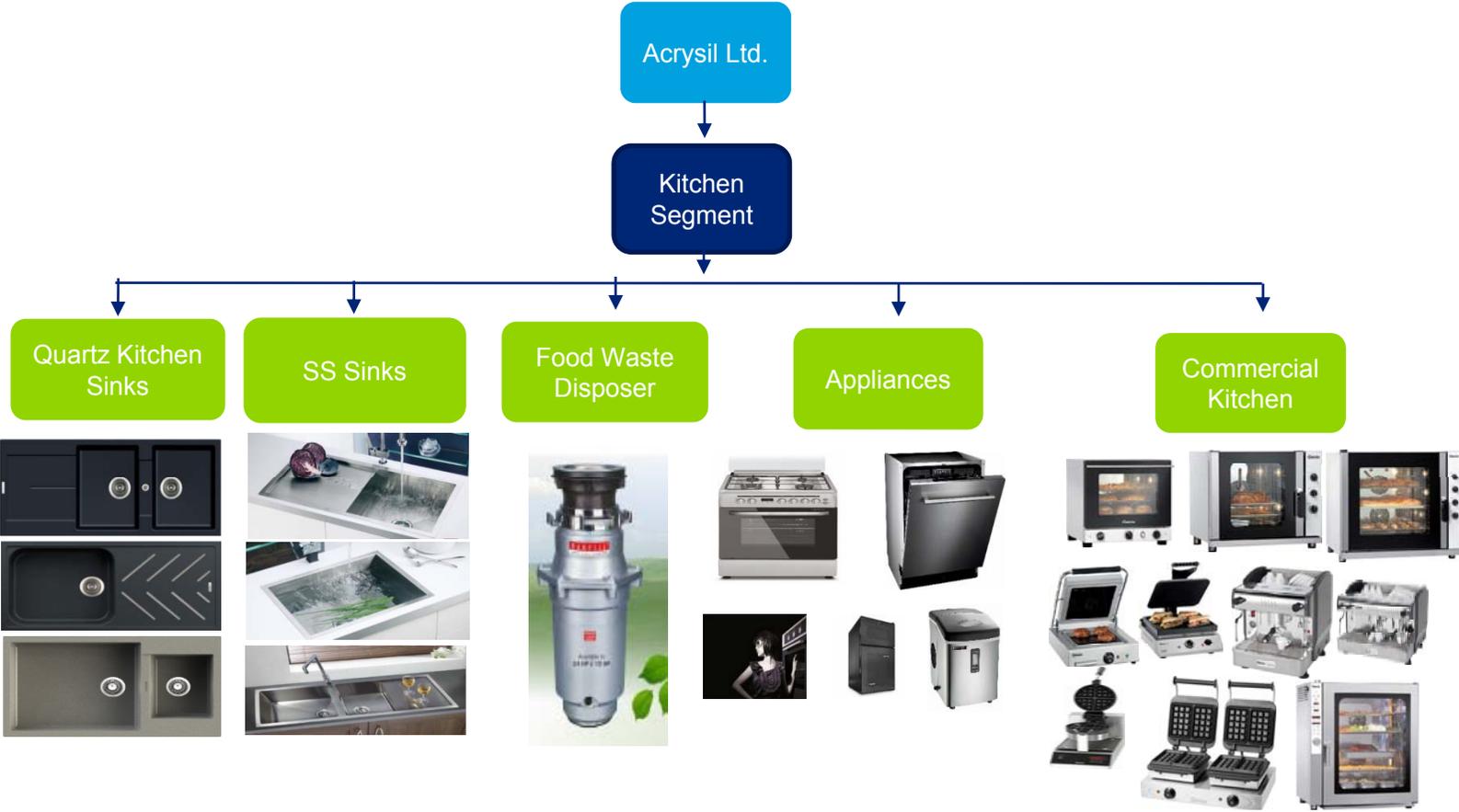


- Domestic Market
  - ~1000+ dealers
  - Galleries ~ 65
  - ~100 new galleries planned to be opened in next 3 years
- For Export market
  - Acrysil is having OEM customers and Brand distributors.
  - Major markets are USA, France, Germany, Canada, China etc

# Product Portfolio



# Products in Kitchen Segment



# Products in Bath Segments



- **Sternhagen** products ranges comprises of sanitary ware, bathroom fittings from Germany.
- **Sternhagen** washbasins are made from Sani-Q. All washbasins are designed by EMAMIDESIGN.

Since its establishment, EMAMIDESIGN won 52 international awards, among them the Red Dot Award (Best of the Best), iF Design Germany (Gold) and the German Design Award.



Düne



Seerose



Golden Cut



Kristall

- **Sternhagen** faucets incorporate unique design and innovative technologies for water. The efficiency of mixers allows natural resources to be managed responsibly, with technologies aimed at saving water and energy, the use of food compatible materials and low lead content brass.



Fluss



Kubus



Jugend



Bogen



## Global Foot print

Company presently exports to over 43 countries. Plan to expand further by acquiring new customers and penetrating in new geographies.



- Customer Relationship - 41
- Group Company Operation - 3
- Target Customer Relationship in next three years - 13

# Recognitions

## Awards & Accomplishments



Award Certificate - Manufacturing Innovation & Design



IPF Fastest Growing Manufacturing Company Award.



FGI's Award - Best Exports Performance & Promotion.



Certificate for best CSR Practices by Rotary Club.



FGI's Award - Good Industrial Relations



iF design Award to Sternhagen Sani Q kristall wash basin.

# Financial Highlights

# Financials : FY 2016-17

PARTICULARS (Rs. Lacs)	Standalone			Consolidated		
	FY 2016-17	FY 2015-16	Growth %	FY 2016-17	FY 2015-16	Growth %
Revenue From Operations	14169.73	13886.15	2.0%	18130.96	17382.51	4.3%
EBITDA	2295.47	2051.05	11.9%	3173.7	3117.96	1.8%
EBITDA-%	16.2%	14.8%	XXXX	17.5%	17.9%	XXXX
Finance Cost						
>Interest	492.29	485.67	1.4%	704.93	675.41	4.4%
> Foreign Currency Fluctuation Loss**	-	-	-	315.24	124.06	154.1%
Depreciation	482.76	458.67	5.3%	567.19	543.09	4.4%
PBT**	1320.42	1106.71	19.3%	1586.36	1775.4	-10.6%
PBT-%	9.3%	8.0%	XXXX	8.7%	10.2%	XXXX
PAT	832.11	705.06	18.0%	1006.47	1214.55	-17.1%
PAT-%	5.9%	5.1%	XXXX	5.6%	7.0%	XXXX

\*\*Consolidated PBT in FY 2016-17 is lower than FY 2015-16, mainly due to exchange loss of Rs.315.24 Lacs suffered by the Company , On US Dollar borrowing , due to depreciation of Sterling Pound against USD, post BREXIT.

## Revenue Growth-FY 2016-17

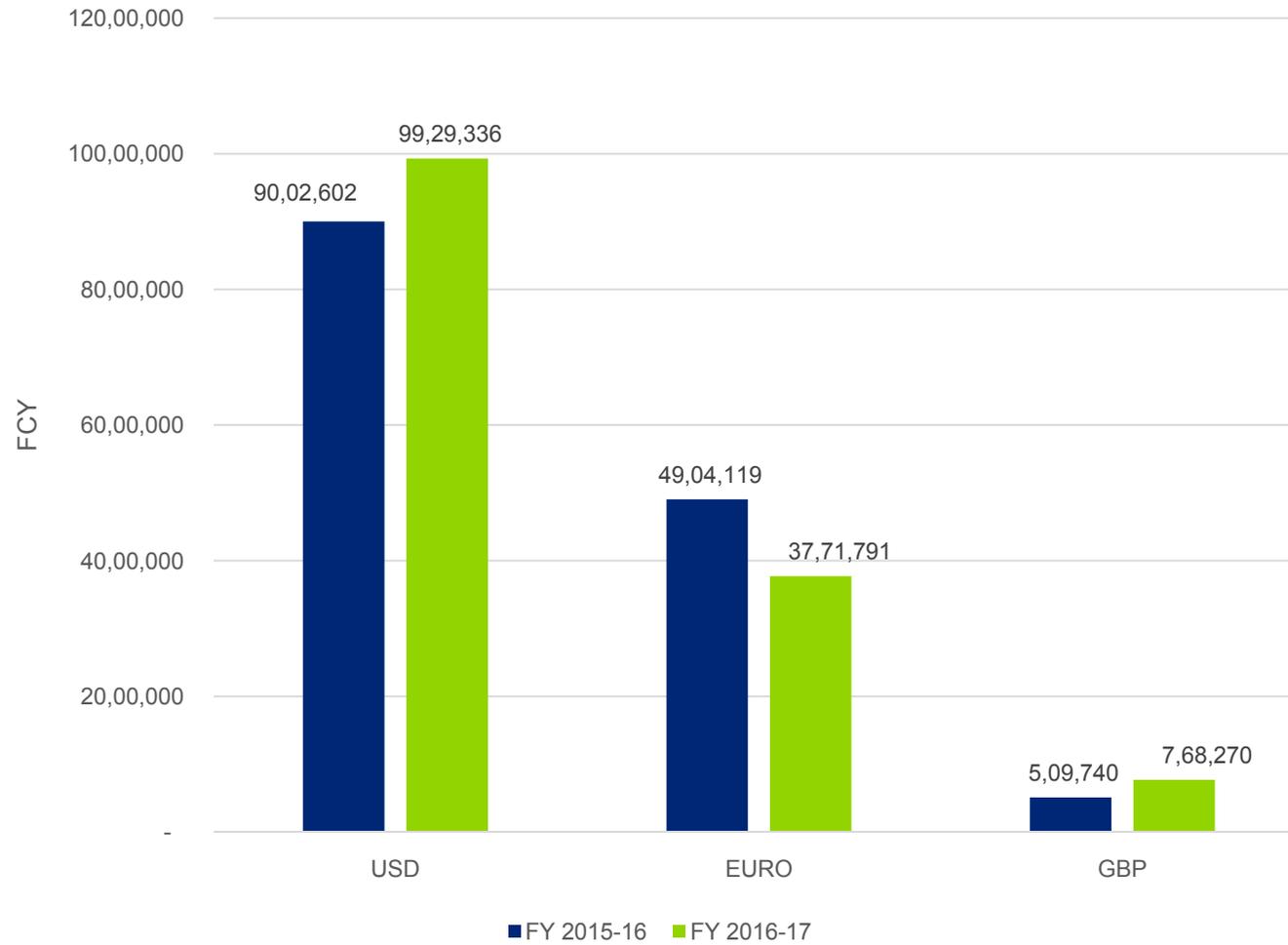
<b>Segment wise Revenue (Indian Business)</b>			
	Rs Lacs		
<b>PARTICULARS</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>	<b>Growth %</b>
Granite Sink	12,215	11,937	2.3%
Steel Sink	1,507	1,305	15.5%
Appliances, F&F	1,488	1,009	47.4%
<b>Total</b>	<b>15,210</b>	<b>14,251</b>	<b>6.7%</b>

<b>Geography Wise Revenue (Indian Business)</b>			
	Rs Lacs		
<b>PARTICULARS</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>	<b>Growth %</b>
Export Sales	10,148	10,099	0.5%
Domestic Sales	5,062	4,152	21.9%
<b>Total</b>	<b>15,210</b>	<b>14,251</b>	<b>6.7%</b>

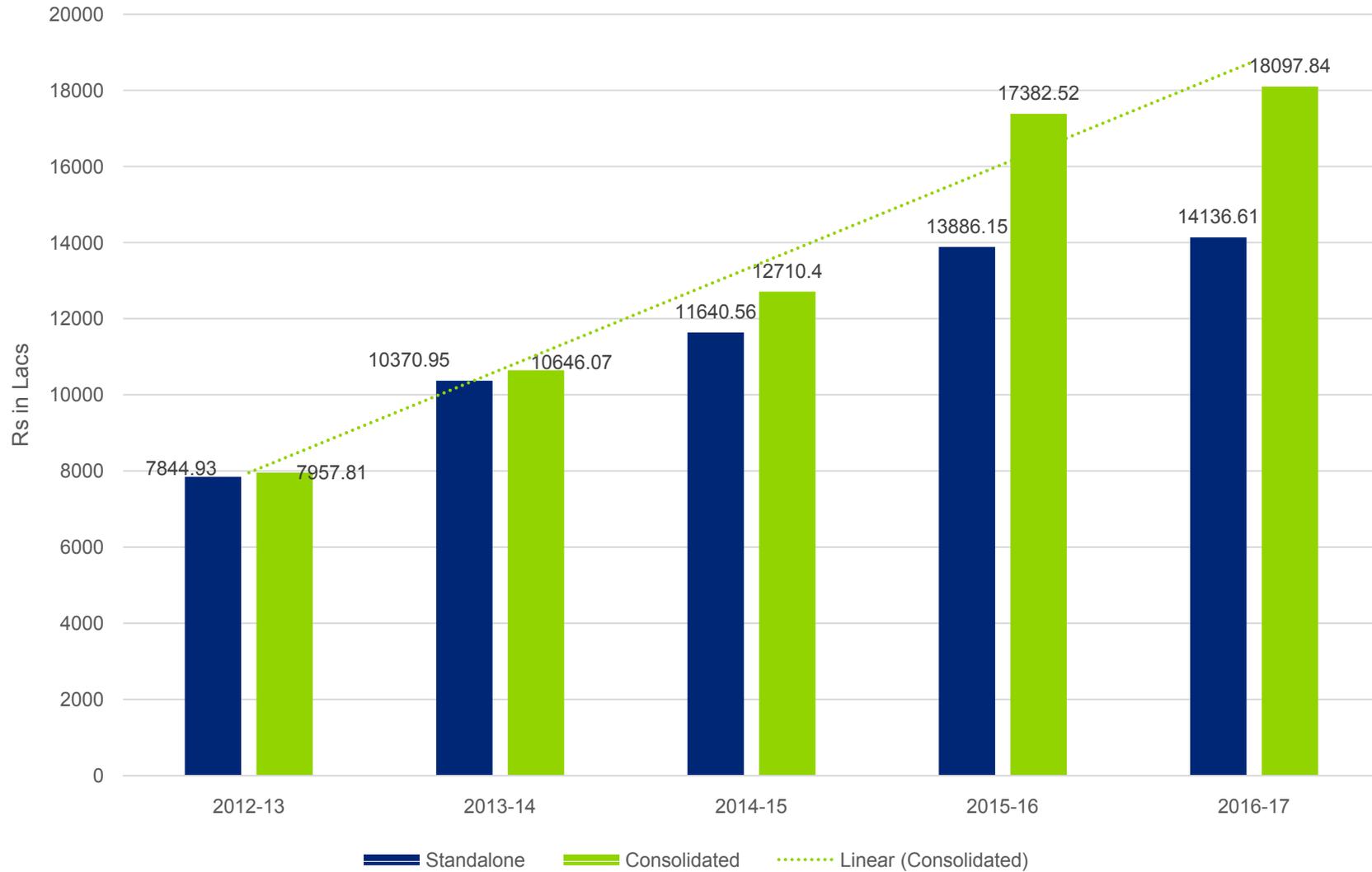
# Financials-FY 2016-17(UK Subsidiary)

<b>HOMESTYLE PRODUCTS LTD</b>			
<b>Particulars</b>	<b>Amt in GBP</b>		<b>% Growth</b>
	<b>FY 2016-17</b>	<b>FY 2015-16</b>	
<b>Sales/ Income From Operation</b>	3,878,418	3,393,918	14.3%
<b>EBIDTA</b>	817,040	699,536	16.8%
<b>EBIDTA %</b>	21.07%	20.61%	XXXX
<b>PBT</b>	805,056	688,131	17.0%
<b>PBT %</b>	20.76%	20.28%	XXXX
<b>PAT</b>	740,865	548,583	35.1%
<b>PAT %</b>	19.10%	16.16%	XXXX
<b>Note: Homestyle Products Ltd (Subsidiary) revenue grown by 14.3% and profit by 35.1% in FY 16-17 as compared to FY 15-16.</b>			

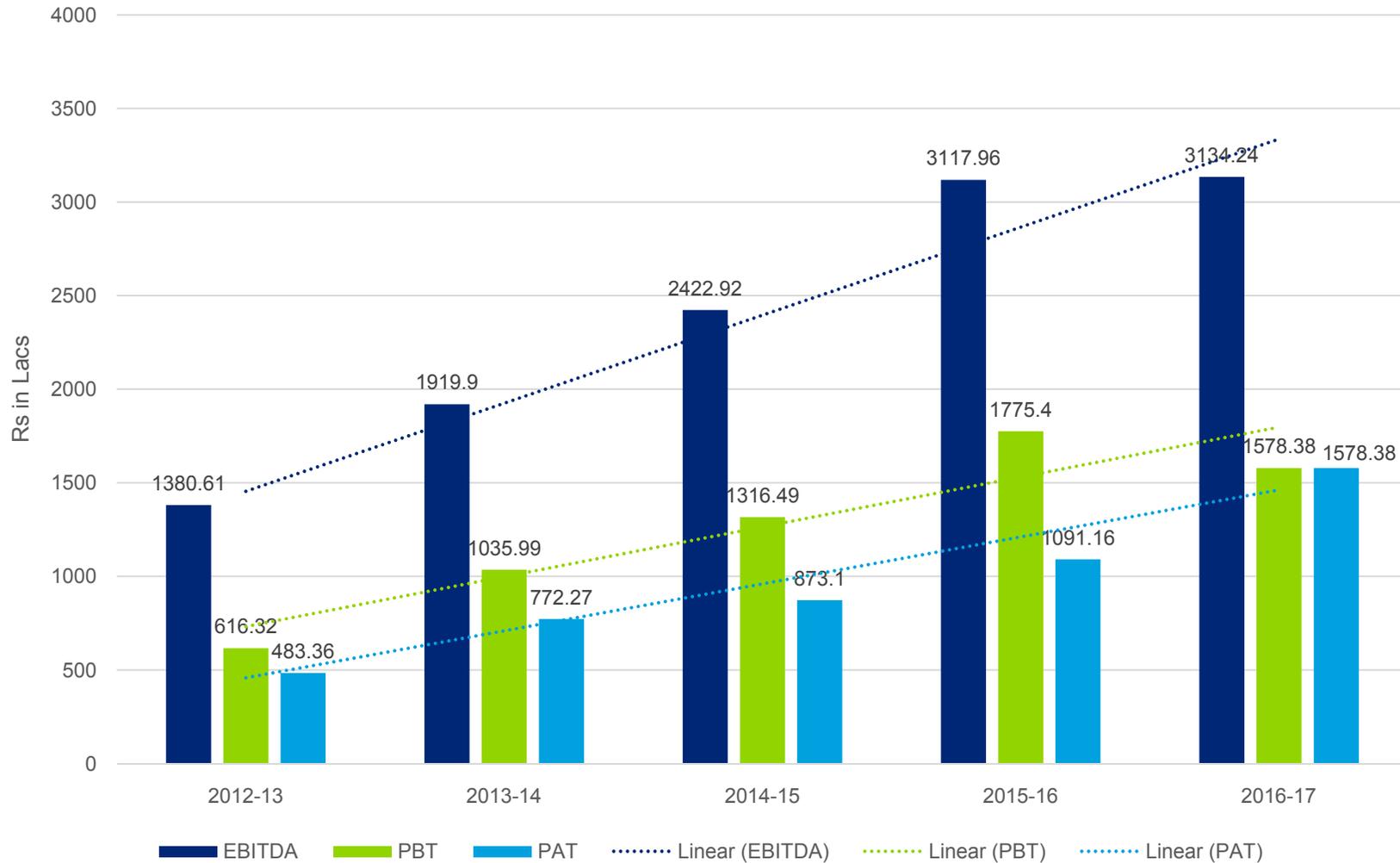
# Export Earnings- YoY



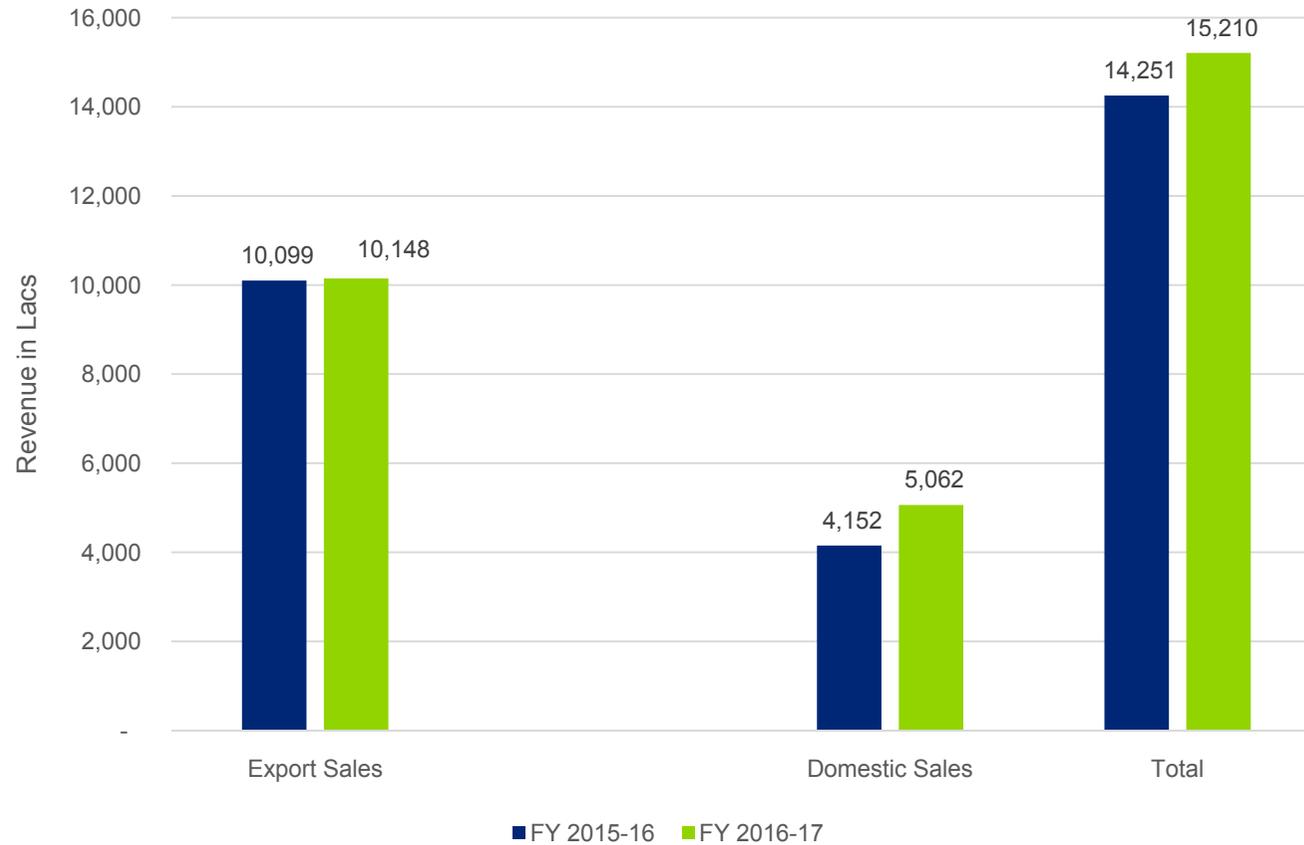
# Revenue Growth-YoY



# Profitability (Consolidated)-YoY

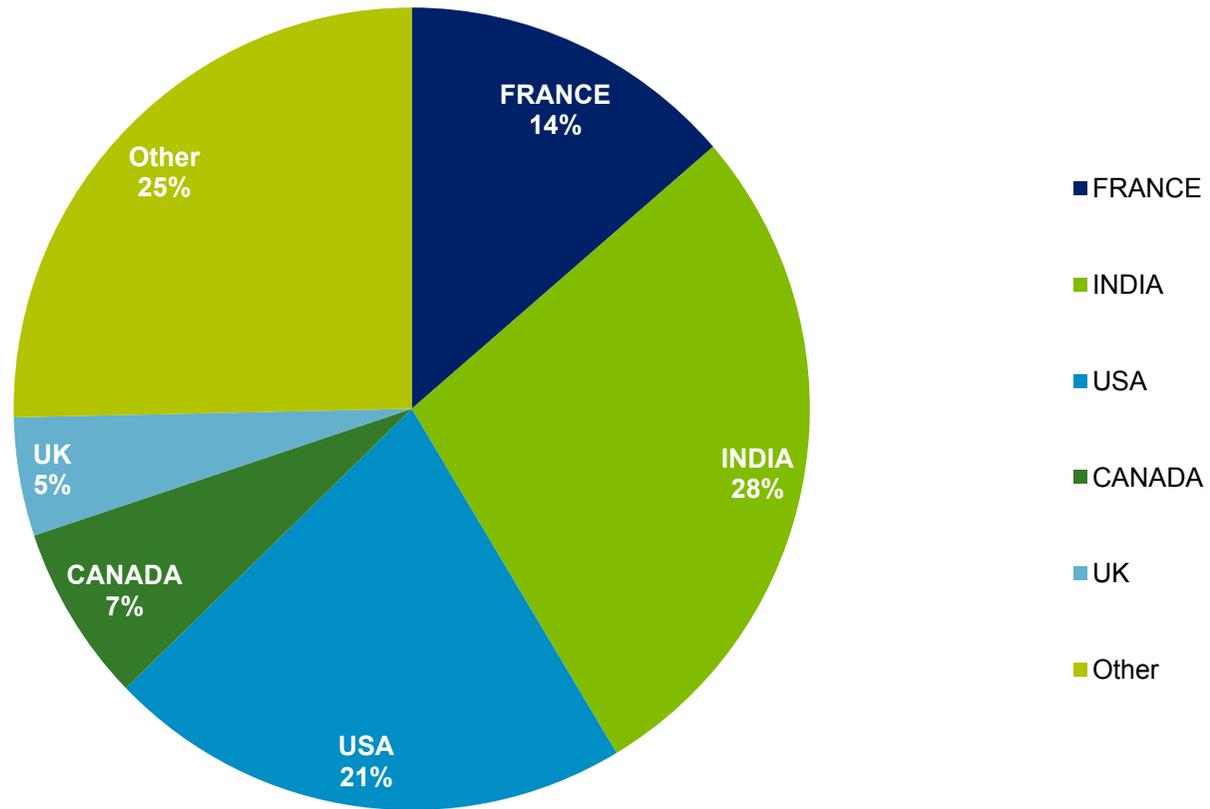


# Geography wise Revenue

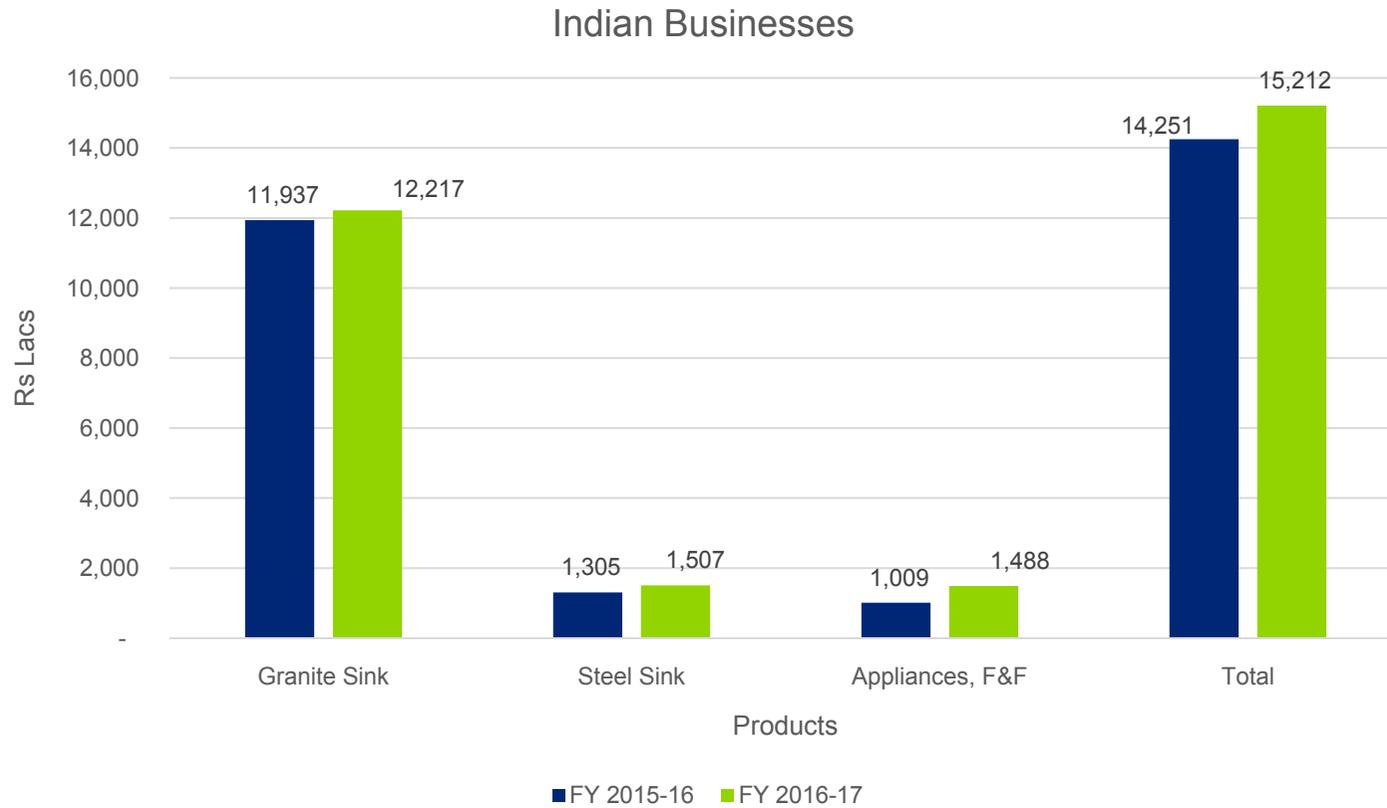


# Geography wise Sales Pie

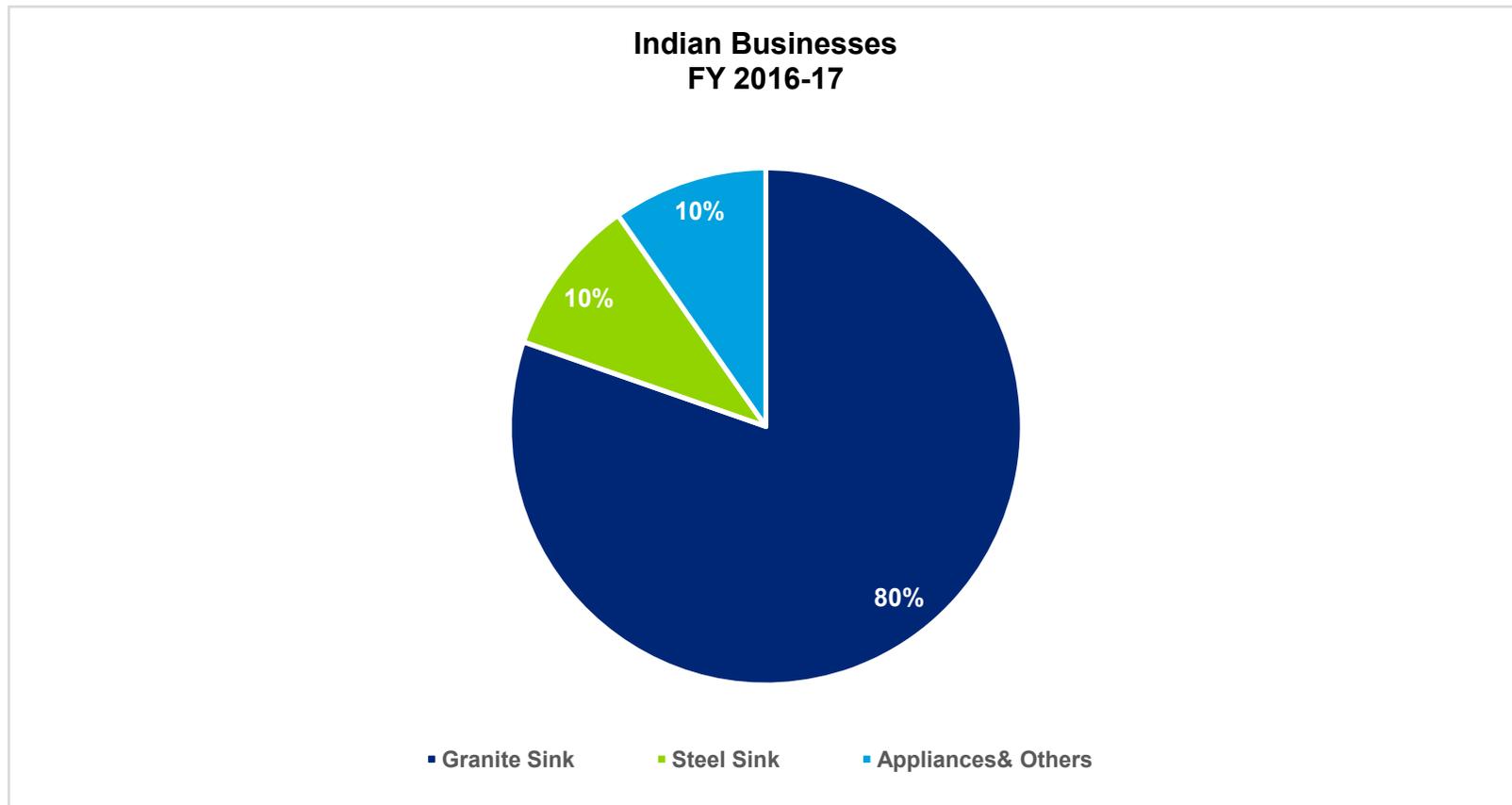
## Indian Businesses



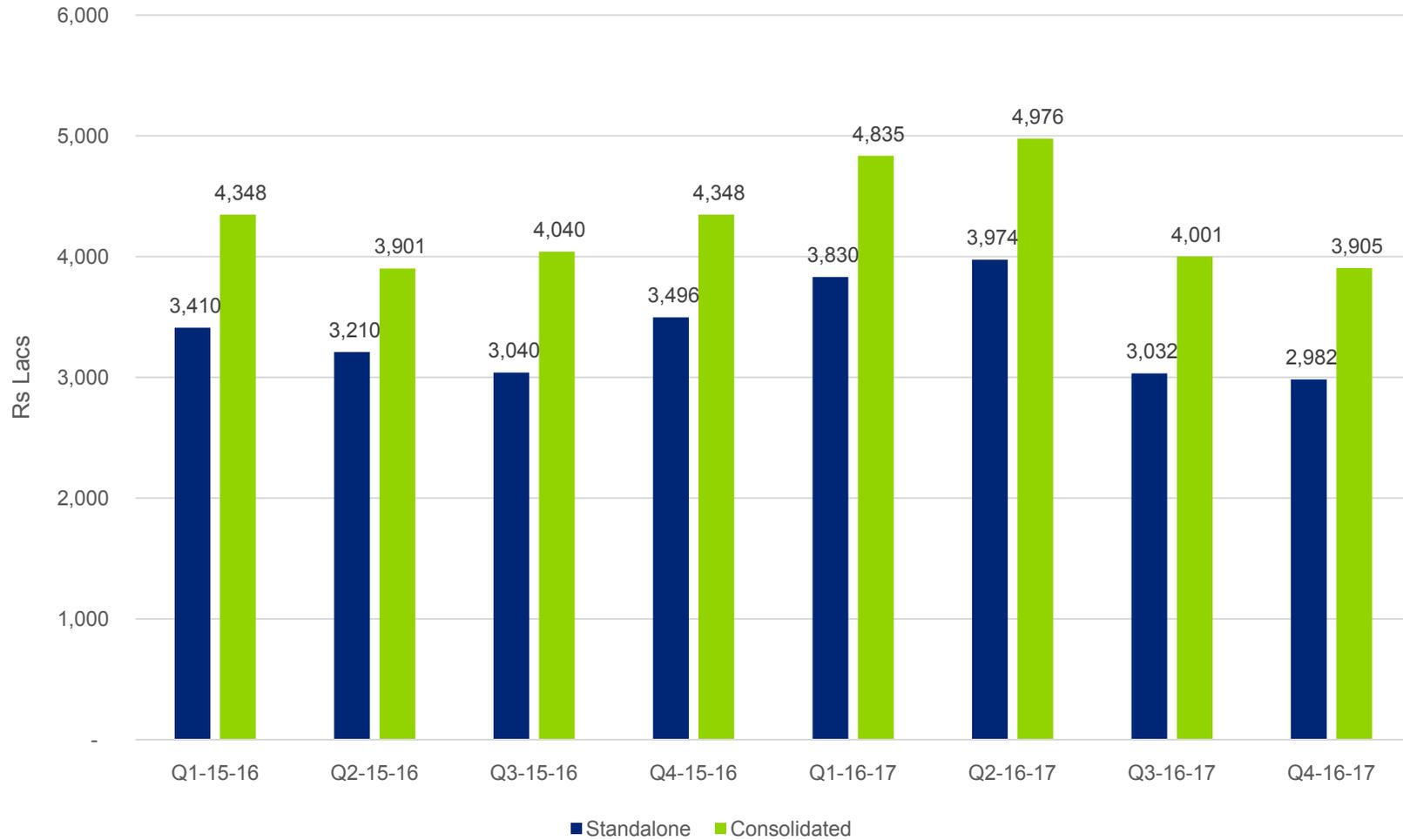
# Segment wise Sales-YoY



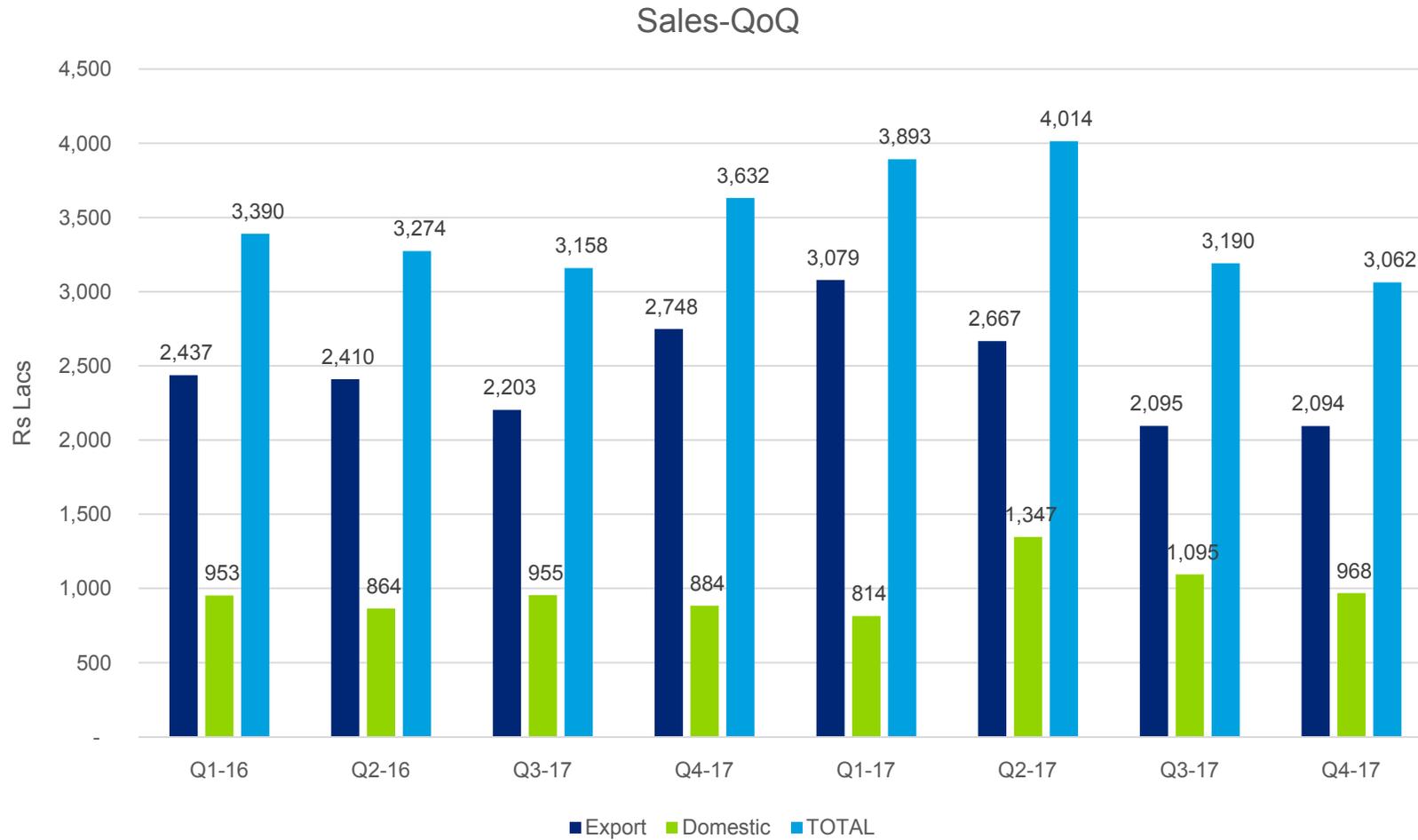
# Sales Mix



# Revenue QoQ



# Revenue Geography wise-QoQ



# Growth Opportunities & Outlook

# Growth Opportunities

## Acrysil Strength

- Sole manufacturer of quartz sinks in India
- Cost competitiveness in manufacturing of quartz sinks
- Manufacturing specialized Quadro Stainless Steel Sinks
- Strong & well established partnerships as OEM supplier
- Strong domestic dealer network
- Focus on R&D and continuous product/ process improvements
- Dynamic Leadership supported by strong & committed team
- Strong and consistent financial performance

## Growth Opportunities

- Growing Brand recognition
- Entered in premium category of Bath segment with Sternhagen brand
- Growing trend towards luxury segment
- Potential to enter new geographies – capture market share

# Growth Opportunities

Growth to be driven by existing as well as new products and geographies

Existing Product Line	New Product Line (Existing Domain)	New Product Line (New Domain)
Existing Products which includes following	New products in material category already dealt with by Acrysil	New products in material category not already dealt with by Acrysil
<ul style="list-style-type: none"><li>• Quartz Sinks</li><li>• SS Quadro/Micro Radius Sinks</li><li>• SS Press Sinks</li><li>• Kitchen Faucets</li><li>• FWDs</li></ul>	<ul style="list-style-type: none"><li>• Quartz Washbasins, WC</li><li>• Quartz Tiles</li><li>• Bath fittings</li><li>• Desiger Faucets</li></ul>	<ul style="list-style-type: none"><li>• Commercial Kitchen</li></ul>

# Premium Products which will strive growth for the Company in coming years – Bathroom Sanitary ware



# Premium Products which will strive growth for the Company in coming years – Bathroom Sanitary ware



# Premium Products which will strive growth for the Company in coming years – Bathroom Sanitary ware



# Business Outlook

- ❑ Signed MOU with a foreign customer for supply of Granite Kitchen Sink worth \$7 Million(Rs.45 Crores approx).
- ❑ Increasing Production capacity by 60000 units , installing 11 new molds to meet additional demands.
- ❑ Bath segment will be driver to growth in next 3 years.
- ❑ Increasing Capacity for production of Quadro Steel Sink by 15000 units
- ❑ Thrust on Domestic sales, Appliances sales grown by 47% in FY 16-17.
- ❑ Foray into commercial kitchen segment got few orders from reputed customers
- ❑ Domestic Sales expected to grow by 20 to 25% YoY.
- ❑ Export Sales expected to grow by 20% YoY.

THANK YOU



B-307, Citi Point, J.B Nagar, Andheri (East), Mumbai-400059 (India)  
Tel: +91-22-4015 7817/18/19, Email: [cfo@acrysil.com](mailto:cfo@acrysil.com)