

14. Royal Ceramics Lanka



Left: **Dhammika Perera**, Chairman. Right: **Aravinda Perera**, Managing Director

The Group is optimistic and believes that agile leadership will be key to identifying and seizing the opportunities that arise to drive the economic growth in a post pandemic era.

Shifting gears to a reach new growth paradigm

Dhammika Perera, Chairman, Royal Ceramics Lanka Group, has led the Group to a brand new growth paradigm by shifting gears in 2020/21. The Group recorded a remarkable profit after tax of Rs. 8,418 million, significant growth of 205% over the previous year, maintaining triple-digit growth in the bottom line.

Topline growth of 43% to Rs. 44,972 million with positive change across sectors supporting high capacity utilization and overhead recovery contributed to this impressive achievement in a year marked with disruptions and uncertainty.

Over the past three years, investments made gave the Group a significant advantage, particularly in the Tiles and Associated Products Sector, contributing 68% of Group profit after tax.

Embracing new demand dynamics with agility

Sanitaryware had a good year with strong demand for original equipment manufacturers. And factories recommencing operations to manufacture the specialized products on order. Their interest in production has continued during the year, and innovation in sanitary and bathware remains a key focus area, supporting the export and domestic market growth.

The unique positioning of Swisstek and collaboration have enabled this innovative Company to position itself at the higher end of the value chain as a supplier of aluminum products for landmark projects in the country. This year saw this Company move into the retail market with fabricated aluminum products, which boosted both the top line and the bottom line as demand from the Construction sector was at a low ebb.

The early positioning of Sri Lanka supported demand dynamics in the Plantation sector as a reliable supplier of tea auctions going live in April 2020, which helped favorable prices.

Demand for rubber also increased with import restrictions as well as an input to personal protective gear. While demand dynamics remain favorable for palm oil, government policy remains unfavorable with a severe impact on this crucial

substitution industry.

A bright road ahead

The Group plans to pursue exports more aggressively within the Tiles and Associated Products sector to increase foreign exchange earnings. The Group’s uncompromising focus on quality and the new formats supported by previous investments support this agenda. Increased capacity by 10-20% will cater to the excess demand in the domestic market and expected growth in exports. Concerning bathware, the Group will invest in enhancing capacity with the positive interest from the domestic market and the original equipment manufacturers.

Swisstek Aluminium will continue its growth trajectory with a renewed focus on the export market, although the subdued performance of the domestic construction sector will be a key factor.



Board of Directors

Dhammika Perera

Chairman

Aravinda Perera

Managing Director

1. A M Weerasinghe

Deputy Chairman

2. Tharana Thoradeniya

Director Marketing and Business Development

3. Harsha Amarasekara

Director

4. R N Asirwatham

Director

5. G A R D Prasanna

Director

6. Niruja Thambiayah

Director

7. L N De S Wijeyeratne

Director

8. Nivran Weerakoon

Director

9. Sajeewa Renuka Jayaweera

Director

10. Jitendra R Gunaratne

Director

11. Sameera Madushanka Liyanage

Director