



IS:15622:2006  
CML/ 9829610



**SOMANY**

17<sup>th</sup> August, 2017

The General Manager,  
Corporate Relationship Dept.,  
BSE limited,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
P.J. Towers, Dalal Street, Fort,  
Mumbai-400 001

The Secretary,  
National Stock Exchange of India Ltd.,  
Exchange plaza, 5<sup>th</sup> Floor,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai-400 051

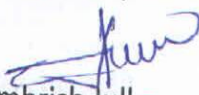
Sub: Investor update for the Q1'FY18.

Dear Sir,  
Please find enclosed herewith Investor update of Somany Ceramics Ltd. highlighting the performance of the Company during the quarter ended on 30<sup>th</sup> June, 2017.

You are requested to take this information on your record.

Thanking you,

Yours faithfully,  
For Somany Ceramics Limited

  
Ambrish Julka  
DGM (Legal) and Company Secretary  
M No.: 4484

Encl: as above

**SOMANY CERAMICS LIMITED**

Works : Kassar-124 507, Distt. Jhajjar, Bahadurgarh, Haryana, India. Tel : +91-1276-223300, 241001 to 05, Fax ; +91-1276-241006 / 241011.

Corporate Office : F-36, Sector-6, Noida - 201 301, Telefax : +91-120-4627900 to 4627999, 4628000 to 4628099.

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi-110 041, India. Tel : +91-11-28341085.

Corporate Identity Number (CIN) : L40200DL1969PLC005160



**SOMANY**

**SOMANY**  
version 2.0

**SOMANY CERAMICS LTD.**

**Investor Update - Q1'FY18**

**17<sup>th</sup> August, 2017**

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Somany Ceramics Ltd (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

The roll out of GST from July 1, 2017 would go down in the annals of independent India as a major economic reform impacting lives of individual, small and large businesses alike. Organized players like SOMANY would be majorly benefited by this bold taxation reform going forward.

The quarter gone by has however, seen most of the businesses getting ready for GST but treading very cautiously in transacting business. The overall business activity therefore suffered in the quarter. Your company was no exception to this phenomenon.

Further more we implemented SAP (S4 HANA) in the month of April to provide a robust IT/ ERP backbone to meet the growing business requirements. As inherent in any large SAP implementation, the new system took time to stabilize. As a result business was adversely impacted during the quarter.

For the above two reasons, Sales at Rs. 346.63 crores during the quarter declined by 18% compared to corresponding quarter last year. Profit after tax for the quarter is Rs. 6.01 crores as compared to Rs. 18.14 crores in the corresponding quarter last year. We see this as short term aberration and remain highly bullish on the medium to long term prospects of our business.

To further strengthen the Duragres (GVT) product portfolio, we upgraded our plant with state of the art Italian technology to manufacture homogeneous colour body glazed vitrified tiles which is the closest replica to the natural elements like stone, marble, wood, metal etc.

We look forward to exciting times ahead !!!

# Getting Future Ready...

Sanitaryware  
plant trebled

- Sanitaryware plant capacity expanded to 1.15 mn pcs from 0.3 mn pcs per annum on 26<sup>th</sup> April, 2017; Capacity utilisation will increase in coming quarters

Expansion of  
value added  
polished  
vitrified tile  
capacity

- Expanded valued added PVT (Double Charge) from 2.99 msm to 4.80 msm per annum on 10<sup>th</sup> May, 2017; Capacity utilisation will increase in coming quarters

Enhancement  
of value  
added  
ceramic tile  
capacity

- 1<sup>st</sup> phase of upgradation plan of certain production lines at Kassar & Kadi to produce more value-added products has been completed in the second quarter and the 2<sup>nd</sup> phase shall be completed in the third quarter

To put up ~5  
msm vitrified  
tile plant in  
Andhra  
Pradesh

- Plans finalised to put up ~5 msm per annum vitrified tile plant in Andhra Pradesh by the associate company, Sudha Somany Ceramics Pvt. Ltd.

## Sales Volume

- ✓ Q1'FY18 tiles volume stood at 9.33 MSM against 11.08 MSM in Q1'FY17

## Sales Mix

- ✓ Q1'FY18 - Own manufacturing (40%), JVs (45%) & Others (15%)

## Financial Snapshot

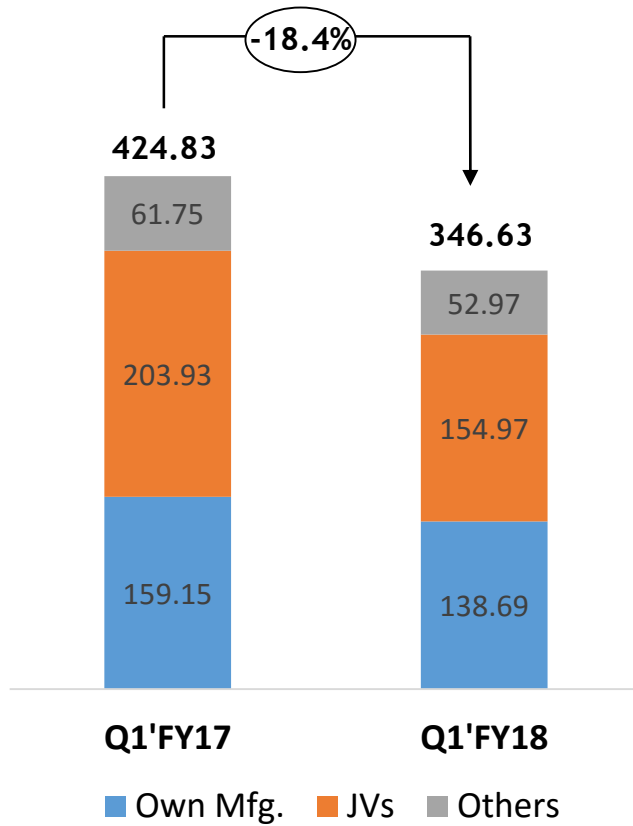
- ✓ Gross Sales of Rs. 346.63 cr in Q1'FY18
- ✓ PBT and PAT stood at Rs. 11.01 cr and 6.01 cr respectively for Q1'FY18

## Capacity

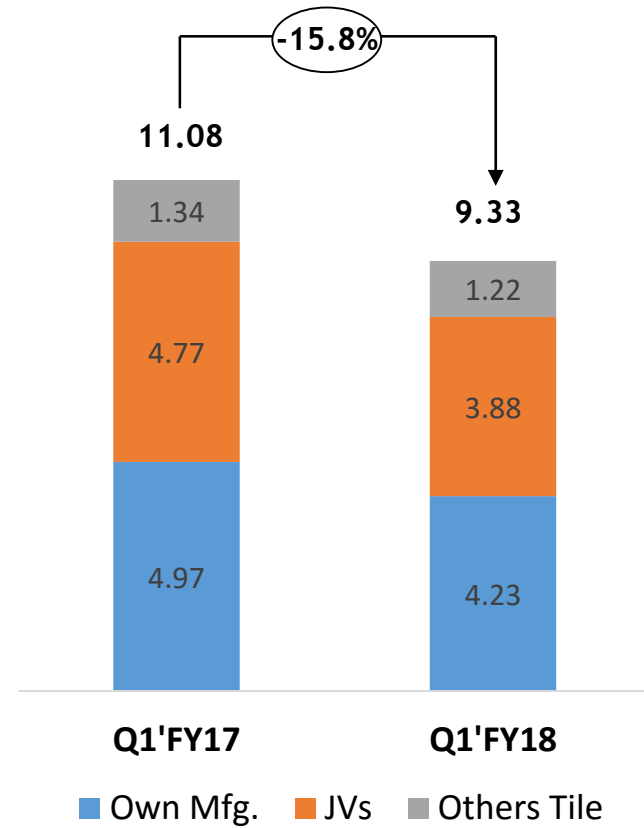
- ✓ Current Access to capacity at ~60 msm p.a.
- ✓ Overall capacity utilisation (own and JV plants) is 83% in Q1'FY18

# Sales Mix (Value & Volume)

Sales Value (Rs. in crores)



Tiles Volume (in msm)



# Access to Capacity

Own Plants (Tiles)	Location	Capacity (MSM p.a.)	Capacity Utilization in Q1'FY18	Owned capacity of 23.78 MSM p.a.
Kassar	Haryana	17.13	79%	
Kadi	Gujarat	6.65	93%	
Subsidiary / Associates Plants (Tiles)	Equity Stake	Capacity (MSM p.a.)	Capacity Utilization in Q1'FY18	Associates' / Subsidiary's plants current capacity at 27.51 MSM p.a.
Amora Tiles Pvt. Ltd.	51%	4.58	88%	
Somany Fine Vitrified Pvt. Ltd.	51%	4.29	112%	
Vintage Tiles Pvt. Ltd.	50%	4.80	54%	
Acer Granito Pvt. Ltd.	26%	5.10	60%	
Commander Vitrified Pvt. Ltd.	26%	4.76	87%	
Vicon Ceramic Pvt. Ltd.	26%	3.98	98%	
Outsourced capacity with no equity stake ~9.00 MSM				Outsourced capacity of ~9.00 MSM p.a.
Subsidiary Plant (Sanitaryware)	Equity Stake	Capacity (mn pcs p.a.)	Capacity Utilization in Q1'FY18	Sanitaryware capacity of 1.15 mn pcs p.a.
Somany Sanitary Ware Pvt. Ltd.	51%	1.15	51%	

MSM - million square metres



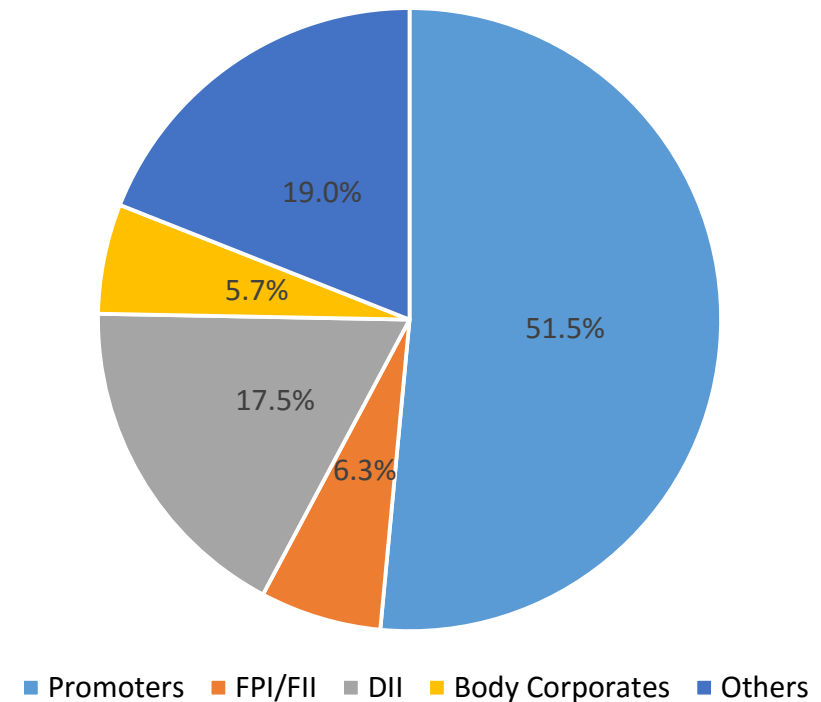
# Profit & Loss – Q1'FY17

Particulars	Q1'FY18	Q1'FY17	Growth
<b>Gross Sales</b>	<b>346.63</b>	<b>424.83</b>	<b>-18.4%</b>
<b>Net Sales</b>	<b>330.32</b>	<b>406.78</b>	<b>-18.8%</b>
<b>EBIDTA</b>	<b>20.60</b>	<b>36.89</b>	<b>-44.2%</b>
Depreciation	5.60	4.81	16.4%
Finance cost	3.99	4.34	-8.1%
<b>Profit Before Tax</b>	<b>11.01</b>	<b>27.74</b>	<b>-60.3%</b>
Exceptional Item	1.70	0.00	-
<b>PBT after Exceptional Item</b>	<b>9.31</b>	<b>27.74</b>	<b>-66.4%</b>
Tax expenses	3.30	9.60	-65.6%
<b>Profit after tax</b>	<b>6.01</b>	<b>18.14</b>	<b>-66.9%</b>
<b>EPS (Rs.)</b>	<b>1.42</b>	<b>4.28</b>	<b>-66.8%</b>

Standalone figures in Rs. crores

# Shareholding as on 30<sup>th</sup> June 2017

Particulars	30 <sup>th</sup> June'2017	31 <sup>st</sup> March'2017
Promoters	51.5%	51.5%
FPI/FII	6.3%	6.4%
DII	17.5%	9.0%
Bodies Corporate	5.7%	3.7%
Others	19.0%	29.4%
<b>Equity Shares</b>	<b>42,379,426</b>	<b>42,379,426</b>



# 5 Year P&L - Standalone

Particulars	FY'13	FY'14	FY'15	FY'16	FY'17
Net Sales	1,046	1,256	1,531	1,721	1,828
EBIDTA	87	84	104	132	179
Depreciation	20	22	22	21	25
Finance cost	20	18	16	16	17
Profit before tax	47	44	66	91*	133*
Tax expenses	15	16	22	30	47
Profit after tax	32	28	44	61	86
Cash profits	53	51	67	86	115
EPS (Rs.)	9.16	8.01	11.43	15.33	20.31

*Figures in Rs. crores  
\*after exceptional item*

# 5 Year Balance Sheet - Standalone

Particulars	Mar'13	Mar'14	Mar'15	Mar'16	Mar'17
Equity Share Capital	7	8	8	8	8
Reserves & Surplus	144	213	246	412	498
Net Worth	151	221	254	420	506
Total Debt	176	170	188	209	234
Net Block	209	219	237	312	319
Investments	9	22	24	36	51
Net Current Assets	133	165	188	292	386

*Figures in Rs. crores*

# 5 Year P&L - Consolidated

Particulars	FY'13	FY'14	FY'15	FY'16	FY'17
Net Sales	1,050	1,261	1,535	1,704	1,795
EBIDTA	88	84	115	152	207
Depreciation	20	21	26	28	35
Finance cost	20	19	21	22	34
Profit before tax	48	44	68	97*	144*
Tax expenses	16	15	22	31	50
Profit after tax	32	29	46	65	93
Cash Profit	53	53	74	97	132
EPS (Rs.)	9.28	8.25	11.94	16.25	21.96

*Figures in Rs. crores*  
*\*after exceptional item*

# 5 Year Balance Sheet - Consolidated

Particulars	Mar'13	Mar'14	Mar'15	Mar'16	Mar'17
Equity Share Capital	7	8	8	8	8
Reserves & Surplus	146	215	250	420	505
Net Worth	153	223	258	428	513
Minority Interest	-	4	5	20	27
Total Debt	177	189	210	264	291
Net Block	209	243	265	387	411
Investments	9	18	20	20	34
Net Current Assets	136	171	201	321	417

*Figures in Rs. crores*

**For further information, please contact:**

Mr. R.K. Lakhotia, Vice President - Finance  
[fin@somanytiles.co.in](mailto:fin@somanytiles.co.in)

Visit us at: [www.somanyceramics.com](http://www.somanyceramics.com)