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SOMANY

7th September, 2016

**The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001**

**The Secretary
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051**

Sir,

Sub: Annual Report – 2015-16

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the year 2015-16, duly approved and adopted in the Annual General Meeting held on 02.09.2016 as per the provisions of the Companies Act, 2013.

Thanking you,

Yours Faithfully,
For Somany Ceramics Limited

**Ambrish Julka
DGM (Legal) & Company Secretary**

Encl: as above

SOMANY CERAMICS LIMITED

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

Corporate Identity Number (CIN) : L40200DL1968PLC005169

WATCH THIS SPACE

SOMANY CERAMICS LIMITED
ANNUAL REPORT 2015-16



CONTENTS

Corporate Overview

We are Somany Ceramics	02
Financial Highlight	04
Chairman's Message	06
Q&A Session with The Managing Director	08
Business Overview	10

Management Reports

Management Discussion and Analysis	28
Directors' Report	35
Corporate Governance Report	64

Financial Statements

Standalone Financial Statements	78
Consolidated Financial Statements	118

Forward-looking Statement

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks/uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include input costs and/or its availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labor negotiations and fiscal regimes.



WATCH THIS SPACE

A quality suspense thriller seldom allows the viewers' attention to drift away. Amid the volatile and unevenly distributed global economic growth, an economy continues to defy the trends. An industry segment of that economy, a company from that industry and some nascent business division of that company; all three delivered ahead-of-the-curve performances in the fiscal year 2015-16.

Besides scoring high on current deliverables, the fabulous-four went on to strengthen their respective fundamentals in the year gone by. Just as fortune favouring the brave, ensuing fiscal year 2016-17 is presenting a highly promising landscape to our own fab-four, which stand prepared to mine the opportunities. And that's where drifting away from this space would be akin to losing the plot, quite literally. Keep watching these fabulous four, just like an epic suspense thriller, as the thrill of discovering value goldmines appears certainly worth the journey. And journey remains dotted with many a hidden gems unearthing, every now and then.

WE ARE SOMANY CERAMICS

At Somany Ceramics, we are India's 3rd largest manufacturer and marketer of tiles and also offer wide range of Sanitary ware and Bath Fittings. We export our products to more than 55 countries across 6 continents. Our access to tiles manufacturing capacity stands at ~60 million square meters (msm), through two units owned by the Company (Kadi, Gujarat and Kassar, Haryana), six units of our associates/subsidiary companies and some more units belonging to other manufacturers.



We have spearheaded product and design innovations and also adoption of best-in-class technologies in the Indian ceramics Industry. Our innovative VC Shield and Slip Shield ranges stand testimony to our technological prowess. We offer complete Décor solutions across a wide range of products and also tile laying services.

OUR VISION

Most sought after tile and allied product in India and be the best employer in the tile industry.

OUR MISSION

Achieving customer delight through business innovation and cost effectiveness while pursuing latest fashion trends in ceramics & allied products for creating stakeholders values.

OUR PRODUCT BOUQUET

- Ceramic Tiles
- Polished Vitrified Tiles (Pvt)
- Glazed Vitrified Tiles (Gvt)
- Sanitary ware
- Bath Fittings

OUR MANUFACTURING CAPACITIES

		Stake	Unit	Annual Capacity
Tiles	Company	100%	Kassar, Haryana	17.13 msm
		100%	Kadi, Gujarat	8.42 msm
	Associates / Subsidiaries	26%	Vintage Tiles Pvt. Ltd.	2.99 msm
		26%	Commander Vitrified Pvt. Ltd.	4.76 msm
		26%	Vicon Ceramic Pvt. Ltd.	3.98 msm
		51%	Amora Tiles Pvt. Ltd.	4.58 msm
		26%	Acer Granito Pvt. Ltd.	5.10 msm
	51%	Somany Fine Vitrified Pvt. Ltd.	4.29 msm	
	Outsourced capacity (zero equity stake)			9.00 msm
Sanitary ware	Subsidiary	51%	Somany Sanitary Ware Pvt. Ltd.	303,000 pcs.

FINANCIAL HIGHLIGHTS

Key Figures (Consolidated)

(in ₹ lacs, except for those specified otherwise)

Particulars	FY 16	FY 15	FY 14	FY 13	FY 12
Gross Sales	180,105	161,335	133,095	111,275	92,738
Net Sales	171,004	153,516	126,061	104,993	87,613
EBIDTA	15,197	11,523	8,447	8,830	7,521
Finance Costs	2,247	2,054	1,852	1,998	2,067
EBDT	12,950	9,469	6,595	6,832	5,454
Depreciation	2,828	2,659	2,243	2,050	1,834
PBT	9,679^	6,810	4,352	4,782	3,620
PAT	6,470	4,639	2,887	3,201	2,511
Share Capital	848	777	777	690	690
Reserves & Surplus	41,969	25,024	21,569	14,615	11,899
Net Worth	42,817	25,801	22,346	15,305	12,589
Deferred Tax Liability	3,287	2,874	2,838	2,619	2,538
Loan Funds#	26,366	21,044	18,854	17,662	18,077
Gross Block (including CWIP)	62,938	49,515	45,227	41,478	38,820
Net Block (including CWIP)	38,687	26,460	24,348	20,924	19,441
Investments	1,981	1,947	1,765	867	519
Current Assets	61,601	47,960	47,006	39,904	32,472
Current Liabilities##	29,521	27,860	29,920	26,275	19,501
Net Current Assets	32,080	20,100	17,086	13,629	12,971
Capital Employed	74,471	50,250	44,482	35,586	33,204
EPS (₹)*	16.25	11.94	8.25	9.28	7.28
Book value (₹)*	107.53	66.42	63.85	44.37	36.49
Dividend (₹)*	2.30	2.00	1.50	1.20	0.80
Return on Net Worth (%)	18.86	19.27	15.34	22.95	21.86
Return on Capital Employed (%)	19.83	18.71	15.50	19.71	17.34
Debt Equity (times)	0.62	0.82	0.84	1.15	1.44

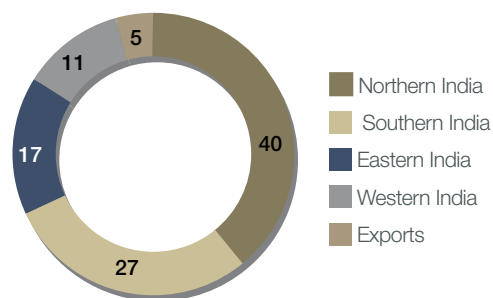
including current maturities of loans

excluding current maturities of loans

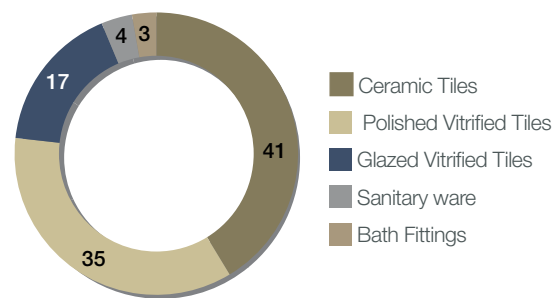
* Face Value of ₹ 2/- per share

^ after exceptional item of ₹ 443 lacs

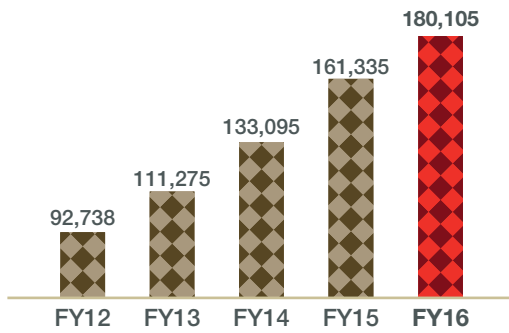
Revenue-mix By Region (%)



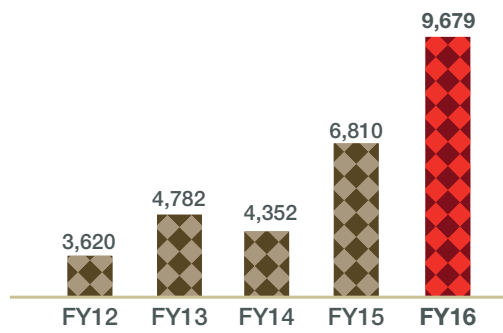
Revenue-mix By Product (%)



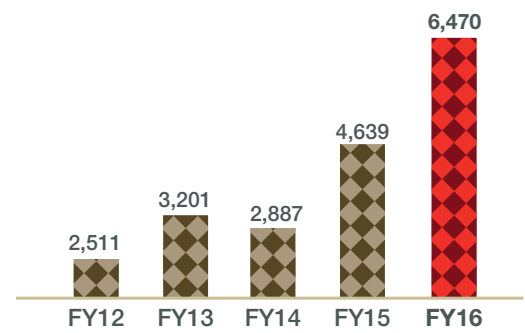
Gross Sales (₹ lacs)



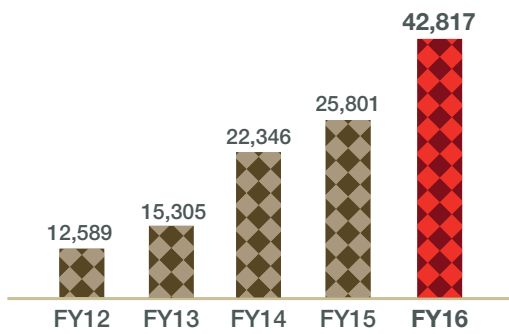
PBT (₹ lacs)



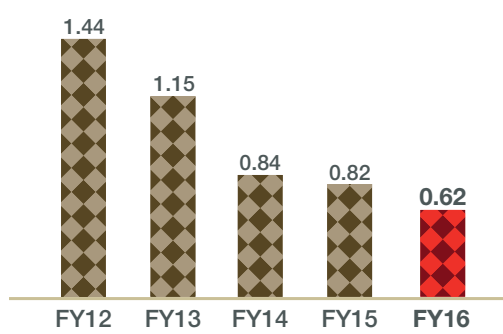
PAT (₹ lacs)



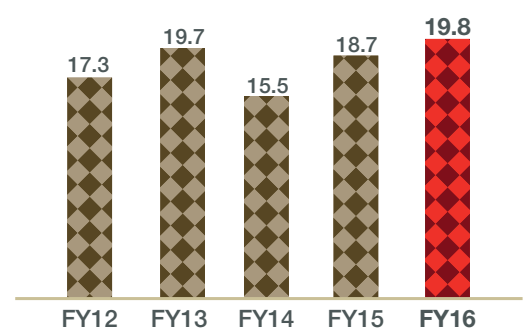
Net Worth (₹ lacs)



Debt Equity (times)



Return on Capital Employed (%)





CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me great pleasure to share with you that your Company has posted yet another spirited performance in the fiscal year 2015-16, which otherwise was a testing year for the Indian tiles industry. Your Company's revenue growth of 11.4% is creditable in the light of depressing environment that led to a much lower growth of the Indian tile industry.

Our steadfast focus on margin improvement by way of increased brand play, stringent cost control, asset light business model and intense focus on value-added products paid rich dividends in a PBT growth of 42.1%. At ₹ 6,470 lacs, our consolidated net profit was 39.5% higher than the previous year. Your Board of Directors has proposed a dividend of 115% (₹ 2.3 per share) for the year 2015-16.

The building construction industry, our principal user segment, confronted sluggish growth with the organised real estate in metro and other tier I cities, depressed demand in tier II and tier III cities and rural housing also witnessing moderated growth in demand. The consequent competitive pressure was further aggravated with the mass dumping of tiles from China, particularly in the Southern markets. The silver linings came in healthy demand from the Government Sector and Commercial Real estate and some policy measures addressing the structural issues faced by the industry.

Indian economy sustained its growth momentum. With a GDP growth of 7.6%, the country retained its status of the fastest growing major economy. Continued softening of global commodity prices including that of crude oil helped contain inflation and also the government deficits. The second consecutive year of near drought situation did dent the rural economy.

Looking ahead, the forecast and the early trend of monsoon rainfall appear to lend a good beginning to the fiscal year 2016-17. The pay increase on account of the 7th Pay Commission and OROP (One Rank One Pension), increased budgetary allocations for the rural economy, increased pace of manufacturing activities and Government initiatives such as Smart Cities, Housing for All, Modernisation of Railways, etc. shall all provide the necessary fillip to construction activities. The passage of Real Estate Bill shall go on to increase consumer confidence at a time when interest rates are likely to further reduce.

The improvement in the availability and affordability of natural gas shall aid the Indian ceramic industry in becoming more competitive. Led by the major brands including Somany, the shift towards organised play shall steadily gain momentum. Innovation, design and leveraging of the fast unfolding digital commerce shall augment the evolution of the Industry. The time has come for the industry to expand its priorities beyond economic success. Social

and Environmental Success by way of community upliftment, energy efficient manufacturing, skill development among mason and their support resources, etc. will need to be invested in. The onus of setting examples in this direction rests with the market leaders.

Our 'Tile Master' initiative has cumulatively trained more than 5,000 mason workers on tile laying techniques. Being a pioneering program in the country, it has received appreciation and acknowledge at the various platforms. In another social initiative during the year, the Company extended the non-slippery attribute of our Slip Shield tiles in a social media campaign titled 'Nahi Phisalenge' (we will not slip). A range of social, family and individual issues including responsibility towards parents, the value of keeping resolutions was highlighted through this campaign. The campaign got instant trending among young Indian and we intend to extend this campaign further in coming times.

Continued expansion of our access to manufacturing capacities holds key to future growth. During the year under review, we added 8 msm of tile making capacity at our two facilities. Our relatively younger Sanitary ware and Bath Fittings businesses have both shaped very well. In an initiative to scale up our Sanitary ware play, we initiated work to treble our manufacturing capacities, which shall get completed in the ensuing financial year. We intend to repeat the same in our Bath Fittings business as well and are exploring all possibilities including making strategic investment.

On behalf of your Board of Directors, I take this opportunity to acknowledge the restless contributions of our Management, employees and the distribution partners in making brand 'Somany' synonymous with quality, trends and customer service. I thank you, our valued shareholder, for your continued trust and patronage.

With best regards,

Shreekant Somany

Chairman & Managing Director





Q&A SESSION WITH THE MANAGING DIRECTOR

Amid the fast evolving dynamics of the Indian Ceramics Industry, Abhishek Somany is pursuing a noble mission of beautifying Indian homes with trendy, functional and affordable tiles, sanitary ware and bath fittings. He has quite a task at hand - delivering value to shareholders with steady revenue growth and margin enhancements, balancing interests of joint venture partners and associates, young talent pool and that of aspirational Indian consumers. In a detailed interaction with the Annual Report team, the man of clearer thoughts and affirmative action, Abhishek, spoke on a range of vital aspects and issues related to Company's business performance and future direction.

Abhishek Somany

On Industry's performance in 2015-16 and the prospects ahead

With marked slowdown in overall demand, increased competitive pressure, mass scale dumping from China, record low of new launches in housing; the fiscal year 2015-16 tested Industry's resilience to unseen levels in recent times. The private builder segment was the most impacted while commercial and retail real estate fared relatively better. Reduced replacement cycle for tiles and sanitary ware and a marked shift in consumer preference from natural stones to tiles helped the industry deliver volume growth. The demand for value-added products continued to sustain momentum.

Few structural developments in the second half of the year coupled with slight reversal in demand growth set the course for the next year. Increased availability of natural gas, imposition of anti dumping duty on tiles import from China and lower fuel prices augur well for the industry. Sustained improvement in consumer sentiments, increased budgetary allocations towards rural economy, forecast of a favourable monsoon and continued pressure on crude prices should all favour further reduction in interest rates. All these factors shall aid a sharper rebound for the industry than what is expected by many experts.

On Company's strategic focus

At Somany, we continue to drive the Industry's shift towards organised play. By strategically aligning the joint venture and associate partners with our own fortunes, we are not only helping them raise the quality standards but also helping with assured and speedy off-take of manufactured products. For the Company, it helps operate in an asset-light manner and the customers continue to get more and more products, designs and patterns at a reasonable premium that delivers value for money.

Continued expansion of our access to capacities holds the key. Steady alteration of our product mix with increasing contribution of margin-accretive, value-added products; increasing spends on marketing and brand promotion, steady expansion of our distribution footprints with focus on tier II and tier III markets remain our mantra. Further strengthening of our talent pool with higher induction of youth and diversity and increased play of information technology and digital commerce shall help accelerate our growth momentum.

On key business initiatives of FY16

Capacity expansion of ~4 msm per annum each, at our own Kassar unit and that of a subsidiary company has increased our access to tile capacity to 60 msm per annum. With the demand growth improving, the true benefits of these additions shall become visible in the ensuing fiscal. Our Sanitary ware business has shaped up very well. To take our initial gains to the next level, we are on course to treble our Sanitary ware capacity.

Being invited as the only company from the Indian ceramic industry to make a presentation in Make in India week at Mumbai was quite a recognition for the tireless efforts that the Company has made in its shaping.

On Company's performance in the year gone by

FY16 was the toughest of the last years in terms of demand growth and also in light of other tactical challenges. In view of these, the Company's performance of a double-digit revenue growth stands quite creditable and much ahead of the industry's average growth. The volume growth of 9.4% yielded revenue growth of 11.4%, amply reflecting the enhancing brand salience, improving efficiency and increased play of value-added segments. The net profit for the year stood at ₹ 6,470 lacs as against ₹ 4,639 lacs in the previous year, an increase of 39.5%. An improvement of over 75 bps in net profit margin and the Earnings per Share growth to ₹ 16.25 as against ₹ 11.94 in FY15 has been very satisfying.

On brand promotion and salience

Brand 'Somany' enjoys a mass appeal and preference among India customers of all hues - from the major metros to tier II and tier III cities, from seekers of value for money to those seeking exquisite premium products. Our long-standing practice of investing about 2% of our net revenue in advertising and brand promotion has helped achieve the desired recall and preference. We did follow our previous campaign 'Zindagi Ko Chamakane Do' with an innovative and interactive campaign 'Nahi Phisalenge' on FM radio & social media during the year. Based on social and inspirational messages, the campaign struck an immediate and direct connect with consumers. We rolled out a new 3D visualizer application that enables a customer design her/his own space for a near-real look. During the year, we participated in prestigious exhibitions in India and abroad. We aim to further intensify our brand promotion, going forward.

On new kids on the block


While our tiles business has hogged the limelight all these years, three challenger segments namely Sanitary ware, Bath Fittings and Exports have slowly and steadily been strengthening their contribution in our overall growth. Each one of these is headed to cross ₹ 100 crore mark over the coming two-three years. The Sanitary ware and Bath Fittings business growth has been very impressive and the brand is now well accepted in the market. During the year 2015-16 we have witnessed a 41.5% growth in this segment and for the first time crossed ₹ 100 crore mark by achieving sales of ₹ 112 crore. Our exports growth of 25% in the year is likely to accentuate further with a growing number of countries imposing anti-dumping duty on Chinese tiles.






**THE INDIAN
TILE
INDUSTRY:
HEADED FOR
A SHARPER
REBOUND**




The top section of the page features three vertical panels of decorative tile patterns. The left panel shows a textured, light blue-grey surface. The middle panel displays a complex, repeating geometric pattern in white and light blue. The right panel shows a textured, light blue-grey surface, similar to the left panel.

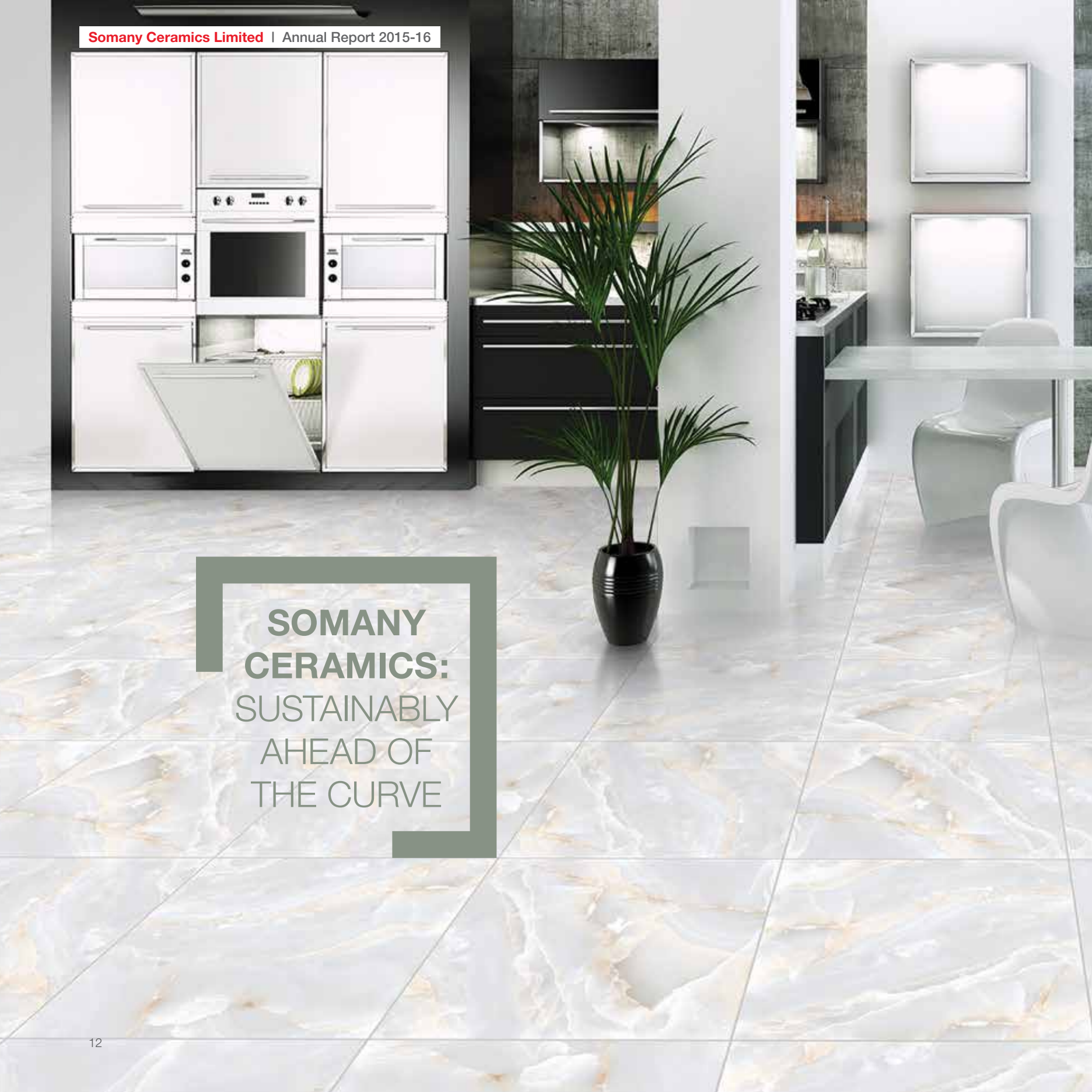
FY16 tested the resilience of the Indian tile industry on multiple fronts. From an overall slowdown in demand to large scale dumping of tiles from China to higher prices of industrial gas to softening of suburban economy, a slew of adverse factors slowed down the growth momentum of the industry in the first half of the year.

The middle section of the page features a large, solid blue-grey textured background.

The second half of the year, however, brought in much relief. Gas prices were reduced helping it lowering the input cost. In an affirmative move to strengthen the competitive play, the government imposed anti-dumping duty of USD 1.37 per sqm on vitrified tiles originating from China. The rural focus in the union budget 2016 coupled with various financial inclusion initiatives aimed at structural strengthening of suburban economy will give a fillip to consumption of tiles and other ceramic products. Add to these the continued thrust on 'Housing for All', 'Smart Cities' and complete eradication of open defecation under 'Swachh Bharat' mission, the Indian Tile Industry is poised to gain the lost momentum in FY17. The benefits of softened crude prices shall keep accruing in form of lowered transportation cost. Proposed implementation of much awaited tax reform in GST coupled with the moderated base of FY16 shall make the rebound much sharper as well as faster.

The bottom section of the page features a photograph of a light blue ceramic bowl filled with water. Several white cherry blossoms are floating in the water. The bowl is placed on a rustic wooden surface, and a few more blossoms are scattered on the wood in the foreground.

Add to this the sustained shift towards organized play in the Indian tile industry. Branded players continue to up the lifestyle quotient at a time when tiles and Sanitary ware are fast breaking the shackles of being just hygiene or flooring options. With more and more exclusive studios opening their doors to non-metro customers in tier II and III cities, offering a wide range of products, designs, styles, prints and functionalities; the brand play in the Indian tile industry is poised to accelerate growth going forward.



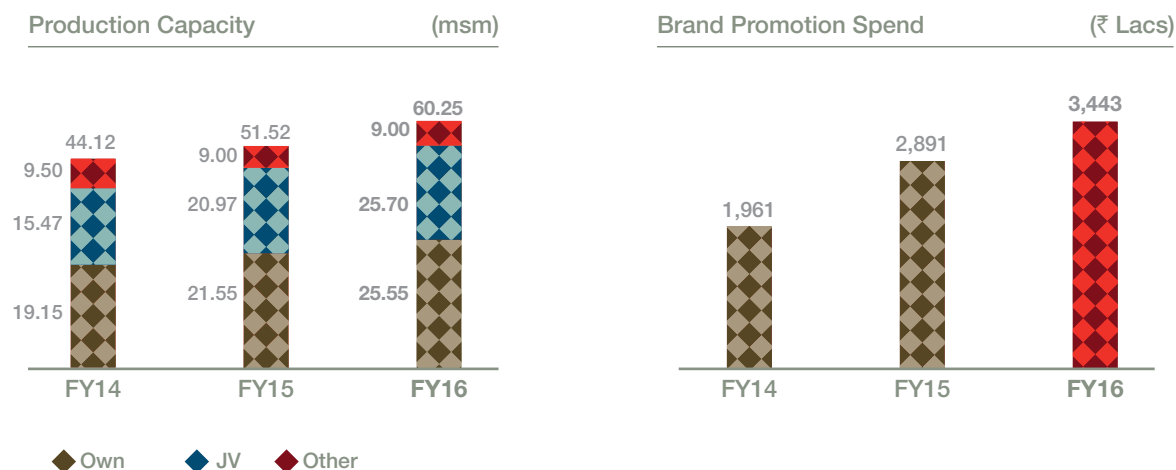
**SOMANY
CERAMICS:**
SUSTAINABLY
AHEAD OF
THE CURVE

In terms of current deliverables, we strived to achieve an ahead of the industry growth rate and improve our PBT margins by 0.5%. We ended up delivering gross sales growth of 11.6% in comparison to about 6-7% growth recorded by the industry, taking our revenues to ₹ 1,801.05 crore and PBT margins improvement by 1.22% in FY16. In doing so, we strengthened three of our nascent blocks namely export, Sanitary ware and Bath Fittings; accelerating each of their charge towards ₹ 100 crore revenue mark to be accomplished within the next two-three years.

From the standpoint of future prospects, we made resolute moves to

- strengthen our margin-accretive segments by way of expanded capacities and increased market push,
- further expand our distribution network through own, franchise and third party outlets,
- raise brand affinity, recall and premium, and
- strengthen our balance sheet by way of a ₹ 120 crores QIP that attracted the confidence of a handful of blue chip global investors.

Our access to tiles capacities grew to ~60 msm while additional capacities would be added going forward to feed the growth momentum. Our Sanitary ware capacities are set to treble to about 9 lac pieces per year from the existing 3.03 lac pieces a year.





Distribution Network

We have a very healthy mix of institutional and retail customers, where our retail segment contributes ~65% to our sales. We serve our retail customers through a pan India network of franchisees and Multi Brand Outlets spread across India. The active dealer network stands more than 1500 of which more than 150 are having franchisee managed showrooms. To further support our sales network we have 20 depots across key locations to reduce the delivery lag.

Our franchisee managed showrooms are broadly divided under three categories:

- **Somany Grande:** These stores have all our products and a dedicated area of 2,500 sqft and above
- **Somany Exclusive:** These stores are with area ranging between 1,200 sqft to 2,000 sqft. This format showcases our key products and has different mix of GVT, PVT, Ceramic tiles and allied products
- **Somany Studio:** With store area of 800 sqft the store showcases our range of ceramic wall and floor products.

Somany Experience Centre

These are company owned display centres. The experience center is a state of the art large format showroom which gives the people access to high-end, international quality tiles and sanitary products at their door step. Somany Experience Centers are located across the country, including in key cities like Mumbai, Delhi, Kolkata and more Somany Experience centers are about to be opened in leading centers. These centers offer exclusive tiles, Sanitary ware and Bath Fittings, and cater to the discerning customer.

Marketing Initiatives

We have been steadily increasing the share of value added products through launch of new products and also amplified marketing activities. We have been continuously analyzing the marketing trends in various regions and also studying new means of marketing to enhance the impact. We have significantly increased our marketing spend and have been very prudent in our marketing spends to have the maximum impact.

Our ad campaign on FM radio and social media 'Nahi Phislenge' launched for our range of Slip Shield Tiles, which is India's first anti-skid tiles, have been very impactful. We have been very active on leveraging the growing reach of social media. We have launched a number of promotion campaigns on Twitter, Facebook and other social network. We have also launched Somany App which gives details of the various products, store location and also update on the Company. We have also been participating in prestigious exhibitions during the year in India and Abroad.

Our new 'Somany 3D Tile Visualizer' initiative would enable the consumers to be their own interior designer by creating virtual space. (<https://visualizer.somanyceramics.com/>).

Qualified Institutional Placement

During the year we have raised ₹ 120 crore through a qualified institutional placement which has received overwhelming response. Many key institutional investors have participated in our QIP. Proceedings from this QIP will be used towards funding future growth of the Company. This also further fortifies our balance sheet strength which will lead to reduction in finance cost.



EVOLVING TILES MIX: CONSISTENTLY ENHANCING PROFITABILITY

Like a proficient juggler, we have prudently evolved our tiles mix on both the counts – manufacturing and segment. Blending the right portion of the asset-light manufacturing through partnering with third party vendors (outsource) with that of our own has proven to be lighter on our balance sheet as well as manufacturing-driven management attention. Accordingly share of outsourcing increased from 44.3% in FY12 to 64.6% in FY16. While we will keep growing our access to capacity every year, the expansion of capacities through outsource route would be preferable.

Our segment mix in tiles has also steadily evolved with vitrified tiles gaining prominence. Within vitrified segment too, our recent focus has remained to strengthen glazed vitrified and double charge polished vitrified tiles. The main reason for this conscious shift remains profitability margins and customer outreach. Similarly within ceramic tiles our focus has remained to strengthen large format tiles.



CERAMIC TILES

Highlights

- Sales reduced marginally to ₹ 73,333 lacs from ₹ 73,531 lacs in the previous year
- Production capacity remained at 30.32 msm per annum
- Sales Contribution reduced to 41.0% as compared to 46.0% in previous year
- No. of Size Variants 12
- Price Range ₹ 220-750 per sqm

Strategy: FY 17

- We are focused towards enhancing our reach and also increase the share of value added products.





POLISHED
VITRIFIED
TILES

Highlights

- PVT segment grew by 17.9% to ₹ 62,915 lacs from ₹ 53,345 lacs in the previous year
- Commenced production at a new 4.3 msm PVT plant under its subsidiary Somany Fine Vitrified Private Limited in October, 2015
- Capacity 21.44 msm per annum
- Sales Contribution increased to 35.1% as compared to 33.4% in previous year
- No. of Size Variants 4
- Price Range ₹ 375-1,150 per sqm

Strategy: FY17

- We are focused towards continuously introducing new products and also increase the share of value added products.





GLAZED VITRIFIED TILES

Highlights

- GVT segment grew by 23.4% to ₹ 30,014 lacs from ₹ 24,319 lacs in the previous year
- Commenced operation at 4.0 msm new Brownfield expansion at Kassar for GVT in March, 2016
- Capacity 8.49 msm
- Sales Contribution increased to 16.8% as compared to 15.2% in previous year
- No. of Size Variants 8
- Price Range ₹ 550-1,450 per sqm

Strategy: FY 17

- Intensify marketing activities and distribution network for GVT. Also continuously introduce new products and designs to increase share of value added products.



**ADDED
PRODUCT
SEGMENTS:
SANITARY WARE**





From under the shadow of the exciting tiles story, a silent contender is fast emerging to hog the limelight. Sanitary ware, the underdog of recent years has strengthened itself to a level where we stand sold out to our installed capacities. We have been steadily increasing the reach of this segment through our own franchisee network as well as through our Multi Brand Outlets network. We are backing the success of our Sanitary ware business with trebling our capacities.

The business is leveraging the inherent synergies of being distributed through the same channel as our tiles. Additionally, Sanitary ware uniquely delivers a vantage position to display brand 'Somany' inside the customers home in a 24x7x365 fashion. Having achieved ₹ 6,287 lacs of revenue in FY16, we intend to aggressively push this business towards a revenue milestone of Rs. 100 crores over the coming two-three years.



Sanitary ware Highlights

- Sanitary ware segment grew by 42.7% to ₹ 6,287 lacs from ₹ 4,407 lacs in the previous year
- We are currently in the process of trebling our Sanitary ware manufacturing capacity from 3.03 lacs pcs to about 9 lac pcs per annum
- Sales Contribution increased to 3.5% as compared to 2.8% in previous year
- Sanitary ware Price Range ₹ 350-18,000 per piece

Strategy: FY 17

- Continuously increase the reach by leveraging on the existing network. Also introduce new and premium designs.

**ADDED
PRODUCT
SEGMENTS:
BATH FITTINGS**





Another dark horse following the footsteps of Sanitary ware is our Bath Fittings business. The products are being fast accepted across markets given the superior design aesthetics and premium quality. The segment is growing at a robust rate over the last few years and the future demand prospects seem to be very strong. We have slowly and steadily been making inroads in this complimenting segment.

Being lighter in volume and weight, it often accompanies the consignments of tiles and/or Sanitary ware in being delivered to the retail touch point, thereby optimising the transportation cost. The segment has clocked annual revenue of ₹ 4,925 lacs in FY16. We are contemplating to increase our access to capacities through a mix of sourcing and also own manufacturing by way of the organic or inorganic route.



Bath Fitting Highlights

- Bath fitting segment grew by 40.0% to ₹ 4,925 lacs from ₹ 3,519 lacs in the previous year
- We are currently in the planning phase for capacity expansion or acquisition of any operational facility
- Sales Contribution increased to 2.8% as compared to 2.2% in previous year
- Bath Fitting Price Range ₹ 225-27,000 per piece

Strategy: FY 17

- Further strengthen the brand presence with premium design offerings. Steadily expand the reach leveraging existing dealer network



**ENABLER OF
SUSTAINED
DIFFERENTIATION:**
TALENT AND
TECHNOLOGY

The dynamic evolution in digital technology of late, has brought a sea change across many industries. The role of technology has never been so important as technology today has penetrated every part of our life and no industry stands untouched by it.

We have been continuously leveraging technology to further fortify our business verticals and internal processes. We have been continuously upgrading our IT landscape to remain connected across our distribution network and to accommodate our growing needs as we gain momentum on our growth trajectory.


To further integrate our process right from sourcing to delivery and various functions we are migrating towards SAP S4H (Suite for HANA). It is one of the state-of-the-art technology which would further automate and strengthen our processes giving an edge to us. This will help us analyze various parameters and enable further improvement in efficiency. We also use some of the high end technology in production and have brought in best of digital printing machinery in our plants.

Our people are the most important enablers of our growth and we have been very focused towards nurturing talent. We have in place a very sound Human Resource policy with an open and transparent work culture. We motivate healthy competition amongst our employees and give good career opportunities. We have introduced a performance excellence program which takes care of the development needs amongst our employees. Some of our key initiatives are:-

- **Performance Clinic:** This is an employee engagement initiative to understand and work upon both internal as well as external limitation that employees face towards performance. We have also roped in external consultants to provide the best possible solution to employees.
- **Leadership Pipeline Program 'Samarthya':** This is a complete employee talent assessment and nurture program. Under this program we carry out a 360 degree analysis of employees to assess gaps for future roles. Based on the gap analysis we develop a complete 'Individual Development Program' for competency development and personality development based on the role requirement.
- **Somany Learning University e-campus:** This is a digital version of our earlier library of materials that are been made available to all our employees. These materials are spread across all our functions which would further add an edge to their knowledge about company, products, processes etc.
- **Employee Engagement Program 'Samwad':** This is a program for newly joined employees who are unaware about the Company and its working processes. The program is based on the concept of 'Sharing is Caring' where we engage senior employees with juniors to share their experience and knowledge. Also HR takes grievances from newcomers and resolve the same.

A photograph of a balcony with two wicker chairs and a table, overlooking a lush green landscape. The balcony floor is made of large, light-colored tiles. The chairs and table are made of dark brown wicker with red cushions. The background is filled with dense green foliage.

**ADDING
LONGEVITY
TO GROWTH:**
ENVIRONMENT,
COMMUNITY AND
PROFITABILITY

A wicker chair with a red cushion is positioned on a balcony. The balcony has a white railing. In the background, there is lush green foliage. The floor is made of large, light-colored tiles.

Deeply ingrained in the Somany DNA are business ethics, open two-way communication and a high level of disclosures and compliance. Ethics govern our interface with planet, people and profit.

A Greener Planet

We endeavor to be responsible and respectful in deployment of nature's bounty. From usage of energy, water and raw material to treatment, reuse and disposal of industrial effluent, we remain committed to optimal utilization and minimal adverse impacts to our environmental assets.

We have significantly increased our efforts to reduce the consumption of power & fuel at all our plants. We have replaced old conventional lights with LED lights & achieved reduction of power consumption. Our new GVT plant is fitted with an advanced heat recovery system which is being used in drying process.

Enriched Lives

While currency accounts remain holdings of an individual or a select group of individuals, oxygen account continues to be a community holding. Talks of warming are not confined to a particular city, country or a region but bind the entire ecosystem as a global village. It is with this sensitivity that we approach our responsibility towards communities that we operate within. With a firm belief that the community deserves a just partaking of the value that we generate through our business, we carry out a slew of community upliftment and empowerment programs.

Our CSR Policy is directed towards inclusive development that creates value for society and caters to the needs of our people. We also promote education and engage in employment enhancing vocational skills. One of our leading CSR program is 'Tile Master'. Through this program we are trying to hone the tile-laying skills of Indian mason. This program helps them to improve their workmanship and productivity and in turn their income and livelihood.

MANAGEMENT DISCUSSION & ANALYSIS

Economic Review

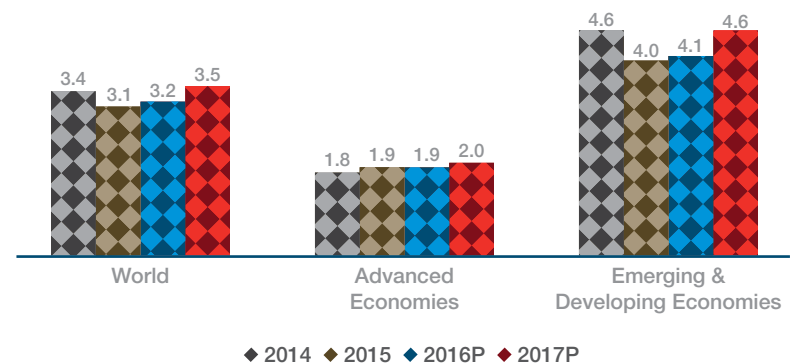
Global Economy

The rebalancing of the Chinese economy has created a ripple effect in the global economy, effecting prices to fall in commodities such as Crude Oil, Natural Gas, Steel, Base Metals, Iron Ore, Coal, etc. The major mineral exporting nations such as Russia, Canada, Saudi Arabia, etc. have witnessed a negative impact due to the fall in commodity prices. However, economies which are net importers of commodities have benefited.

The global economic growth is estimated to have come down marginally to 3.1% in 2015 from 3.4% in 2014 (IMF's World Economic Outlook April 2016). The economic growth in Advanced Economies (AEs) remained stable around same levels as last year but Emerging & Developing economies (E&DEs) continue to witness a slowdown (Exhibit 1). The IMF has projected that global GDP growth in 2016 will stabilize around the current levels and marginally improve to 3.5% in 2017.

Exhibit 1: Global Economic Growth

in %



Source: IMF's World Economic Outlook, April 2016

Indian Economy

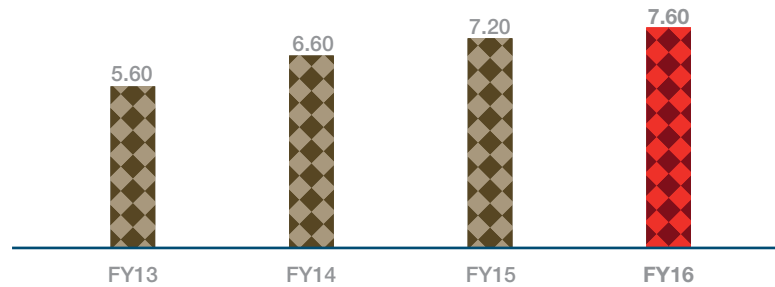
In the midst of the global economic slowdown and the risk of a further downward spiral, India remains a bright spot. It is currently the world's fastest growing major economy with relatively strong fundamentals. The current fall in the crude oil prices resulted in a significant fall in inflation and therefore has been a great boon to the economy.

With inflation well in control during the year, the Reserve Bank of India reduced the Repo Rate by 75 bps thereby further providing a boost to the country's economic growth. However, burdened with heavy NPAs, the banks have been reluctant to pass on the complete benefit to the end users. It is however expected that with increased competition and

capital infusion, this benefit will gradually be passed to the end users. The growth in Index of Industrial Production (IIP) has been 2.4% for FY16 driven by steady growth across mining and manufacturing sector.

Exhibit 2: India GDP Growth

in %



Source: Central Statistical Office

The year also witnessed significant growth in foreign direct investment which stood at USD 29.4 billion for April-Dec 2015. The key reasons for the increased inflow were the favorable policy measures and an improved business environment. The optimism in the business circles, backed by the positive growth in Agriculture has led to a steady growth in the Indian economy. According to the CSO's advanced estimates, the GDP growth in India is estimated at 7.6% for FY16 (base 2011-12).

Two continuous years of deficit rainfall due to the El Nino effect had a negative impact on the country's rural economy. However, the forecasts are for a very good monsoon this year. Further, the budget for FY17 has a strong focus on growing the rural economy. With the concerted impetus of the central government to boost the country's economic growth through a number of initiatives, such as Make in India, Smart City, Skill India, Digital India, the ease of doing business, etc, India is currently placed in a very sweet spot to further strengthen its growth momentum.

Industry Review

Global Ceramic Industry

The Ceramic World review points out that the global tiles industry, during the year 2014, maintained its positive trajectory with a growth of 3.6% in production over 2013 while the consumption during the year increased by 4.2%. Almost all regions witnessed growth, with Africa and Asia being the fastest growing. Asia clocked in an annual consumption growth of 6.1% while Africa grew at 6.4% in 2014.

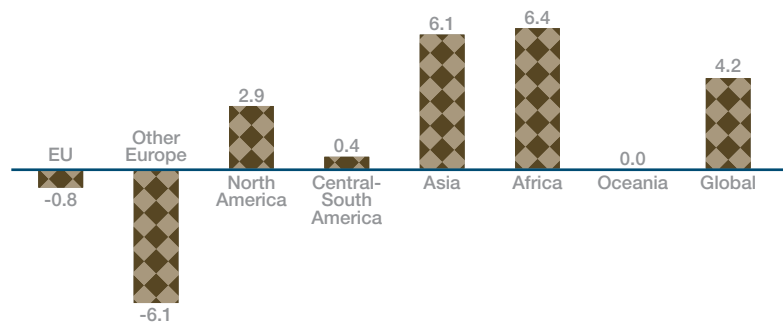
Exhibit 3: Global Consumption

Regions	MSM	%
Oceania	8,166	67.5%
Asia	1,282	10.6%
Africa	848	7.0%
Other Europe	746	6.2%
EU	543	4.5%
North America	462	3.8%
Central-South America	48	0.4%
Total	12,095	

Source: World Ceramic Review

Exhibit 4: Consumption growth 2014/2013

in %



The European Union witnessed a marginal slowdown in consumption in 2014. However, production has witnessed a marginal increase of 0.6% in 2014. According to Euro-construct, the construction Industry in Europe witnessed a steady recovery in 2015 and is expected to gain momentum in 2016. The upturn in construction is expected to continue through 2017 and 2018, though the growth is expected to marginally decline to 2.7% and 2.0%, respectively.

North America has also been resilient with a 2.9% growth in consumption in 2014. With low interest rates and rising employment in the US, the construction and housing activities have witnessed a steady growth in 2015, supporting the ceramic tiles growth. The year 2015 has been the sixth consecutive year of growth for the ceramic tiles industry in the US (Ceramic World Review). According to the National Association of Home Builders (NAHB) in the US, new housing is expected to

experience double-digit growth again in 2016 which augurs well for the ceramic tiles segment.

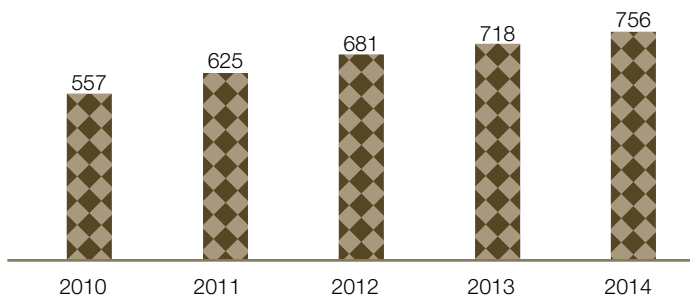
Asia remains the dominant region in both production and consumption, with 70.5% and 68.0% share respectively. The major countries leading the growth in Asia are China, India, Indonesia and Vietnam.

China continued to dominate the world ceramic tiles market being the world's largest producer, consumer and exporter. It holds close to 48.4% of the world's production of ceramic tiles and the production in 2014 witnessed a growth of 5.3%. Vietnam, which is the world's 8th largest manufacturer, saw a robust growth of 20% in 2014.

Indian Ceramic Industry

The real estate industry in India is currently witnessing an oversupply scenario, with growing inventory levels. However, JLL indicates that the demand for residential real estate has started to show signs of revival in some metropolitan cities like Mumbai, Hyderabad and Bangalore. On the other hand, the demand for office and retail space in 2015 has been resilient. As per CBRE research, in key metros, the total take-off of office space in 2015, increased by 18% and reached 38 million sqft. This growth has been led by Bangalore, which grew by 32% and the Delhi NCR region, which grew by 23%. The office space market in India is dominated by the IT/ITes industry which accounts for more than 50% of the growth. During the year, the banking and financial services too continued to steadily contribute to the growth in office space.

Exhibit 5: India's ceramic tiles consumption msm



Source: World ceramic review

India is currently the world's third largest consumer and producer of ceramic tiles. The production during 2014 increased by 10%, from 750 msm to 825 msm, while domestic consumption grew by 5.3% to 756 msm. During 2014, India made huge inroads in the global exports

market, leapfrogging from 11th to 5th position amongst the world's top ceramic tiles exporters. The export volume during the year 2014 increased from 51 to 92 msm.

The ceramic tiles market in India during FY16 witnessed increased competition from low cost Chinese imports. However, in March 2016, the government imposed a provisional Anti-dumping duty on Chinese vitrified tiles for six months at the rate of USD 1.37 per sqm.

Key Demand Drivers

Economic Revival: The Indian economy over the last few years has witnessed a very sluggish growth. However, it has started to revive and is expected to further gain momentum. This would lead to higher disposable income, creating demand for discretionary spending.

Low Cost of Fund: India is currently witnessing a steady fall in interest rates, as the RBI has gradually reduced Repo rate to 6.5%, the lowest rate over the last five years. This should encourage home buyers and lead to better demand prospects for the ceramics industry.

Low per Capita Consumption: India with 0.5 sqm of ceramic tiles consumption, against world average of 1.4 sqm, is one of the lowest per capita consumers of ceramics in the world. Hence, the scope to increase consumption levels for ceramics tiles is huge.

Government Initiatives: The various initiatives being taken by the Government of India including 'Housing for All by 2022', 'Swachh Bharat Abhiyan', 'Smart Cities' and the recently enacted 'The Real Estate (Regulation and Development) Act 2016' that is touted as a key reform measure for the real estate sector are likely to benefit building material industries including tiles, Sanitary ware and Bath Fittings going forward.

Office & Retail Space: India is witnessing a steady growth in the office and retail space. With relaxed FDI norms and government's impetus towards making India the hub of exports through its "Make in India" drive, the demand for office space will further increase.

Rising Middle Class Population: India is witnessing a growing middle class population. This burgeoning middle class population will surely act as a key growth driver for the ceramic industry in India. The 89 million consuming class households and 45 million first time households in India will generate a major thrust for the housing sector in the next decade.

Revised Pay commission: The Seventh Central Pay Commission's recommendation on increasing pay and allowances by 23.6% would boost consumer discretionary spending.

Operation Review

Capacity Addition

During the year, with the commencement of 4.29 msm per annum of polished vitrified tiles capacity of Somany Fine Vitrified Private Ltd, a subsidiary company in October 2015 and 4 msm per annum of glazed vitrified capacity at Kassar in March 2016, the total access to capacity of the Company has reached ~60 msm per annum.

The Company is also in the process of increasing its Sanitary ware production capacity from 3.03 lacs pieces to ~9 lacs pieces in FY17.

Sales Volume

During the year sales volume has increased by 9.4% from 42.35 msm to 46.35 msm.

Brand

During the year the Company launched a new advertising campaign 'Nahi Phislenge'. It is one of India's biggest Social Digital Campaigns and with it the brand has taken a firm step forward. The Company has partnered with Radio Mirchi and Red FM for the campaign. The Company has also participated in prestigious exhibitions during the year in India and Abroad.

Brand spend has increased by 19.1% from ₹ 2,891 lacs to ₹ 3,443 lacs during the year.

Exports

Exports increased by 25.0% from ₹ 6,434 lacs to ₹ 8,045 lacs during the year expanding the global footprint to around sixty countries.

Dealer & Showroom Network

We have pan India network of 1,497 active dealers and 181 showrooms/ display centers. During the year 133 new dealers (net) were added.

Financial Review

Based On Standalone Financial

Profit & Loss Account Analysis

Total Income

The gross sales stood at ₹ 179,007 lacs FY16, an increase of 12.0% as compared to ₹ 159,830 lacs in FY15. The increase in sales has been due to high sales volume and increased share of high value product sales. Sanitary ware and Bath Fittings together at ₹ 11,212 lacs sales, became more than ₹ 10,000 lacs business vertical.





Expenditure

Total expenditure stood at ₹ 164,461 lacs in FY16, an increase by 10.9% compared to ₹ 148,337 lacs in FY15 mainly in line with increase in scale of operation.

EBITDA

The EBITDA for the year was higher by 27.0% to ₹ 13,221 lacs as against ₹ 10,409 lacs in FY15. The EBITDA margin for the year improved to 7.7% as against 6.8% in FY15.

Depreciation

Depreciation cost for year stood at ₹ 2,057 lacs, as compared to ₹ 2,227 lacs in FY15.

Finance Cost

The finance cost remain flat at ₹ 1,633 lacs in FY16 as compared to ₹ 1,631 lacs in FY15 mainly on account of under drawl of working capital limits, reduction in interest rates and placement of commercial paper etc.

Profit before Exceptional Item

Profit before exceptional item for the year was higher by 45.5% to ₹ 9,531 lacs as against ₹ 6,551 lacs in FY15.

Exceptional Item

Exceptional item of ₹ 443 lacs pertains to (i) Payment of ₹ 383 lacs to GAIL India Limited towards one time settlement of 'Pay For If Not Taken Obligation' for calendar year 2014 and (ii) Loss of inventory of ₹ 60 lacs due to fire.

Profit before tax

Profit before tax increased by 38.7% to ₹ 9,088 lacs as compared to ₹ 6,551 lacs in FY15. PBT margin increased to 5.3% in FY16 as compared to 4.3% in FY14.

Net Profit

Net Profit was higher by 37.6% at ₹ 6,106 lacs in FY16 as compared to ₹ 4,438 lacs in FY15.

Balance sheet Analysis

Net worth

Our Total Net worth has increased by 65.3% and stood at ₹ 41,975 lacs in FY16 as against ₹ 25,400 lacs in FY15 on account of equity infusion of ₹ 12,000 lacs through QIP during the year and retained earnings for the year.

Total Debt

Net increase in total debt to ₹ 20,930 lacs in FY16 from ₹ 18,776 lacs in FY15 is mainly attributable to a fresh term loan taken for capacity expansion at Kassar and repayment of existing term loans.

Net Block

Net block (including capital work-in-progress) increased to ₹ 31,220 lacs in FY16 as against ₹ 23,671 lacs in FY15 mainly on account of capacity addition at Kassar plant, Haryana.

Long-term Investments

Our long-term investment increased to ₹ 3,611 lacs in FY16 from ₹ 2,406 lacs in FY15 on account of new investments in subsidiaries during the year.

Net Current Assets

Our Net current assets increased to ₹ 29,199 lacs in in FY16 from ₹ 18,820 lacs in FY15 mainly on account of increase in receivable and current investments. The current investments mainly represent unspent money of fund raise through QIP in the month of December, 2015.

Risk Review

Economic Risk

Risk: The change in the macroeconomic scenario like slowdown or rise in interest rates would have a direct impact on the real estate sector which will negatively impact the tiles, Sanitary ware and Bath Fittings industry. Therefore the changing macroeconomic scenario can impact the business of the Company.

Mitigation: The Company has a strong brand presence and follows an asset light model for growth which can mitigate the economic risk to certain extent though not completely.

Operational Risk

Risk: Increase in the raw material or input costs (mainly fuels) or the decrease in the products prices due to fierce competition can adversely impact the profitability of the Company.

Mitigation: The Company continuously improves product mix and adopts cost optimization measures which help to ward off the risk and sustain the profitability.

Forex Risk

Risk: The Company has active export and import market and is subjected to fluctuating currency rates which can have a negative impact on the profitability and margins.

Mitigation: The Company continuously tracks the foreign exchange movements regularly and takes appropriate measures to tackle the volatility in exchange rates. The Company also hedge currencies in some situations.

Contingent / Other Liabilities Risk

Risk: The Company is susceptible to face the Crystallization of contingent / other liabilities including demands as mentioned in the notes to accounts which may negatively impact the financial position of the Company.

Mitigation: The Company takes appropriate legal and other measures to minimize the risk.



Human Resource

The Company believes that its employees are the most important pillars of its growth and hence nurtures them with great care. The Company has in place a detailed human resource policy which provides a very healthy work environment and also opportunities for every employee to grow his career within the Company. For continuous dialogue between the superior and subordinates the Company has set a framework named 'Samwad' which helps them engage well.

The Company also has in place grievances division in HR which takes issues from employees across various divisions and helps them to address the issues. The Company has also tied-up with a consultant for resolving complex issues. The initiative has been named 'Performance Clinic'.

The Company helps its employees to learn and grow within the Company through its continuous training programs. The Company also follows a practice of doing a detailed analysis of its key resources to

understand gaps in the future roles and sets a training schedule to overcome the same. The initiatives are focused toward motivating the employees to perform very efficiently and also align themselves with the goals of the Company. This enables the Company to execute its strategies of future growth seamlessly.

Internal Control System

The Company has in place a strong internal control system to prevent the operational risks it may counter. The audit committee of the Company monitors the financial reporting, internal control system and statutory compliances. The audit committee not only monitors the various risks the Company may face but also formulates its mitigation policies. There is a continuous and proper supervision and internal auditing of the systems to ensure they perform without error. The established processes ensure a robust internal control system as well as efficient working of systems.



DIRECTORS' REPORT

Dear Members,

Yours Directors have pleasure in presenting the 48th Annual Report together with the Annual Audited Financial Statements of the Company for the year ended 31st March 2016.

FINANCIAL RESULTS

(Based on Standalone Financial Statements)

Particulars	(₹ in Lacs)	
	2015-16	2014-15
Gross Revenues from Operations	179938	160803
Net Revenues from Operations	173070	154105
Other income	921	783
Profit before Interest, depreciation and tax (EBIDTA)	13221	10409
Interest and finance charges	1633	1631
Profit Before Depreciation	11588	8778
Less: Depreciation	2057	2227
Profit before Exceptional Item	9531	6551
Exceptional Item	443	-
Profit before tax (PBT)	9088	6551
Less: Provision for tax (net)	2982	2113
Profit after tax (PAT)	6106	4438
Add: Balance brought forward	15325	12262
Surplus available for appropriation	21431	16700
Appropriations:		
Proposed dividend on equity shares	975	777
Tax on proposed dividend	198	158
Transferred to general reserve	600	440
Balance Carried to balance sheet	19658	15325
Total	21432	16700

FINANCIAL REVIEW

During the year under review, your Company once again performed well despite continuing slowdown in the real estate sector adversely affecting building material industry including tiles.

Keeping in with its tradition of growing above the industry average, this year also your Company outperformed average industry growth rate by growing its net sales by 12.4% achieving a 5 years' CAGR of 19.4%.

Overall net revenues increased to ₹ 173070 lacs in the year under review, registering a growth of 12.3% over corresponding previous year. The Earnings before Interest, Depreciation and Tax (EBIDTA), Profit before Tax (PBT) and Profit after Tax (PAT) also increased significantly during FY16 by 27.0%, 38.7% and 37.6% respectively.

CORPORATE HIGHLIGHTS

Capacity Expansions

During the year under review, your Company added access to 8.29 million square meters of tiles as follows:

- Somany Fine Vitrified Private Limited, a subsidiary Company commissioned polished vitrified tiles capacity of 4.29 million square meters per annum in October, 2015.
- Expanded own plant capacity at Kassar (Haryana) in March, 2016 to produce additional 4 million square meters per annum of glazed vitrified tiles.

Post expansion own tile manufacturing capacity increased from 21.55 million square meters to 25.55 million square meters per annum, subsidiary/associates' tile manufacturing capacities increased from 20.97 million square meters to 25.70 million square meters per annum at the end of year under review.

In addition, your Company has access to about 9.0 million square meters of tiles through other vendors.

The aggregate access to capacity is about 60.25 million square meters at the end of financial year under review.

In addition to the above, the Board of Directors of your Company approved expansion of existing capacity of Somany Sanitary Ware Pvt. Ltd., which has become subsidiary of your Company during the year under review, from 3.03 lacs pieces per annum to 9 lacs pieces per annum.

Exports

During the year under review, exports of your Company increased to ₹ 8044.69 lacs, a growth of 25% over the previous year. Exports expanded its foot print further during this year. With this your Company is currently exporting to about 60 countries.

Capital Expenditure

Your Company continued to invest significantly in expanding and upgrading its plant and machinery and infrastructure. During the year under review, the gross block increased by ₹ 9642.11 lacs (previous year ₹ 4693.56 lacs) out of which ₹ 8431.29 lacs were invested in expansion of Kassar plant as mentioned earlier and remaining on meeting routine capital expenditure requirements.

Branding and Distribution

Your Company followed a comprehensive plan for its communication and reached out through the medium of TV commercials, print, trade shows, exhibitions, retail showrooms complemented with an upgraded visual merchandising. The TV commercial was aired on most of the TV channels and helped create a new persona of our products. Also, the brand harnessed the potential of Newspaper and Cinema advertising in selected markets.

During the year, your Company also participated in prestigious international and national exhibitions namely CERSAI at Bologna (Italy), Revestir at Sao Paulo (Brazil) and ACETECH at Delhi and Mumbai.

Your Company also released new ads for product categories like Duragres, Vitro, Glosstra and Sanitaryware & Bath Fittings; considering the latest trends in market and to further strengthen our brand positioning as a young, trendy and vibrant brand. The media plan had an equal inclination towards trade and lifestyle magazines.

Your Company launched #NahiPhislenge, one of India's biggest social campaigns, inspired by Somany Slip Shield. The brand gave 'not slipping' a whole new meaning. The campaign reached out to masses with relevant issues, such as caring for the elderly, car pool, keeping the city clean, gender equality and organ donation in their day-to-day activities and created an impactful difference amongst the public by making them self-conscious.

Your Company also organised the third edition of 'Architecture & Design Summit 2015' to applaud the creativity in architecture and design which took place in conjunction with The Economic Times.

Enhanced brand exposure through a Visualization Software & Mobile App and updated presence on social media platforms is also helping gain a lot of mileage. Also, various online engagement contests like #HarKahaniMeinSomany amplified the brand reach Pan India.

INDUSTRY SCENARIO AND OUTLOOK

The Indian Tile Industry like the other sectors of the economy continued to be subdued. The estimated size of the Indian Tile Industry at 756 million square meters was around ₹ 24000 crores which was equally divided between branded and unbranded players in value terms. The growth of industry in FY 16 was estimated to be under 10%. Your Company however continued to outperform the industry by growing at 12% in FY 16.

The growth drivers to accelerate the business momentum in the years to come include various government initiatives like 'Housing for All by 2022', 'Smart Cities', 'Swatch Bharat', 'Real Estate Bill' and thrust on infrastructure. Uptick in rural economy, expected good monsoon and rising disposable income and aspiration levels of Indian middle class towards branded products will also drive the growth of the industry.

Though the price hikes of tiles are difficult to come by due to intense competition, the value growth would come by mainly from going up the value chain. This

would be possible by higher investment in branding activities to create a stronger brand recall amongst the consumers.

The reduction in fuel prices and also the anti dumping duty on import of Chinese vitrified tiles would help tile industry in strengthening its margin.

DIVIDEND

Your Directors are pleased to recommend a dividend of 115 % i.e ₹ 2.30 per equity shares for the year under review as against 100% at ₹ 2.00 per share in the previous year. This represents a payout ratio of 19.2%.

CHANGES IN SHARE CAPITAL

The paid up share capital of Company as on 31st March, 2016 was ₹ 84,758,852/-. During the year under review, your Company has issued and allotted 35,34,600 equity shares of face value of ₹ 2/- each of the Company on 22nd December, 2015 at a price of ₹ 339.50 per equity share (including share premium of ₹ 337.50 per equity share) to Qualified Institutional Buyers under Qualified Institutional Placement aggregating to ₹ 11999.97 lacs.

TRANSFER TO RESERVES

A sum of ₹ 600 lacs being 9.8% of the Profit after Tax of the financial year ended 31st March, 2016, has been transferred to the General Reserve of the Company.

UTILISATION OF PROCEEDS ON ISSUE OF SHARES

During the year, your Company has fully utilized ₹ 5,000/- lacs raised through private placement of equity shares in February, 2014 for the purposes the funds were so raised.

Your Company has also raised ₹ 11,999.97 lacs by allotting 35,34,600 equity shares of ₹ 2/- each @ ₹ 339.50 per share (including premium @ ₹ 337.50 per share) through qualified institutions placement on 22nd December, 2015. The funds so raised (net of issue expenses of ₹ 307.34 lacs) have been utilized for the purposes for which the same were raised except for ₹ 10,150 lacs which have been temporarily invested mainly in the debt instruments/ funds.

PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

M/s SR Continental Limited, a wholly-owned subsidiary Company has closed its manufacturing operations. The trading of ceramic and allied products have also slowed down during the year.

M/s Somany Global Limited, another wholly-owned subsidiary Company continued its operations of selling tiles and sanitary ware till July 2015, post which there is no business activity in the Company.

M/s Amora Tiles Private Limited, a subsidiary Company in which the Company owns 51% equity shareholding has a manufacturing facility to produce 4.58 million square meters of wall tiles per annum.

M/s Somany Fine Vitrified Private Limited, became subsidiary during the year post increasing the equity stake upto 51%, has completed commissioning of 4.29 million square meters per annum of polished vitrified tiles and had started its production in October, 2015.

M/s Somany Sanitary Ware Private Limited, became subsidiary during the year post increasing the equity stake upto 51%, has a manufacturing facility to produce 3.03 lacs pieces of sanitaryware per annum.

In addition, your Company has formed another wholly owned subsidiary namely Somany Excel Vitrified Private Limited on 30th October, 2015.

There are four associate companies having aggregate capacity to manufacture 16.83 million square meters per annum of tiles.

The Annual Report does not contain the financial statements of Subsidiary Companies pursuant to circular no. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs. However, financials of such Subsidiary Companies have been considered in the Consolidated Financial Statements of the Company for the period under review and provided in this Annual Report. The Board of Directors hereby undertakes that the audited accounts and related information of subsidiary companies, where applicable, will be made available upon request. The said documents will also be available for inspection during business hours at registered office of the Company as well as at the registered office of the subsidiary Companies.

The statement required under Section 134 of the Companies Act, 2013 in respect of the subsidiary companies is provided at **Annexure 1** to this report.

There was no business activity in M/s Somany Keraben Private Limited, a 50:50 joint venture between your Company and M/s Keraben Grupo S.A. (Formerly known as M/s Keraben S.A.).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered with Related Parties during the financial year were on arm's length basis and were in the ordinary course of business. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2, is not required.

Related Party Transactions Policy as approved by the Board has been uploaded on the Company's website www.somanyceramics.com at the web link: <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/related-party-transaction-policy.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

RISK MANAGEMENT

The Company has adopted the measures concerning the development and implementation of a Risk Management System in terms of Section 134(3)(n) of the Companies Act, 2013 after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Company has an elaborate Risk Management process of identification, assessment and prioritisation of risk followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities. The Risk Management procedure is reviewed by the Audit Committee from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competitive intensity and cost volatility.

INVESTOR EDUCATION & PROTECTION FUND (IEPF)

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the IEPF established by the Central Government. The unpaid/ unclaimed dividend for the year ended 31st March, 2009 is due for transfer to IEPF on or after 29th September, 2016.

AUDITORS' REPORT

All the items on which the Auditors' have commented in their report are self-explanatory and suitably explained in the Notes to the Accounts. The Auditors' Report to the Shareholders for the year under review does not contain any qualifications.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013.

- (a) In the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) The Directors' have selected such accounting policies, applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date.

- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSOLIDATED FINANCIAL RESULTS

As required by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consolidated financial statements have been prepared in accordance with applicable Accounting Standards. The audited consolidated financial statements together with Auditors' Report forms part of the Annual Report.

The consolidated net profit of your Company was ₹ 6470 lacs in the year under review compared to ₹ 4639 lacs in the corresponding previous year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Sections 196, 197, 198 & 203 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. T. R. Maheshwari, Deputy Chief Executive Officer (Dy. CEO) of the Company was appointed as a Key Managerial Personnel and re-designated as Dy. Chief Executive Officer & Chief Financial Officer of the Company w.e.f. 25th January, 2016.

Mrs. Anjana Somany was appointed as a Whole-time Director of the Company, liable to retire by rotation, by the Board of Directors in their meeting held on 21st May, 2016. Mrs. Anjana Somany is related to Mr. Shreekant Somany, Chairman and Managing Director and Mr. Abhishek Somany, Managing Director of the Company. Her appointment as a Whole-time Director of the Company will be subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

Mr. G. L. Sultania retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Regulation 4(1) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. Clause (p) of sub-clause 3 of Section 134 of the Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and the Directors individually. Schedule IV to the Companies Act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board excluding the Directors being evaluated. Performance evaluation was made by the Board on the various parameters and criteria governing performance of the Board and that of its committees and Directors and the same was taken on record.

NOMINATION AND REMUNERATION POLICY

The Company's Policy on Directors appointment and remuneration as required by Section 134(3)(e) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Part D of Schedule II of the said Listing Regulations has been uploaded on the website of the Company at www.somanyceramics.com at the weblink: <https://www.somanyceramics.com/wp-content/uploads/2016/06/SCL-Nomination-Remuneration-Policy.pdf>

MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year the details of which are given in the Corporate Governance Report forming part of the Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises Independent Directors namely Mr. R.K. Daga (Chairman), Dr. Y.K. Alagh, Mr. Salil Singhal and a non-independent director Mr. G.L. Sultania. All the recommendations made by the Audit Committee were accepted by the Board.

AUDITORS

M/s. Lodha & Company, Chartered Accountants, Statutory Auditors of the Company, having Firm Registration No. 301051E, were appointed as Statutory Auditors for a period of 3 (three) consecutive years at the 46th Annual General Meeting (AGM) held on 4th September, 2014, to hold office till the conclusion of the 49th AGM of the Company, subject to ratification of their appointment at every AGM, in terms of the first proviso to Section 139 of the Companies Act, 2013, read with Rule 3(7) of Companies (Audit and Auditors) Rules, 2014.

In this regard, the Company has received a letter from the Auditors conforming that they are eligible for re-appointment as Auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the said Act.

Based on the recommendations by the Audit Committee, the Board of Directors of the Company recommend the ratification of re-appointment of M/s. Lodha & Company, Chartered Accountants, Statutory Auditors of the Company, having Firm Registration No. 301051E as Statutory Auditors of the Company for the financial year 2016-17, by the Shareholders at the ensuing AGM.

CORPORATE GOVERNANCE

Your Company has been following the principles and practices of good Corporate Governance. A separate report on Corporate Governance with a certificate from the Statutory Auditors confirming compliance with the Corporate Governance requirements forms part of the Annual Report.

SECRETARIAL AUDITOR AND THEIR REPORT

The Board had appointed M/s Drolia & Company, Practicing Company Secretaries having Certificate of Practice No. 1362, to conduct Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-16. The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith marked as Annexure 2 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure 3** to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) undertakes CSR activities in accordance with its Corporate Social Responsibility Policy (CSR Policy) uploaded on the Company's website at www.somanyceramics.com at the weblink: <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/scl-corporate-social-responsibility-policy.pdf>

A Section 8 Company under the Companies Act, 2013 was incorporated with the name M/s H. L. Somany Foundation to carry out the Corporate Social Responsibility activities of the Company. The Foundation came into effect on 2nd March, 2015. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013.

The 2% of the average net profit of the Company, made during the three immediately preceding financial years comes out to be ₹ 115.61 lacs. A report on CSR activities is provided at **Annexure 4** to this report.

INTERNAL CONTROL SYSTEMS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, no reportable material weakness in the design or operation was observed.

HUMAN RESOURCE

In Somany, our HR Initiatives are aimed towards building a performance facilitating culture across the organization. We keep exploring and implementing new initiatives to engage, develop and retain key talent in the organization. We have established standard processes and systems in all HR operations, to provide transparency, clarity & rational approach in all HR activities.

As the world is moving fast, to match the pace of change both inside and outside, we have focused on integrating technology at all relevant employee interfaces, so as to give them ease and speed of working. The core purpose is to enable employees to maximize their potential and to foster individual's and organization's performance.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has in place a Whistle Blower Policy, in terms of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which works as Vigil Mechanism for all the directors and employees to report genuine concerns to the appropriate authority. Protected disclosures can be made by a whistle blower through an e-mail, or a letter to a task force referred in the said Policy.

The Whistle Blower Policy may be accessed on the Company's website www.somanyceramics.com at the weblink : <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/whistel-blower-policy.pdf>

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report forms integral part of this Annual Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, R&D, technology absorption, foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed as **Annexure 5** forming part of this Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the **Annexure 6** forming part of the Annual report.

Disclosures pertaining to the remuneration and the other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure 6** forming part of the Annual Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013”.

Up till date, the Company has not received any complaint under the Policy.

OTHER DISCLOSURES

- I. Business Responsibility Report as per clause (f) of sub regulation (2) of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social and governance perspective and was not applicable to the Company earlier is now applicable to the Company as per SEBI Circular CIR/CFD/CMD/10/2015, dated 4th November, 2015 and Notification by the

SEBI dated 22nd December, 2015, effective from 1st April, 2016.

- II. There were no significant material orders passed by the Regulators / Courts during the financial year 2015-16 which would impact the going concern status of the Company and its future operations.
- III. There were no significant material changes and commitments in terms of Section 134(3)(l) of the Companies Act, 2013, affecting the financial position of the Company.

ACKNOWLEDGEMENT

Your Directors acknowledge with sincere gratitude, the cooperation and help extended by all the stakeholders of your Company including its esteemed shareholders, government departments and agencies, financial institutions and banks, customers, vendors and employees.

For and on behalf of the Board

SHREEKANT SOMANY
Chairman and Managing Director

Place: New Delhi
Dated: 21st May, 2016

ANNEXURE -1

Statement pursuant to Section 134 of the Companies Act, 2013

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint ventures

Part- A: Subsidiaries

(₹ in Lacs)

Name of the Subsidiary companies	SR Continental Ltd.	Somany Global Ltd.	Somany Excel Vitrified Pvt. Ltd.	Amora Tiles Pvt. Ltd.	Somany Fine Vitrified Pvt. Ltd.	Somany Sanitary Ware Pvt. Ltd.
Reporting period	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16
Share Capital	18.50	50.00	151.00	1040.00	2200.00	282.86
Reserves & surplus / (Accumulated Losses)	78.66	20.59	(13.97)	412.68	151.12	(2.47)
Total assets	108.02	89.90	140.09	4374.98	7166.72	1198.72
Total liabilities (Excluding Share Capital & Reserves)	10.86	19.31	3.06	2922.30	4815.60	918.33
Investments	38.62	14.74	Nil	Nil	Nil	Nil
Turnover including other income	138.40	16.74	Nil	9918.89	4427.54	1449.30
Profit / (Loss) before taxation	(158.13)	2.72	(13.97)	427.53	225.68	106.87
Provisions for taxation	(0.83)	0.52	Nil	58.65	74.56	9.57
Profit / (Loss) after taxation	(157.30)	2.20	(13.97)	368.88	151.12	97.30
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100%	100%	100%	51%	51%	51%

A Section 8 Company under the Companies Act, 2013 was incorporated on 2nd March, 2015 under the name and style M/s H.L. Somany Foundation to carry out the Corporate Social Responsibility activities of the Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in lacs)

Name of the associates/ joint ventures	Acer Granito Pvt. Ltd.	Commander Vitrified Pvt. Ltd.	Vicon Ceramic Pvt. Ltd.	Vintage Tiles Pvt. Ltd.	Somany Keraben Pvt. Ltd.
Latest audited balance sheet date	31 st March, 2016	31 st March, 2016	31 st March, 2016	31 st March, 2016	31 st March, 2016
Shares of associate/ joint ventures held by the Company on the year end	14,60,000	32,50,000	18,85,000	23,40,000	8,93,000
Amount of investment in associates/ joint venture	511.00	325.00	188.50	503.10	89.30
Extend of Holding %	26.00%	26.00%	26.00%	26.00%	50.00%
Description of how there is significant influence	Section 2(6)	Section 2(6)	Section 2(6)	Section 2(6)	Section 2(6)
Reason why the associates/ joint venture is not consolidated	NIL	NIL	NIL	NIL	NIL
Net worth attributable to Shareholding as per latest audited Balance Sheet	475.36	584.95	186.96	448.87	1.11
Profit/ Loss for the year					
a) Considered in Consolidation	50.37	93.21	15.77	57.51	(1.49)
b) Not considered in consolidation	143.35	265.28	44.87	163.70	(1.49)

Place: New Delhi
Date: 21st May, 2016

Shreekant Somany
Chairman &
Managing Director

Abhishek Somany
Managing Director

T.R. Maheshwari
Dy. Chief Executive Officer
& Chief Financial Officer

Ambrish Julka
DGM (Legal) &
Company Secretary

ANNEXURE- 2

Secretarial Audit Report

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Somany Ceramics Limited

CIN: L40200DL1968PLC005169

82/19, Bhakerwara Road, Mundka

New Delhi – 110 041

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Somany Ceramics Limited (CIN: L40200DL1968PLC005169)** (hereinafter called "the Company"). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the **M/s. Somany Ceramics Limited** and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013(the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and as replaced by Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with Clients;
 - (d) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31st March, 2016:-

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. The following Industry Specific laws:

- a. Factories Act, 1948
- b. Industrial Disputes Act, 1947
- c. The Payment of Wages Act, 1936
- d. The Minimum Wages Act, 1948
- e. Employee State Insurance Act, 1948
- f. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- g. The Payment of Bonus Act, 1965
- h. The Payment of Gratuity Act, 1972
- i. The Contract Labour (Regulations and Abolition) Act, 1970
- j. The Maternity Benefit Act, 1961
- k. Environment (Protection) Act, 1986 and rules thereunder
- l. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and any other laws as may be applicable to the Company from time to time.

We have also examined compliance with the applicable Clauses and Regulations of the following:

- (i) The Listing Agreement entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, made applicable w.e.f. 1st December, 2015.
- (ii) Secretarial Standard 1, on meetings of Board of Directors (SS-1) and Secretarial Standard 2, on General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of all the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and

a Woman Director. There was no change in the composition of the Board of Directors during the period under review.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent at least seven days in advance in terms of Listing Agreement and Section 173 of the Act and five days in advance in terms of Listing Regulations as and when applicable during the relevant period and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same was captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management.

We further report that during the audit period, the Company has not made any:

- (i) Public/Right/ Preferential issue of Shares/Debentures/Sweat Equity or any other Security, except issue of 35,34,600 equity shares of face value of ₹ 2/- each of the Company bearing Distinctive Nos. 38844827 to 42379426 at the meeting of the Company Administrative Committee of the Board of Directors of the Company held on 22nd December, 2015 at a price of ₹ 339.50 per equity share (including share premium of ₹ 337.50 per equity share) under Qualified Institutional Placement to Qualified Institutional Buyers under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014;
- (ii) Redemption / buy-back of securities;
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013;
- (iv) Merger / Amalgamation / Reconstruction etc.;
- (v) Foreign technical collaborations.

FOR DROLIA & COMPANY
(Company Secretaries)

Pravin Kumar Drolia
Proprietor

C.P. No.: 1362

Place: Kolkata

Date: 07th May, 2016

ANNEXURE- 3

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March, 2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

Sl. No.	Particulars	Attachment
I	REGISTRATION AND OTHER DETAILS	
i.	CIN	L40200DL1968PLC005169
ii.	Registration Date	20 th January, 1968
iii.	Name of the Company	Somany Ceramics Limited
iv.	Category/ Sub-Category of the Company	Public Company/ Limited by Shares
v.	Address of the Registered office and contact details	82/19, Bhakerwara Road, Mundka, New Delhi-110 041 Tel: +91 11 28341085 E-mail: cs@somanytiles.co.in Website: www.somanyceramics.com
vi.	Whether Listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2 nd Floor Kolkata – 700 001 Phone No. 033-2243 5809/ 2248 2248 E-mail: mdpldc@yahoo.com
II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
	All the business activities contributing 10% or more of the total turnover of the Company shall be stated	As per Attachment 'A'
III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	As per Attachment 'B'
IV	SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	
i.	Category-wise Share Holding	As per Attachment 'C'
ii.	Shareholding of Promoters	As per Attachment 'D'
iii.	Change in Promoters' Shareholding	As per Attachment 'E'
iv.	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment 'F'
v.	Shareholding of Directors and Key Managerial Personnel	As per Attachment 'G'
V	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per Attachment 'H'
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment 'I'
B.	Remuneration to other directors	As per Attachment 'J'
C.	Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment 'K'
VII	PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES	As per Attachment 'L'

ATTACHMENT -A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below:-

Sl. No.	Name and Description of main products/ services	NIC Code of the product/ service *	% to total turnover of the Company #
1	Ceramic/Vitrified Wall & Floor Tiles	3209	92.9%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

ATTACHMENT -B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1	SR Continental Limited	2, Red Cross Place, Kolkata-700001	U55101WB1979PLC032095	Subsidiary	100%	2(87)ii
2	Somany Global Limited	82/19, Bhakerwara Road, Mundka, New Delhi-110041	U51909DL2006PLC156990	Subsidiary	100%	2(87)ii
3	Somany Excel Vitrified Private Limited	2A, C-119, Lalkothi Scheme, Janpath, Jaipur - 302015	U26955RJ2015PTC048537	Subsidiary	100%	2(87)ii
4	Amora Tiles Private Limited	SR No. 167/1 P1, Sartanpar Road, Tal. Wankaner, Sartanpar-363622, Gujarat	U26933GJ2013PTC075379	Subsidiary	51%	2(87)ii
5	Somany Sanitary Ware Private Limited	S.No. 136 P1 & 138/3, Village Vaghasiya, Tal. Wankaner, Vaghasiya,-363622, Gujarat	U26915GJ2012PTC070115	Subsidiary	51%	2(87)ii
6	Somany Fine Vitrified Private Limited	8 - A National Highway, Sartanpar, Matel Road, Taluka : Wankaner, Rajkot-363621, Gujarat.	U26933GJ2011PTC063535	Subsidiary	51%	2(87)ii
7	Acer Granito Private Limited	Survey No. 641/P-1, B/H Regency Sanitaryware, Lakdhirpur Road, Tal. Morbi Ghuntu-363642, Gujarat	U26914GJ2008PTC053525	Associate	26%	2(6)
8	Vintage Tiles Private Limited	Survey No. 56, Nazar Baug Road, Behind Science College, Morbi-363642, Gujarat	U26933GJ2010PTC062196	Associate	26%	2(6)
9	Commander Vitrified Private Limited	S.No. 70, B/H Landgrace Ceramic, Tal. Wankaner, Sartanpur-363622, Gujarat	U26933GJ2011PTC065693	Associate	26%	2(6)
10	Vicon Ceramic Private Limited	S.No. 154/P2, B/H Vivanta Ceramic, Tal. Morbi, Bela Rangpar-363642, Gujarat	U26933GJ2013PTC075377	Associate	26%	2(6)
11	Somany Keraben Private Limited	6, Jain Bhawan 12, Bhagat Singh Marg New Delhi- 110001	U93094DL2007PTC159142	Joint Venture	50.00%	2(6)

ATTACHMENT- C

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year, i.e. 01.04.2015				No. of Shares held at the end of the year, i.e. 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3,125,465	-	3,125,465	8.04	3,125,465	-	3,125,465	7.37	-0.67
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	18,713,895	-	18,713,895	48.18	18,713,895	-	18,713,895	44.16	-4.02
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	21,839,360	-	21,839,360	56.22	21,839,360	-	21,839,360	51.53	-4.69
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A) (1)+(A)(2)	21,839,360	-	21,839,360	56.22	21,839,360	-	21,839,360	51.53	-4.69
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,193,074	-	1,193,074	3.07	3,430,438	-	3,430,438	8.09	5.02
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	566,041	-	566,041	1.34	1.34
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign portfolio Investors	-	-	-	-	643,027	-	643,027	1.52	1.52
f) FI/Banks	3,170	10,030	13,200	0.03	5,786	10,030	15,816	0.04	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) - FIs	2,248,142	-	2,248,142	5.79	2,273,602	-	2,273,602	5.36	-0.42
Sub-total (B)(1):-	3,444,386	10,030	3,454,416	8.89	6,918,894	10,030	6,928,924	16.35	7.46
2. Central Govt./State Govt.(s)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2): -	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year, i.e. 01.04.2015				No. of Shares held at the end of the year, i.e. 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
3. Non-institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lacs	3,090,667	737,485	3,828,152	9.85	3,257,385	646,970	3,904,355	9.21	-0.64
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lacs	2,898,839	-	2,898,839	7.46	2,632,149	-	2,632,149	6.21	-1.25
b) NBFC's registered with RBI	-	-	-	-	12	-	12	-	0
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) balancing figure	-	-	-	-	-	-	-	-	-
e) Any other(Specify)									
i) Bodies Corporates	1,091,201	36,760	1,127,961	2.9	1,293,062	36,760	1,329,822	3.14	0.24
ii) Clearing Members	8,928	-	8,928	0.02	62,630	-	62,630	0.15	0.13
iii) Non Resident Individuals	48,346	-	48,346	0.13	60,465	-	60,465	0.14	0.01
iv) Trusts	33,498	-	33,498	0.09	69,210	-	69,210	0.16	0.07
v) Foreign Companies	5,605,326	-	5,605,326	14.43	5,552,499	-	5,552,499	13.1	-1.33
Sub-total (B)(3):-	12,776,805	774,245	13,551,050	34.89	12,927,412	683,730	13,611,142	32.12	-2.77
Total Public Shareholding (B)=(B)(1)+ (B)(2)+B (3)	16,221,191	784,275	17,005,466	43.78	19,846,306	693,760	20,540,066	48.47	4.69
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	38,060,551	784,275	38,844,826	100.00	41,685,666	693,760	42,379,426	100.00	-

ATTACHMENT- D**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	No. of Shares held at beginning of the year i.e. 01.04.2015			No. of Shares held at the end of the year i.e. 31.03.2016			% Change in Shareholding during the year
		No. of Shares	%of total Shares of the Company	% Shares Pledged / encumbered to total shares	No. of Shares	%of total Shares of the Company	% Shares Pledged / encumbered to total shares	
1	Mr. Hiralall Somany	313,855	0.81	-	313,855	0.74	-	-0.07
2	Mr. Shrivatsa Somany	1,694,675	4.36	-	1,694,675	4	-	-0.36
3	Mr. Shreekant Somany	115,885	0.3	-	115,885	0.27	-	-0.03
4	Mr. Abhishek Somany	85,500	0.22	-	85,500	0.2	-	-0.02
5	Mrs.Anjana Somany	94,150	0.24	-	94,150	0.22	-	-0.02
6	Mrs. Minal Somany	625,900	1.61	-	625,900	1.48	-	-0.13
7	Mrs. Anushree Chopra	150,000	0.39	-	150,000	0.35	-	-0.04
8	Mr. Shreekant Somany (HUF)	45,500	0.12	-	45,500	0.11	-	-0.01
8	M/s Bhilwara Holdings Ltd.	9,009,840	23.19	-	9,009,840	21.26	-	-1.93
9	M/s Sarvottam Vanijya Ltd.	6,212,980	15.99	-	6,212,980	14.66	-	-1.33
10	M/s Scope Vinimoy Pvt. Ltd.	3,491,075	8.99	-	3,491,075	8.24	-	-0.75
	Total	21,839,360	56.22	-	21,839,360	51.53	-	-4.69

Note: Percentage of Promoters shareholding decreased from 56.22% to 51.53% upon issuance of Equity Shares under Qualified Institutional Placement on 22nd December, 2015.

ATTACHMENT- E**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****iii) Changes in Promoters' Shareholding**

There was no change in the no. of Promoters' shareholding in the financial year 2015-16 but percentage of Promoters shareholding decreased from 56.22% to 51.53% upon issuance of Equity Shares under Qualified Institutional Placement on 22nd December, 2015.

ATTACHMENT- F

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year i.e. 01.04.2015		Cumulative Shareholding during the year and at the close of the year on 31.03.16	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1	LATINIA LIMITED				
	Beginning of the year	4,347,826	11.19	4,347,826	11.19
	End of the year			4,347,826	10.26
2	DSP BLACKROCK MUTUAL FUND				
	Beginning of the year	990,292	2.55	990,292	2.55
	10/04/2015 - Sale	6,899	0.02	983,393	2.53
	30/06/2015 - Sale	18,386	0.05	965,007	2.48
	28/08/2015 - Purchase	14,489	0.04	979,496	2.52
	18/09/2015 - Purchase	299,578	0.77	1,279,074	3.29
	09/10/2015 - Purchase	106,351	0.27	1,385,425	3.57
	06/11/2015 - Purchase	35,658	0.09	1,421,083	3.66
	20/11/2015 - Purchase	15,000	0.04	1,436,083	3.70
	22/12/2015 - Allotment	765,831	1.81	2,201,914	5.20
	22/01/2016 - Sale	11,094	0.03	2,190,820	5.17
	29/01/2016 - Purchase	30,000	0.07	2,220,820	5.24
	05/02/2016 - Purchase	18,419	0.04	2,239,239	5.28
	19/02/2016 - Purchase	1,916	0.00	2,241,155	5.29
	04/03/2016 - Purchase	25,000	0.06	2,266,155	5.35
	31/03/2016 - Purchase	791	0.00	2,266,946	5.35
	End of the year			2,266,946	5.35
3	NTASIAN DISCOVERY MASTER FUND				
	Beginning of the year	1,000,000	2.57	1,000,000	2.57
	22/12/2015 - Allotment	677,466	1.60	1,677,466	3.96
	End of the year			1,677,466	3.96
4	HIND STRATEGIC INVESTMENTS				
	Beginning of the year	1,257,500	3.24	1,257,500	3.24
	24/04/2015 - Sale	14,510	0.04	1,242,990	3.20
	01/05/2015 - Sale	3,777	0.01	1,239,213	3.19
	08/05/2015 - Sale	6,713	0.02	1,232,500	3.17
	17/07/2015 - Sale	8,500	0.02	1,224,000	3.15
	24/07/2015 - Sale	19,327	0.05	1,204,673	3.10
	End of the year			1,204,673	2.84
5	L AND T MUTUAL FUND TRUSTEE LTD (*)				
	Beginning of the year	202,532	0.52	202,532	0.52
	16/10/2015 - Purchase	499,435	1.29	701,967	1.81

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year i.e. 01.04.2015		Cumulative Shareholding during the year and at the close of the year on 31.03.16	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	18/12/2015 - Sale	60,194	0.15	641,773	1.65
	31/12/2015 - Sale	4,979	0.01	636,794	1.50
	End of the year			636,794	1.50
6	DSP BLACKROCK EMERGING STARS FUND (*)				
	Beginning of the year	-	-	-	-
	22/12/2015 - Allotment	530,191	1.25	530,191	1.25
	04/03/2016 - Purchase	20,834	0.05	551,025	1.30
	11/03/2016 - Purchase	10,749	0.03	561,774	1.33
	18/03/2016 - purchase	1,471	0.00	563,245	1.33
	25/03/2016 - Purchase	1,866	0.00	565,111	1.33
	31/03/2016 - Purchase	930	0.00	566,041	1.34
	End of the year			566,041	1.34
7	KIRTIVARDHAN FINVEST SERVICES LTD				
	Beginning of the year	433,795	1.12	433,795	1.12
	End of the year			433,795	1.02
8	SANJEEV VINODCHANDRA PAREKH				
	Beginning of the year	248,375	0.64	248,375	0.64
	23/10/2015 - Purchase	125,301	0.32	373,676	0.96
	End of the year			373,676	0.88
9	COPTHALL MAURITIUS INVESTMENT LIMITED (*)				
	Beginning of the year	-	-	-	-
	22/01/2016 - Purchase	159,372	0.38	159,372	0.38
	29/01/2016 - Purchase	4,313	0.01	163,685	0.39
	05/02/2016 - Purchase	61,125	0.14	224,810	0.53
	12/02/2016 - purchase	8,350	0.02	233,160	0.55
	19/02/2016 - Purchase	16,203	0.04	249,363	0.59
	26/02/2016 - Purchase	59,664	0.14	309,027	0.73
	04/03/2016 - Purchase	31,639	0.07	340,666	0.80
	18/03/2016 - Purchase	3,741	0.01	344,407	0.81
	End of the year			344,407	0.81
10	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD (*)				
	Beginning of the year	-	-	-	-
	22/12/2015 - Allotment	294,550	0.70	294,550	0.70
	15/01/2016 - Purchase	2,099	0.00	296,649	0.70
	22/01/2016 - Purchase	30,925	0.07	327,574	0.77
	29/01/2016 - Purchase	4,206	0.01	331,780	0.78
	12/02/2016 - Purchase	390	0.00	332,170	0.78
	19/02/2016 - Purchase	585	0.00	332,755	0.79

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year i.e. 01.04.2015		Cumulative Shareholding during the year and at the close of the year on 31.03.16	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	26/02/2016 - Purchase	234	0.00	332,989	0.79
	11/03/2016 - Sale	1,445	0.00	331,544	0.78
	25/03/2016 - Sale	1,882	0.00	329,662	0.78
	31/03/2016 - Sale	1,570	0.00	328,092	0.77
	End of the year			328,092	0.77
11	MACQUARIE BANK LIMITED (#)				
	Beginning of the year	938,526	2.42	938,526	2.42
	18/09/2015 - Sale	300,000	0.77	638,526	1.64
	16/10/2015 - Sale	500,000	1.29	138,526	0.36
	27/11/2015 - Sale	138,526	0.36	-	-
	End of the year			-	-
12	SEETHA KUMARI (#)				
	Beginning of the year	349,443	0.90	349,443	0.90
	17/04/2015 - Sale	3,512	0.01	345,931	0.89
	24/04/2015 - Sale	1,625	0.00	344,306	0.89
	22/05/2015 - Sale	35,435	0.09	308,871	0.80
	29/05/2015 - Sale	4,854	0.01	304,017	0.78
	03/07/2015 - Sale	7,243	0.02	296,774	0.76
	10/07/2015 - Sale	3,998	0.01	292,776	0.75
	17/07/2015 - Sale	2,071	0.01	290,705	0.75
	24/07/2015 - Sale	10,854	0.03	279,851	0.72
	31/07/2015 - Sale	1,559	0.00	278,292	0.72
	07/08/2015 - Sale	1,087	0.00	277,205	0.71
	14/08/2015 - Purchase	6,319	0.02	283,524	0.73
	21/08/2015 - Sale	1,109	0.00	282,415	0.73
	11/09/2015 - Sale	151	0.00	282,264	0.73
	18/09/2015 - Sale	2,184	0.01	280,080	0.72
	25/09/2015 - Sale	145	0.00	279,935	0.72
	09/10/2015 - Sale	319	0.00	279,616	0.72
	16/10/2015 - Sale	1,571	0.00	278,045	0.72
	23/10/2015 - Sale	1,404	0.00	276,641	0.71
	30/10/2015 - Sale	6,686	0.02	269,955	0.69
	27/11/2015 - Sale	3,542	0.01	266,413	0.69
	04/12/2015 - Sale	14,056	0.04	252,357	0.65
	18/12/2015 - Sale	23,247	0.06	229,110	0.59
	22/01/2016 - Sale	143,006	0.34	86,104	0.20
	29/01/2016 - Sale	53,468	0.13	32,636	0.08
	05/02/2016 - Sale	32,636	0.08	-	-
	End of the year			-	-

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year i.e. 01.04.2015		Cumulative Shareholding during the year and at the close of the year on 31.03.16	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
13	JITENDRA MANSUKHLAL PAREKH (#)				
	Beginning of the year	239,945	0.62	239,945	0.62
	End of the year			239,945	0.57
14	VINODCHANDRA MANSUKHLAL PAREKH (#)				
	Beginning of the year	238,680	0.61	238,680	0.61
	End of the year			238,680	0.56

Note:

- 1 The Company has allotted 3534600 Equity shares of ₹ 2/- each on 22.12.2015 to Qualified Institutional Buyers ("QIBs"). Consequently, the percentage of shareholding has been stated accordingly.
- # Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2015
- * Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholder was one of the Top 10 share holders as on 31.03.2015

ATTACHMENT- G

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1 st April, 2015 to 31 st March, 2016)	
		No of Shares at the beginning / end of the year	% of total shares of the Company				No. of Shares	% of total shares of the Company
A	Directors							
1	Mr. Shreekant Somany	115,885	0.30	-	-	-	115,885	0.27
2	Mr. Abhishek Somany	85,500	0.22	-	-	-	85,500	0.20
3	Mrs. Anjana Somany	94,150	0.24	-	-	-	94,150	0.22
4	Mr. G.L.Suntania	1,250	0.00	-	-	-	1,250	0.00
5	Mr. Ratna Kumar Daga	5,000	0.01	-	-	-	5,000	0.01
6.	Mr. Narayan Anand	-	-	-	-	-	-	-
7.	Mr. Salil Singhal	-	-	-	-	-	-	-
8.	Mr. Ravinder Nath	-	-	-	-	-	-	-
9.	Dr. Y.K. Alagh	-	-	-	-	-	-	-
10.	Mr. Siddharath Bindra	-	-	-	-	-	-	-

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1 st April, 2015 to 31 st March, 2016)	
		No of Shares at the beginning / end of the year	% of total shares of the Company				No. of Shares	% of total shares of the Company
B Key Managerial Personnel (KMP's)								
1.	Mr. G. G. Trivedi	2,000	0.005	-	-	-	2,000	0.004
2.	Mr. T.R. Maheshwari	-	-	-	-	-	-	-
3.	Mr. Ambrish Julka	-	-	-	-	-	-	-

ATTACHMENT- H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16862.72	-	-	16862.72
ii) Interest due but not paid	41.92	-	-	41.92
iii) Interest accrued but not due	15.93	-	-	15.93
Total (i+ii+iii)	16920.57	-	-	16920.57
Change in Indebtedness during the financial year				
• Addition	5186.71	2500.00	-	7686.71
• Reduction	3103.13	2500.00	-	5603.13
Net Change	2083.58	0.00	-	2083.58
Indebtedness at the end of the financial year				
i) Principal Amount	18903.63	-	-	18903.63
ii) Interest due but not paid	52.35	-	-	52.35
iii) Interest accrued but not due	48.17	-	-	48.17
Total (i+ii+iii)	19004.15	-	-	19004.15

ATTACHMENT- I**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Mr. Shreekant Somany	Mr. Abhishek Somany	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	198.08	199.47	397.55
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8.98	8.60	17.58
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission (as % of profit)	181.90	183.60	365.50
5	PF Contribution	20.10	17.40	37.50
	Total (A)	409.06	409.07	818.13
	Ceiling as per the Act	₹ 909.04 Lacs (being 10% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

ATTACHMENT - J

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. R.K. Daga	Mr. G. L. Sultania	Mrs. Anjana Somany	Mr. Saili Singhal	Mr. Ravinder Nath	Dr. Y.K. Alagh	Mr. Siddharath Bindra	Mr. Narayan Anand	
(₹ in Lacs)										
1. Independent Directors										
a.	Fee for attending board / committee Meetings	1.25	-	-	0.70	0.35	0.45	1.05	-	3.80
b.	Commission	5.00	-	-	5.00	5.00	5.00	5.00	-	25.00
c.	Others, please specify	-	-	-	-	-	-	-	-	-
Total (1)		6.25	-	-	5.70	5.35	5.45	6.05	-	28.80
2. Other Non-Executive Directors										
i.	Fee for attending board / committee Meetings	-	1.20	0.45	-	-	-	-	0.30	1.95
ii.	Commission	-	5.00	5.00	-	-	-	-	5.00	15.00
iii.	Others, please specify	-	-	-	-	-	-	-	-	-
Total (2)		-	6.20	5.45	-	-	-	-	-	16.95
Total (B)=(1+2)		6.25	6.20	5.45	5.70	5.35	5.45	6.05	5.30	45.75
Total Managerial Remuneration		6.25	6.20	5.45	5.70	5.35	5.45	6.05	5.30	45.75
Overall Ceiling as per the Act		₹ 90.90 Lacs (being 1% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 subject to maximum of ₹ 5 lacs as commission to each Non-Executive Director of the Company) as per resolution passed by Members at AGM held on 02.09.2013.								

ATTACHMENT- K**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			(₹ in Lacs)
		CEO	Company Secretary	DY. CEO & CFO	Total Amount
		Mr. G. G. Trivedi	Mr. Ambrish Julka	Mr. T. R. Maheshwari*	
		01.04.2015-31.03.2016	01.04.2015-31.03.2016	16.11.2015-31.03.2016	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	109.94	19.29	27.60	156.83
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	0.32	0.77	1.09
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify				
5	PF Contribution	6.57	1.11	1.79	9.47
	Total (A)	116.51	20.72	30.16	167.39

* Additionally appointed as Chief Financial Officer of the company w.e.f. 25th January, 2016.

ATTACHMENT- L**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties/punishments/ or any compounding of offences during the financial year 2015-16.

ANNEXURE - 4

REPORT ON CSR ACTIVITIES OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2016

A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken is stated as under:

Information as per Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

1. CSR Policy:
 - a. Our CSR Policy shall be directed towards inclusive development that creates value for society and caters to the needs of our people.
 - b. The CSR initiatives will be focused to enable the citizen to enjoy the benefits of science led innovations.
 - c. Our goal is to ensure that our economic growth is socially and environmentally sustainable.
 - d. The targeted beneficiaries of our CSR activities will be marginalized, disadvantaged, poor or deprived sections of the community.
 - e. We shall take part in the socio-economic developmental activities of the communities around our plant locations and area of operations, so that the weaker and marginalized sections of the society will have a sustainable higher income and better standard of living.
 - f. We will enable through our CSR activities the local community access to basic amenities like safe drinking water, health and sanitation.
 - g. We will focus and support our community in attaining Millennium development goals.
 - h. We will provide them sustainable livelihood options and handhold them through training and skill development.
 - i. We will promote education and engage in employment enhancing vocational skills, especially to women, under privileged youth/students.
 - j. We will engage in programs enabling poverty eradication, increase in farm productivity and food security.
 - k. We will promote activities reducing inequalities faced by socially and economically backward groups.
 - l. We will engage in projects ensuring environment sustainability and conservation of limited natural resources. We will promote water conservation on mass scale.
 - m. We will engage in capacity building programmes of micro and small manufacturing units.
 - n. We will actively involve in rural development projects. In rural areas we will focus on rural infrastructure development activities like setting up of Distance Education Centres, Krishi Mitra Kendras/ Agri Clinics, Rural BPOs, Common Service Centres (CSCs) /Community Centres, Skill Development Centres, Adoption of Primary Health Centres, Village Roads, Street Lights, Watershed Development activities, Revival of Water bodies, Irrigation and Water Storage Structures, etc.
 - o. We will support and supplement Government programs and initiatives.

OUR MODALITIES OF EXECUTION OF SUCH PROJECTS

- a) Somany Ceramics Limited will identify various developmental projects to participate and implement it directly and also through its Trust – "H. L. Somany Foundation".
- b) H. L. Somany Foundation will work closely with the Somany CSR Committee in executing the projects.
- c) We may initiate Public-Private-Community Participation Programmes, if needed.
- d) Our partners in development activities may be NGOs, Farmer Producer Organisations, State Universities, Government bodies, District Authorities, Village Panchayats and the people at the bottom of the pyramid.
- e) All our CSR projects may be in the form of Projects/Programmes/ direct contributions to government sponsored welfare schemes etc.
- f) Our CSR Projects may have the following components:

- Need Based Assessment/Baseline Survey/Study
 - Clearly identified time frame
 - Specific annual financial allocation
 - Clearly identified milestones
 - Clearly identified & measurable objectives /goals
 - Robust & periodic review & monitoring
 - Evaluation & Assessment through third party wherever required
2. Composition of the Committee: Mr. Abhishek Somany (Chairman)
Mr. Salil Singhal (Member)
Mr. Ravinder Nath (Member)
 3. Avg. Net Profit of the Company for Last three financial years: ₹ 5780.26 Lacs
 4. CSR Expenditure (2% of the amount as in item 3 above): ₹ 115.61 Lacs
 5. CSR spent during the financial year 2015-16:
 - a) Total amount to be spent for the financial year 2015-16: ₹ 115.61 Lacs
 - b) Amount unspent: ₹ 53.93 Lacs and ₹ 115.61 Lacs for the financial year 2014-15 and financial year 2015-16 respectively.
 6. Reasons for not spending the amount: The Company is in the process of identifying more areas for CSR activities. The Company has however made necessary provision in the accounts for the unspent amount towards its commitment to spend the same going forward.
 7. We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Place: New Delhi

Date : 21st May, 2016

G. G. Trivedi

Chief Executive Officer

Abhishek Somany

Managing Director and
Chairman of Company CSR Committee

ANNEXURE - 5

The information on conservation of energy, R&D, technology absorption, foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is as follows:

CONSERVATION OF ENERGY

Energy conservation in manufacturing operations is an ongoing process and a serious commitment of all concerned in the Company.

(a) Energy conservation measures taken:

- I. Replacement of 1776 old conventional lights with LED lights & achieved reduction of 51.58% power consumption earlier consumption was 77793 watt after replacement the power consumption reduced to 37662 watt.
- II. Installation of variable frequency drives in Fans, Blowers & pumps of kilns & cooling towers and achieved reduction in power consumption.
- III. Use of energy efficient motors i.e. Eff1/IE3/IE4 grade in kilns to reduce electrical power consumption .
- IV. Use of low power loss capacitor to maintain a very good power factor feeder wise (at load End) to reduce the voltage drop as well as the distribution losses.
- V. Use of Energy efficient Transformer conforming to ECBC (Energy Conservation Building Code) norms to save Electrical Energy Power.
- VI. Power trading activity continues to result into reduction in frequent power interruptions and usage of gas/diesel-based captive generation.

(b) Additional investments and proposals if any being implemented for reduction of consumption of energy:

This is an ongoing activity. No major investments are planned.

(c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The measures indicated as per (a) and (b) above are resulting in substantial reduction in energy consumption/costs.

(d) Total energy consumption and energy consumption per unit of production in respect of specified industries:

The Company is not covered under the list of specified industries.

TECHNOLOGY ABSORPTION

A. Research and Development

i. Specified areas of R&D

The Company has introduced various innovative and special effect products for its new GVT plant in bigger size glaze vitrified tiles. Sugar-hone, HDR, Dazzle (Glimker) etc. are some of the examples which will add great value to already existing product portfolio.

Cost saving and process optimizations are other areas in which continuous effort is being put in and has paid rich dividends.

ii. Benefits derived as a result of above R&D Development

Development of value-added products, improvement in first quality tiles percentage and cost optimization efforts surely translate into a competitive edge in the market place overall impacting profitability and brand of the Company.

iii. Future R&D plans

The Company believes that research and development in ceramics is an area of unlimited possibilities and with this in mind the Company shall continue to put great effort in R&D in all the areas of ceramic tile manufacturing. Developmental efforts are being carried out to make translucent tiles.

iv. Expenditure on R&D

There was no major expenditure incurred to carry out the R&D when compared with the size of the turnover of the Company.

B. Technology absorption, adaptation and innovation

- i. The Company continues to fully adopt and keeps its R&D and Technical staff fully abreast with the latest technologies and products globally.
- ii. Digital printing technology introduced in last few years has resulted in incomparable definition and clarity of the products besides helping reduce wastages and manpower costs.

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings	₹ 7137.15 lacs
Foreign Exchange Outgo	₹ 8293.12 lacs

For and on behalf of the Board

Place: New Delhi
Dated: 21st May, 2016

Shreekant Somany
Chairman and Managing Director

ANNEXURE - 6A

Information as per Section 134 and Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

REMUNERATION PAID TO DIRECTORS

Name of the director	Title	Remuneration in fiscal 2016 (in lacs)	Remuneration in fiscal 2015 (in lacs)	No. of Stock Option / RSUs granted in fiscal 2016	% increase of remuneration in 2016 as compared to 2015	Excl. WTD Ratio of remuneration to MRE #	Incl. WTD Ratio of remuneration to MRE and WTD #	Ratio of remuneration to Revenues (fiscal 2016) #	Ratio of remuneration to Net profit (fiscal 2016)#
Mr. Shreekant Somany	Chairman and Managing Director	409.07	313.18	Nil	30.62%	229.65	229.32	0.00	0.07
Mr. Abhishek Somany	Managing Director	409.07	313.18	Nil	30.62%	229.65	229.32	0.00	0.07
Mr. R. K. Daga	Independent Director	6.25	6.25	Nil	0.00%	3.51	3.50	0.00	0.00
Dr. Y.K. Alagh	Independent Director	5.45	5.80	Nil	(6.03%)	3.06	3.06	0.00	0.00
Mr. Salil Singhal	Independent Director	5.70	6.15	Nil	(7.32%)	3.20	3.20	0.00	0.00
Mrs. Anjana Somany*	Non Executive Director	5.45	0.11	Nil	N.A.	3.06	3.06	0.00	0.00
Mr. G. L. Sultania	Non- Executive Director	6.20	6.00	Nil	3.33%	3.48	3.48	0.00	0.00
Mr. Ravinder Nath	Independent Director	5.35	5.50	Nil	(2.73%)	3.00	3.00	0.00	0.00
Sh. Narayan Anand	Non- Executive and Nominee Director	5.30	5.60	Nil	(5.36%)	2.98	2.97	0.00	0.00
Mr. Siddharath Bindra**	Independent Director	6.05	5.10	Nil	N.A.	3.40	3.39	0.00	0.00

* For the period 24th March, 2015 to 31st March, 2015.

** For the period 26th May, 2015 to 31st March, 2015.

Rounded off to two decimal

RSUs: Restricted Stock Units

WTD: Whole Time Director

MRE: Median Remuneration of Employees

REMUNERATION OF KEY MANAGERIAL PERSONNEL (KMPS)

Name of the KMPS	Title	Remuneration in fiscal 2016 (in lacs)	Remuneration in fiscal 2015 (in lacs)	No. of Stock Option / RSUs granted in fiscal 2016	% increase of remuneration in 2016 as compared to 2015	Excl. WTD	Incl. WTD	Ratio of remuneration to	
						Ratio of remuneration to MRE#	Ratio of remuneration to MRE and WTD #	Revenues (fiscal 2016)#	Net profit (fiscal 2016)#
Mr. G.G. Trivedi	Chief Executive Officer	116.51	113.00	Nil	3.11%	65.41	65.31	0.00	0.02
Mr. T. R. Maheshwari*	Dy. Chief Executive Officer & Chief Financial Officer	30.16	0.00	Nil	N.A.	16.93	16.91	0.00	0.00
Mr. Ambrish Julka	Company Secretary and Compliance Officer	20.72	17.72	Nil	16.93%	11.63	11.62	0.00	0.00

* For the period 16th November, 2015 to 31st March, 2016

Rounded off to two decimal

RSUs: Restricted Stock Units

WTD: Whole Time Director

MRE: Median Remuneration of Employees

The Median Remuneration of Employees (MRE) excluding Whole-time Directors (WTDs) was ₹ 178,131 and ₹ 198,098 in fiscal 2016 and fiscal 2015 respectively. The decrease in MRE (excluding WTDs) in fiscal 2016, as compared to fiscal 2015 is 10.08%.

The Median Remuneration of Employees (MRE) including Whole-time Directors (WTDs) was ₹ 178,386 and ₹ 198,128 in fiscal 2016 and fiscal 2015 respectively. The Increase/Decrease in MRE (including WTDs) in fiscal 2016, as compared to fiscal 2015 is 9.96 %.

The number of Permanent employees on the rolls of the Company as of 31st March, 2016 and 31st March, 2015 was 2014 and 1595 respectively.

The revenue growth during fiscal 2016 over fiscal 2015 was 12.31% and net profit growth was 37.58 %. The aggregate remuneration of employees excluding WTD grew by 16.11% over the previous fiscal. The aggregate increase in salary for WTDs and other KMPS was 30.18 % in fiscal 2016 over fiscal 2015. This was based on the recommendation of the nomination and remuneration committee to revise the remuneration as per industry benchmarks.

Our market capitalization increased by 6.35% to ₹ 1656.40 crore as of 31st March, 2016 from ₹ 1557.48 crore as of 31st March, 2015. The Price Earnings Ratio was 25.64 as of 31st March, 2016 which was a decrease of 26.91 %, as compared to 31st March, 2015. The Closing Price of the company's equity shares on the NSE and BSE as of March 31, 2016 was ₹ 390.85 and ₹ 393.10 respectively, representing a 5762.75 %(NSE) increase over the IPO Price, adjusted for stock splits and bonuses to date.

During fiscal 2016, no employee received remuneration in excess of the highest-paid director.

ANNEXURE - 6B

Information as per Section 134 and Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

Employed for the financial year and in receipt of remuneration at a rate which was not less than ₹ 60 lacs per annum.

Particulars	For the full year 2015-16			For part of the year 2015-16		
	Mr. Shreekant Somany	Mr. Abhishek Somany	Mr. G.G. Trivedi	Mr. Sanjay Kalra	Mr. T. R. Maheshwari	Mr Tapan Kr Jena
Age	68 years	44 years	70 years	54 years	57 years	55 years
Designation	Chairman & Managing Director	Managing Director	Chief Executive Officer	President Sales and Marketing	Deputy Chief Executive Officer & Chief Financial Officer	Chief Operating Officer
Nature of Duties	Overall Management of the Company and Policy Decisions	Management of Company Operations	Management of Plant Operations	Managing the Sales and Marketing Operations	Responsible for Business Operations and Finance	Planning and Implementing the Procedures and Strategies
Remuneration Received	₹ 409.07 Lacs	₹ 409.07 Lacs	₹ 116.51 Lacs	₹ 83.33 Lacs	₹ 30.16 Lacs	₹ 88.78 Lacs
Qualifications	B.Sc	BBA (UK)	M. Sc. , AICWA, LLB	PG Diploma in Marketing and Sales	B.Com., FCA	PG Diplome in Business Management
Experience	45 years	20 years	45 years	30 years	32 year	29 years
Date of Commencement of Employment	1 st September, 1992	1 st July, 1996	1 st May, 1987	6 th January, 2015	16 th November, 2015	10 th October, 2005
Name of last Employment	Hindustan Sanitary ware & Industries Ltd.	-	LMP Precision Engineering Ltd.	Sintex Industries Ltd.	H & R Johnson (India) A Division of Prism Cement Limited	Regency Ceramics Limited
Position Held	President	-	President	President Sales and Marketing	Chief Operating Officer (Tiles)	Vice President Sales and Marketing
Percentage of Equity Shares of the Company held	0.27%	0.20%	-	-	-	-

Notes:

- I. The gross remuneration includes salary, leave encashment, reimbursement of medical expenses and the Company's contribution to provident fund besides value of other perquisites calculated in accordance with Income Tax Act / Rules.
- II. Appointment of Mr. Shreekant Somany, Chairman and Managing Director and Mr. Abhishek Somany, Managing Director are contractual.
- III. Mr. Shreekant Somany, Chairman and Managing Director is father of Mr. Abhishek Somany, Managing Director of the Company, hence they are related to each other.
- iv. Mr. Tapan Kumar Jena, ceased to be the employee of the Company w.e.f. 16th October, 2015.

For and on behalf of the Board

Shreekant Somany
Chairman and Managing Director

Place: New Delhi
Dated: 21st May, 2016

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate Governance Practices are strength of any successful enterprise. The Company's visionary founder had laid the foundation for good governance and made it an integral part of the Company's philosophy which has characteristics of fairness, accountability, disclosure and transparency. This has enabled your Company to achieve sustainable growth on its journey to continue success, thereby meeting the expectations of the stakeholders. The Company places emphasis on business ethics and responsible conduct and to disclosures of operating performance and other key events on timely basis to its shareholders and the stakeholders. The Company views its role as trustees of its shareholders, stakeholders and society at large.

2. REPLACEMENT OF LISTING AGREEMENT BY SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (LISTING REGULATIONS)

Listing Agreement entered into by the Company with the Stock Exchanges, i.e. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where the shares of the Company are presently listed and continued to be listed, was replaced by execution of fresh uniform Listing Agreements with NSE and BSE, whereby the Company, agreed to abide by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR, 2015), effective from 1st December, 2015. During the year under review, Clause 49 of the Listing Agreement was applicable to the Company upto 30th November, 2015, thereafter (LODR, 2015) was applicable to the Company.

3. BOARD OF DIRECTORS

The Board comprises of ten Directors as on 31st March, 2016. None of the Non-Executive Directors of the Company has any pecuniary relationship or transaction with the Company, except Mr. G.L. Sultania, Non-Executive Non-Independent Director of the Company, who is in receipt of consultancy fees of ₹ 600,000/- (Rupees Six Lacs Only) per annum, as approved by the Shareholders at their 47th Annual General Meeting of the Company held on 4th September, 2015. The non-executive directors of the Company are highly respected and accomplished professionals in the corporate and academic world. The Composition of the Board is in conformity with the Regulation 17 of the SEBI (LODR, 2015).

The details of the Directors by category, attendance and other Directorships including Memberships/Chairmanships of Board Committees and number of shares held are:

Director	Category	No. of Board Meetings held during the tenure of the Member	No. of Board Meetings attended	Attended last AGM	Number of Directorships in other companies (\$)	@ No. of Committee positions held in other companies		No. of shares held
						Chairman	Member	
Mr. Shreekant Somany	P	4	4	Yes	6	-	3	161,385
Mr. Abhishek Somany	P	4	4	Yes	2	-	-	85,500
Mr. R. K. Daga	I	4	4	Yes	2	3	1	5,000
Mr. G. L. Sultania	N	4	4	-	8	-	3	1,250
Mr. Salil Singhal	I	4	2	-	6	-	3	-
Mr. Ravinder Nath	I	4	2	-	3	1	2	-
Dr. Y. K. Alagh	I	4	2	-	2	-	4	-
Mr. Siddharath Bindra	I	4	3	-	0	-	-	-
Mr. Narayan Anand	N&O	4	2	-	2	-	-	-
Mrs. Anjana Somany	P	4	3	-	2	-	-	94,150

Category: P=Promoter, I=Independent, N= Non-Executive & Non-Independent Director, O= Nominee Director, NA= Not Applicable

(\$) Excludes Directorships in Indian Private Limited Companies other than subsidiaries of Public Limited Companies and memberships of various Chambers and other non-corporate organizations.

@ Includes the membership/chairmanship in Audit Committee and Stakeholders Relationship Committee only of Public Limited Companies.

INTER-SE RELATIONSHIP OF DIRECTORS

Mr. Shreekant Somany, Chairman & Managing Director of the Company is spouse of Mrs. Anjana Somany, Whole time director and father of Mr. Abhishek Somany, Managing Director of the Company.

BOARD FUNCTIONS

Apart from review and consideration of matters referred to under Regulation 17 of the SEBI (LODR), 2015, the Board also undertakes the following:

- ♦ Laying down the corporate philosophy and the mission of the Company;
- ♦ Formulating the strategic business plans;
- ♦ Setting standard for ethical behavior;
- ♦ Compliance with all the rules and regulations;
- ♦ Informing shareholders of the various developments within the Company.

MEETING OF THE BOARD OF DIRECTORS

There were Four Board meetings held during the year 2015-16 i.e. on 18th May, 23rd July, 26th October in 2015 and on 25th January in 2016.

4. CODE OF CONDUCT

The Board of Directors has adopted a Code of Conduct for all Board members and senior personnel of the Company after suitably incorporating duties of Independent Directors as laid down under Schedule IV to the Companies Act, 2013 and the same is being abided by all on annual basis in terms of Regulation 26(3) of the SEBI (LODR, 2015). A declaration to this effect, duly signed by Chief Executive Officer was placed before the Board and is enclosed forming part of this report. The Code of Conduct framed by the Company is posted on the Company's website i.e. "www.somanyceramics.com"

5. CEO/CFO CERTIFICATION

The CEO and CFO of the Company have issued a certificate in terms of Regulation 17(8) of the SEBI (LODR, 2015), certifying that the financial statements do not contain any materially untrue statement and these statements represent

a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

6. COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Composition

The Audit Committee comprises of four members at present, with majority of Independent Directors, as members of the Committee. Mr. R.K. Daga is the Chairman of the Committee. The other members of the committee are Mr. Salil Singhal, Mr. G. L. Sultania and Dr. Y.K. Alagh. All members of the Audit Committee are financially literate. The Audit Committee members are accomplished professionals from the corporate and academic world. The Committee meets its constitution requirements, in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR, 2015). The Company Secretary of the Company acts as the Secretary to the Committee. Minutes of each Audit Committee Meeting are placed and discussed in the next meeting of the Board. The terms of reference of the audit committee cover the areas as contemplated under Part C of Schedule II of SEBI (LODR, 2015) and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors.

TERMS OF REFERENCE

Brief description of the terms of reference is:-

- Effective supervision of the financial reporting process, ensuring financial and accounting controls and compliance with the policies of the Company,
- Periodical interaction with the statutory and internal auditors to ascertain the quality and veracity of the Company's transactions,
- Review of adequacy and effectiveness of Internal Audit Function and the Internal Control System,
- Overall direction on the risk management system,
- Review of the annual and quarterly financial statements with management before submission to the Board,
- Compliance with Listing and other legal requirements relating to financial statements,

- Review related party transactions,
- Review the functioning of Vigil Mechanism, qualifications in the audit report, if any,
- Carry out any other functions as may be specified by the Board from time to time.

INVITEES TO THE AUDIT COMMITTEE

Both the statutory and internal auditors of the Company are regular invitees to the Audit Committee meetings to brief the members. The meeting of the Audit Committee is generally attended by the Chairman & Managing Director, Chief Executive Officer, Dy. Chief Executive Officer & Chief Financial Officer, President (Sales & Marketing), Vice-President (Finance) & other departmental heads.

FREQUENCY OF MEETINGS

During the year 2015-16, four Audit Committee meetings were held on 18th May, 23rd July, 26th October in 2015 and on 25th January in 2016.

The maximum gap between any two meetings was less than four months.

The attendance of the Audit Committee Meetings is given below:

Name of Member Director	No. of Meetings attended
Mr. R. K. Daga (Chairman)	4
Mr. G. L. Sultania (Member)	4
Mr. Salil Singhal (Member)	2
Dr. Y. K. Alagh (Member)	2

The Chairman of the committee was present at the last Annual General Meeting of the Company to answer shareholders queries.

SHARE TRANSFER COMMITTEE

Your Company has a Share Transfer Committee comprising of Mr. G.L. Sultania (who chairs the meeting), Mr. N. Goenka and Mr. S. Banerjee. The Committee met twelve times during the year under review. The Board has delegated the power of Share Transfer to the Company's Registrar & Share Transfer Agents, who process the transfers, in respect of physical and shares under Demat. During the year under review, total of 8250 shares were transferred (including transmission) and dispatched within the stipulated time period specified under the laws, documents for which found valid in all respects. There were no pending transfers as on 31st March, 2016.

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company has a Stakeholder's Relationship Committee to oversee redressal of shareholders'/Investors' grievances relating to transfers, transmissions, issue of duplicate share certificate(s) and all other matters concerning shareholders' complaints. Mr. R. K. Daga, Non-Executive Independent Director of the Company is heading the Committee along with Mr. G. L. Sultania, Non-Executive Non-Independent Director, as a member of the Committee. Mr. Ambrish Julka,

Deputy General Manager (Legal) and Company Secretary of the Company is the Compliance Officer. Total Four meetings of this Committee were held during the year 2015-16, i.e. on 07th May, 23rd July, 26th October in the year 2015 and on 25th January in the year 2016. During the year 16 complaints were received and resolved. There were no complaints of Shareholders pending as on 31st March, 2016.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee comprising of three Non-executive directors, of which more than half are Independent Directors. Mr. R.K. Daga, Non-executive Independent Director is the Chairman of the Committee. Mr. G. L. Sultania, Non-executive Non-Independent Director and Mr. Siddharath Bindra, Non-executive Independent Director, are the other Members of the Committee.

During the year 2015-16, four Committee meetings were held i.e. on 18th May, 2015, 23rd July, 2015, 26th October, 2015 and on 25th January, 2016.

The attendance of the Nomination & Remuneration Committee Meetings is given below:

Name of Member Director	No. of Meetings held during the tenure of the Member	No. of Meetings attended
Mr. R. K. Daga (Chairman)	4	4
Mr. G. L. Sultania (Member)	4	4
Mr. Siddharath Bindra (Member)	4	3

TERMS OF REFERENCE

Terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Listing Agreement/ SEBI (LODR, 2015), as and when applicable and Section 178 of the Companies Act, 2013, that inter-alia includes:

- Identifying and selection of candidates for appointment as Directors/ Independent Directors, Key Managerial Personnel (KMP) and as Senior Management employees, based on certain criteria laid down;
- Formulate and review from time to time the Policy for selection and appointment of Directors, KMP and senior management employees and their remuneration;
- Review and evaluate the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

- Succession planning of the Board of Directors and Senior Management Employees.
- Such other matters as may be prescribed in the Nomination and Remuneration Policy of the Company.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS AND THE BOARD:

The Independent Directors and the Board are evaluated on the basis of the following criteria's i.e. whether they:

- Act objectively and constructively while exercising their duties;
- Exercise their responsibilities in a bona fide manner in the interest of the Company;
- Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- Refrain from any action that would lead to loss of his independence;
- Inform the Board immediately when they lose their independence;
- Assist the Company in implementing the best corporate governance practices;
- Strive to attend all meetings of the Board of Directors and the Committees;
- Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- Strive to attend the general meetings of the Company;
- Keep themselves well informed about the Company and the external environment in which it operates;
- Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- Abide by Company's Memorandum and Articles of Association, Company's Policies and procedures including code of conduct, insider trading guidelines etc.

The performance of Executive Directors shall also be evaluated on the basis of Targets/ Criteria met by them, as given by the Board from time to time.

Details of the Remuneration paid to Directors during the year 2015-16 are as follows:

Directors	Salary & perquisites (₹)	Commission for 2014-15 (₹)	Sitting Fees (₹)	Total (₹)
Mr. Shreekant Somany*	22,716,064**	9,224,017	--	31,940,080
Mr. Abhishek Somany*	22,547,115**	14,690,255	--	37,237,370
Mr. R. K. Daga	--	500,000	125,000	6,25,000
Mr. G. L. Sultania	--	500,000	120,000	6,20,000
Mr. Salil Singhal	--	500,000	70,000	5,70,000
Mr. Ravinder Nath	--	500,000	35,000	5,35,000
Dr. Y.K. Alagh	--	500,000	45,000	5,45,000
Mr. Siddharath Bindra	--	500,000	105,000	6,05,000
Mr. Narayan Anand***	--	500,000	30,000	5,30,000
Mrs. Anjana Somany	--	10,959	45,000	55,959

During the year under review, fee of ₹ 6,00,000/- (Rupees Six Lacs only) was paid in lieu of consultancy services provided by the Proprietorship Firm, M/s. G.L. Sultania & Co. of which Shri G.L. Sultania, Non-Executive Non-Independent Director of the Company, is the Proprietor.

* Whole time Directors are not entitled for sitting fee.

** The remuneration includes Company's contribution to Provident Fund and leave encashment and the same is being paid in accordance with Schedule V to the Companies Act, 2013. The value of perquisites has been calculated in accordance with the rules framed under the Income Tax Act, 1961.

The services of Chairman & Managing Director and Managing Director may be terminated by giving three months' notice or alternatively three months' salary in lieu of notice. No severance fees is payable to them under their respective service agreements entered into by them with the Company.

Apart from sitting fees, the Non-Executive directors are entitled for commission @1% of net profits of the Company in terms of resolution passed by the Shareholders of the Company at their Annual General Meeting held on 2nd September, 2013 subject to maximum of ₹ 5,00,000/- (Rupees five lacs only) to each Non-Executive Director of the Company.

*** Mr. Narayan Anand was appointed as Nominee Director of M/s Latinia Limited, and he is liable to retire by rotation.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your Company has a CSR Committee, in terms of Section 135 of the Companies Act, 2013. The Chairman of the Committee is Mr. Abhishek Somany, Managing Director of the Company. Mr. Salil Singhal and Mr. Ravinder Nath, Non-Executive Independent Directors of the Company are the other members of the Committee. During the year ended 31st March, 2016, two Committee meetings were held i.e. on 23rd July, 2015 and 02nd February, 2016, which were attended by the members as under :

Director	Category	No. of meetings held during the tenure of the Member	No. of meetings attended
Mr. Abhishek Somany	Non-Independent	2	2
Mr. Salil Singhal	Independent	2	2
Mr. Ravinder Nath	Independent	2	-

COMPANY ADMINISTRATIVE COMMITTEE

Your Company has a Company Administrative Committee for considering matters routine in nature and matters falling between two Board Meetings of the Company. Mr. Shreekant Somany, Chairman and Managing Director of the Company, is the Chairman of the Committee. Mr. Abhishek Somany, Managing Director, Mr. Salil Singhal and Mr. Siddharath Bindra, Non-Executive Independent Directors of the Company are other members of the Committee. During the year ended 31st March, 2016, Nine Committee meetings were held i.e. on 30th July, 4th September, 23rd November, 17th December, 18th December, 22nd December in the year 2015 and on 02nd January, 02nd February and 07th March in the year 2016 which were attended by the members as under:

Director	Category	No. of meetings held during the tenure of the Member	No. of meetings attended
Mr. Shreekant Somany	Non-Independent	9	8
Mr. Abhishek Somany	Non-Independent	9	9
Mr. Salil Singhal	Independent	9	3
Mr. Siddharath Bindra	Independent	9	9

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code for Independent Directors under Schedule IV to the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR, 2015), a separate meeting of the Independent Directors of the Company was held and attended by the Independent Directors except Mr. Siddharath Bindra on 25th January, 2016 to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

8. INDUCTION AND TRAINING OF INDEPENDENT DIRECTOR

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as the nature of industry in which the Company operates through induction programmes at the time of their appointment as Directors. On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction programme giving brief description on Company's manufacturing, marketing, finance and other important aspects. The Company Secretary, briefs the Director

about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Business and Functional heads. The details of familiarisation programmes for Independent Directors are uploaded on the website of the Company, i.e. www.somanyceramics.com at the weblink: <https://www.somanyceramics.com/training-directors/>

9. EVALUATION OF THE BOARD'S PERFORMANCE

One of the key functions of the Board is to monitor and review the Board evaluation framework. During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of Board's functioning such as composition of Board & its Committees, experience and competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors, including the Board, Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholder's interest etc.

10. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud free work environment and to this end the Committee has laid down a Whistle Blower Policy, duly approved by the Board, providing a platform to all the employees, vendors and customers to report any suspected fraud or error or confirmed incident of fraud /misconduct. The Board has adopted the Policy on Vigil Mechanism and uploaded the same on the Company's website i.e. www.somanyceramics.com at the weblink: <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/whistel-blower-policy.pdf>

11. SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the

consolidated income of the Company during the previous financial year. The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company. Copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings of the Company. The Board has approved and adopted a policy for determining Material Subsidiaries which has been uploaded on the Company's website i.e. www.somanyceramics.com and at the web link i.e. <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/policy-on-material-subsiary.pdf>

12. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Listing Agreement/Regulation 23 of the SEBI (LODR, 2015) during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. www.somanyceramics.com at the weblink i.e. <https://www.somanyceramics.com/wp-content/uploads/pdfs/policies/related-party-transaction-policy.pdf>

13. GENERAL BODY MEETINGS

The details of all the General Body Meetings conducted in the past 3 years and all held at Lakshmipat Singhania Auditorium at PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110 016:

Year	Date	Time	Venue
2015-16	04.09.2015	10.30 A.M.	47 th Annual General Meeting
2014-15	04.09.2014	10.30 A.M.	46 th Annual General Meeting
2013-14	10.02.2014	10:00 A.M.	Extra-Ordinary General Meeting
2013-14	02.09.2013	10.30 A.M.	45 th Annual General Meeting

14. SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs/EOGMs:

Date of Meeting held	AGM/EOGM	Subject matter of the resolution
4 th September, 2015	AGM	<ul style="list-style-type: none"> Adoption of new set of Article of Association of the Company.
4 th September, 2014	AGM	<ul style="list-style-type: none"> Re-appointment of Shri Shreekant Somany (DIN 00021423) as Chairman & Managing Director of the Company with effect from 1st September, 2014 till 31st August, 2017. Re-appointment of Shri Abhishek Somany (DIN 00021448) with effect from 1st June, 2015 till 31st May, 2018 and re-designated as Managing Director of the Company with effect from such re-appointment.
10 th February, 2014	EOGM	<ul style="list-style-type: none"> Issue and allotment of equity shares of the Company on preferential basis.
2 nd September, 2013	AGM	<ul style="list-style-type: none"> Remuneration by way of commission to Non- Executive Directors of the Company.

15. POSTAL BALLOT

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, as amended from time to time, the Company has passed two Special Resolutions through Postal Ballot conducted during the year 2015-16 as per Postal Ballot notice dated 24th March, 2015, the result of which were announced on 2nd May, 2015, details of which are as follows:.

Agenda	To consider and approve issue of further securities
Resolution Required	Special
Mode of Voting	E-voting/Physical Postal Ballot
Remarks	Passed with requisite majority

Promoter/ Public	No. of Shares held	No. of Votes polled	% of Votes polled on outstanding shares	No. of Votes-in favour	No. of Votes-against	%of Votes in favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)= [(2)/(1)]*	(4)	(5)	(6) = [(4)/(2)]*	(7)= [(5)/(2)]
			100			100	*100
Promoter and Promoter Group	21839360	21839360	100.00	21839360	NIL	100.00	0.00
Public- Institutional holders	3451292	1192824	34.56	1192824	NIL	100.00	0.00
Public - Others	13554174	4389058	32.38	4389058	NIL	100.00	0.00
Total	38844826	27421242	70.59	27421242	NIL	100.00	0.00

Agenda	To increase the aggregate limit for investment by the Foreign Institutional Investors / Foreign Portfolio Investors and Non Resident Indians in equity share capital of the Company.
Resolution Required	Special
Mode of Voting	E-voting/Physical Postal Ballot
Remarks	Passed with requisite majority

Promoter/ Public	No. of Shares held	No. of Votes polled	% of Votes polled on outstanding shares	No. of Votes -in favour	No. of Votes -against	%of Votes in favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)= [(2)/(1)]*	(4)	(5)	(6) = [(4)/(2)]*	(7)= [(5)/(2)]
			100			100	*100
Promoter and Promoter Group	21839360	21839360	100.00	21839360	NIL	100.00	0.00
Public- Institutional holders	3451292	1192824	34.56	1192824	NIL	100.00	0.00
Public - Others	13554174	4388993	32.38	4388993	NIL	100.00	0.00
Total	38844826	27421177	70.59	27421177	NIL	100.00	0.00

Mr. Pravin Kumar Drolia of M/s. Drolia & Company, Practicing Company Secretaries, Kolkata (FCS: 2066, COP:1362) was appointed as the Scrutinizer by the Board of Directors of the Company to conduct the aforesaid Postal Ballot process in fair and transparent manner.

Resolutions, if any, to be passed through Postal Ballot during the current financial year will be taken up as and when necessary.

THE PROCEDURE FOR POSTAL BALLOT:

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cutoff date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the website of the Company, www.somanyceramics.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

16. DISCLOSURES

There has been no instance of non-compliance by the Company on any matter related to capital markets and hence the question of imposition of penalties or strictures on the Company by the Stock Exchanges or SEBI or any statutory authority, does not arise.

The Company complies with all the mandatory requirements of Clause 49 of the Listing Agreement/ Regulation 17 to 27 and Clause (b) to (i) to sub-regulation (2) of Regulation 46 of the SEBI (LODR, 2015).

The Independent Directors have confirmed that they meet the criteria of 'Independence as stipulated under Regulation 16(1)(b) of the SEBI (LODR, 2015).

There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company, which may have potential conflict with the interests of the Company at large, except that of Mr. G.L. Sultania, Non-Executive Non-

Independent Director of the Company, who is in receipt of consultancy fees of ₹ 600,000/- (Rupees Six Lacs Only) per annum, as approved by the Shareholders at their 47th Annual General Meeting of the Company held on 4th September, 2015.

During the year under review, no employee of the Company has been denied access to the Audit Committee in respect of suspected fraud or error, if any, under the vigil mechanism adopted by the Board.

The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

17. MEANS OF COMMUNICATION

The annual, half yearly and quarterly results of the Company are generally published in Economic Times (Delhi, Mumbai), (English edition), Economic Times (Mumbai, Gujarati edition), The Financial Express (English Edition), Business Standard (English Edition) and Jansatta (Hindi Edition) newspapers at New Delhi. The results of the Company are submitted to the Stock Exchanges in accordance with the Listing Agreement/ SEBI (LODR, 2015) and posted on its website: www.somanyceramics.com. The presentations made to Institutional investors/ analysts is available at website of Company i.e. www.somanyceramics.com at the weblink at <https://www.somanyceramics.com/presentations/>

18. "MANAGEMENT DISCUSSION AND ANALYSIS" IS A PART OF THE ANNUAL REPORT.

19. GENERAL SHAREHOLDER'S INFORMATION

Registered Office

82/19, Bhakerwara Road, Mundka
New Delhi – 110 041
Phone : 011-28341085, Fax : 011-28341085
Email : cs@somanytiles.co.in

Plant locations

- i) V & P.O Kassar, Bahadurgarh
Distt. Jhajjar, Haryana - 124507
Phone: 01276-223300 Fax : 01276-241011
Email: cs@somanytiles.co.in
- ii) GIDC Industrial Area,
Distt. Mehsana, Kadi,
Gujarat 382715
Ph : 02764-242153/54, Fax : 02764-263011

20. DATE AND VENUE OF ANNUAL GENERAL MEETING

The 48th Annual General Meeting of the Company will be held on, Friday, the 02nd September, 2016 at Lakshmipat Singhania Auditorium at PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016 at 10.30 A.M.

21. FINANCIAL CALENDAR: 1ST APRIL TO 31ST MARCH

Financial Reporting for 2016-2017 is as follows:

First Quarter	: Fourth week of July, 2016
Second Quarter	: Third week of October, 2016
Third Quarter	: Fourth week of January, 2017
Fourth Quarter	: Fourth week of May, 2017

22. BOOK CLOSURE DATE

23rd August, 2016 to 02nd September, 2016 (both days inclusive)

23. DIVIDEND

The Board of Directors of Company has recommended a dividend of ₹ 2.30 per share on equity shares of ₹ 2/- each for the year ended 31st March, 2016 subject to approval of the Shareholders at the ensuing 48th Annual General Meeting of the Company and the amount of dividend will be credited or Dividend warrants will be dispatched by 07th September, 2016.

Market Price Data:

Month	National Stock Exchange of India Limited*			BSE Limited*		
	High (₹)	Low (₹)	No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
Apr-15	535.20	380.15	311,680	499.90	382.00	70,649
May-15	453.75	363.95	348,223	445.00	369.00	81,667
Jun-15	389.80	333.00	140,572	390.00	335.50	26,837
Jul-15	440.00	367.20	366,033	439.50	367.50	50,193
Aug-15	383.00	308.00	142,474	380.00	303.50	32,270
Sep-15	365.00	326.00	233,963	365.00	330.00	269,961
Oct-15	400.15	323.05	220,901	399.90	324.10	539,846
Nov-15	388.00	320.25	226,516	388.50	321.20	178,637
Dec-15	447.15	328.10	1,029,824	413.00	328.00	208,086
Jan-16	407.95	338.00	625,581	409.70	335.00	54,729
Feb-16	377.80	320.00	306,536	380.00	321.90	23,668
Mar-16	395.00	335.30	119,647	396.70	338.00	57,468

*Source : Official website of BSE and NSE

24. LISTING ON STOCK EXCHANGE:

Shares of the Company are listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid annual listing fees to both the Exchanges for the financial year 2016-2017.

National Stock Exchange of India Limited (NSE)

“Exchange Plaza”,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051
Trading Symbol :- SOMANYCERA

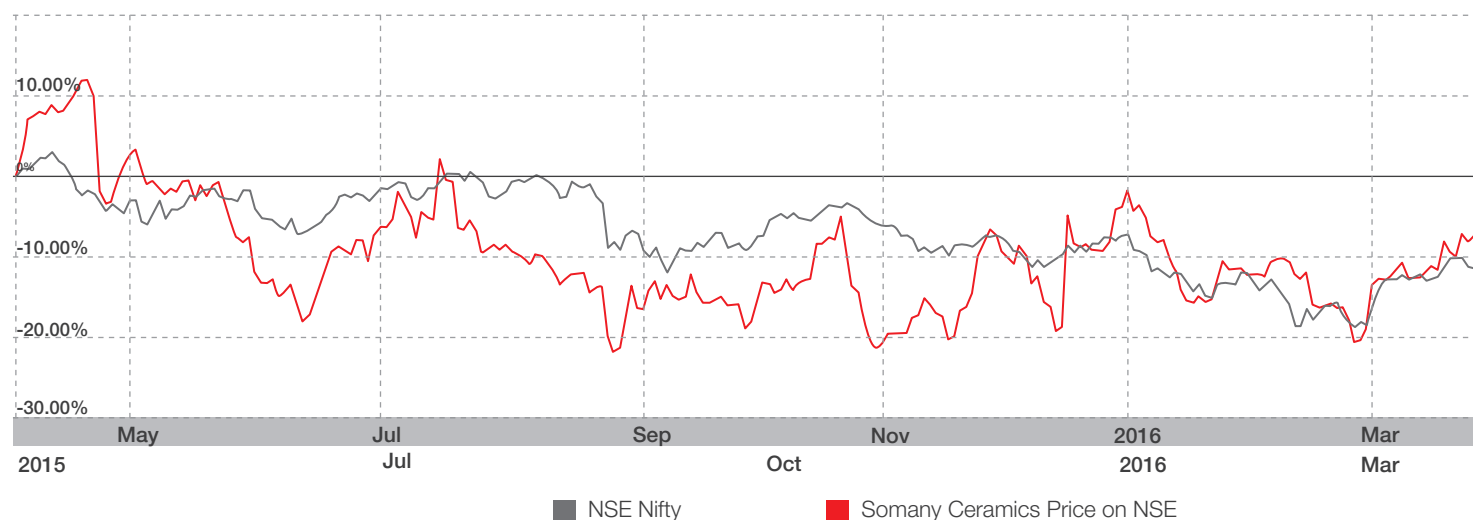
BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code : 531548

Demat ISIN Number for NSDL and CDSL: INE 355A01028

PERFORMANCE IN COMPARISON TO BROAD BASED INDICES

Somany Ceramics Limited Price on NSE & NSE NIFTY



*Source: Official website of NSE

25. REGISTRAR & SHARE TRANSFER AGENT

(Both for physical and demat segment)
Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, Kolkata – 700 001
Phone No. 033-2243 5809/2248 2248
E-mail: mdpldc@yahoo.com

26. SHARE TRANSFER SYSTEM

The Company's shares are traded on stock exchanges in compulsory demat mode. Shares in physical mode lodged with the Company with valid documents are transferred and share certificates are returned in physical form within the time prescribed under the SEBI(LODR, 2015).

27. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016

No. of Equity Shares	Number of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1 to 500	6,494	83.21	693,182	1.64
501 to 1000	621	7.96	482,169	1.14
1001 to 2000	267	3.42	409,161	0.97
2001 to 3000	102	1.30	260,635	0.61
3001 to 4000	45	0.58	167,851	0.40
4001 to 5000	64	0.82	298,560	0.70
5001 to 10000	88	1.13	633,283	1.49
10001 and Above	123	1.58	39,434,585	93.05
Total	7804	100.00	42379426	100.00

Categories of Shareholding as on 31st March, 2016

Category	Number of Shares	Percent
Indian Promoters	21,839,360	51.53
Mutual Funds & UTI, Alternate Investment Funds	3,996,479	9.43
Banks, Financial Institutions, Insurance Companies	15,816	0.04
NBFCs Registered with RBI	12	0.00
Foreign Portfolio Investors	643,027	1.52
Foreign Institutional Investors	2,273,602	5.36
Corporate Bodies	1,329,822	3.14
Indian Public	6,536,504	15.43
NRIs/Foreign Companies	5,612,964	13.24
Trusts	69,210	0.16
Clearing Members	62,630	0.15
Total	42,379,426	100.00

28. DEMATERIALISATION OF SHARES

The Company's equity shares enjoy the DEMAT facilities with NSDL as well as CDSL. The shares held on dematerialised form in CDSL are 1025067 (2.42%) and in NSDL are 40660599 (95.94 %) representing 41685666 (98.36%) Equity shares of the paid-up capital of the Company as on 31st March, 2016. The total shares held in physical format are 693760(1.64%).

29. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During the year 2015-16, there were no outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date, which would have an impact on the equity of the Company.

30. COMMODITY PRICE/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During the year 2015-16, there are no significant commodity price risk, further necessary steps are being taken to minimize foreign exchange risks.

31. CONTACT FOR CLARIFICATION ON FINANCIAL STATEMENTS:

Individuals may contact

Mr. R.K. Lakhotia, Vice President (Finance) at:

V & P.O Kassar – 124507, Bahadurgarh

Distt. Jhajjar, Haryana, India

Phone : 01276-223300 Fax : 01276-241011

Email : fin@somanytiles.co.in

Shareholder's Enquiries: Individuals may contact

Mr. Shyamalendu Banerjee at:

2, Red Cross Place, Kolkata – 700 001

Phone : 033-22487406/7 Email : sclinvestors@somanytiles.co.in

Pursuant to the Uniform Listing Agreement entered by the Company with Stock Exchanges, the Company has created email-id for the redressal of investor grievances viz; sclinvestors@somanytiles.co.in

32. PARTICULARS IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING 48TH ANNUAL GENERAL MEETING OF THE COMPANY, PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR, 2015)

Mrs. Anjana Somany

Mrs. Anjana Somany (DIN: 00133542) was appointed as a Director of the Company at the 47th Annual General Meeting of the Company, held on 4th September, 2015, in New Delhi. She is aged about 63 years is a holder of Bachelor of Arts degree from Calcutta University, and has done her training Diploma in Ceramic Creation and Porcelaine Painting from Switzerland, a year long Diploma in Textile Designing from New Delhi Polytechnic and a full year Diploma in Art History from London University. She brings forth her strengths, learning and commitment through thirty years in the field of building entrepreneurship among various groups of people and has also worked for the empowerment of women in business. She has also been a trainer for Entrepreneurship Development Programs at grass roots levels across India. She has a rich working experience in the field of designing and development in the Ceramic Industry and brings her design experience to the family business. She at present, is holding 94,150 shares of the Company and occupies Directorship's and Committee positions in the following Companies:

Sl. no.	Name of the Public Limited Company in which she is a Director	Chairman/ Director	Position held in		
			Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee
1	Somany Ceramics Ltd.	Director	-	-	-
2	Sarvottam Vanijya Ltd.	Director	-	-	-
3	Bhilwara Holdings Ltd.	Director	-	-	-

It would be in the interest of the Company to appoint her as a Key Managerial Personnel, designated as a 'Whole-time Director' of the Company for a period of three consecutive years w.e.f. 21st May, 2016 till 20th May, 2019, liable to retire by rotation, pursuant to the provisions under Sections 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V to the said Act and rules made thereunder, subject to the approval of the Shareholders at the ensuing 48th Annual General Meeting of the Company.

Mr. G.L. Sultania

Aged about 70 years, Mr. Sultania (DIN: 00060931) is B.Com, FCA and FCS. He has served as an Executive Director and Secretary of HSIL Limited. He is a Non-executive Non-Independent Director of the Company. He possesses vast knowledge and experience in the field of financial restructuring, corporate laws and legal compliances and occupies Directorship's and Committee positions in the following Companies:

Sl. no.	Name of the Public Limited Company in which he is a Director	Chairman/ Director	Position held in		
			Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee
1	Somany Ceramics Ltd.	Director	Member	Member	Member
2	HSIL Limited	Director	-	-	Member
3	SR Continental Limited	Director	-	-	-
4	The United Provinces Sugar Co. Limited	Director	-	-	-
5	Paco Exports Limited	Director	-	-	-
6	Bhilwara Holdings Limited	Director	-	-	-
7	Sarvottam Vanijya Limited	Director	-	-	-
8	Somany Global Limited	Director	-	-	-
9	AGI Glasspack Limited	Additional Director	-	-	-

He is liable to retire by rotation at the ensuing 48th Annual General Meeting of the Company and being eligible offers himself for re-appointment.

33. AUDITORS' CERTIFICATE

To

The Members of SOMANY CERAMICS LIMITED

We have examined the compliance of regulations of Corporate Governance by Somany Ceramics Limited for the Financial Year ended 31st March 2016, as stipulated in Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the regulations of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulation.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For LODHA & CO.
Chartered Accountants
Firm's Registration No. 301051E

N.K. LODHA
Partner
M. No. 85155

Place: New Delhi
Date: 21st May, 2016

34. DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm and declare that, all the Directors and Senior Management Personnel of the Company have affirmed their compliances with the Code of Conduct of the Company, in so far as it is applicable to them, and there is no non-compliance thereof during the year ended 31st March, 2016.

G.G. Trivedi

Chief Executive Officer

Place : New Delhi

Date: 21st May, 2016

35. CEO/CFO CERTIFICATION

The Board of Directors

Somany Ceramics Limited

We have reviewed the financial statements and the cash flow statement of Somany Ceramics Limited for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

G.G. Trivedi

Chief Executive Officer

T.R. Maheshwari

Dy. Chief Executive Officer
& Chief Financial Officer

Place: New Delhi

Date: 21st May, 2016

FINANCIAL STATEMENTS 2015-16

Independent Auditor's Report

TO THE MEMBERS OF SOMANY CERAMICS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SOMANY CERAMICS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about

the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company sofar as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per Annexure 'B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – refer Note no. 28.1, 28.2 & 28.3 to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **LODHA & CO.**,
Chartered Accountants
Firm's Registration No. 301051E

(N. K. LODHA)
(Partner)

Membership No.: 85155

Place: New Delhi
Date: 21st May, 2016

Annexure-A referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date on the Standalone Financial Statements of Somany Ceramics Limited for the year ended 31st March,2016

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management according to the programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
(c) As per the records and information and explanations given to us, title deeds of immovable properties are in the name of the Company.
2. The inventories of the Company (except stock in transit, which has been verified from receipt of material) have been physically verified by the management at reasonable intervals and the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. (a) The company has granted unsecured loan to one company covered in the register maintained in section 189 of the act; according to the information and explanations made available to us and based on the audit procedures conducted by us, we are of the opinion that terms and conditions of loan so granted are not prejudicial to the interest of the company.
 - (b) In respect of aforesaid loan; there is no default in repayment of principal amount, and ii) interest receipt is also regular,
 - (c) In respect of aforesaid loan the repayment of principal and interest thereon is regular.
4. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the company has complied with the provisions of the Section 185 and 186 of the Act.
5. The company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the rules framed there under.
6. The maintenance of cost records has not been prescribed by the Central Government under the section 148(1) of the Act read with companies (Cost Records and Audit) Rules, 2014 for the goods/product manufactured by the Company.
7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2016.
 - (b) According to the records and information & explanations given to us, the details of disputed dues in respect of income tax, sales tax, duty of custom, service tax and duty of excise that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below: -

Name of Statute	Nature of Dues	Period to which it relates	Amount (₹ in Lacs)	Forum where dispute is pending		
Custom Act	Custom Duty	1997-1999	5.91	Deputy Commissioner of Customs, (Import) Tughlakabad		
Central Excise Duty	Excise Duty	2005-2007	13.04	CESTAT, New Delhi		
		1996-2000	9.33	CCE Appeals, Ahemdabad		
		1994-1995	0.07	Asst. Commissioner, Kalol		
Sales Tax Act	Local Area Development Tax	2002-2003	5.15	Haryana Tax Tribunal, Chandigarh		
		2006-2007	60.12	Supreme Court of India		
		2007-2008	76.40	Supreme Court of India		
		2008-2009	89.27	Supreme Court of India		
		2009-2010	93.56	Supreme Court of India		
		2010-2011	59.62	Supreme Court of India		
		2011-2012	60.16	Supreme Court of India		
		2012-2013	73.54	Supreme Court of India		
		2013-2014	85.48	Supreme Court of India		
		2014-2015	72.77	Supreme Court of India		
		2015-2016	55.45	Supreme Court of India		
			Entry Tax	2013-2016	28.08	High Court of Kolkata
			Turnover Tax	1990-1993	45.83	Maharashtra Sales Tax Tribunal, Mumbai
2006-2007	52.61			Asst. Commissioner, Ahemdabad		
2007-2008	28.76			Joint. Commissioner, Commercial Taxes, Ahmedabad		
2011-2012	27.77			Deputy Commissioner, Commercial Taxes, Ahmedabad		
2013-2014	97.23			Deputy Excise & Taxation Commissioner cum assessing Authority, Jhajjar		
Finance Act	Service Tax	2007-2009	2.80	Asstt. Commissioner, Rohtak		
		2008-2009	5.42	Commissioner of Central Appeals, Rohtak		
Income Tax Act*	Income Tax	A.Y. 2010-11	63.36	CIT Appeals, Kolkata		

* excluding penalty if any (Refer note no. 28.1)

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks, government (both State and Central). The company did not have any outstanding debentures during the year.
9. On the basis of information and explanations given to us, term loans have been applied for the purposes for which they were obtained. The company did not raise any money by way of initial / further public offer.

10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
11. On the basis of records and information and explanations made available and based on our examination of the records of the company, the company has paid/ provided managerial remuneration, in accordance with the requisite approvals mandated under Section 197 read with Schedule V of the Act (refer note no. 28.30).
12. The Company is not a chit fund or a nidhi /mutual benefit fund /society, therefore, the provisions of clause 4 (xii) of the said Order are not applicable to the Company, hence we are not offering any comment.
13. As per the information and explanations and records made available by the management of the Company and audit procedure performed, for the related parties transactions entered during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records / details there lated parties transactions have been disclosed as per the applicable accounting standards.
14. As stated in the note no. 28.06 during the year, the company has made preferential issue and complied with the provisions of section 42 of the Act and money received of the issue has been utilized for the purpose the issue was made except to the extent stated in the said note. Further, according to the information and explanations given to us, the Company has not made any other preferential allotment/private placement of shares and/or any fully/ partly convertible debentures during the year.
15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934, as the provision of section is not applicable to the Company.

For **LODHA & CO.,**
Chartered Accountants
Firm's Registration No. 301051E

(N. K. LODHA)

(Partner)

Membership No.: 85155

Place: New Delhi
Date: 21st May, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SOMANY CERAMICS LIMITED

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **SOMANY CERAMICS LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**,
Chartered Accountants
Firm's Registration No. 301051E

(N. K. LODHA)
(Partner)

Membership No.: 85155

Place: New Delhi

Date: 21st May, 2016

Balance Sheet

as at 31st March, 2016

	Note No.	As at March 31, 2016	(₹ in Lacs) As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	847.59	776.90
Reserves & Surplus	3	41,127.70	24,623.50
		41,975.29	25,400.40
Non- current Liabilities			
Long term Borrowings	4	8,367.83	6,132.96
Deferred Tax Liabilities (Net) (Refer Note 28.18)		3,118.11	2,742.18
Other Long-term Liabilities	5	2,026.49	1,913.33
Long-term Provisions	6	359.58	330.83
		13,872.01	11,119.30
Current Liabilities			
Short-term Borrowings	7	7,803.98	7,950.02
Trade Payables	8	20,278.40	20,305.55
Other Current Liabilities	9	10,297.10	8,675.42
Short-term Provisions	10	1,477.15	1,061.96
		39,856.63	37,992.95
Total		95,703.93	74,512.65
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	11	30,545.77	23,420.77
Intangible Assets	11	119.81	169.24
Capital work-in-progress		554.76	81.43
Non-current Investments	12	3,610.97	2,405.51
Long-term Loans and Advances	13	2,000.07	2,102.05
Other Non-Current Assets	14	352.19	250.93
		37,183.57	28,429.93
Current Assets			
Current Investments	15	8,761.55	2,666.01
Inventories	16	12,120.43	12,726.28
Trade Receivables	17	31,208.91	25,346.90
Cash and Bank Balances	18	1,469.31	1,457.81
Short-Term Loans and Advances	19	4,627.64	3,627.59
Other Current Assets	20	332.52	258.13
		58,520.36	46,082.72
Total		95,703.93	74,512.65
Significant Accounting Policies	1		
Explanatory Notes	28		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

For and on behalf of Board of Directors

For **LODHA & CO.**

Chartered Accountants
(ICAI FRN. NO.: 301051E)

N. K. LODHA

Partner
M.NO. 85155

Place : New Delhi
Date : 21st May, 2016

SHREEKANT SOMANY

Chairman &
Managing Director

ABHISHEK SOMANY

Managing Director

T.R. MAHESHWARI

Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA

DGM (Legal) & Company
Secretary

The Statement of Profit & Loss

For the year ended 31st March, 2016

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue from Operations	21	173,070.49	154,104.87
Other Income	22	920.58	783.39
Total Revenue		173,991.07	154,888.26
Expenses:			
Cost of Materials Consumed	23	16,461.65	16,996.89
Purchases of Stock-in-Trade		95,284.39	85,039.91
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	24	620.65	(3,507.81)
Employee Benefit Expense	25	11,163.58	9,536.05
Finance Cost	26	1,633.28	1,630.71
Depreciation and Amortization Expense	11	2,056.93	2,226.84
Other Expenses	27	37,240.07	36,414.90
Total Expenses		164,460.55	148,337.49
Profit Before Exceptional and Extraordinary Items and Tax		9,530.52	6,550.77
Exceptional Items (Net) (Refer Note 28.4)		442.92	-
Profit before tax		9,087.60	6,550.77
Tax Expense:			
(1) Current Tax		2,484.00	2,028.56
(2) Deferred Tax Charge/(Credit)		402.60	71.62
(3) Income Tax for earlier years		95.17	12.34
Profit After Tax		6,105.83	4,438.25
Earnings Per Equity Share (Per Share Value of ₹ 2 each)			
Basic		15.33	11.43
Diluted		15.33	11.43

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

N. K. LODHA
Partner
M.NO. 85155

Place : New Delhi
Date : 21st May, 2016

For and on behalf of Board of Directors

SHREEKANT SOMANY
Chairman &
Managing Director

ABHISHEK SOMANY
Managing Director

T.R. MAHESHWARI
Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA
DGM (Legal) & Company
Secretary

Cash Flow Statement

For the Year Ended 31st March 2016

	(₹ in Lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow From Operating Activities		
Net Profit Before Tax & Exceptional Items As Per Statement Of Profit & Loss	9,087.60	6,550.77
I. Adjusted For :		-
Depreciation & Amortisation Expense	2,056.93	2,226.84
Interest and Finance Charges	1,633.28	1,630.71
Interest Income	(520.57)	(488.29)
Dividend Income (P.Y. ₹ 125/-)	(0.02)	(0.00)
Profit on Sales of Investment (Net)	(131.51)	(183.73)
Unrealized Foreign Exchange (Gain)/Loss (Net)	26.52	3.56
Diminution in the value of Investment (net)	12.00	-
Provision for Doubtful Debts (net of write back)	5.00	6.32
Bad Debts	23.91	17.99
Liabilities no longer required written back (net)	(85.52)	-
Sundry Balances written off / (back) (net)	-	88.00
(Profit)/Loss on sale / Discard of Fixed Assets/ Assets written off (net)	267.78	125.43
Operating Profit Before Working Capital Changes	12,375.40	9,977.60
II. Adjusted For :		
Trade & Other Receivable	(7,266.75)	(6,358.16)
Inventories	605.84	(4,151.77)
Trade & Other Payable	1,103.74	4,456.37
Cash Generated from Operation	6,818.23	3,924.04
Income Taxes Refund /(paid)	(2,305.30)	(2,110.74)
Net Cash Flow From Operating Activities (A)	4,512.93	1,813.30
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(9,437.47)	(4,406.70)
Sale of Fixed Assets	164.75	99.59
Sale of Long Term Investment	-	0.39
Purchase of Long Term Investment	(917.46)	(238.51)
Share Application Advance	-	(162.40)
Purchase of Short Term Investment	(32,120.87)	(22,437.54)
Sale of Short Term Investment	26,156.84	23,664.89
Interest Income	470.44	458.78
Dividend Income (C.Y. ₹ 1815, P.Y. ₹ 125/-)	0.02	0.00
Net Cash Outflow From Investing Activities (B)	(15,683.75)	(3,021.50)

Cash Flow Statement

For the Year Ended 31st March 2016 (Contd...)

(₹ in Lacs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
C. Cash Flow From Financing Activities		
Proceeds from Long Term Borrowings	6,216.33	3,949.93
Repayment of Long Term Borrowings	(4,029.38)	(2,912.91)
Short Term Loans Borrowings (net)	(177.94)	661.26
Proceeds from issue of Share Capital	70.69	-
Security Premium (Net of Share Issue Expenses)	11,621.93	-
Interest Paid	(1,590.60)	(1,622.81)
Dividend Paid (including corporate dividend tax)	(928.71)	(676.74)
NET CASH INFLOW FROM FINANCING ACTIVITIES (C)	11,182.32	(601.27)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	11.50	(1,809.47)
CASH AND CASH EQUIVALENTS		
Opening		
Cash & Cash Equivalent	1,150.47	2,742.85
Other Bank Balances	307.34	524.43
	1,457.81	3,267.28
Closing		
Cash & Cash Equivalent	1,399.91	1,150.47
Other Bank Balances	69.40	307.34
	1,469.31	1,457.81
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	11.50	(1,809.47)

Notes :

- a) Cash & Cash Equivalents represents cash and bank balances.(Note No.18)
b) Figures for the previous year have been regrouped/rearranged wherever considered necessary.

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

For and on behalf of Board of Directors

N. K. LODHA

Partner
M.NO. 85155

Place : New Delhi

Date : 21st May, 2016

SHREEKANT SOMANY

Chairman &
Managing Director

ABHISHEK SOMANY

Managing Director

T.R. MAHESHWARI

Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA

DGM (Legal) & Company
Secretary

Notes to the Balance Sheet and the Statement of Profit and Loss

For the Year Ended 31st March, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 ACCOUNTING CONCEPTS

The financial statements have been prepared under the historical cost convention on accrual basis in compliance with applicable accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except where otherwise stated.

1.2 REVENUE RECOGNITION

Revenue is recognised when significant risks and reward of ownership have been passed to buyer and there is no uncertainty exists to its realization or collection.

1.3 FIXED ASSETS

- a) Fixed assets are shown at cost of acquisition and/or construction less accumulated depreciation and impairment losses.
- b) Intangible assets are stated at cost less amortisation.
- c) Pre-operative expenditure during the construction/erection period is included under capital work-in-progress and is allocated to the respective fixed assets on completion of construction/erection.

1.4 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSS

- a) Fixed assets are depreciated using written down value method except fixed assets of the floor tile unit (including MTP & GVT plant) and addition made after 1st April, 1995 to plant and machinery of wall tile units, where depreciation is provided on a straight line method, considering the estimated useful lives as specified in Schedule II of the Companies Act, 2013 except in case of vehicles, press punches / die boxes / components of certain plant & machinery and hand pallet truck where useful lives are taken as 5, 8 and 3 years respectively. Continuous process plants as defined in Schedule II have been considered on technical evaluation. Impaired assets are amortised over the estimated balance useful life.
- b) In case of indication of impairment of the carrying amount of the Company's assets, an asset recoverable amount is estimated. Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Reversal of impairment loss recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

- c) Leasehold land is amortised over the period of lease.
- d) (i) Intangible assets are being recognised if the future economic benefits attributable to the assets are expected to flow to the Company and cost of the assets can be measured reliably. The same are being amortised over the expected duration of benefits.
(ii) Intangible assets being computer software is amortised over a period of five years.

1.5 TRANSACTION OF FOREIGN CURRENCY ITEMS

Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currencies at the year end translated at exchange rates prevailing on the balance sheet date. Premium in respect of forward contract is accounted over the period of the contract. Exchange differences arising on settlement/translation of monetary items including forward contracts are dealt in the statement of Profit and Loss except foreign exchange loss/gain arising after 1st April, 2012 on long-term foreign currency monetary items used for depreciable assets, which are capitalised.

1.6 INVESTMENTS

Long-term investments are stated at cost less provision for diminution in the value other than temporary. Current investments are stated at cost or market value whichever is lower.

1.7 INVENTORIES

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of raw materials and stores and spare parts is computed on weighted average basis. Cost of finished goods and stock in process is determined by taking material, labour and related overheads. Cost of finished goods includes excise duty.

1.8 RESEARCH & DEVELOPMENT EXPENSES

Revenue expenditure on research and development is charged to Statement of Profit & Loss and Capital expenditure is added to fixed assets.

1.9 INTEREST ON BORROWINGS

Interest on borrowings is charged to the Statement of Profit & Loss for the year in which it is incurred except interest on borrowings for qualifying fixed assets which is capitalised till the date of commercial use of the asset.

1.10 EMPLOYEE BENEFITS:

- a) Defined Contribution Plan:
Employee benefits in the form of Provident Fund (with Government Authorities) and Employees' pension Scheme are defined as

Notes to the Balance Sheet and the Statement of Profit and Loss

For the Year Ended 31st March, 2016

contribution plan and charged as expenses during the period in which the employees perform the services.

b) **Defined Benefit Plan:**

Retirement benefits in the form of gratuity, long-term compensated leaves; other long-term employee benefit and provident fund (multi-employer plan) are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, according to the date of the Balance Sheet. Actuarial gain/losses, if any, are immediately recognised in the Statement of Profit & Loss.

c) **Short-term employee benefit:**

Short-term benefits are charged off at the undiscounted amount in the year in which the related services rendered.

1.11 GOVERNMENT GRANTS

Grants from government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of project capital subsidy are credited to capital reserve. Other government grants including incentive, duty drawback among others are credited to Statement of Profit & Loss or deducted from the related expenses.

1.12 LEASES

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on straight line basis, over the lease period.

1.13 SHARE ISSUE EXPENSES

Share issue expenses are written off against the Security Premium Account.

1.14 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax liability of the Company is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognised subject to the consideration of timing, differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.15 USE OF ACCOUNTING ESTIMATES

The preparation of financial statements is in conformity with generally accepted accounting principles requires the management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

1.16 CONTINGENT LIABILITY, CONTINGENT ASSETS AND PROVISION

Contingent liabilities if material, are disclosed by way of notes, contingent assets are not recognised or disclosed in the financial statement, a provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle obligation(s), in respect to which an estimate can be made for the amount of obligation.

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
2	SHARE CAPITAL		
	Authorised		
	Equity Shares 12,50,00,000 (Previous year 125,000,000) of ₹ 2 /-each	2,500.00	2,500.00
	Issued, Subscribed and Paid up		
	Equity Shares 4,23,79,426(previous year 3,88,44,826) of Rs 2/- each fully paid up	847.59	776.90
		847.59	776.90
	Notes :		
(a)	(i) Reconciliation of Equity Share Capital (In numbers)		
	Shares outstanding at the beginning of the year	38,844,826	38,844,826
	Add : Shares issued during the year	3,534,600	-
	Less : Shares bought back during the year	-	-
	Shares outstanding at the end of the year	42,379,426	38,844,826
(b)	(i) Equity Shares:		
	The Company has only one class of Equity Shares having face value of ₹ 2/- each and each shareholder is entitled to one vote per share. Each shareholders have the right in profit / surplus in proportion to amount paid up with respect to share holder. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, in proportionate to their individual shareholding in the paid up equity capital of the the company.		
(c)	List of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers)		
	i) Bhilwara Holding Limited	9,009,840	9,009,840
	ii) Sarvottam Vanijay Limited	6,212,980	6,212,980
	iii) Scope Vinimoy Private Limited	3,491,075	3,491,075
	iv) Latinia Limited	4,347,826	4,347,826
	v) DSP Blackrock	2,266,946	-
		25,328,667	23,061,721

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
3	RESERVES AND SURPLUS		
	Capital Reserve		
	Balance at the beginning of the year	45.00	45.00
	Addition/ (Transfer) during the year	-	-
	Closing balance	45.00	45.00
	Capital Redemption Reserve		
	Balance at the beginning of the year	0.03	0.03
	Addition/ (Transfer) during the year	-	-
	Closing balance	0.03	0.03
	Security Premium Reserve		
	Balance at the beginning of the year	4,767.10	4,767.10
	Premium on allotment of equity shares	11,929.28	-
	Less:-Share Issue Expenses	307.34	-
	Closing balance	16,389.04	4,767.10
	General Reserve		
	Balance at the beginning of the year	4,485.74	4,199.82
	Add: Amount transferred from Surplus Balance in Statement of Profit and Loss	600.00	440.00
	Less:- Depreciation (Net of Deferred Tax of ₹ 26.67 Lacs, Previous Year ₹ 79.34 Lacs)	50.41	154.08
	Closing balance	5,035.33	4,485.74
	Surplus in Statement of Profit & Loss Account		
	Balance at the beginning of the year	15,325.63	12,262.44
	Transfer from Statement of Profit and Loss	6,105.83	4,438.25
	Amount available for appropriation	21,431.46	16,700.69
	Less : Appropriation:		
	Transfer to General Reserve:	600.00	440.00
	Proposed Dividend	974.73	776.90
	Corporate Dividend Tax	198.43	158.16
	Closing Balance	19,658.30	15,325.63
	Total of Reserves & Surplus	41,127.70	24,623.50

Notes to the Balance Sheet

(₹ In Lacs)

	March 31, 2016	March 31, 2015
4 LONG-TERM BORROWINGS		
Secured		
Term Loans		
- From Banks	7,746.99	6,497.72
- From Others	375.00	675.00
Car Loans		
- From Banks	685.85	532.44
- From Others	63.72	77.40
Buyer's/Supplier's Credit	2,228.09	1,130.14
	11,099.65	8,912.70
Less: Current Maturities of Long Term Borrowings		
Term loans		
- From Banks	2,125.00	2,177.33
- From Others	300.00	300.00
Car Loans		
From Banks	295.98	168.64
From others	10.84	42.17
Buyer's/Supplier's Credit	-	91.60
	2,731.82	2,779.74
	8,367.83	6,132.96

Notes

- Rupee loan of ₹ 375.00 lacs (Previous Year ₹ 675.00 lacs) from others is secured by first pari passu charge on all fixed assets of the company both present and future except those specifically charged and Government Land at Kassar / Kadi. The aforesaid loan is repayable in 5 equal quarterly installment starting from June, 2016.
- Rupee Loan of ₹ 2,362.50 lacs (Previous Year ₹ 1,550.00 lacs) from a Bank and Buyers' credit of ₹ Nil (Previous Year ₹ 732.81 lacs) {Equivalent to Euro Nil (Previous Year Euro 11.66 lacs)} is secured by first pari passu charges by way of hypothecation of all movable fixed assets of the company both present and future, excluding those exclusively charged to other Banks. The aforesaid loan is repayable in 14 equal quarterly installments starting from June, 2016.
- Rupee loan of ₹ 1,800.00 lacs (Previous Year ₹ 2,000.00 lacs) from a Bank is secured by first pari passu charge by way of hypothecation of all movable fixed assets of the Company, excluding assets exclusively charged to other Banks and second pari passu on all current assets of the company both present and future. The aforesaid loan is repayable in 16 equal quarterly installments starting from June, 2016.
- Rupee loan of ₹ 1,584.49 lacs (Previous Year ₹ 1,764.14 lacs) from a Bank and Buyers' credit of ₹ Nil (Previous Year ₹ 397.33 lacs) {Equivalent to Euro Nil (Previous Year Euro 5.82 lacs)} is secured by first pari passu charge by way of hypothecation of Plant & Machinery and other movable fixed assets of the company situated at Kassar and Kadi excluding those exclusively charged to other Banks and second pari passu charge on current assets of the company both present and future. Repayment of aforesaid loan is ₹ 800.00 lacs and 784.48 lacs in FY17 and FY18 respectively.
- Rupee loan of ₹ 2,000.00 lacs (Previous Year ₹ Nil) from a Bank and Buyers'/Suppliers' credit of ₹ 2,228.09 lacs (Previous Year ₹ Nil) {Equivalent to aggregate of USD 27.25 lacs and Euro 5.33 lacs (Previous Year Nil)} are secured by first pari passu charges by way of hypothecation of Plant & Machinery and other movable fixed assets of the company situated at Kassar and Kadi plants excluding those exclusively charged to other Banks and second pari passu charge over current assets of the company both present and future. Repayment of aforesaid loan is ₹ 200.00 lacs, ₹ 800.00 lacs, ₹ 1,000.00 lacs, ₹ 1,400.00 lacs and ₹ 828.09 lacs in FY17, FY18, FY19, FY20 and FY21 respectively.
- Car loan from Banks and others are secured (charged created/ to be created) by hypothecation of cars purchased there under and are repayable in monthly installments over the period of loan.

Notes to the Balance Sheet

(₹ In Lacs)

	March 31, 2016	March 31, 2015
5 OTHER LONG TERM LIABILITIES		
Trade Deposit	1,483.64	1,319.81
Security Deposit	436.34	477.60
Others (Refer Note 28.3)	202.50	202.50
	<u>2,122.48</u>	<u>1,999.91</u>
Less:-Current Maturities	95.99	86.58
	<u>2,026.49</u>	<u>1,913.33</u>
6 LONG-TERM PROVISIONS		
Employees Benefits	359.58	330.83
	<u>359.58</u>	<u>330.83</u>
7 SHORT-TERM BORROWINGS		
Secured Loans:*		
Working Capital Facilities from Banks		
Working Capital Demand Loans	2,000.00	-
Cash Credit	4,143.89	6,358.05
Buyer's Import Credit	1,660.09	1,591.97
	<u>7,803.98</u>	<u>7,950.02</u>
*Working Capital Facilities from Banks are secured by:		
1	First charge by way of hypothecation of stocks of raw materials, finished goods and stock in process, stores & spares and book debts and ranking pari-passu; and	
2	Second and subservient charge by way of (i) Equitable Mortgage (EM) on all properties, both present and future, and (ii) hypothecation of all movable fixed assets & ranking pari-passu, excluding assets exclusively charged. EM over certain land pieces is yet to be created.	
8 TRADE PAYABLES (Refer Note. 28.17)		
Outstanding dues of Micro Enterprises and Small Enterprises	-	-
Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20,278.40	20,305.55
	<u>20,278.40</u>	<u>20,305.55</u>

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
9	OTHER CURRENT LIABILITIES		
	Current Maturities of Long Term Borrowings	2,731.82	2,779.74
	Interest Accrued But not Due on Borrowings	48.17	15.93
	Interest Accrued and Due on Borrowings	52.36	41.92
	Current Maturities of Other Long Term Liabilities	95.99	86.58
	Statutory Dues	1,471.56	1,362.83
	Capital Creditors (Refer Note 28.17)	915.29	186.47
	Security Deposit	12.95	4.32
	Advance from Customers	925.45	981.47
	Unclaimed Dividends #	25.05	18.71
	Other Liabilities (Refer Note 28.17)	4,018.46	3,197.45
		10,297.10	8,675.42
	# Investor Education & Protection Fund shall be credited when due.		
10	SHORT TERM PROVISION		
	Proposed Dividend	974.73	776.90
	Corporate Dividend Tax	198.43	158.16
	Income Tax (Net of Advance of ₹ 8,270.05 lacs)	162.33	-
	Employees Benefits	141.66	126.90
		1,477.15	1,061.96

Notes to the Balance Sheet

11. FIXED ASSETS

(₹ In Lacs)

Particulars	GROSS CARRYING VALUE				DEPRECIATION/AMORTISATION			NET CARRYING VALUE		
	Book Value at 01.04.2015	Additions	Deductions/ Adjustments	Book Value at 31.03.2016	Up to 31.03.2015	For the year	Written Back / Adjustments	Up to 31.03.2016	As on 31.03.2016	As on 31.03.2015
A. Tangible Assets										
1. (a) Freehold Land	581.39	-	-	581.39	-	-	-	-	581.39	581.39
(b) Leasehold Land	116.09	-	-	116.09	15.79	3.40	-	19.19	96.90	100.30
2. Buildings	6,317.54	3,009.69	81.56	9,245.67	2,965.22	285.32	64.89	3,185.65	6,060.02	3,352.32
3. Plant & Equipment	34,970.55	5,751.12	871.74	39,849.93	17,170.36	1,114.30	530.53	17,754.13	22,095.80	17,800.19
4. Furniture & Fixtures	1,505.44	184.65	21.61	1,668.48	911.39	166.04	20.35	1,057.08	611.40	594.05
5. Office Equipments	671.84	158.40	7.21	823.03	392.10	144.17	6.16	530.11	292.92	279.74
6. Vehicles	1,544.52	534.43	343.53	1,735.42	831.74	367.53	271.19	928.08	807.34	712.78
Sub Total (A)	45,707.37	9,638.29	1,325.65	54,020.01	22,286.60	2,080.76	893.12	23,474.24	30,545.77	23,420.77
Previous year	42,015.68	4,636.06	944.37	45,707.37	20,604.05	2,401.91	719.36	22,286.60		
B. Intangible Assets										
Computer Software	364.72	3.82	-	368.54	195.48	53.25	-	248.73	119.81	169.24
Sub Total (B)	364.72	3.82	-	368.54	195.48	53.25	-	248.73	119.81	169.24
Previous year	307.22	57.50	-	364.72	137.13	58.35	-	195.48	-	-
Total (A+B) Current Year	46,072.09	9,642.11	1,325.65	54,388.55	22,482.08	2,134.01	893.12	23,722.97	30,665.58	23,590.01
Previous year	42,322.90	4,693.56	944.37	46,072.09	20,741.18	2,460.26	719.36	22,482.08		

Note

- Gross carrying value of plant & equipment includes machinery of ₹ 62.29 Lacs (Previous year ₹ 62.29 Lacs) lying with third parties, pending confirmation [Refer Note 28.3].
- Pursuant to adoption of useful lives of fixed assets as per Schedule II of the Companies Act, 2013 and in compliance with Notification No. GSR 627(E) dated 29.08.2014, useful lives have been assessed by the management, and accordingly, depreciation for the year is higher by ₹ 146.70 lacs (Previous year is higher by ₹ 449.89 Lacs), out of which, after retaining residual value, the carrying amount of ₹ 50.41 Lacs, net of deferred tax of ₹ 26.67 Lacs (Previous year ₹ 154.08 Lacs, net of deferred tax of ₹ 79.34 Lacs) of certain fixed assets, whose lives have expired as at year end, has been charged to General Reserve.
- Furniture & Fixtures includes certain expenditure on lease hold premises gross carrying value ₹ 493.34 Lacs, net carrying value ₹ 258.32 Lacs (Previous year ₹ 397.23 Lacs and ₹ 195.57 lacs respectively) which are amortised over the useful life of respective assets.
- Addition to Plant & Machinery includes foreign exchange loss amounting to ₹ 31.76 Lacs (Previous year foreign exchange gain ₹ 192.97 Lacs)

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
12	NON-CURRENT INVESTMENTS		
	Long term Investments (At cost less provision)		
	Trade Investment		
A)	Unquoted, fully paid up shares		
	Subsidiary Companies - Equity Shares		
	a) 1,85,000 Equity Shares (Previous year 1,85,000) of ₹ 10/- each of SR Continental Limited (including 7 Equity Shares of ₹ 10/- each fully paid up held in the name of nominees)	18.50	18.50
	b) 5,00,000 Equity Shares (Previous year 5,00,000) of ₹ 10/- each of Somany Global Ltd	50.00	50.00
	c) 53,04,000 Equity Shares (Previous year 53,04,000) of ₹ 10/- each of Amora Tiles Pvt Ltd	530.40	530.40
	d) 76,50,000 Equity Shares (Previous year 20,00,000) of ₹ 10/- each of Somany Fine Vitrified Pvt Ltd (Formerly Fine Vitrified Pvt Ltd) (Subsidiary w.e.f. 30 th May, 2015)	765.00	200.00
	e) 15,10,000 Equity Shares (Previous year Nil) of ₹ 10/- each of Somany Excel Vitrified Pvt. Ltd	151.00	-
	f) 14,42,564 Equity Shares (Previous year 4,15,765) of ₹ 10/- each of Somany Sanitaryware Pvt Ltd (Formerly Sonec Sanitaryware Pvt Ltd) (Subsidiary w.e.f. 10 th August, 2015)	189.37	56.91
		1,704.27	855.81
	Subsidiary Companies - Preference Shares		
	a) 35,70,000 (Previous year Nil) 5% Non-Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each of Somany Fine Vitrified Pvt. Ltd	357.00	-
		357.00	-
	Joint Venture Companies - Equity Shares		
	a) 8,93,000 Equity Shares (Previous year 7,73,000) of ₹ 10/- each of Somany Keraben Pvt Ltd	89.30	77.30
	Less Provision for diminution	89.30	77.30
		-	-
	Associate Companies - Equity Shares		
	a) 23,40,000 Equity Shares (Previous year 23,40,000) of ₹ 10/- each of Vintage Tiles Pvt Ltd	503.10	503.10
	b) 32,50,000 Equity Shares (Previous year 32,50,000) of ₹ 10/- each of Commander Vitrified Pvt Ltd	325.00	325.00
	c) 18,85,000 Equity Shares (Previous year 18,85,000) of ₹ 10/- each of Vicon Ceramics Pvt Ltd	188.50	188.50
	d) 14,60,000 Equity Shares (Previous year 14,60,000) of ₹ 10/- each of Acer Granito Pvt Ltd	511.00	511.00
		1,527.60	1,527.60
B)	Quoted, fully paid up (Others) - Equity Shares		
	a) 2,00,000 Equity Shares (Previous year 2,00,000) of ₹ 4/- each of Schablona India Ltd	20.00	20.00
		20.00	20.00
	Non Trade others-Quoted - Equity Shares		
	a) 550 Equity Shares (Previous year 550) of ₹ 2/- each of Punjab National Bank Ltd.	0.43	0.43
	b) 66,698 Equity Shares (Previous year 66,698) of ₹ 10/-each of Soma Textile & Industries Ltd.	10.74	10.74
	Less Provision for diminution	9.07	1.67
		1.67	1.67
		3,610.97	2,405.51
	Aggregated Book Value of Quoted Investment	31.17	31.17
	Market Value of Quoted Investment	40.50	24.66
	Aggregated Book Value of Un-Quoted Investment	3,678.17	2,460.71
	Aggregated provision for diminution in Value of Investment	98.37	86.37

Notes to the Balance Sheet

(₹ In Lacs)

	March 31, 2016	March 31, 2015
13 LONG TERM LOAN AND ADVANCES		
(Unsecured, Considered Good Unless Stated Otherwise)		
Deposits		
-With Government Authorities	159.74	78.34
-With Related Parties	1,407.65	1,307.65
-With Others	300.47	368.39
Prepaid Expenses	28.65	0.39
Capital Advance	81.52	20.27
Others	22.04	27.01
Advance against Share Application Money	-	300.00
	2,000.07	2,102.05
14 OTHER NON-CURRENT ASSETS		
Bank Deposit (Pledge with Government Department)	77.45	71.01
Fixed Deposits held as Margin Money with Banks/ Financial institutions	274.74	179.92
	352.19	250.93
15 CURRENT INVESTMENTS		
(valued at lower of cost and quoted / fair value)		
Unquoted		
Non-Trade Investments in Bonds and Non Convertible Debentures		
Nil (Previous year 123 Units) 9.6% NEEPCO 2024 (NCD)	-	1,259.17
Nil (Previous year 39 Units) 10.25% Aadhar Housing Finance 2020 - (NCD)	-	392.34
14 Units (Previous year 25 Units) 12.5 % SREI Equipment Finance Ltd (NCD)	141.40	252.50
19000 Units (Previous year Nil) 10.25 % SREI Equipment Finance Ltd - 2022 (NCD)	190.00	-
10 Units (Previous year Nil) 9.91% Dalmia Cement (Bharat) Limited - Series A (NCD)	100.00	-
90 Units (Previous year Nil) 9.91% Dalmia Cement (Bharat) Limited - Series C (NCD)	900.00	-
161 Units (Previous year Nil) 10.36% Chhattisgarh State Power Distribution Company Limited 2036 (Bonds)	1,610.00	-
5 Units (Previous year Nil) 9.45% Union Bank Of India Perpetual 2016 (Bonds)	50.00	-
10000 Units (Previous year Nil) 7.36% India Infrastructure Finance Co Ltd - 2028 (Bonds)	100.00	-
117 Units (Previous year Nil) 10.39% Himachal Pradesh State Electricity Board Limited 2026 (Bonds)	1,170.00	-
150 Units (Previous year Nil) Investment-Bond 11.75% SREI Infra FI 2019 (NCD)	1,500.15	-
Quoted		
Non Trade Investments in Mutual Fund		
1,08,41,166.076 Units (Previous year Nil) Reliance Short Term Fund - Growth Plan	3,000.00	-
Nil (Previous year 42,568.834 Units) SBI Ultra Short Term Debt Fund-Regular Plan-Growth	-	762.00
	8,761.55	2,666.01
Aggregate Book Value of Quoted Investment	3,000.00	762.00
Aggregate Market Value of Quoted Investment	3,065.70	764.08
Aggregate Book Value of Un-Quoted Investment	5,761.55	1,904.01
Aggregate Market Value of Un-Quoted Investment*	5,761.55	1,904.01

* As the market value of bonds and NCDs is not available, purchase value is considered as market value.

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
16	INVENTORIES		
	(Valued at Lower of Cost and Net Realisable Value)		
	(As taken, Valued and Certified by the Management)		
	Raw Materials & Packing Material (including in transit stock of Nil (Previous year ₹ 3.61 Lacs))	1,490.42	1,076.71
	Work -in-Progress	289.27	305.62
	Finished Goods	5,555.07	5,202.88
	Stock in Trade [including in transit stock of ₹ 125.89 Lacs (Previous year ₹ 553.79 Lacs)] (Refer Note 28.27)	3,401.22	4,705.76
	Stores and Spares	1,384.45	1,435.31
		12,120.43	12,726.28
17	TRADE RECEIVABLES		
	(Unsecured, Considered Good Unless Stated Otherwise)		
	Exceeding Six month from Due Date		
	i) Good	1,399.66	883.34
	ii) Doubtful	166.59	161.59
		1,566.25	1,044.93
	Less: Provision for Doubtful Debt	166.59	161.59
		1,399.66	883.34
	Others*	29,809.25	24,463.56
		31,208.91	25,346.90
* Including ₹ 50.58 Lacs (Previous year ₹ 52.61 Lacs) receivable from related parties.			
18	CASH & BANK BALANCES		
	Cash & Cash Equivalents (As certified by the management)		
	Cash in Hand	8.53	19.12
	Draft / Cheque in hand	16.05	-
	Balance with Banks :		
	Current Accounts	1,375.33	1,094.38
	Bank Deposit with maturity of 3 months or less	-	36.96
	Earmarked Balance with Banks		
	Bank Deposit (Pledge with Government Department)	84.72	110.49
	Less:- Shown Under "Other Non-Current Assets"(More than 12 months)	77.46	71.01
	Unclaimed Dividend Accounts	25.05	18.71
	Other Bank Balance		
	Fixed Deposits held as Margin Money with Banks/ Financial institutions	311.83	429.08
	Less:- Shown Under "Other Non-Current Assets"(More than 12 months)	274.74	179.92
		1,469.31	1,457.81

Notes to the Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
19	SHORT TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good Unless Stated Otherwise)		
	Inter Corporate Deposit:-		
	-To Related Parties	-	300.00
	-To Others	1,250.00	100.00
	Advance Income Tax / Tax Deducted at Source (Net of Income Tax Provision of ₹ 8036.05 Lacs In Previous year)	2.98	114.53
	Balance with Government Authorities	1,760.14	1,414.83
	Deposits		
	-With Related Parties	-	300.00
	-With Others	35.40	58.85
	Prepaid Expenses	322.05	127.27
	Other Advances	1,257.07	1,212.11
		4,627.64	3,627.59
20	OTHER CURRENT ASSETS		
	Accrued Interest	226.26	176.12
	Export Incentive Receivable	106.26	82.01
		332.52	258.13

Notes to the Statement of Profit & Loss

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
21	REVENUE FROM OPERATIONS		
	Sales of manufactured goods (tiles)	62,418.40	62,345.05
	Sales of traded goods	116,588.95	97,484.58
	Other operating revenue		
	Scrap Sales	196.33	225.23
	Sundry Balance Written Back*	85.52	-
	Income From Services	580.40	488.21
	Gain on Foreign Exchange Fluctuations (Net)	-	129.73
	Insurance Claim Received	68.85	129.71
		179,938.45	160,802.51
	Less: Excise Duty	6,867.96	6,697.64
		173,070.49	154,104.87
*Net of Writen off ₹ 16.98 Lacs (Previous year Nil)			
22	OTHER INCOME		
	Interest Received	520.57	488.29
	Dividend on long term Investments (Previous year ₹ 125/-)	0.02	0.00
	Profit on Sale of Fixed Assets	63.02	40.01
	Profit on Sale of Short Term Investments	131.51	183.36
	Profit on Sale of Long Term Investments	-	0.37
	Miscellaneous Receipts	205.46	71.36
		920.58	783.39
23	COST OF MATERIALS CONSUMED		
	Raw Material Consumed	13,337.84	13,842.03
	Packing Material Consumed	3,123.81	3,154.86
		16,461.65	16,996.89

Notes to the Statement of Profit & Loss

(₹ In Lacs)

	March 31, 2016	March 31, 2015
24 CHANGE IN INVENTORIES OF FINISHED GOODS		
Work-in-progress and Stock-in-Trade		
Closing Stock*		
Finished Goods	5,555.07	5,202.88
Stock-in-Trade	3,275.33	4,151.97
Total Finished Goods	8,830.40	9,354.85
Work-in-Progress	289.27	305.62
	9,119.67	9,660.47
Less: Opening Stock*		
Finished Goods	5,202.88	3,132.08
Stock-in-Trade	4,151.97	2,482.17
Total Finished Goods	9,354.85	5,614.25
Work-in-Progress	305.62	261.43
	9,660.47	5,875.68
(Increase)/ Decrease in Stock	540.80	(3,784.79)
Add / (Less): (Increase) / Decrease in Excise duty on Stock	(79.85)	(276.98)
	620.65	(3,507.81)
*Excluding Goods in Transit		
25 EMPLOYEE BENEFIT EXPENSE		
Salary, Wages, Bonus etc.	10,055.23	8,452.64
Contribution to Provident Fund and Other Funds	617.16	602.47
Workmen & Staff Welfare	491.19	480.94
	11,163.58	9,536.05
26 FINANCE COST		
Interest	1,599.79	1,524.96
Other Borrowing Cost	33.49	105.75
	1,633.28	1,630.71

Notes to the Statement of Profit & Loss

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
27	OTHER EXPENSES		
	Stores and Spare Parts Consumed	2,617.04	2,482.93
	Power & Fuel	16,061.64	17,762.53
	Repairs and Maintenance:		
	Buildings	147.77	152.60
	Plant & Machinery	278.11	224.49
	Others	171.90	131.04
	Rent	715.29	580.87
	Rates & Taxes	283.81	234.49
	Insurance	518.93	261.72
	Travelling & Conveyance Expenses	1,523.03	1,226.60
	Exchange Rate Difference (Net)	46.29	-
	Directors' Fees	5.75	6.45
	Non Executive Directors' Commission	40.00	36.51
	Selling & Distribution Expenses	3,802.67	3,141.52
	Discount	2,198.60	1,793.88
	Freight Outward and Handling Charges	2,875.55	3,324.99
	Advertisement & Sales Promotion Expenses	3,442.61	2,891.40
	Commission to Agents	331.98	337.84
	CSR Expenses	115.61	96.84
	Provision for Doubtful Debts	5.00	6.32
	Bad Debts	23.91	17.99
	Provision for Diminution in Value of Long Term Investment	12.00	-
	Prior Period Adjustment(Net)	4.07	9.26
	Sundry Balances Written Off *	-	88.00
	Legal & Professional Expenses	349.57	352.34
	Loss on Sale of Fixed Assets	90.74	63.45
	Fixed Assets Discard /Written Off	240.06	101.99
	Other Expenses	1,338.14	1,088.85
		37,240.07	36,414.90

* Net of Sundry Balance/ Liabilities no longer required written back Nil (Previous year ₹ 90.80 Lacs)

Notes to the Balance Sheet and the Statement of Profit and Loss

28. EXPLANATORY NOTES

28.1 Contingent liabilities and commitments (to the extent not provided for)

(As certified by the Management)

		(₹ In Lacs)	
S. No.	Particulars	31.03.2016	31.03.2015
A) (i)	Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances]	311.82	131.07
	(ii) Contingent liabilities not provided for in respect of:		
a)	Claims and other demands against the Company not acknowledged as debts.	389.84	288.76
b)	Sales tax and purchase tax demands, among others against which the Company has preferred appeals.	351.29	226.29
c)	Excise and custom duty (excluding interest and penalty) and service tax demands and show-cause notices issued against which the Company/Department has preferred appeals/filed replies.	44.66	426.59
d)	Disputed income tax and wealth tax demand (excluding penalty if any)	63.36	89.23
e) i)	Pending the final decision of the Hon'ble Supreme Court on Local Area Development Tax (LADT) / Entry Tax, no provision for the same is considered necessary by the Company for the period from 1 st April, 2006.	731.52	676.07
	ii) Entry Tax matter pending before Hon'ble High Court of Calcutta.	28.08	-
f)	Demand notice from ESIC	15.41	15.41
(iii)	Bond executed in favour of sales tax/custom authorities.	25.00	25.00
(iv)	Custom duty (excluding interest, if any), which may arise if obligation for exports is not fulfilled against import of capital goods under EPCG	681.17	0.00
B)	Outstanding Corporate Guarantee to banks in respect of various fund/non fund based facilities extended to subsidiary/other body corporates.	2033.62	3434.00

28.2 During the financial year 2012-13, a demand of ₹ 925.65 lacs (including interest of ₹ 97.41 lacs) for difference between market rate (Non-APM) and contracted price (APM) of gas for the period from 1st July, 2005 to 31st March, 2010 has been raised by GAIL (India) Limited (GAIL). After considering further debit notes on account of interest / bank charges for the past periods, the total demand increased to ₹ 1,352.79 lacs (including interest of ₹ 524.55 lacs) as on 31st March 2016. The Company along with others filed a Special Civil Application (SCA) which was admitted by the Hon'ble Gujarat High Court on submission of bank guarantee of ₹ 118 lacs. On 4th August, 2014, Hon'ble Supreme Court of India passed an order to transfer the case to this Court on the basis of transfer petition filed by the GAIL. Pending decision / further direction, no provision in this regard is considered necessary by the Company.

28.3 Other long-term liabilities include encashment of bank guarantee in earlier years amounting to ₹ 202.50 lacs (Previous year ₹ 202.50 lacs) provided by a supplier of machinery. The supplier of machinery has challenged the encashment of bank guarantee and the case is pending before Hon'ble High Court of Delhi and Calcutta. Pending final decision, no adjustment has been carried out in accounts and above amount is shown under long term liabilities.

28.4 Exceptional item of ₹ 442.92 lacs pertains to:

- i) Payment of ₹ 382.81 lacs to GAIL India Limited towards one time settlement of 'Pay For If Not Taken Obligation' for calendar year 2014.
- ii) Loss of inventory of ₹ 60.11 lacs due to fire.

28.5 During the year, the Company has fully utilized ₹ 5,000.00 lacs raised through private placement of equity shares in February, 2014 for the purposes the funds were so raised.

28.6 During the year, the Company has raised ₹ 11,999.97 lacs by allotting 35,34,600 equity shares of ₹ 2/- each @ ₹ 339.50 per share (including premium @ ₹ 337.50 per share) through qualified institutions placement. The funds so raised (net of issue expenses of ₹ 307.34 lacs) have been utilized for the purposes for which the same were raised except for ₹ 10,150.00 lacs which have been temporarily invested mainly in the debt instruments/ funds.

Notes to the Balance Sheet and the Statement of Profit and Loss

- 28.7** Sales net of trade discounts / returns includes insurance recovered of ₹ 959.37 lacs (Previous year ₹ 871.89 lacs), export benefits of ₹ 251.04 lacs (Previous year ₹ 150.90 lacs).
- 28.8** A sum of ₹ 115.61 lacs (Previous year ₹ 96.84 lacs) towards Corporate Social Responsibility is included under 'Other Expenses'.
- 28.9** Research and Development Expenditure on revenue account amounting to ₹ 156.24 lacs (Previous year ₹ 66.82 lacs) has been charged to statement of profit and loss.
- 28.10** Trade payables include acceptances of ₹ 9,021.67 lacs (Previous year ₹ 11,445.83 lacs).
- 28.11** The business activity of the Company falls within a single business segment viz. 'Ceramic Tiles and Allied products' and sales of the product is mainly within the country. Hence, the disclosure requirement of Accounting Standard 17 of 'Segment Reporting' is not considered applicable.
- 28.12** Since it is not possible to ascertain with reasonable certainty the quantum of accrual in respect of certain insurance and other claims and interest on overdue bills from customers, the same are continued to be accounted for as and when received/settled.
- 28.13** The Company has not provided diminution in the value of certain unquoted long term strategic investments, since in the opinion of Board, such diminution in their value is temporary in nature, considering the inherent value, nature of investments, the investees' assets and expected future cash flow from such investments.
- 28.14** In the opinion of the management, current assets, loans and advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated.
- 28.15** Balances of certain trade receivables, advances, trade payables and other liabilities are in the process of confirmation and/or reconciliation.
- 28.16** Profit and/or Loss on sale of stores and raw materials remain adjusted in respective consumption accounts
- 28.17** The Company has not received full information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT); hence, disclosure relating to amount unpaid at year end together with interest paid/payable have been given based on the information so far available with the Company/identified by the Company management. The detail of the same is as under:

		(₹ In Lacs)	
S.No.	Particulars	31.03.2016	31.03.2015
a)	i) Principal amount remaining unpaid at the end of the accounting year	-	-
	ii) Interest due on above	-	-
b)	i) Interest paid by the Company in terms of Section 16 of MSMED Act.	-	-
	ii) Payment made to supplier beyond the appointed day during the year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this Act.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of financial year.	-	-
e)	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest due as above are actually paid.	-	-

Notes to the Balance Sheet and the Statement of Profit and Loss

28.18 The major components of Deferred Tax Liability and Deferred Tax Assets are as under:

Particulars	(₹ In Lacs)	
	31.03.2016	31.03.2015
Deferred Tax Liability		
Related to Depreciable Assets	3,386.60	2,964.76
Deferred Tax Assets		
Provisions for Doubtful Debts	57.65	54.93
Disallowance under Income Tax Act, 1961	210.84	167.65
	268.49	222.58
Deferred Tax Liability (Net)	3118.11	2,742.18
Deferred tax Liability / (Assets) for the year:		
Charged to the statement of Profit & Loss	402.60	71.62
Charged to General Reserve	(26.67)	(79.34)

28.19 EMPLOYEE BENEFITS

(a) The status of the gratuity, leave encashment and sick leave as at 31st March, 2016 is as follows:

Particulars	(₹ In Lacs)			
	Gratuity (Funded)	Earned Leave Encashment and Sick Leave (Non-Funded)	Gratuity (Funded) (Previous Year)	Earned Leave Encashment and Sick Leave (Non-Funded) (Previous Year)
I Expense recognised in the statement of Profit and Loss				
a) Current service cost	100.68	67.00	88.24	57.65
b) Past service cost	-	-	-	-
c) Interest cost	81.29	29.08	62.90	27.35
d) Expected return on plan assets	(82.98)	-	(72.51)	-
e) Curtailment cost / (credit)	-	-	-	-
f) Settlement cost / (credit)	-	-	-	-
g) Net actuarial (gain)/loss recognised in the period	74.13	128.32	85.94	24.98
h) Total expenses	173.12	224.40	164.57	109.98
II Net assets/(liability) recognised in the Balance sheet				
a) Present value of obligation as at the end of the period	1,122.63	453.11	1,016.14	363.53
b) Fair value of plan assets as at the end of the period	1,074.51	-	921.95	-
c) Funded status	(48.12)	(453.11)	(94.19)	(363.53)
d) Net asset/(liability) recognised in balance sheet	(48.12)	(453.11)	(94.19)	(363.53)
III Change in present value of obligation				
a) Present value of obligation as at the beginning of the period*	1,016.14	363.53	786.30	341.88
b) Acquisition adjustment	-	-	-	-
c) Interest cost	81.29	29.08	62.90	27.35
d) Past service cost	-	-	-	-

Notes to the Balance Sheet and the Statement of Profit and Loss

Particulars	(₹ In Lacs)			
	Gratuity (Funded)	Earned Leave Encashment and Sick Leave (Non-Funded)	Gratuity (Funded) (Previous Year)	Earned Leave Encashment and Sick Leave (Non-Funded) (Previous Year)
e) Current service cost	100.68	67.00	88.24	57.65
f) Curtailment cost/(credit)	-	-	-	-
g) Settlement cost/(credit)	-	-	-	-
h) Benefits paid	(90.34)	(134.82)	(94.42)	(88.34)
i) Actuarial (gain)/loss on obligation	14.86	128.32	173.12	24.98
j) Present value of obligation as at the end of period	1,122.63	453.11	1,016.14	363.53
IV Changes in the fair value of plan assets				
a) Fair value of plan assets at the beginning of the period	921.95	-	805.68	-
b) Acquisition adjustment	-	-	-	-
c) Expected return on plan assets	82.98	-	72.51	-
d) Contributions	219.19	-	51.00	-
e) Benefits paid	(90.34)	-	(94.42)	-
f) Actuarial gain/(loss) on plan assets	(59.27)	-	87.18	-
g) Fair value of plan assets at the end of the period	1,074.51	-	921.95	-
V The Major Category of plan assets as a percentage of total plan				
Mutual Funds	100%	-	100%	-
Government securities	0%	-	0%	-
Bank	0%	-	0%	-
VI Actuarial Assumptions				
Economic Assumptions:				
Discounting rate	8.00%	8.00%	8.00%	8.00%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	8.00%	0.00%	9.00%	0.00%
Demographic Assumptions:				
Retirement age	58	58	58	58
Economic Assumptions:				
Mortality table		IALM (2006-08)		IALM (2006-08)

Notes to the Balance Sheet and the Statement of Profit and Loss

(₹ In Lacs)										
Particulars	Gratuity (Funded)					Earned Leave Encashment and Sick Leave (Non-Funded)				
	Gratuity (Funded) (Previous Year)					Earned Leave Encashment and Sick Leave (Non-Funded) (Previous Year)				
	Age					Withdrawal Rate %				
Withdrawal Rates	Upto 30 years					3.00%				
	31 to 44 years					2.00%				
	Above 44 years					1.00%				

Particulars	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of Obligation	1,122.63	1,016.14	786.30	769.65	679.88	453.11	363.53	341.88	285.10	216.61
Fair Value of Plan Assets	1,074.51	921.95	805.68	718.17	674.21	-	-	-	-	-
Surplus / (Deficit)	(48.12)	(94.19)	19.38	(51.48)	(5.67)	(453.11)	(363.53)	(341.88)	(285.10)	(216.61)
Experience adjustment on Plan Liabilities (Gain) / Loss	14.86	173.12	(119.04)	57.33	43.20	128.32	24.98	90.15	(0.88)	44.76
Experience adjustment on Plan Assets (Gain) / Loss	59.27	(87.18)	0.98	(20.99)	32.90	-	-	-	-	-

* Based on the actuarial valuation done by an actuary appointed during the year.

- (b) Amounts recognised as an expense/ (income) and included in the Note Number 24 are as under:
- 'Salary, Wages, Bonus etc.' of the statement of Profit and Loss includes ₹ 224.40 lacs (Previous year ₹ 135.99 lacs) towards Earned Leave Encashment and Sick Leave.
 - 'Contributions to Provident and other Funds' of the statement of Profit and Loss includes ₹ 444.04 lacs (Previous year ₹ 394.88 lacs) towards contribution to Provident Fund [including ₹ 139.94 lacs (Previous year ₹ 129.05 lacs) towards Somany Provident Fund, a multi-employer plan, refer to (c) below].
 - 'Contributions to Provident and other Funds' of the statement of Profit and Loss includes ₹ 173.12 lacs (Previous year ₹ 207.59 lacs) towards contribution to Gratuity Fund.
- (c) The Guidance issued by the Accounting Standard Board (ASB) on implementing AS-15, Employee Benefits (revised 2005) (Guidance Note) states that provident funds set up by employers, the investment and actuarial risk of which fall on the employer, needs to be treated as defined benefit plan. Its effect in this respect has not been ascertained and the same has been accounted for as defined in the Guidance Note. The Fund has a surplus, determined net of investments less corpus (contribution plus interest thereon).
- (d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (e) The expected return on the plan assets is determined by considering several applicable factors mainly the composition of the plan assets held, assessed risks of

Notes to the Balance Sheet and the Statement of Profit and Loss

assets management, historical results of return on plan assets and the policy for plan assets management.

- (f) The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities.

28.20 Interest in Joint Venture Company

- a) Company's contribution in the joint venture (by the name Somy Keraben Private Ltd., a 50:50 Joint Venture Company) till 31st March, 2016 is ₹ 89.30 lacs (Previous year Rs 77.30 lacs) towards share capital of Joint Venture entity.

Pursuant to Accounting Standard 27 "Financial Reporting of Interests in Joint Venture" the relevant information relating to Joint Venture Company (JVC) are given below:

Name of the JVC	Country of Incorporation	Proportion of Ownership Interest
Somy Keraben Private Limited (SKPL)	India	50%

- b) The Company's share in the aggregate amounts of each of the assets, liabilities, income, expense, contingent liabilities and capital commitments as at / for the years ended 31st March, 2016 in the above company, as per its unaudited financial statements is as under:

Proportion of Company's Interest in JVC	₹ In Lacs	
	31.03.2016 (Unaudited)	31.03.2015 (Audited)
Assets		
Fixed assets (net block) (including CWIP)	0.00	0.00
Cash and bank balances	1.18	1.29
Trade Receivables	0.00	0.00
Loans and advances	0.00	0.60
Liabilities.		
Current liabilities and provisions	0.07	11.39
Income		
Other incomes	10.03	0.00
Expenses		
Administrative and other expenses	11.53	0.18
Depreciation	0.00	0.00
Contingent Liabilities	0.00	0.00
Capital Commitment	0.00	0.00
Year-end Balance (Advance recoverable)	0.00	13.99

28.21 Earnings Per Share

The numerators and denominators used to calculate basic and diluted earnings per share:

	₹ In Lacs	
	31.03.2016	31.03.2015
Profit / (Loss) attributable to the equity shareholders (₹ in Lacs) (A)	6,105.83	4,438.25
Weighted average number of equity shares outstanding during the year (B)	39,820,221	38,844,826
Nominal value of equity shares (₹)	2	2
Basic earnings per share (₹) (A/B)	15.33	11.43
Diluted earnings per share (₹) (A/B)	15.33	11.43

Notes to the Balance Sheet and the Statement of Profit and Loss

28.22 Capital work in progress includes machinery under installation and/or in transit, construction/erection material and pre-operative expenses pending allocation/capitalisation. The details of pre-operative expenses are as follows:

Particulars	(₹ In Lacs)	
	31.03.2016	31.03.2015
Opening Balance	-	1.42
i) Raw material consumed (net)	-	4.61
ii) Power and Fuel cost	35.68	36.94
iii) Salaries and Wages	16.85	42.77
iv) Interest	117.25	44.06
v) Legal and Professional charges	23.45	-
vi) Foreign Technology expenses	-	-
vii) Others	43.13	23.04
Total	236.36	152.84
Less: Allocated to fixed assets / adjusted	220.88	152.84
Closing Balance	15.48	-

28.23 Loans and Advances pursuant to Regulation 34(3) and 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Loans and Advances (in the nature of Loans) (Repayable on demand)	(₹ In Lacs)			
	Outstanding as at 31 st March, 2016	Maximum Amount Outstanding during the year	Outstanding as at 31 st March, 2015	Maximum Amount Outstanding during the previous year
Associate:				
Vintage Tiles Pvt. Ltd.	-	300.00	300.00	300.00
Acer Granito Pvt. Ltd.	-	-	-	550.00

28.24 (a) Foreign exchange derivatives and exposures outstanding at the year-end:

Name	Amount (In Foreign Currency) 31.03.2016		Amount (In Foreign Currency) 31.03.2015	
	Amount (In Lacs equivalent) 31.03.2016	Amount (In Lacs equivalent) 31.03.2016	Amount (In Lacs equivalent) 31.03.2015	Amount (In Lacs equivalent) 31.03.2015
Derivatives				
Forward contract	-	-	-	-
Open Exposures				
Receivables	USD 398,346	262.63	USD 668,132	416.05
Payables	USD 4,937,270	3,286.25	USD 3,376,793	2,122.99
Payables	EURO 837,052	633.90	EURO 1,156,682	789.32

(b) The Company uses derivative instruments for hedging and/or reducing finance cost.

Notes to the Balance Sheet and the Statement of Profit and Loss

28.25 Payments to Auditors:

Particulars	(₹ In Lacs)	
	31.03.2016	31.03.2015
Statutory audit fee	9.25	6.75
Tax audit fee	2.00	2.00
Certification fee	1.25	1.25
Other services*	9.22	1.65
Reimbursement of expenses	0.58	0.54
Total	22.30	12.19

*above is excluding of ₹ 18.00 lacs towards certification for QIP (previous year ₹ 4.60 lacs for other matters)

28.26 In accounting year ended 31.03.2007, the Company took an office premises on sub-lease for a term of 75 years. The lease has been recognised as an asset at the present value of the minimum lease payment. Minimum lease payment in future at the balance sheet date and their present value are as under:

Particulars	(₹ In Lacs)			
	31.03.2016		31.03.2015	
	Lease Payments	Present Value	Lease Payments	Present Value
Not later than one year	0.48	0.14	0.47	0.15
Later than one year and not later than five years	1.98	0.41	1.97	0.46
Later than five years	41.83	0.67	42.32	0.75

28.27 A. Purchases And Sales of Trading Goods

Particulars	(₹ In Lacs)					
	31.03.2016			31.03.2015		
	Tiles	Others	Total	Tiles	Others	Total
Purchases	86,478.03	8,806.36	95,284.39	77,219.50	7,820.41	85,039.91
Sales	103,845.97	12,742.98	116,588.95	88,848.63	8,635.95	97,484.58

B. Raw Material/Packing Material Consumed

Particulars	31.03.2016	31.03.2015
Clay and minerals*	6,181.23	6,411.02
Chemicals and glaze materials	7,156.61	7,435.62
Packing material	3,123.81	3,154.86
Total	16,461.65	17,001.50

*Includes ₹ 4.61 lacs (in previous year) which is capitalized

C. Value of Imported & Indigenous Raw Materials/Packing and Spares Consumed

	Raw Materials / Packing Material				Stores, Spares among others			
	31.03.2016		31.03.2015		31.03.2016		31.03.2015	
	₹ in Lacs	%	₹ in Lacs	%	₹ in Lacs	%	₹ in Lacs	%
Imported	358.97	2.18	285.02	1.68	799.87	30.56	831.84	33.50
Indigenous	16,102.68	97.82	16,716.48	98.32	1,817.17	69.44	1,651.09	66.50
Total	16,461.65	100.00	17,001.50	100.00	2,617.04	100.00	2,482.93	100.00

Notes to the Balance Sheet and the Statement of Profit and Loss

D. Details of Work-in-process

Particulars	(₹ In Lacs)	
	31.03.2016	31.03.2015
Body	20.81	28.42
Glaze	165.58	161.99
Semi-finished goods	102.88	115.21
Total	289.27	305.62

E. C.I.F. Value of Imports

Raw Materials	234.09	230.21
Spare parts	665.18	727.43
Capital goods	2,868.27	1,664.98
Trading goods	4,150.18	2,376.40

F. Expenditure in Foreign Currency

Travelling Expenses	120.06	73.69
Commission to selling agents	108.14	67.02
Export Expenses	6.81	4.05
Exhibition Expenses	40.15	43.28
Others	100.24	24.59

G. Earnings in Foreign Currency

Exports on FOB basis	7,137.15	5,641.04
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28.28 Details of Investment made, Loan and Guarantee given covered under section 186(4) of Companies Act, 2013

Investment made is given under respective heads.

a) Loan and Guarantee

Name	₹ in lacs	Purpose
Loan Given:		
Zealous Financial Services Pvt. Ltd.	1250.00	For short term business requirement
Corporate Guarantee Given:		
Schablona India Ltd.	944.00	For financial assistance / credit facilities availed
Amora Tiles Pvt. Ltd.	2,490.00	For financial assistance / credit facilities availed

Notes to the Balance Sheet and the Statement of Profit and Loss

b) Investment in equity shares

(₹ In Lacs)				
Name	Investment Amount	No. of shares allotted	Date of Allotment	% of total share capital
Somany Sanitary Ware Pvt. Ltd. (Formerly Sonec Sanitary Ware Pvt. Ltd.)	132.46	10,26,799	12/05/2015, 10/08/2015, 01/06/2015	51%
Somany Fine Vitrified Pvt. Ltd. (Formerly Fine Vitrified Pvt. Ltd.)	565.00	56,50,000	02/05/2015, 30/05/2015	51%
Somany Excel Vitrified Pvt. Ltd.	151.00	15,10,000	08/03/2016, 11/03/2016, 31/03/2016	100%
Somany Keraben Pvt. Ltd.	12.00	1,20,000	18/05/2015	50%

c) Investment in preference shares

Name	Investment Amount	No. of shares allotted	Date of Allotment	% of total share capital
Somany Fine Vitrified Pvt. Ltd. (Formerly Fine Vitrified Pvt. Ltd.)	357.00	35,70,000	10/07/2015	51%

28.29 The Company has entered into long term supply agreements (LTA or Agreements) with Associates and three Subsidiaries (refer Note No. 28.30). By the said agreements the Company has right to buy and sell the entire production of tiles / sanitaryware of companies stated in/under its Own Brand.

As liability will accrue / arise as and when purchase will be made under LTA. Hence under the agreements there is no material foreseeable losses as on date in the opinion of the management

28.30 Related Party Transactions (As certified by the Management)**A. Names of related parties where control exists and nature of relationship:****Subsidiary Company**

SR Continental Limited

Somany Global Limited

Amora Tiles Private Limited

Somany Fine Vitrified Private Limited (w.e.f. 30th May, 2015) (Formerly Fine Vitrified Private Limited)Somany Sanitaryware Private Limited (w.e.f. 10th August, 2015) (Formerly Sonec Sanitaryware Private Limited)Somany Excel Vitrified Private Limited (w.e.f. 30th October, 2015)**B. Other related parties with whom transactions have taken place and description of relationship:****1. Joint Venture**

Somany Keraban Private Limited

2. Key Management Personnel

Mr. Shreekant Somany, Chairman & Managing Director

Mr. Abhishek Somany, Managing Director (Son of Chairman & Managing Director)

Mrs. Anjana Somany, Non-Executive & Non-Independent Director (Wife of Chairman & Managing Director)

Mr. G.G. Trivedi, CEO

Mr. T.R. Maheshwari, Deputy CEO & CFO*

Mr. Ambrish Julka, DGM (Legal) & Company Secretary

Notes to the Balance Sheet and the Statement of Profit and Loss

3. Relatives of Key Management Personnel

Mrs. Minal Somany (Wife of Managing Director)
Mrs. Kala Trivedi (Wife of CEO)

4. Associate Company

Vintage Tiles Private Limited
Commander Vitrified Private Limited
Vicon Ceramic Private Limited
Acer Granito Private Limited
Somany Fine Vitrified Private Limited (upto 29th May, 2015) (Formerly Fine Vitrified Private Limited)
Somany Sanitary Ware Private Limited (upto 9th August, 2015) (Formerly Sonec Sanitary Ware Private Limited)

5. Enterprise over which Company exercise significant influence and with whom transactions have taken place during the year:

H. L. Somany Foundation

6. Enterprise over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year:

Vidres India Ceramics Private Limited
Yogi Cerachem Private Limited
Ishiv India Solutions Private Limited

7. Other related parties with which Company has transactions:

Biba Apparels Private Limited – Private company in which director is a director
Wolkem India Limited – Public company in which director is a director and holds more than 2% shares alongwith relatives
G.L. Sultania & Co. – Firm in which director is proprietor
* appointed as CFO w.e.f. 25th January, 2016

C. The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis:

	31.03.2016	31.03.2015
	(₹ In Lacs)	
SR Continental Ltd.		
Purchase of goods	74.81	327.43
Purchase of assets	4.53	-
Sale of goods	6.24	16.90
Job work charges	9.87	32.85
Rent Received	0.60	0.06
Rent paid	1.08	1.08
Payment made on their behalf	15.78	25.79
Outstanding at the year-end:		
Trade Receivable	0.48	1.81
Trade Payable	-	12.77
Co-surety taken	12.50	12.50
Somany Global Ltd.		
Payment made on their behalf	1.22	6.27
Sales of goods (including samples)	0.41	58.79

Notes to the Balance Sheet and the Statement of Profit and Loss

	(₹ In Lacs)	
	31.03.2016	31.03.2015
Outstanding at the year-end:		
Advance received against supply	-	0.86
Amora Tiles Private Limited		
Purchase of goods	10,150.12	7,897.06
Sale of goods	235.58	25.28
Technical services provided	180.00	180.00
Interest Received	35.35	35.35
Deposit given	-	250.00
Outstanding at the year-end:		
Trade Payable	184.98	255.43
Trade Receivable	50.10	30.65
Deposits	294.60	294.60
Corporate Guarantee given	2,490.00	2,490.00
Somany Excel Vitrified Pvt Ltd		
Investment made	151.00	-
Deposit Given	20.00	-
Interest Received on Deposit	0.14	-
Deposit Received back	20.00	-
Payment made on their behalf	0.34	-
Outstanding at the year-end:		
Advance Recoverable	0.32	-
Somany Sanitaryware Private Limited		
Investment made	132.46	38.51
Share Application Money	-	100.00
Purchase of goods	1,592.41	810.19
Sale of goods	64.72	-
Interest Received	10.19	-
Deposit given	100.00	-
Outstanding at the year-end:		
Advance against supply	30.29	24.84
Deposit	100.00	-
Somany Fine Vitrified Private Limited		
Investment made	922.00	200.00
Share Application Money	-	200.00
Purchase of goods	4,905.93	-
Sale of goods	14.47	-

Notes to the Balance Sheet and the Statement of Profit and Loss

	(₹ In Lacs)	
	31.03.2016	31.03.2015
Outstanding at the year-end:		
Trade Payable	2,131.74	-
H. L. Somany Foundation		
Contribution towards CSR Activities	1.50	-
Somany Keraben Private Ltd.		
Investment made	12.00	-
Payment made on behalf of Somany Keraben Pvt. Ltd.	0.08	-
Advance received back	13.99	-
Outstanding at the year-end	-	Dr. 13.99
Vintage Tiles Private Limited		
Purchase of goods	10,353.84	10,133.79
Sale of goods	62.58	-
Technical services provided	93.60	93.60
Interest Received	47.02	50.10
Inter Corporate Deposit given	-	300.00
Inter Corporate Deposit received back	300.00	-
Outstanding at the year-end:		
Trade Payable	185.20	364.79
Deposits	226.00	226.00
Interest Receivable	-	16.74
Inter Corporate Deposit	-	300.00
Commander Vitrified Private Limited		
Purchase of goods	17,013.79	18,930.64
Sale of goods	262.40	16.60
Technical services provided	187.20	187.20
Interest Received	21.69	19.64
Deposit given	-	300.00
Deposit received back	300.00	9.45
Outstanding at the year-end:		
Trade Payable	19.43	738.81
Trade Receivable	-	20.15
Deposits	160.55	460.55
Interest Receivable	-	17.69
Vicon Ceramic Private Limited		
Purchase of goods	6,618.90	4,751.19
Sale of goods	2.02	-
Technical services provided	93.60	-

Notes to the Balance Sheet and the Statement of Profit and Loss

	(₹ In Lacs)	
	31.03.2016	31.03.2015
Interest Received	39.29	34.74
Deposit given	-	100.00
Outstanding at the year-end:		
Trade Payable	335.41	325.55
Deposits	326.50	326.50
Interest Receivable	-	34.73
Acer Granito Private Limited		
Purchase of goods	15,669.05	9,400.89
Sale of goods	1.25	-
Technical services provided	26.00	26.00
Interest Received	36.10	59.79
Inter Corporate Deposit given	-	550.00
Inter Corporate Deposit received back	-	550.00
Outstanding at the year-end:		
Trade Payable	2,108.82	774.63
Deposits	300.00	300.00
Interest Receivable	-	32.40
Mr. Shreekant Somany		
Remuneration paid	227.16	220.94
Commission	181.91	92.24
Mr. Abhishek Somany		
Remuneration paid	225.47	166.28
Commission	183.60	146.90
Rent paid	8.39	8.00
Outstanding payable at the year end	-	0.61
Mrs. Anjana Somany		
Sitting fee paid	0.45	-
Commission	5.00	0.11
Rent paid	0.48	-
Mrs. Minal Somany		
Remuneration paid	29.13	26.65
Rent paid	26.15	25.16
Outstanding payable at the year end	-	1.93
Mr. G.G. Trivedi		
Remuneration paid	116.51	113.00
Mr. T.R. Maheshwari		
Remuneration paid	30.16	-

Notes to the Balance Sheet and the Statement of Profit and Loss

	(₹ In Lacs)	
	31.03.2016	31.03.2015
Advance Given	30.00	-
Outstanding at the year-end:		
Advance Receivable	30.00	-
Mrs. Kala Trivedi		
Rent paid	-	2.74
Mr. Amrish Julka		
Remuneration paid	20.72	17.72
G.L. Sultania & Co.		
Consultancy fee paid	6.00	6.00
Ishiv India Solutions Pvt. Ltd.		
Purchase of goods	147.86	122.55
Services received	11.31	31.21
Outstanding at the year-end:		
Trade Payable	37.54	8.55
Wolkem India Limited		
Purchase of goods	16.45	16.96
Outstanding at the year-end:		
Trade Payable	1.13	-
Biba Apparels Private Limited		
Sale of goods	35.64	24.62
Outstanding at the year-end:		
Advance received against supply	0.81	0.70
Yogi Cerachem Private Limited		
Purchase of goods	109.46	70.47
Outstanding at the year-end:		
Trade Payable	41.57	11.48
Vidres India Ceramics Private Limited		
Purchase of goods	1,442.79	1,671.20
Outstanding at the year-end:		
Trade Payable	583.19	133.05

28.31 The previous year's figures have been regrouped, rearranged wherever consider necessary.

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

N. K. LODHA
Partner
M.NO. 85155

Place : New Delhi
Date : 21st May, 2016

For and on behalf of Board of Directors

SHREEKANT SOMANY
Chairman &
Managing Director

ABHISHEK SOMANY
Managing Director

T.R. MAHESHWARI
Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA
DGM (Legal) & Company
Secretary

Independent Auditors' Report on Consolidated Financial Statements

To the Members of SOMANY CERAMICS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SOMANY CERAMICS LIMITED** (herein after referred to as "the Holding Company") and its subsidiaries ("**the Holding Company & its subsidiaries**" **together referred as "the Group"**), its associates and joint venture company, comprising of the consolidated balance sheet as at 31st March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 (herein after referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associates and joint venture company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and of its associates and joint venture company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and

matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the other matter below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of four subsidiaries and four associates, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates and joint venture company, as at 31st March 2016, and their consolidated Profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the four subsidiaries whose financial statements reflect total assets of ₹ 12,848.44 lacs as at 31st March, 2016, total revenues of ₹ 15,934.14 lacs and net profit after tax of ₹ 460.00 lacs for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the group share of net profit of ₹ 216.86 lacs for the year ended 31st March, 2016, as considered in the consolidated financial statements in respect of four associates whose financial statements/ financial informations have not been audited by us. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

We have relied on the unaudited financial statements of a joint venture wherein the company's share of losses aggregate to ₹ 88.19 lacs. These financial statements have been certified by management and furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of a Joint Venture, are based solely on these certified financial statements.

Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2016 taken on record by the Board

of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the Directors of the Group and its Associates incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associates and joint venture company which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure - A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associates & joint venture company-Refer Note 28.1, 28.2 and 28.3 to the consolidated financial statements.
 - ii) Provision has been made in the consolidated financial statement, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company, its subsidiaries companies, Associate Companies and joint venture company incorporated in India.

For **LODHA & CO.**,
Chartered Accountants
Firm's Registration No. 301051E

(N. K. LODHA)
(Partner)

Membership No.: 85155

Place: New Delhi
Date: 21st May, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of **SOMANY CERAMICS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries (incorporated in India) together referred to as "the Group") and associates and joint venture company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary companies, associates and joint venture company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and

their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

We did not audit the financial statements of the four subsidiaries and four associates whose financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion, in respect of these subsidiaries and associates under sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates as at 31st March 2016, is based solely on the report of the other auditors.

We have relied on the unaudited financial statements of a joint venture, these financial statements have been certified by management and furnished to us, Accordingly, we are not expressing any opinion, insofar as it relates to the joint venture.

Meaning of Internal Financial Controls Over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and associate companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **LODHA & CO.**,
Chartered Accountants
Firm's Registration No. 301051E

(N. K. LODHA)

(Partner)

Membership No.: 85155

Place: New Delhi

Date: 21st May, 2016

Consolidated Balance Sheet

as at 31st March, 2016

	Note No.	As at March 31, 2016	(₹ in Lacs) As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	847.59	776.90
Reserves & Surplus	3	41,968.99	25,023.73
		42,816.58	25,800.63
Minority Interest			
		2,001.25	531.06
Non-current Liabilities			
Long term Borrowings	4	11,958.73	7,677.95
Deferred Tax Liabilities (Net)		3,286.79	2,874.27
Other Long-term Liabilities	5	2,030.74	1,918.80
Long-term Provisions	6	360.67	333.78
		17,636.93	12,804.80
Current Liabilities			
Short-term Borrowings	7	8,934.71	8,485.95
Trade Payables	8	20,078.16	20,787.34
Other Current Liabilities	9	11,419.57	8,971.52
Short-term Provisions	10	1,464.75	1,062.67
		41,897.19	39,307.48
Total		104,351.95	78,443.97
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	11	37,837.17	26,209.08
Intangible Assets	11	119.94	169.24
Goodwil on consolidation		95.99	-
Capital work-in-Progress		633.71	81.43
Non-current Investments	12	1,980.70	1,947.43
Long-term Loans and Advances	13	1,634.55	1,825.39
Other non-current assets	14	448.41	250.93
		42,750.47	30,483.50
Current Assets			
Current Investments	15	8,810.99	2,714.01
Inventories	16	13,868.19	13,644.66
Trade Receivables	17	31,723.38	25,909.89
Cash and Bank Balances	18	1,826.85	1,537.26
Short-Term Loans and Advances	19	5,038.94	3,895.88
Other Current Assets	20	333.13	258.77
		61,601.48	47,960.47
Total		104,351.95	78,443.97
Significant Accounting Policies	1		
Explanatory Notes	28		
The accompanying Notes are an integral part of the Financial Statements.			

As per our report of even date

For and on behalf of Board of Directors

For **LODHA & CO.**Chartered Accountants
(ICAI FRN. NO.: 301051E)**N. K. LODHA**Partner
M.NO. 85155

Place : New Delhi

Date : 21st May, 2016**SHREEKANT SOMANY**Chairman &
Managing Director**ABHISHEK SOMANY**

Managing Director

T.R. MAHESHWARIDy. Chief Executive Officer
& Chief Financial Officer**AMBRISH JULKA**DGM (Legal) & Company
Secretary

Consolidated Statement of Profit & Loss

For the year ended 31st March, 2016

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue from Operations	21	171,767.45	154,312.48
Other Income	22	906.27	766.32
Total Revenue		172,673.72	155,078.80
Expenses:			
Cost of Materials Consumed	23	22,589.56	20,346.08
Purchases of Stock-in-Trade		78,664.65	77,425.25
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	24	231.12	(3,918.27)
Employee Benefit Expense	25	12,319.03	10,135.31
Finance Cost	26	2,247.43	2,053.90
Depreciation and Amortization Expense	11	2,827.67	2,659.11
Other Expenses	27	43,671.88	39,567.38
Total Expenses		162,551.34	148,268.76
Profit Before Exceptional and Extraordinary Items and Tax		10,122.38	6,810.04
Exceptional items (Net)		442.92	-
Profit before tax		9,679.46	6,810.04
Tax Expense:			
(1) Current tax		2,591.97	2,089.62
(2) Deferred tax charge/(credit)		439.20	115.64
(3) Tax for Earlier Year		93.08	12.35
Profit After Tax		6,555.21	4,592.43
Share in Profit of Associate		216.86	132.92
Profit after tax (including associate)		6,772.07	4,725.35
Minority Interest		302.48	86.60
Profit after tax and minority Interest		6,469.59	4,638.75
Earnings per Equity Share (₹)			
Basic		16.25	11.94
Diluted		16.25	11.94

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

N. K. LODHA
Partner
M.NO. 85155

Place : New Delhi
Date : 21st May, 2016

For and on behalf of Board of Directors

SHREEKANT SOMANY
Chairman &
Managing Director

ABHISHEK SOMANY
Managing Director

T.R. MAHESHWARI
Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA
DGM (Legal) & Company
Secretary

Consolidated Cash Flow Statement

For the Year Ended 31st March 2016

	(₹ in Lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow From Operating Activities		
Net Profit Before Tax & Exceptional Items as per Statement Of Profit & Loss	9,679.46	6,810.04
I. Adjusted For :		
Depreciation & Amortisation Expense	2,827.67	2,659.11
Interest and Finance Charges	2,247.43	2,053.90
Interest Income	(491.30)	(464.91)
Dividend Income (Previous Year ₹ 125/-)	(0.02)	(0.00)
Profit on Sales of Investment (Net)	(132.64)	3.56
Unrealized Foreign Exchange (Gain)/Loss (Net)	26.52	(186.90)
Diminution in the value of Investment (net)	0.31	(2.95)
Provision for Doubtful Debts (net of write back)	13.01	5.50
Bad Debts	33.94	28.21
Liabilities no longer required written back (net)	(85.49)	-
Sundry Balances written off / (back) (net)	-	87.91
(Profit)/Loss on sale / Discard of Fixed Assets/ Assets written off (net)	270.11	125.43
Operating Profit Before Working Capital Changes	14,389.00	11,118.90
II. Adjusted For :		
Trade & Other Receivable	(6,436.05)	(6,574.30)
Inventories	135.76	(4,582.97)
Trade & Other Payable	276.76	4,673.84
Cash Generated from Operation	8,365.47	4,635.48
Income Taxes Refund /(paid)	(2,405.65)	(2,155.23)
Net Cash Flow From Operating Activities (A)	5,959.82	2,480.24
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(13,804.79)	(5,177.95)
Sale of Fixed Assets	169.28	99.59
Sale of Long Term Investment	3.94	103.43
Purchase of Long Term Investment	-	(271.51)
Purchase of controlling interest	(32.46)	
Share Application Advance	-	(162.40)
Purchase of Short Term Investment	(32,155.57)	(22,301.72)
Sale of Short Term Investment	26,190.97	23,514.08
Interest Received	441.17	435.01
Dividend Income (Previous Year ₹ 125/-)	0.02	0.00
Net Cash Outflow From Investing Activities (B)	(19,187.44)	(3,761.47)

Consolidated Cash Flow Statement

For the Year Ended 31st March 2016

(₹ in Lacs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
C. Cash Flow From Financing Activities		
Proceeds from Long Term Borrowings	8,926.40	4,164.25
Repayment of Long Term Borrowings	(4,477.71)	(2,913.88)
Short Term Loans Borrowings (net)	(248.40)	834.63
Proceeds from Issue of Share Capital	70.69	-
Proceeds from contribution by minority shareholder	340.33	-
Security Premium (Net of Share Issue Expenses)	11,621.93	-
Interest Paid	(2,204.74)	(2,046.01)
Dividend Paid (including corporate dividend tax)	(928.71)	(676.74)
NET CASH INFLOW FROM FINANCING ACTIVITIES (C)	13,099.79	(637.75)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(127.83)	(1,918.98)
CASH AND CASH EQUIVALENTS		
Opening		
Cash & Cash Equivalent [Refer Note (b)]	1,107.59	2,869.50
Other Bank Balances [Refer Note (b)]	847.09	586.74
	1,954.68	3,456.24
Closing		
Cash & Cash Equivalent	154.69	1,191.51
Other Bank Balances	1,672.16	345.75
	1,826.85	1,537.26
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(127.83)	(1,918.98)

Notes :

- Cash & Cash Equivalents represents cash and bank balances.(Note No.18)
- Opening balance of Cash & Cash Equivalent includes ₹ 417.42 Lacs on acquisition of additional share of subsidiary companies.
- Figures for the previous year have been regrouped/rearranged wherever considered necessary.

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

For and on behalf of Board of Directors

N. K. LODHA
Partner
M.NO. 85155

SHREEKANT SOMANY
Chairman &
Managing Director

ABHISHEK SOMANY
Managing Director

T.R. MAHESHWARI
Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA
DGM (Legal) & Company
Secretary

Place : New Delhi
Date : 21st May, 2016

Notes to the Consolidated Financial Statements

of Somany Ceramics Limited, its Subsidiaries, Joint Venture and Associates For the Year Ended 31st March, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 PRINCIPLES OF CONSOLIDATION

- i) The financial statements of the parent company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard-21, "Consolidated Financial Statements", as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rule, 2014. Interest in assets, liabilities, income and expenses of the Joint Venture Company have been consolidated using proportionate consolidation method. Intra Group balances, transactions and unrealized profits/losses have been eliminated to the extent of parent company's proportionate shares as per Accounting Standard-27, Financial Reporting of Interests in Joint Ventures, prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rules 7 of the Companies (Accounts) Rules, 2014. Investments in associates & share in profits/losses in associate after eliminating intra group transactions resulting in unrealized profits or losses if any, as per Accounting Standard-23, Accounting for Investment in Associates in Consolidated Financial Statement prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rules 7 of the Companies (Accounts) Rules, 2014.
- ii) The consolidated financial statements include the accounts of Somany Ceramics Limited (Parent Company), its subsidiaries, Joint Venture and associates as detailed below:

Name	Nature	Country of Incorporation	% of Shareholding & Voting Power
SR Continental Ltd.	Subsidiary	India	100.00%
Somany Global Ltd.	Subsidiary	India	100.00%
Amora Tiles Pvt. Ltd.	Subsidiary	India	51.00%
Somany Sanitary Ware Pvt. Ltd. (Formerly Sonec Sanitary Ware Pvt. Ltd.)	Subsidiary*	India	51.00%
Somany Fine Vitrified Pvt. Ltd. (Formerly Fine Vitrified Pvt. Ltd.)	Subsidiary#	India	51.00%
Somany Excel Vitrified Pvt. Ltd. (w.e.f. 30 th October, 2015)	Subsidiary	India	100.00%
Somany Keraben Pvt. Ltd.	Joint Venture	India	50.00%
Vintage Tiles Pvt. Ltd.	Associate	India	26.00%
Commander Vitrified Pvt. Ltd.	Associate	India	26.00%

Name	Nature	Country of Incorporation	% of Shareholding & Voting Power
Vicon Ceramic Pvt. Ltd.	Associate	India	26.00%
Acer Granito Pvt. Ltd.	Associate	India	26.00%

*Associate upto 9th August, 2015 and Subsidiary w.e.f. 10th August, 2015
#Associate upto 29th May, 2015 and Subsidiary w.e.f. 30th May, 2015

- iii) All intra group balances and intra group transactions resulting into material unrealized profits/ losses are eliminated in full on consolidation.
- iv) The accounting policy of the parent company, its subsidiaries and associates are largely similar except in case of associates where depreciation on all assets have been provided on straight line method.

1.2 ACCOUNTING CONCEPTS

The financial statements have been prepared under the historical cost convention on accrual basis in compliance with applicable accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except where otherwise stated.

1.3 REVENUE RECOGNITION

Revenue is recognised when significant risks and reward of ownership have been passed to buyer and there is no uncertainty exists to its realization or collection.

1.4 FIXED ASSETS

- i) Fixed assets are shown at cost of acquisition and/or construction less accumulated depreciation and impairment losses.
- ii) Intangible assets are stated at cost less amortisation.
- iii) Pre-operative expenditure during the construction/erection period is included under capital work-in-progress and is allocated to the respective fixed assets on completion of construction/erection.

1.5 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSS

- i) Fixed assets are depreciated using written down value method except fixed assets of the floor tile unit (including MTP & GVT plant) and addition made after 1st April, 1995 to plant and machinery of wall tile units, where depreciation is provided on a straight line method, considering the estimated useful lives as specified in Schedule II of the Companies Act, 2013 except in case of vehicles, press punches / die boxes / component of certain plant & machinery and hand pallet truck where useful lives are taken as 5, 8 and 3 years respectively. Continuous process plants as defined in Schedule II have been considered on technical evaluation. Impaired assets are amortised over the estimated balance useful life.
- ii) In case of indication of impairment of the carrying amount of the Company's assets, an asset recoverable amount is estimated.

Notes to the Consolidated Financial Statements

of Somany Ceramics Limited, it's Subsidiaries, Joint Venture and Associates For the Year Ended 31st March, 2016

Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Reversal of impairment loss recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

- iii) Leasehold land is amortised over the period of lease.
- iv) Intangible assets are being recognised if the future economic benefits attributable to the assets are expected to flow to the Company and cost of the assets can be measured reliably. The same are being amortised over the expected duration of benefits.

Intangible assets being computer software is amortised over a period of five years.

1.6 TRANSACTION OF FOREIGN CURRENCY ITEMS

Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currencies at the year-end translated at exchange rates prevailing on the balance sheet date. Premium in respect of forward contract is accounted over the period of the contract. Exchange differences arising on settlement/translation of monetary items including forward contracts are dealt in the statement of Profit and Loss except foreign exchange loss/gain arising after 1st April, 2012 on long-term foreign currency monetary items used for depreciable assets, which are capitalised.

1.7 INVESTMENTS

Long-term investments are stated at cost less provision for diminution in the value other than temporary. Current investments are stated at cost or market value whichever is lower.

1.8 INVENTORIES

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of raw materials and stores and spare parts is computed on weighted average basis. Cost of finished goods and stock in process is determined by taking material, labour and related overheads. Cost of finished goods includes excise duty.

1.9 RESEARCH & DEVELOPMENT EXPENSES

Revenue expenditure on research and development is charged to Statement of Profit & Loss and Capital expenditure is added to fixed assets.

1.10 INTEREST ON BORROWINGS

Interest on borrowings is charged to the Statement of Profit & Loss for the year in which it is incurred except interest on borrowings for qualifying fixed assets which is capitalised till the date of commercial use of the asset.

1.11 EMPLOYEE BENEFITS:

i) Defined Contribution Plan:

Employee benefits in the form of Provident Fund (with Government Authorities) and Employees' pension Scheme are defined as

contribution plan and charged as expenses during the period in which the employees perform the services.

ii) Defined Benefit Plan:

Retirement benefits in the form of gratuity, long-term compensated leaves; other long-term employee benefit and provident fund (multi-employer plan) are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, according to the date of the Balance Sheet. Actuarial gain/losses, if any, are immediately recognised in the Statement of Profit & Loss.

iii) Short-term employee benefit:

Short-term benefits are charged off at the undiscounted amount in the year in which the related services rendered.

1.12 GOVERNMENT GRANTS

Grants from government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of project capital subsidy are credited to capital reserve. Other government grants including incentive, duty drawback among others are credited to Statement of Profit & Loss or deducted from the related expenses.

1.13 LEASES

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on straight line basis, over the lease period.

1.14 SHARE ISSUE EXPENSES

Share issue expenses are written off against the Security Premium Account.

1.15 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax liability of the Company is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognised subject to the consideration of timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.16 USE OF ACCOUNTING ESTIMATES

The preparation of financial statements is in conformity with generally accepted accounting principles requires the management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

1.17 CONTINGENT LIABILITY, CONTINGENT ASSETS AND PROVISION

Contingent liabilities if material, are disclosed by way of notes, contingent assets are not recognised or disclosed in the financial statement, a provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle obligation(s), in respect to which an estimate can be made for the amount of obligation.

Notes to the Consolidated Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
2	SHARE CAPITAL		
	Authorised		
	Equity Shares 12,50,00,000 (Previous year 12,50,00,000) of ₹ 2 /-each	2,500.00	2,500.00
	Issued, Subscribed and Paid up		
	Equity Shares 4,23,79,426 (Previous year 3,88,44,826) of Rs 2/- each fully paid up	847.59	776.90
		847.59	776.90
	Notes :		
(a)	(i) Reconciliation of Equity Share Capital (In numbers)		
	Shares outstanding at the beginning of the year	38,844,826	38,844,826
	Add: Shares issued during the year	3,534,600	-
	Less: Shares bought back during the year	-	-
	Shares outstanding at the end of the year	42,379,426	38,844,826
(b)	(i) Equity Shares:		
	The Company has only one class of Equity Shares having face value of ₹ 2/- each and each shareholder is entitled to one vote per share. Each shareholders have the right in profit / surplus in proportion to amount paid up with respect to share holder. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, in proportionate to their individual shareholding in the paid up equity capital of the the company.		
(c)	List of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers)		
	i) Bhilwara Holding Limited	9,009,840	9,009,840
	ii) Sarvottam Vanijay Limited	6,212,980	6,212,980
	iii) Scope Vinimoy Private Limited	3,491,075	3,491,075
	iv) Latinia Limited	4,347,826	4,347,826
	v) DSP Blackrock	2,266,946	-
		25,328,667	23,061,721

Notes to the Consolidated Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
3	RESERVES AND SURPLUS		
	Capital Reserve		
	Balance at the beginning of the Year	45.00	45.00
	Addition/Transfer during the Year	-	-
	Closing Balance	45.00	45.00
	Capital Redemption Reserve		
	Balance at the beginning of the Year	0.03	0.03
	Addition/Transfer during the Year	-	-
	Closing Balance	0.03	0.03
	Security Premium Reserve		
	Balance at the beginning of the year	4,767.10	4,767.10
	Premium on allotment of equity shares	11,929.28	-
	Less:-Share Issue Expenses	307.34	-
	Closing balance	16,389.04	4,767.10
	General Reserve		
	Balance at the beginning of the Year	4,561.91	4,278.87
	Add: Amount transferred from Surplus Balance in Statement of Profit and Loss	600.00	440.00
	Less:-Depreciation (Net of Deferred Tax of ₹ 26.68 Lacs)	50.41	156.96
	Closing Balance	5,111.50	4,561.91
	Surplus in Statement of Profit & Loss Account		
	Balance at the beginning of the Year	15,649.69	12,478.46
	Add: Reversal of diminution in the value of investment	77.30	-
	Less-Goodwill-adjustments	-	(92.46)
	Transfer from Statement of Profit and Loss	6,469.59	4,638.75
	Amount Available for Appropriation	22,196.58	17,024.75
	Less:- Appropriation:		
	Transfer to General reserve:	600.00	440.00
	Proposed Dividend	974.73	776.90
	Corporate Dividend Tax	198.43	158.16
	Closing Balance	20,423.42	15,649.69
	Total of Reserves & Surplus	41,968.99	25,023.73

Notes to the Consolidated Balance Sheet

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
4	LONG-TERM BORROWINGS		
	Secured		
	Term loans		
	- From Banks	11,760.25	7,993.46
	- From others	375.00	675.00
	Car Loans		
	- From Banks	688.46	533.94
	- From others	63.72	77.40
	Buyer's/Supplier's Credit	2,228.09	1,130.14
	Unsecured		
	- From others	284.34	228.85
		15,399.86	10,638.79
	Less: Current Maturities of Long Term Borrowings		
	Term Loan		
	- From Banks	2,831.71	2,357.33
	- From others	300.00	300.00
	Car Loans		
	- From Banks	298.58	169.74
	- From others	10.84	42.17
	Buyer's/Supplier's Credit	-	91.60
		3,441.13	2,960.84
		11,958.73	7,677.95

NOTES

- Rupee loan of ₹ 375.00 lacs (Previous Year ₹ 675.00 lacs) from others is secured by first pari passu charge on all fixed assets of the company both present and future except those specifically charged and Government Land at Kassar / Kadi. The aforesaid loan is repayable in 5 equal quarterly installment starting from June, 2016.
- Rupee loan of ₹ 2,362.50 lacs (Previous Year ₹ 1,550.00 lacs) from a Bank and Buyers' credit of ₹ Nil (Previous Year ₹ 732.81 lacs) {Equivalent to Euro Nil (Previous Year Euro 11.66 lacs)} is secured by first pari passu charges by way of hypothecation of all movable fixed assets of the company both present and future, excluding those exclusively charged to other Banks. The aforesaid loan is repayable in 14 equal quarterly installments starting from June, 2016.
- Rupee loan of ₹ 1,800.00 lacs (Previous Year ₹ 2,000.00 lacs) from a Bank is secured by first pari passu charge by way of hypothecation of all movable fixed assets of the Company, excluding assets exclusively charged to other Banks and second pari passu on all current assets of the company both present and future. The aforesaid loan is repayable in 16 equal quarterly installments starting from June, 2016.
- Rupee loan of ₹ 1,584.48 lacs (Previous Year ₹ 1,764.14 lacs) from a Bank and Buyers' credit of ₹ Nil (Previous Year ₹ 397.33 lacs) {Equivalent to Euro Nil (Previous Year Euro 5.82 lacs)} is secured by first pari passu charges by way of hypothecation of Plant & Machinery and other movable fixed assets of the company situated at Kassar and Kadi excluding those exclusively charged to other Banks and second pari passu charge on current assets of the company both present and future. Repayment of aforesaid loan is ₹ 800.00 lacs and 784.48 lacs in FY17 and FY18 respectively.
- Rupee loan of ₹ 2,000.00 lacs (Previous Year ₹ Nil) from a Bank and Buyers' credit of ₹ 2,228.09 lacs (Previous Year ₹ Nil) {Equivalent to aggregate of USD 27.25 lacs and Euro 5.33 lacs (Previous Year Nil)} are secured by first pari passu charges by way of hypothecation of Plant & Machinery and other movable fixed assets of the company situated at Kassar and Kadi plants excluding those exclusively charged to other Banks and second pari passu charge over current assets of the company both present and future. Repayment of aforesaid loan is ₹ 200.00 lacs, ₹ 800.00 lacs, ₹ 1,000.00 lacs, ₹ 1,400.00 lacs and ₹ 828.09 lacs in FY17, FY18, FY19, FY20 and FY21 respectively.

Notes to the Consolidated Balance Sheet

- 6 Rupee Loan of ₹ 1160.06 lacs (Previous Year ₹ 1495.74 lacs) of a subsidiary company from a Bank is secured by way of hypothecation of entire plant and machinery & other fixed assets of the company (present and future) and equitable mortgage over factory land & building of that company. The said loan is further collaterally secured by extension of hypothecation of entire current assets of the company (both current and future), equitable mortgage over factory land & building of that company, properties owned by their promoters and their families and also personal guarantees of their promoters and corporate guarantee of holding company. The said loan is repayable in FY17 (₹ 210 lacs), FY18 (₹ 240 lacs), FY19 (₹ 300 lacs), FY20 (₹ 360 lacs) and FY21 (₹ 190 lacs).
- 7 Rupee Loan of ₹ 353.21 lacs (Previous Year ₹ 433.25 lacs) of another subsidiary company from a Bank is secured by exclusive charge by way of hypothecation of plant and machinery (existing and future) and equitable mortgage on certain land and buildings and also personal guarantee of promoters. The said loan is repayable in 52 equal monthly installments of Rs 6.67 lacs each and balance in last installment starting from April 2016.
- 8 Rupee Loan of ₹ 2500.00 lacs (Previous Year ₹ Nil) of another subsidiary company from a Bank is secured by exclusive charge on movable and immovable fixed assets and current assets of that company both present and future and also personal guarantee of their promoters. The said loan is repayable in 24 equal quarterly installments starting from June 2016.
- 9 Unsecured loan from others in a subsidiary company.
- 10 Car loan from Banks and others are secured(charge created/to be created) by hypothecation of cars purchased there under and are repayable in monthly installment over the period of loan.

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
5	OTHER LONG TERM LIABILITIES		
	Trade Deposit	1,487.89	1,323.61
	Security Deposit	436.34	479.27
	Others (Refer Note 28.3)	202.50	202.50
		2,126.73	2,005.38
	Less:-Current Maturities	95.99	86.58
		2,030.74	1,918.80
6	LONG-TERM PROVISIONS		
	Employee Benefits	360.67	333.78
		360.67	333.78
7	SHORT-TERM BORROWINGS		
	Secured Loans:		
	Working Capital Facilities from Banks		
	Working Capital Demand Loans	2,000.00	-
	Cash Credit	5,274.62	6,893.98
	Buyer's Import Credit	1,660.09	1,591.97
		8,934.71	8,485.95

- 1 Working Capital Facilities from Banks are secured by:
- First charge by way of hypothecation of stocks of raw materials, finished goods and stock in process, stores & spares and book debts and ranking pari passu; and
 - Second and subservient charge by way of (i) Equitable Mortgage on all properties, both present and future, and (ii) hypothecation of all movable fixed assets & ranking pari-passu, excluding assets exclusively charged. Charge over certain land pieces is yet to be created.

Notes to the Consolidated Balance Sheet

- 2 Cash Credit of Rupee ₹ 390.95 lacs (Previous Year ₹ 488.36 lacs) of a subsidiary company from a Bank is secured by way of hypothecation of entire current assets of that company (present and future). The said loan is further collaterally secured by extension of hypothecation of entire plant and machinery and all other fixed assets of the company (both current and future), equitable mortgage over factory land & building of that company, properties owned by their promoters and their families and also personal guarantees of their promoters and corporate guarantee of holding company.
- 3 Cash Credit of ₹ 113.04 lacs (Previous Year ₹ 140.12 lacs) with respect to another subsidiary is secured by exclusive charge on entire current assets (existing and future) and further secured by equitable mortgage on certain land and buildings and also personal guarantee of promoters.
- 4 Cash Credit of Rs 626.74 lacs (Previous Year ₹ Nil) with respect to another subsidiary is secured by exclusive charge on movable and immovable fixed assets and current assets of that company both present and future and also personal guarantee of their promoters.

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
8	TRADE PAYABLE		
	Outstanding dues of Micro Enterprises and Small Enterprises	-	-
	Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20,078.16	20,787.34
		20,078.16	20,787.34
9	OTHER CURRENT LIABILITIES		
	Current Maturities of Long Term Borrowings	3,441.13	2,960.84
	Interest Accrued But not Due on Borrowings	48.17	15.93
	Interest Accrued and Due on Borrowings	52.36	41.92
	Current Maturities of Other Long Term Liabilities	95.99	86.58
	Statutory Dues	1,542.14	1,383.14
	Capital Creditors	1,062.61	186.47
	Security Deposit	12.95	4.32
	Advances from Customers	927.50	1,000.08
	Unclaimed Dividends#	25.05	18.71
	Other Liabilities	4,211.67	3,273.53
		11,419.57	8,971.52
	# Investor Education & Protection Fund shall be credited when due.		
10	SHORT TERM PROVISIONS		
	Proposed Dividend	974.73	776.90
	Corporate Dividend Tax	198.43	158.16
	Income Tax	149.93	-
	(net of advance tax of ₹ 8,623.40 Lacs (Previous year Nil))	-	-
	Employees Benefits	141.66	127.61
		1,464.75	1,062.67

Notes to the Consolidated Balance Sheet

11. FIXED ASSETS

(₹ In Lacs)

Particulars	GROSS CARRYING VALUE				DEPRECIATION/AMORTISATION				NET CARRYING VALUE		
	Book Value at 01.04.2015	Additions/ Adjustments*	Deductions/ Adjustments	Book Value at 31.03.2016	Up to 31.03.2015	Adjustments for the Year**	For the year	Written Back / Adjustments	Up to 31.03.2016	As on 31.03.2016	As on 31.03.2015
A. Tangible Assets											
1. (a) Freehold Land	799.91	308.70	-	1,108.61	-	-	-	-	-	1,108.61	799.91
(b) Leasehold Land	116.09	-	-	116.09	15.79	-	3.40	-	19.19	96.90	100.30
2. Buildings	6,810.96	3,579.53	81.56	10,308.93	3,047.17	6.08	349.25	64.89	3,337.61	6,971.32	3,763.79
3. Plant & Equipment	37,542.13	10,311.58	934.82	46,918.89	17,632.02	229.66	1,797.88	587.24	19,072.32	27,846.57	19,910.11
4. Furniture & Fixtures	1,551.66	185.57	22.88	1,714.35	919.44	0.15	176.33	21.51	1,074.41	639.94	632.22
5. Office Equipments	691.07	163.24	8.68	845.63	406.72	0.17	147.92	7.25	547.56	298.07	284.35
6. Vehicles	1,557.44	608.66	343.53	1,822.57	839.04	2.35	376.60	271.18	946.81	875.76	718.40
Sub Total (A)	49,069.26	15,157.28	1,391.47	62,835.07	22,860.18	238.41	2,851.38	952.07	24,997.90	37,837.17	26,209.08
Previous year	44,626.99	5,386.64	944.37	49,069.26	20,742.47	-	2,837.06	719.35	22,860.18		
B. Intangible Assets											
Computer Software	364.72	4.13	-	368.85	195.48	0.06	53.37	-	248.91	119.94	169.24
Sub Total (B)	364.72	4.13	-	368.85	195.48	0.06	53.37	-	248.91	119.94	169.24
Previous year	307.22	57.50	-	364.72	137.13	-	58.35	-	195.48	-	-
Total's (A+B)	49,433.98	15,161.41	1,391.47	63,203.92	23,055.66	238.47	2,904.75	952.07	25,246.81	37,957.11	26,378.32
Current Year											
Previous year	44,934.21	5,444.14	944.37	49,433.98	20,879.60	-	2,895.41	719.35	23,055.66		

Note

- Gross carrying value of plant & equipment includes machinery of ₹ 62.29 Lacs (Previous year ₹ 62.29 Lacs) lying with third parties, pending confirmation [Note No. 28.3]
- Pursuant to adoption of useful lives of fixed assets as per Schedule II of the Companies Act, 2013 and in compliance with Notification No. GSR 627(E) dated 29.08.2014, useful lives have been assessed by the management, and accordingly, depreciation for the year is higher by ₹ 146.70 lacs (Previous year is higher by ₹ 449.89 Lacs), out of which, after retaining residual value, the carrying amount of ₹ 77.08 Lacs (Previous year ₹ 233.42 Lacs) of certain fixed assets, whose lives have expired as at year end, has been charged to General Reserve.
- Furniture & Fixtures includes certain expenditure on lease hold premises gross carrying value ₹ 493.34 Lacs, net carrying value ₹ 258.32 Lacs (Previous year ₹ 397.23 Lacs and ₹ 195.57 lacs respectively) which are amortised over the useful life of respective assets.
- Addition to Plant & Machinery includes foreign exchange loss amounting to ₹ 31.76 Lacs (Previous year foreign exchange gain ₹ 192.97 Lacs)

* includes Fixed Assets of ₹ 845.02 Lacs on acquisition of Subsidiary companies during the financial year 2015-16

** includes Accumulated depreciation of ₹ 238.47 Lacs on acquisition of Subsidiary companies during the financial year 2015-16

Notes to the Consolidated Balance Sheet

(₹ In Lacs)

	March 31, 2016	March 31, 2015
12 NON-CURRENT INVESTMENTS		
Long term Investments (At cost less provision)		
Investment in:		
Equity shares	26.02	30.00
Associates*	1,954.68	1,917.43
	1,980.70	1,947.43
*Share of profit and goodwill has been recognized in carrying amount.		
13 LONG TERM LOAN AND ADVANCES		
(Unsecured, Considered Good Unless Stated Otherwise)		
Deposits		
-With Government Authorities	177.17	95.67
-With Related Parties	1,013.05	1,013.05
-With Others	312.12	368.99
Prepaid Expenses	28.65	0.39
Capital Advance	81.52	20.28
Others	22.04	27.01
Advance against Share Application Money	-	300.00
	1,634.55	1,825.39
14 OTHER NON-CURRENT ASSETS		
Bank Deposit (Pledge with Government Department)	107.91	71.01
Fixed Deposits held as Margin Money with Banks/ Financial institutions	340.50	179.92
	448.41	250.93
15 CURRENT INVESTMENTS		
(valued at lower of cost and quoted / fair value)		
Non-Trade Investments in Bonds and Non Convertible Debentures	5,761.55	1,904.01
Non Trade Investments in Mutual Fund	3,049.44	810.00
	8,810.99	2,714.01

Notes to the Consolidated Balance Sheet

(₹ In Lacs)

	March 31, 2016	March 31, 2015
16 INVENTORIES		
(Valued at lower of cost and net realisable Value)		
(As taken, valued and certified by the management)		
Raw Materials & Packing Material (including in transit stock of Nil (Previous year ₹ 3.61 Lacs).	1,909.52	1,270.69
Work -in-Progress	382.32	367.86
Finished Goods	6,715.53	5,842.50
Stock in Trade [including in transit stock of ₹ 125.90 Lacs (Previous year ₹ 553.79 Lacs)].	3,391.87	4,706.96
Stores and Spares	1,468.95	1,456.65
	13,868.19	13,644.66
17 TRADE RECEIVABLES		
(Unsecured, Considered Good Unless Stated Otherwise)		
Exceeding Six month from Due Date		
i) Good	1,706.15	952.59
II) Doubtful	177.84	161.59
	1,883.99	1,114.18
Less: Provision for Doubtful Debt	175.59	161.59
	1,708.40	952.59
Others	30,014.98	24,957.30
	31,723.38	25,909.89
18 CASH & BANK BALANCES		
Cash & Cash Equivalents (As certified by the management)		
Cash in Hand	38.64	23.29
Draft / Cheque in Hand	116.05	-
Balance with Banks :		
Current Accounts	1,478.98	1,131.25
Bank Deposit with maturity of 3 months or less	-	36.96
Earmarked balance with banks		
Bank Deposit	135.72	148.90
Less:- Shown Under "Other Non-Current Assets" (More than 12 months)	77.45	71.01
Unclaimed Dividend Accounts	25.05	18.71
Other Bank Balance		
Fixed Deposits held as Margin Money with Banks/ Financial institutions	462.32	429.08
Less:- Shown Under "Other Non-Current Assets" (More than 12 months)	352.46	179.92
	1,826.85	1,537.26

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
19	SHORT TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good Unless Stated Otherwise)		
	Inter Corporate Deposit:-		
	-To Related Parties	-	300.00
	-To Others	1,250.00	100.00
	Advance Income Tax / Tax deducted at source	2.98	106.86
	[net of provision for tax of Nil (Previous Year ₹ 8,111.02 Lacs)]		
	Balance with Government Authorities	2,111.89	1,588.66
	Deposits		
	-With Related Parties	-	300.00
	-With Others	36.90	60.35
	Prepaid Expenses	322.39	127.27
	Other Advances	1,314.78	1,312.74
		5,038.94	3,895.88
20	OTHER CURRENT ASSETS		
	Accrued Interest	226.87	176.76
	Export Incentive Receivable	106.26	82.01
		333.13	258.77
21	REVENUE FROM OPERATIONS		
	Sales of manufactured goods		
	-Tiles	63,222.46	62,617.65
	-Sanitaryware	34.85	-
	-Colours/Refractory	28.29	122.50
	-Ceramics & allied products	514.26	801.23
	Sale of Traded Goods	116,305.43	97,793.84
	Other Operating Revenue		
	Scrap Sales	206.95	227.20
	Sundry Balance Written Back*	85.49	-
	Income From Services	400.40	308.21
	Gain on Foreign Exchange Fluctuation (Net)	-	129.78
	Insurance Claim Received	68.85	130.63
	Provision for Doubtful Debt Written back	0.99	0.82
		180,867.97	162,131.86
	Less: Excise Duty	9,100.52	7,819.38
		171,767.45	154,312.48

*Net of Writen off ₹ 17.97 Lacs (Previous year Nil)

Notes to the Consolidated Statement of Profit and Loss

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
22	OTHER INCOME		
	Interest Received	491.30	464.91
	Dividend on long term Investments (Previous year ₹ 125/-)	0.02	0.00
	Profit on Sale of Fixed assets	63.15	40.01
	Profit on Sale of Short Term Investment	131.51	183.36
	Profit on Sale of Long Term Investment	1.13	3.54
	Miscellaneous Receipts	219.16	74.50
		906.27	766.32
23	COST OF MATERIALS CONSUMED		
	Raw Material Consumed	18,766.74	16,887.41
	Packing Material Consumed	3,822.82	3,458.67
		22,589.56	20,346.08
24	CHANGE IN INVENTORIES OF FINISHED GOODS		
	Work-in-progress and Stock-in-Trade		
	Closing Stock*		
	Finished Goods	6,715.53	5,842.50
	Stock-in-Trade	3,265.97	4,153.17
	Total Finished Goods	9,981.50	9,995.67
	Work-in-Progress	382.32	367.86
		10,363.82	10,363.53
	Less: Opening Stock*		
	Finished Goods #	5,986.14	3,360.70
	Stock-in-Trade	4,153.17	2,487.97
	Total Finished Goods	10,139.31	5,848.67
	Work-in-Progress \$	368.67	318.23
		10,507.98	6,166.90
	(Increase)/Decrease in Stock	144.16	(4,196.63)
	Add / (Less): (Increase) Decrease in Excise duty on Stock	(86.96)	(278.36)
		231.12	(3,918.27)

*Excluding Goods in Transit

Includes finished goods stock of ₹ 143.64 Lacs of one of the subsidiary

\$ Includes work in process stock of ₹ 0.82 Lacs of one of the subsidiary

Notes to the Consolidated Statement of Profit and Loss

		(₹ In Lacs)	
		March 31, 2016	March 31, 2015
25	EMPLOYEE BENEFIT EXPENSE		
	Salary, Wages, Bonus etc.	11,192.92	9,040.61
	Contribution to Provident Fund and Other Funds	625.45	609.42
	Workmen & Staff Welfare	500.66	485.28
		12,319.03	10,135.31
26	FINANCE COSTS		
	Interest	2,198.37	1,929.92
	Other Borrowing Cost	49.06	123.98
		2,247.43	2,053.90
27	OTHER EXPENSES		
	Stores and Spare Parts Consumed	3,613.39	2,808.25
	Power & Fuel	20,388.34	20,335.36
	Repairs and Maintenance:		
	Buildings	149.41	153.99
	Plant & Machinery	446.44	251.62
	Others	172.69	131.43
	Rent	716.57	582.39
	Rates & Taxes	413.27	371.63
	Insurance	525.19	264.79
	Travelling & Conveyance Expenses	1,529.14	1,234.97
	Exchange Rate Difference (Net)	46.29	-
	Directors' Fees	5.75	6.45
	Non Executive directors' Commission	40.00	36.51
	Selling & Distribution Expenses	3,916.53	3,148.68
	Discount	2,691.64	1,816.50
	Freight Outward and Handling Charges	2,875.74	3,326.46
	Advertisement & Sales Promotion Expenses	3,442.61	2,891.46
	Commission to Agents	331.98	337.95
	CSR Expenses	115.61	96.84
	Provision for Doubtful Debts	14.00	6.32
	Bad Debts	33.94	28.21
	Provision for Diminution in Value of Long Term Investment	0.31	-
	Prior Period Adjustment(Net)	4.07	9.26
	Sundry Balances Written Off*	-	87.91
	Legal & Professional Expenses	373.22	357.98
	Loss on sale of Fixed Assets	90.74	63.45
	Fixed Assets Discard /Written Off	242.52	101.99
	Other Expenses	1,492.49	1,116.98
		43,671.88	39,567.38

* Net of Sundry Balance/ Liabilities no longer required written back Nil (Previous year ₹ 90.89 Lacs)

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

28. EXPLANATORY NOTES

28.1 Contingent liabilities and commitments (to the extent not provided for)

(As certified by the Management of the Holding Company – Somany Ceramics Limited)

		(₹ In Lacs)	
S.No.	Particulars	31.03.2016	31.03.2015
A) (i)	Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances]	311.82	131.07
	(ii) Contingent liabilities not provided for in respect of:		
a)	Claims and other demands against the Company not acknowledged as debts.	389.84	288.76
b)	Sales tax and purchase tax demands, among others against which the Company has preferred appeals.	254.07	226.29
c)	Excise and custom duty (excluding interest and penalty) and service tax demands and show-cause notices issued against which the Company/Department has preferred appeals/filed replies.	44.66	426.59
d)	Disputed income tax and wealth tax demand (excluding penalty if any)	159.74	93.69
e) i)	Pending the final decision of the Hon'ble Supreme Court on Local Area Development Tax (LADT) / Entry Tax, no provision for the same is considered necessary by the Company for the period from 1 st April, 2006.	731.52	676.07
	ii) Entry Tax matter pending with Hon'ble High Court of Calcutta.	28.08	-
f)	Demand notice from ESIC	15.41	15.41
(iii)	Bond executed in favour of sales tax/custom authorities.	25.00	12.50
(iv)	Custom duty (excluding interest, if any), which may arise if obligation for exports is not fulfilled against import of capital goods under EPCG	681.17	-
B)	Outstanding Corporate Guarantee to banks in respect of various fund/non fund based facilities extended to subsidiary/other body corporates.	482.61	944.00

28.2 During the financial year 2012-13, a demand of ₹ 925.65 lacs (including interest of ₹ 97.41 lacs) for difference between market rate (Non-APM) and contracted price (APM) of gas for the period from 1st July, 2005 to 31st March, 2010 has been raised by GAIL (India) Limited(GAIL). After considering further debit notes on account of interest / bank charges for the past periods, the total demand increased to ₹ 1,352.79 lacs (including interest of ₹ 524.55 lacs) as on 31st March 2016. The Company along with others filed a Special Civil Application (SCA) which was admitted by the Hon'ble Gujarat High Court on submission of bank guarantee of ₹ 118 lacs. On 4th August, 2014, Hon'ble Supreme Court of India passed an order to transfer the case to this Court on the basis of transfer petition filed by the GAIL. Pending decision / further direction, no provision in this regard is considered necessary by the Company.

28.3 Other long-term liabilities include encashment of bank guarantee in earlier years amounting to ₹ 202.50 lacs (Previous year ₹ 202.50 lacs) provided by the supplier of machinery. The supplier of machinery has challenged the encashment of bank guarantee and the case is pending before Hon'ble High Court of Delhi and Calcutta. Pending final decision, no adjustment has been carried out in accounts and above amount is shown under long term liabilities.

28.4 Exceptional item of ₹ 442.92 lacs pertains to:

- i) Payment of ₹ 382.81 lacs to GAIL India Limited towards one time settlement of 'Pay For If Not Taken Obligation' for calendar year 2014.
- ii) Loss of inventory of ₹ 60.11 lacs due to fire.

28.5 During the year, the Company has fully utilized ₹ 5,000.00 lacs raised through private placement of equity shares in February, 2014 for the purposes the funds were so raised.

28.6 During the year, the Company has raised ₹ 11,999.97 lacs by allotting 35,34,600 equity shares of ₹ 2/- each @ ₹ 339.50 per share (including premium @ ₹ 337.50 per share) through qualified institutions placement. The funds so raised (net of issue expenses of ₹ 307.34 lacs) have been utilized for the purposes for which the same were raised except for ₹ 10,150.00 lacs which have been temporarily invested mainly in the debt instruments/ funds.

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

- 28.7** In respect of Holding Company, a sum of ₹ 115.61 lacs (Previous year ₹ 96.84 lacs) towards Corporate Social Responsibility is included under 'Other Expenses'.
- 28.8** The business activity of the Company falls within a single business segment viz. 'Ceramic Tiles and Allied products' and sales of the product is mainly within the country. Hence, the disclosure requirement of Accounting Standard 17 of 'Segment Reporting' is not considered applicable.
- 28.9** The Company has not provided diminution in the value of certain unquoted long term strategic investments, since in the opinion of Board, such diminution in their value is temporary in nature, considering the inherent value, nature of investments, the investees' assets and expected future cash flow from such investments.
- 28.10** Balances of certain trade receivables, advances, trade payables and other liabilities are in the process of confirmation and/or reconciliation.
- 28.11** Accounting policies and Notes on Accounts (including disclosure requirements of Accounting Standard 15 – Employment Benefits and Accounting Standard 22 – Accounting for taxes on income) of the financial statement of the parent company and subsidiary company are set out in their respective financial statement.

28.12 Earnings Per Share

The numerators and denominators used to calculate basic and diluted earnings per share:

	31.03.2016	31.03.2015
Profit /(Loss) attributable to the equity shareholders (₹ in Lacs)(A)	6,469.59	4,638.75
Weighted average number of equity shares outstanding during the year (B)	39,820,221	38,844,826
Nominal value of equity shares (₹)	2	2
Basic earnings per share (₹) (A/B)	16.25	11.94
Diluted earnings per share (₹) (A/B)	16.25	11.94

28.13 (a) Foreign exchange derivatives and exposures outstanding at the year-end:

Name	Amount (In Foreign Currency) 31.03.2016	Amount (In Lacs equivalent) 31.03.2016	Amount (In Foreign Currency) 31.03.2015	Amount (In Lacs equivalent) 31.03.2015
Derivatives				
Forward contract	-	-	-	-
Open Exposures				
Receivables	USD 398,346	262.63	USD 668,132	416.05
Payables	USD 4,937,270	3,286.25	USD 3,376,793	2,122.99
Payables	EURO 837,052	633.90	EURO 1,156,682	789.32

(b) The Company uses derivative instruments for hedging and/or reducing finance cost.

- 28.14** The Company has entered into long term supply agreements (LTA or Agreements) with Associates and three Subsidiaries (refer Note No. 28.15). By the said agreements the Company has right to buy and sell the entire production of tiles / sanitaryware of companies stated in/under its Own Brand.

As liability will accrue / arise as and when purchase will be made under LTA. Hence under the agreements there is no material foreseeable losses as on date in the opinion of the management

28.15 Related Party Transactions (As certified by the Management)

A. Related parties with whom transactions have taken place and description of relationship:

1. Key Management Personnel

Mr. Shreekant Somany, Chairman & Managing Director

Mr. Abhishek Somany, Managing Director (Son of Chairman & Managing Director)

Mrs. Anjana Somany, Non-Executive & Non-Independent Director (Wife of Chairman & Managing Director)

Mr. G.G. Trivedi, CEO

Mr. T.R. Maheshwari, Deputy CEO & CFO*

Mr. Ambrish Julka, DGM (Legal) & Company Secretary

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

2. Relatives of Key Management Personnel

Mrs. Minal Somany (Wife of Managing Director)

Mrs. Kala Trivedi (Wife of CEO)

3. Associate Company

Vintage Tiles Private Limited

Commander Vitrified Private Limited

Vicon Ceramic Private Limited

Acer Granito Private Limited

Somany Fine Vitrified Private Limited (upto 29th May, 2015) (Formerly Fine Vitrified Pvt Ltd)

Somany Sanitary Ware Private Limited (upto 9th August, 2015) (Formerly Sonec Sanitary Ware Pvt Ltd)

4. Enterprise over which Company exercise significant influence and with whom transactions have taken place during the year:

H. L. Somany Foundation

5. Enterprise over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year:

Vidres India Ceramics Private Limited

Yogi Cerachem Private Limited

Ishiv India Solutions Private Limited

6. Other related parties with which Company has transactions:

Biba Apparels Private Limited – Private company in which director is a director

Wolkem India Limited – Public company in which director is a director and holds more than 2% shares alongwith relatives

G.L. Sultania & Co. – Firm in which director is proprietor

* appointed as CFO w.e.f. 25th January, 2016

B. The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis:

	31.03.2016	31.03.2015
		(₹ in Lacs)
H. L. Somany Foundation		
Contribution towards CSR Activities	1.50	-
Vintage Tiles Private Limited		
Purchase of goods	10,353.84	10,133.79
Sale of goods	62.58	-
Technical services provided	93.60	93.60
Interest Received	47.02	50.10
Inter Corporate Deposit given	-	300.00
Inter Corporate Deposit received back	300.00	-
Outstanding at the year-end:		
Trade Payable	185.20	364.79
Deposits	226.00	226.00
Interest Receivable	-	16.74
Inter Corporate Deposit	-	300.00

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Commander Vitrified Private Limited		
Purchase of goods	17,013.79	18,930.64
Sale of goods	262.40	16.60
Technical services provided	187.20	187.20
Interest Received	21.69	19.64
Deposit given	-	300.00
Deposit received back	300.00	9.45
Outstanding at the year-end:		
Trade Payable	19.43	738.81
Trade Receivable	-	20.15
Deposits	160.55	460.55
Interest Receivable	-	17.69
Vicon Ceramic Private Limited		
Purchase of goods	6,618.90	4,751.19
Sale of goods	2.02	-
Technical services provided	93.60	-
Interest Received	39.29	34.74
Deposit given	-	100.00
Outstanding at the year-end:		
Trade Payable	335.41	325.55
Deposits	326.50	326.50
Interest Receivable	-	34.73
Acer Granito Private Limited		
Purchase of goods	15,669.05	9,400.89
Sale of goods	1.25	-
Technical services provided	26.00	26.00
Interest Received	36.10	59.79
Inter Corporate Deposit given	-	550.00
Inter Corporate Deposit received back	-	550.00
Outstanding at the year-end:		
Trade Payable	2,108.82	774.63
Deposits	300.00	300.00
Interest Receivable	-	32.40
Mr. Shreekant Somany		
Remuneration paid	227.16	220.94
Commission	181.91	92.24
Mr. Abhishek Somany		
Remuneration paid	225.47	166.28
Commission	183.60	146.90

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Rent paid	8.39	8.00
Outstanding payable at the year end	-	0.61
Mrs. Anjana Somany		
Sitting fee paid	0.45	-
Commission	5.00	0.11
Rent paid	0.48	-
Mrs. Minal Somany		
Remuneration paid	29.13	26.65
Rent paid	26.15	25.16
Outstanding payable at the year end	-	1.93
Mr. G.G. Trivedi		
Remuneration paid	116.51	113.00
Mr. T.R. Maheshwari		
Remuneration paid	30.16	-
Advance Given	30.00	-
Outstanding at the year-end:		
Advance Receivable	30.00	-
Mrs. Kala Trivedi		
Rent paid	-	2.74
Mr. Ambrish Julka		
Remuneration paid	20.72	17.72
G.L. Sultania & Co.		
Consultancy fee paid	6.00	6.00
Ishiv India Solutions Pvt. Ltd.		
Purchase of goods	147.86	122.55
Services received	11.31	31.21
Outstanding at the year-end:		
Trade Payable	37.54	8.55
Wolkem India Limited		
Purchase of goods	16.45	16.96
Outstanding at the year-end:		
Trade Payable	1.13	-
Biba Apparels Private Limited		
Sale of goods	35.64	24.62
Outstanding at the year-end:		
Advance received against supply	0.81	0.70
Yogi Cerachem Private Limited		
Purchase of goods	109.46	70.47
Outstanding at the year-end:		

Notes to the Consolidated Balance Sheet & Statement of Profit and Loss

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Trade Payable	41.57	11.48
Vidres India Ceramics Private Limited		
Purchase of goods	1,442.79	1,671.20
Outstanding at the year-end:		
Trade Payable	583.19	133.05

28.16 Additional Information to the Consolidated Financial Statement:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in lacs)	As % of consolidated profit or loss	Amount (₹ in lacs)
Parent:				
Somany Ceramics Limited	98.04%	41,975.29	94.38%	6,105.82
Subsidiaries (Indian):				
SR Continental Limited	0.23%	97.16	-2.43%	(157.30)
Somany Global Limited	0.16%	70.59	0.03%	2.20
Amora Tiles Pvt. Ltd.	3.39%	1,452.68	5.70%	368.88
Somany Saitaryware Pvt. Ltd.	0.65%	280.39	1.50%	97.30
Somany Fine Vitrified Pvt. Ltd.	5.49%	2,351.12	2.34%	151.12
Somany Excel Vitrified Pvt. Ltd.	0.32%	137.03	-0.22%	(13.97)
Minority Interests in all subsidiaries	-4.67%	(2,001.25)	-1.34%	(86.60)
Associates (Indian):				
Vintage Tiles Pvt. Ltd.	0.29%	125.97	0.89%	57.51
Commander Vitrified Pvt. Ltd.	0.61%	260.37	1.44%	93.21
Acer Granito Pvt. Ltd.	0.21%	89.59	0.78%	50.37
Vicon Ceramic Pvt. Ltd.	0.00%	(1.24)	0.24%	15.77
Joint Venture (Indian):				
Somany Keraben Pvt. Ltd.	0.00%	1.11	-0.02%	(1.49)
Total Eliminations	-4.72%	(2,022.23)	-3.30%	(213.23)
Total	100.00%	42,816.58	100.00%	6,469.59

28.17 The previous year's figures have been regrouped, rearranged wherever consider necessary.

As per our report of even date
For **LODHA & CO.**
Chartered Accountants
(ICAI FRN. NO.: 301051E)

For and on behalf of Board of Directors

N. K. LODHA

Partner
M.NO. 85155

Place : New Delhi
Date : 21st May, 2016

SHREEKANT SOMANY

Chairman &
Managing Director

ABHISHEK SOMANY

Managing Director

T.R. MAHESHWARI

Dy. Chief Executive Officer
& Chief Financial Officer

AMBRISH JULKA

DGM (Legal) &
Company Secretary

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Shreekant Somany
Mr. Abhishek Somany
Mrs. Anjana Somany
Mr. R.K. Daga
Mr. Salil Singhal
Dr. Y.K. Alagh
Mr. G.L. Sultania
Mr. Ravinder Nath
Mr. Siddharath Bindra
Mr. Narayan Anand

CHIEF EXECUTIVE OFFICER

Mr. G.G. Trivedi

DY. CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

Mr. T.R. Maheshwari

DGM (LEGAL) & COMPANY SECRETARY

Mr. Amrish Julka

BANKERS

Punjab National Bank
Kotak Mahindra Bank
HDFC Bank
IDBI Bank

AUDITORS

Lodha & Company
Chartered Accountants

REGISTERED OFFICE

82/19, Bhakerwara Road, Mundka
New Delhi- 110041
Email: marketing@somanyceramics.com

CORPORATE OFFICE

F-36, Sector 6, Noida (U.P)- 201301
Phone: 0120-4627900

CIN: L40200DL1968PLC005169

WEBSITE

www.somanyceramics.com

PLANTS

Haryana

Kassar Works
P.O- Kassar-124507, Bhadurgarh
Distt. Jhajjar, Haryana

Gujarat

Kadi Works
14, G.I.D.C, Industrial Estate,
Kadi - 382715
Distt. Mehsana, Gujarat

SUBSIDIARY COMPANIES

SR Continental Ltd.
Somany Global Ltd.
Amora Tiles Pvt. Ltd.
Somany Sanitary Ware Pvt. Ltd.
Somany Fine Vitrified Pvt. Ltd.
Somany Excel Vitrified Pvt. Ltd.

ASSOCIATE COMPANIES

Vintage Tiles Pvt. Ltd.
Commander Vitrified Pvt. Ltd.
Acer Granito Pvt. Ltd.
Vicon Ceramic Pvt. Ltd.

The logo for SOMANY, featuring the word "SOMANY" in white, bold, uppercase letters on a red rectangular background. A small blue square icon is positioned to the right of the text.

CORPORATE OFFICE

F-36, Sector 6, Noida (U.P.) - 201301

Phone: 0120 - 4627900

www.somanyceramics.com