



SOMANY

45 YEARS
LEADERSHIP IN
DESIGN AND INNOVATION

SOMANY CERAMICS LIMITED

Corporate Presentation

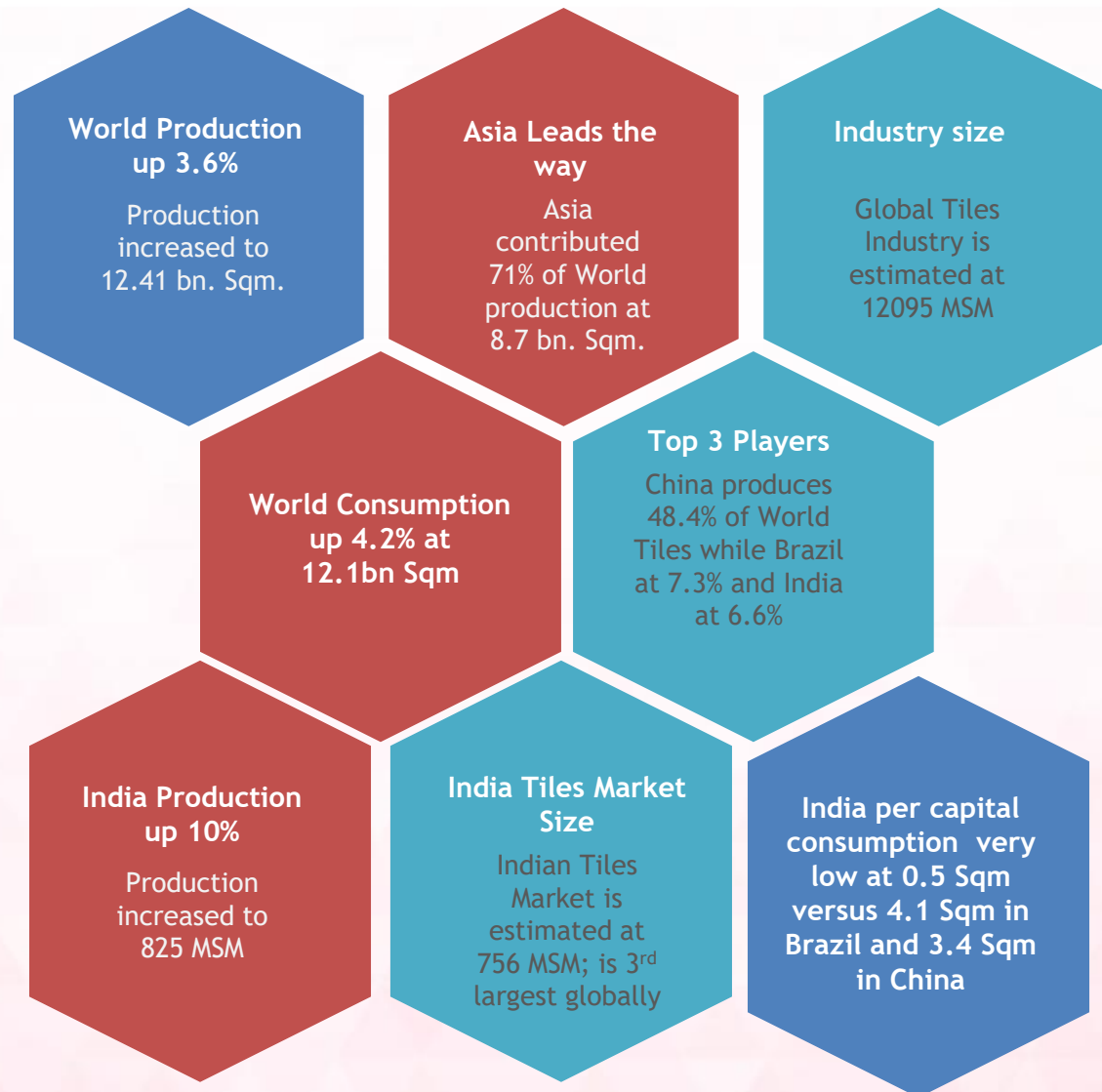
JUNE 2016

www.somanyceramics.com

Industry Overview



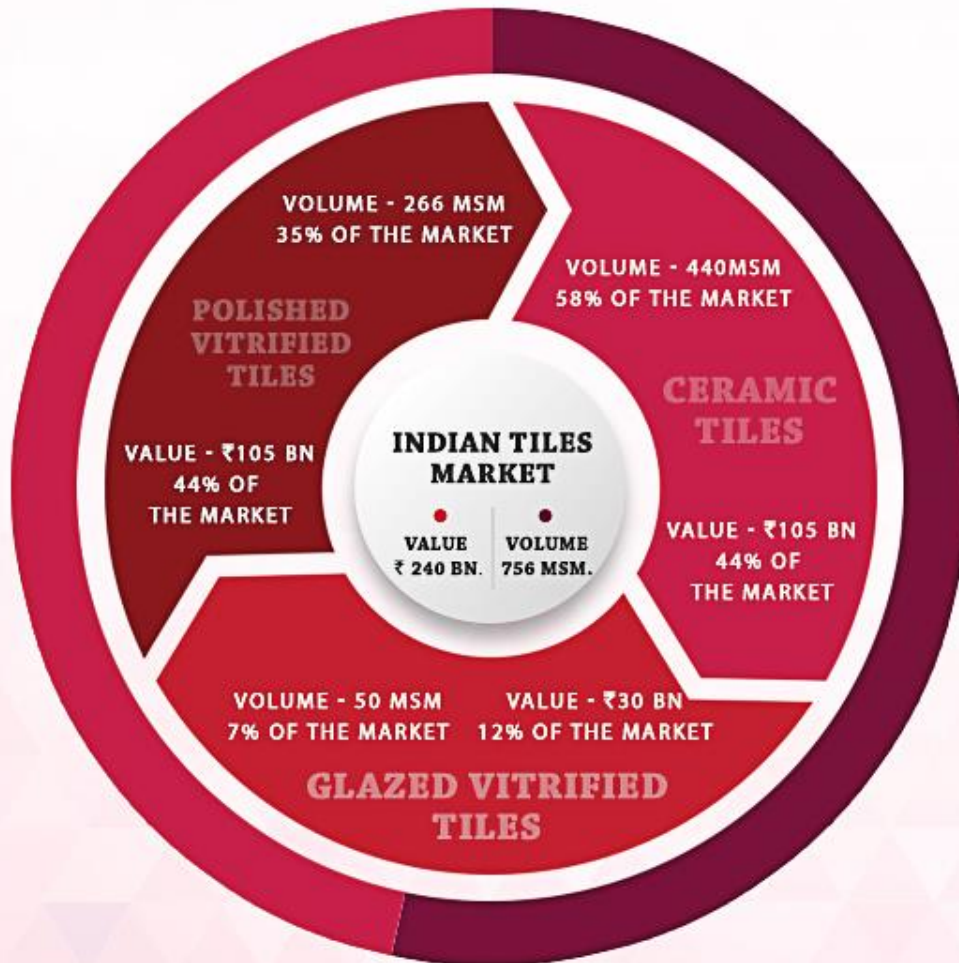
Global Tile Market



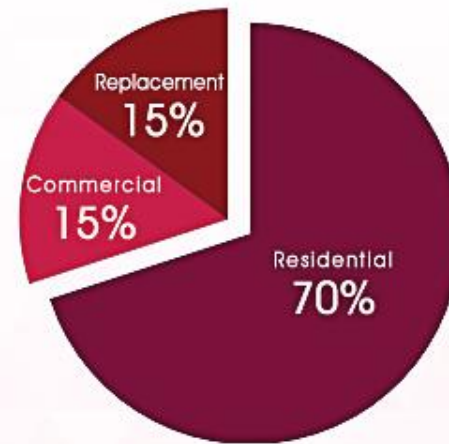
MSM - million square metres

Sqm - square metres

Source: Ceramic World Review CY2014



TILES DEMAND DIVERSIFICATION
RESIDENTIAL CONSUMES 70% OF DEMAND



- UNORGANISED PLAYERS, 51%
- ORGANISED PLAYERS, 49%

Growth Drivers



Housing For All



Swachh Bharat Abhiyan



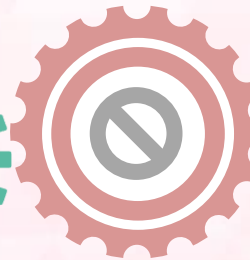
Real Estate Bill



Smart Cities



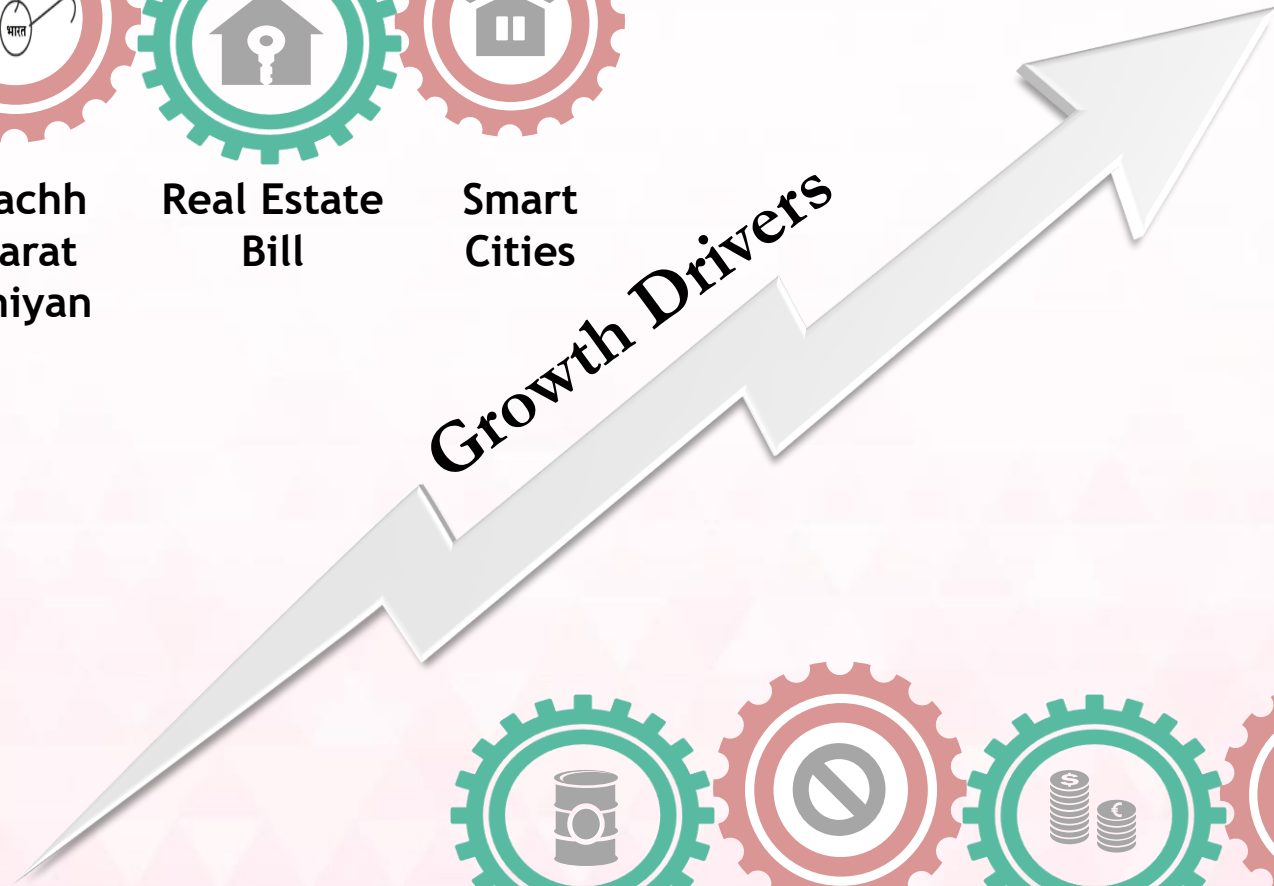
Gas Prices



ADD on China



7th CPC, Monsoons & Macro Factors



About Somany Ceramics



Strong Promoter Pedigree



Mr. Hira Lall Somany - Chairman Emeritus

- Patriarch of Somany Family which promoted leading companies in Ceramics space in India such as HSIL Limited (Sanitaryware), Hindusthan National Glass & Industries Limited (Container Glass) and Somany Ceramics Limited (Tiles)
- Held key positions in reputed industry associations such as ASSOCHAM, PHDCC, FICCI, Capexil etc.



Mr. Shreekant Somany - Chairman and Managing Director

- Science Graduate from Kolkata University
- Over 40 years of hand on experience in Ceramics and Glass industry
- Currently Chairman of CII MSME Council
- Held key positions in CII, ASSOCHAM, PHDCC and ICCTAS



Mr. Abhishek Somany - Managing Director

- Graduate in Business Administration from Richmond University, UK
- Received specialized intensive training at Pilkington Tiles, UK
- 20 years of experience in the Ceramic Industry
- Member of Executive Committee of FICCI

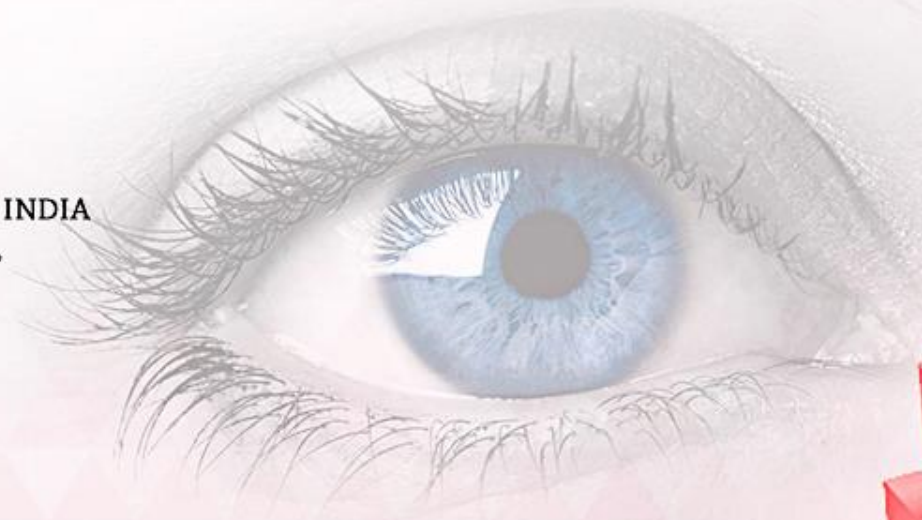


VISION

“MOST SOUGHT AFTER TILE AND ALLIED PRODUCT IN INDIA
AND BE THE BEST EMPLOYER IN THE TILE INDUSTRY.”

MISSION

“ACHIEVING CUSTOMER DELIGHT THROUGH BUSINESS INNOVATION
AND COST EFFECTIVENESS WHILE PURSUING LATEST FASHION
TRENDS IN CERAMICS & ALLIED PRODUCTS FOR CREATING
STAKE-HOLDERS VALUES.”





- ❑ Expanded own ceramic tiles capacities further by 5.64 msm per annum between 2001 and 2007
- ❑ Received Export House Award in 2000
- ❑ Received in 2009 a patent for its product-VC Shield, India's highest abrasion resistant tiles- a first in the Indian Tile Industry



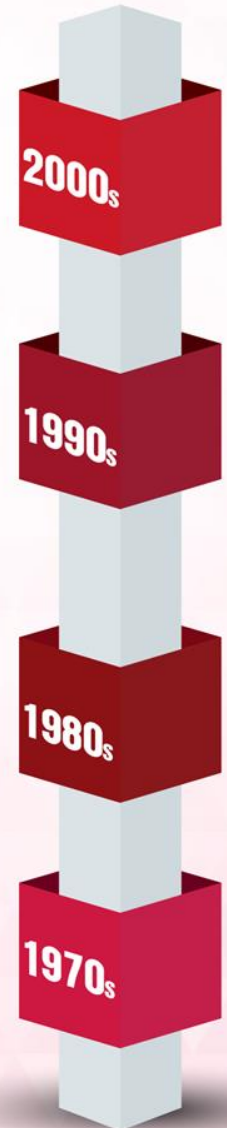
- ❑ Expanded own ceramic tiles capacities further by 7.93 msm per annum between 1992 and 1998
- ❑ Indian Promoters bought over stake of Pilkington's Tiles Holdings Ltd, UK
- ❑ Became first company in the Indian Tile Industry to have Government. recognised R&D Facility
- ❑ Accredited with ISO 14001 and ISO 9001 certifications for environment friendly facility and quality respectively
- ❑ Right cum Public Issue in the year 1994 of 500000 shares of Rs. 10/- at a premium of Rs. 90/- per share
- ❑ Bonus Issue in 1996 in the ratio of 2:1



- ❑ Set up second unit in Kadi (Gujarat) with ceramic tiles capacity of 0.58 msm per annum in 1983
- ❑ The ceramic tiles capacity further increased by 0.48 msm per annum in 1986
- ❑ Bonus Issue in 1984 and 1989 in the ratio of 1:2 and 1:1 respectively
- ❑ MRTP Act stunted growth during the decade



- ❑ Started first plant in Kassar (Haryana) with annual capacity of 0.52 msm of ceramic tiles in collaboration with Pilkington's Tiles Holdings Ltd, UK
- ❑ Ceramic tiles capacity further expanded by 1.55 msm per annum in 1974
- ❑ IPO in the year 1970 by offering 1,08,800 equity shares of Rs. 10 each.
- ❑ Shares first listed on bourses in the year 1972
- ❑ Bonus Issue in the year 1977 in the ratio of 1:1



2010

- Expanded own capacities by 2.45 msm per annum for Glazed Vitrified Tiles

2011

- Received BIS certification for its manufactured products- again a first in Indian Tile Industry
- Rebranded the Company with a changed logo
- Received prestigious Power Brand Award

2012

- Received prestigious Power Brand Award second year in a row
- Acquired 26% equity stake in two companies in Morbi (Gujraat) for a capacity of 2.65 msm per annum each of Polished & Glazed Vitrified Tiles respectively.

2013

- Applied for another patent for innovative anti skid tiles - SLIP SHIELD'
- Acquired 26% equity stake in another company in Morbi (Gujarat) for a capacity of 3.98 msm per annum of ceramic and paving tiles
- Capacity of one of the acquired companies in Morbi (Gujarat) is expanded by 2.11 msm per annum of Polished Vitrified Tiles

The Journey... *contd.*

2014

- Expanded own ceramic tiles capacities further by 2.40 msm
- Acquired 26% equity stake in another company in Morbi (Gujarat) for a capacity of 2.04 msm per annum of Polished Vitrified Tiles
- Capacities of one of the acquired companies further expanded by 3.06 msm per annum of Polished Vitrified Tiles
- Acquired 51% equity stake in another company in Morbi (Gujarat) for a capacity of 2.14 msm per annum of Ceramic Wall Tiles which further expanded by 2.44 msm per annum
- Raised Rs. 50 crore through Private Equity at a price of Rs. 115/- per share (face value Rs. 2/- per share)
- Received international recognition for VC Shield Tiles from The American Ceramic Society

2015

- Acquired 51% equity stake in another company in Morbi (Gujarat) for a capacity of 4.29 msm per annum of Polished Vitrified Tiles
- Acquired up to 51% equity stake in one company in Morbi (Gujarat) for a capacity to produce 3.03 lacs pieces per annum of sanitary wares
- Raised Rs. 120 crores through QIP at a price of Rs. 339.50 per share (face value Rs. 2/- per share)

2016

- Expanded own capacities further by 4.00 msm per annum of Glazed Vitrified Tiles
- Sanitary ware and Bath Fittings became a more than Rs. 100 crore vertical




Indian Green Building Council
MEMBER

IGBC Memeber





Chosen by the
Indian Consumer



POWER
BRAND
2010-2011


Power Brand Award



2010-2011

CONSUMER AWARE PRODUCT SURVEY BY FINLISH
WORLD CONSULTANTS & RESEARCH CORPORATION
ASIA'S MOST PROMISING BRAND
THE MOST ADMIRRED BRAND OF THE YEAR
INDUSTRY - CERAMIC TILE, CHOSEN FROM INDIA

Asia's Most Promising
Brand



The American Ceramic Society
presented the
2014 Corporate Technical Achievements Award
Somany Ceramics Limited
SOMANY
For the achievement of 50 Years

U.S.A

ASTM Certificate from
USA



CE
EUROPE

CE Certificate from
Europe



CERTIFIED COMPANY
ISO
9001:2008

FROM TUV NORD GERMANY

Certificate from TUV
Nord Germany



CERTIFIED COMPANY
ISO
14001:2004

FROM TUV NORD GERMANY

Certificate from TUV
Nord Germany



IS:15622:2006



CM/L 9829610

ISI Council
Accreditation



CERTIFIED COMPANY
BS OHSAS
18001:2007

FROM TUV NORD GERMANY

Certificate from TUV
Nord Germany



TIS.2508-2555(2012)
ACCREDITATION FROM THAILAND

Accreditation From
Thailand



SOMANY

Brand SOMANY



VC Shield, The Result of Veil Craft Technology, is the patented Property of Somany ceramics, one of the foremost names in names in ceramic tiles in India and the first to get ISO- 9002 ISO- 9002 and ISO-14001 recognitions.



Translated Technology in to everyday benefits by launching VC Tiles (Veil Craft) in 2009

India's first Process & Product patent in the Ceramic tiles industry

Patent authorizes exclusive rights for production & commercialization of VC tiles in India for 20 years

VC Shield technology which solves the key issue of tiled surfaces which is abrasion resistance. It shields the tile against weathering - wear and tear, stains and scratches, keeping it fresh and new as ever



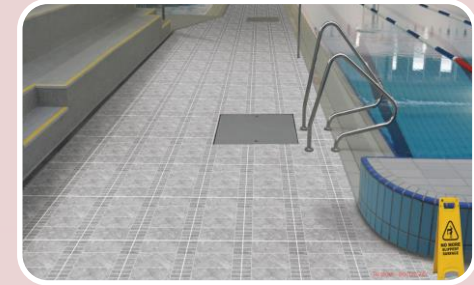
Slip Shield Tiles



SOMANY
SLIP SHIELD



REVOLUTION FROM THE HOUSE OF SOMANY



- Another Innovation – slip shield tile – a unique coating technology which gives anti-skid property to ceramic tiles.

- Patent application filed with the Controller of patents and Designs (Indian Patent Office)

Characteristics of slip shield tiles:

- No dirt accumulation on the surface; easy to clean and maintain
- Feel of original surface, design does not get altered by this coating
- Coefficient of friction is high enough even in wet or soapy condition thus making it highly slip resistant

Developers



Corporates/Banks



PSU



दिल्ली मेट्रो रेल कॉर्पोरेशन लिमिटेड
DELHI METRO RAIL CORPORATION LTD.



Retailers/Hospitals/Hospitality





Customer Outreach

- Currently Present in more than 55 Countries.

Strong Distribution Network

Wide variety

Creating a global Brand

- 1st Indian Company to participate in Italy-CERSAIE for last 4 years
- 1st Indian company to participate in MosBuild in Russia

Future Strategy

- To become a significant player in international arena

Year	FY 14	FY 15	FY 16
Exports (in Rs. crores)	32	64	80



Focused Management

- Committed to value enhancement by adopting asset light model and increasing share of value add products
- 1st in the Indian Tile industry to have Government recognized R&D facilities, thereby giving credibility to 'Brand SOMANY'
- High credibility & reputation for 'Brand Somany' and its Promoters amongst dealers, suppliers, shareholders and financial institutions
- Strong Management team comprising of qualified and experienced professionals fully committed to excellence in manufacturing, product innovation and brand building

Strong Distribution Network

- Pan India distribution and marketing network creating stronger Brand SOMANY
- ~1500 active dealers, 8500 retailers and 181 showrooms / display centers
- Strong brand recall in retail segment which contributes ~65% of overall sales
- Formidable association with large institutional clients comprising of Governments, Corporates and Private Builders

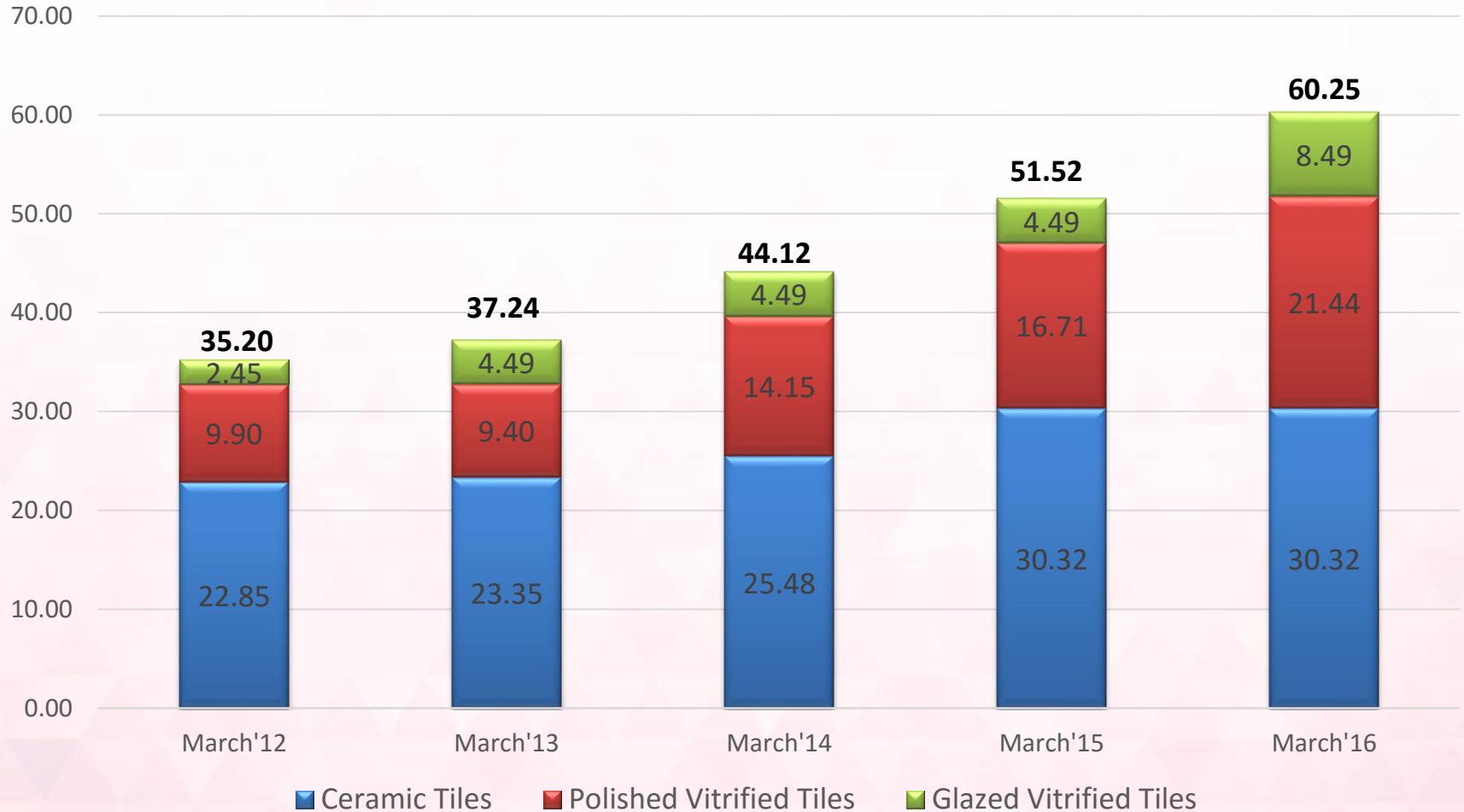
Wide Variety

- Wide product range covering Ceramic, Vitrified Tiles, Sanitaryware & Bath fittings
- India's largest in-house designing team dedicated to developing designs, products and concepts in collaboration with Spanish and Italian design houses
- Asset light model allows company to respond faster to changing trends and market dynamics

Access to Capacities (Tiles)



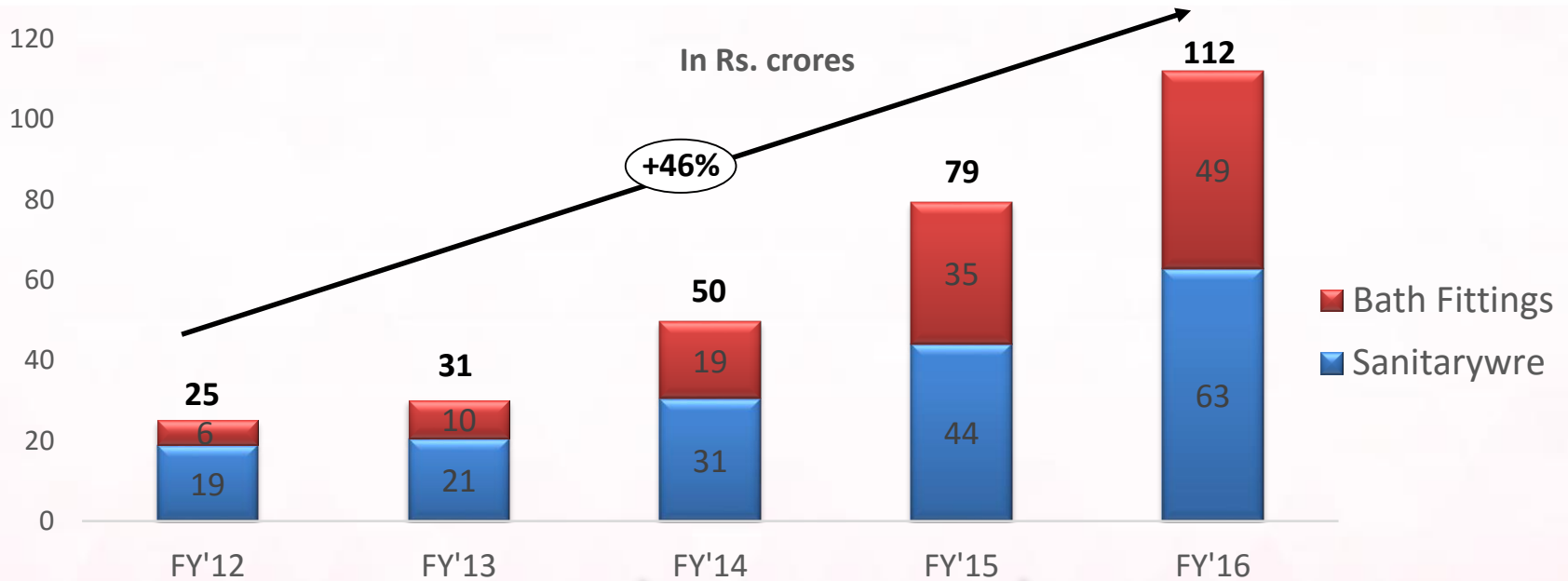
in MSM



Capacities across Plants

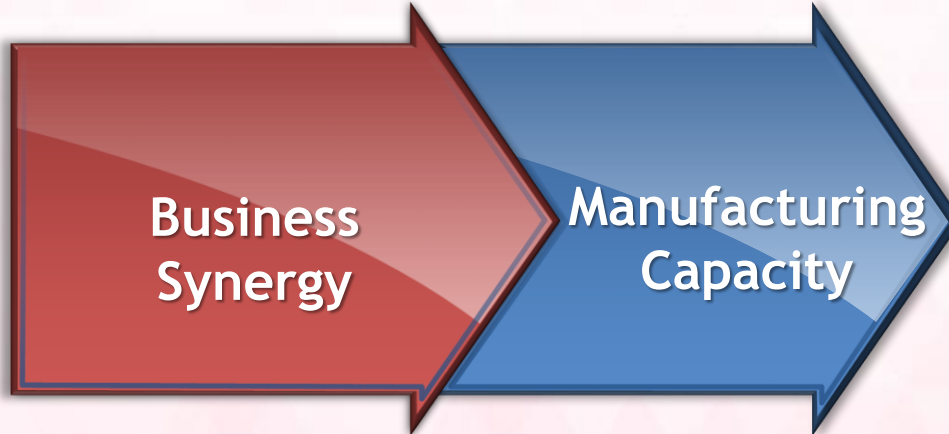


Own Plants (Tiles)	Location	Capacity (MSM p.a.)	Capacity Utilization in FY16	Owned capacity of 25.55 MSM p.a.
Kassar	Haryana	17.13	97%	
Kadi	Gujarat	8.42	85%	
Associates/ Subsidiary Plants (Tiles)	Equity Stake	Capacity (MSM p.a.)	Capacity Utilization in FY16	Associates' / Subsidiary's plants current capacity at 25.70 MSM p.a.
Vintage Tiles Pvt. Ltd.	26%	2.99	94%	
Commander Vitrified Pvt. Ltd.	26%	4.76	87%	
Vicon Ceramic Pvt. Ltd.	26%	3.98	93%	
Amora Tiles Pvt. Ltd.	51%	4.58	69%	
Acer Granito Pvt. Ltd.	26%	5.10	82%	
Somany Fine Vitrified Pvt. Ltd.	51%	4.29	100%	
Outsourced capacity with no equity stake ~9.00 MSM				Outsourced capacity of ~9.00 MSM p.a.
Subsidiary Plant (Sanitary ware)	Equity Stake	Capacity (pcs p.a.)	Capacity Utilization in FY16	Current capacity of 303000 pcs p.a.
Somany Sanitaryware Pvt. Ltd.	51%	303000	90%	



Business Synergy

- Products are sold mostly through the same dealer as Tiles
- Surrogate advertising due to higher brand visibility
- Lower outward freight leading to higher margins



Manufacturing Capacity

- Acquired 51% equity stake in Somany Sanitary Ware Pvt. Ltd.
- Trebling capacity in Somany Sanitaryware to 900,000 pieces per annum
- Exploring opportunities (Joint Venture/Greenfield) for bath fittings

Financial Performance



5 Years' Profit & Loss



Particulars	FY12	FY13	FY14	FY15	FY16
Net Sales	876	1,050	1,261	1,535	1,710
EBIDTA	75	88	84	115	152
Depreciation	18	20	21	26	28
Finance cost	21	20	19	21	22
Profit before tax	36	48	44	68	97
Tax expenses	11	16	15	22	31
Profit after tax	25	32	29	46	65
Cash Profit	43	53	53	74	97
EPS (Rs.)	7.28	9.28	8.25	11.94	16.25

5 Years' Balance Sheet

Particulars	FY12	FY13	FY14	FY15	FY16
Equity Share Capital	7	7	8	8	8
Reserves & Surplus	121	146	215	250	420
Net Worth	126	153	223	258	428
Minority Interest	-	-	4	5	20
Total Debt	181	177	189	210	264
Net Block	194	209	243	265	387
Investments	5	9	18	19	20
Net Current Assets	130	136	171	201	321

Key Financial Ratios

Particulars	FY12	FY13	FY14	FY15	FY16
PBT Margin (%)	4.1	4.6	3.5	4.4	5.7
PAT Margin (%)	2.9	3.1	2.3	3.0	3.8
ROCE (%)	17.3	19.7	15.5	18.7	19.8
Debt Equity (times)	1.4	1.2	0.8	0.8	0.6
Current Ratio (times)	1.2	1.2	1.3	1.3	1.6
Debtors (days)	55	57	59	59	64
Inventory (days)	42	42	26	32	30
Working Capital* (days)	54	47	39	41	47

* Excluding Current Investments

Based on Consolidated Financials



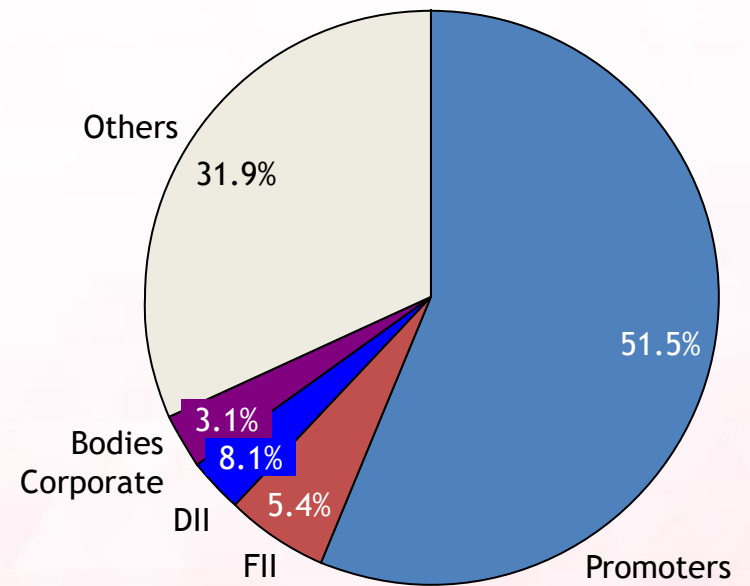
Particulars	FY12	FY13	FY14	FY15	FY16
Face Value (Rs./share)	2	2	2	2	2
Book Value (Rs./share)	36.5	44.4	63.9	67.4	107.5
Market Price (Rs./share)*	37.5	64.6	163.8	398.8	393.1
Market Cap (Rs. Crores)*	129.4	222.7	636.1	1,549.1	1,665.9
EPS (Rs./share)	7.3	9.3	8.3	11.9	16.3
P/E ratio (times)	5.1	6.9	19.7	33.5	24.1
ROE (%)	21.9	23.0	15.3	19.3	18.9
Dividend Payout (%)	12.8	15.1	23.6	20.2	18.2

* As at 31st March

Based on Consolidated Financials



Particulars	31 st Mar'2016
Promoters	51.5%
FII	5.4%
DII	8.1%
Bodies Corporate	3.1%
Others	31.9%
Equity Shares (Nos.)	42,379,426



*Raised Rs. 120 crores in December, 2015 through QIP
Marquee Shareholders subscribed to issue*



The information contained herein has been prepared to assist prospective investors in making their own evaluation of the Company and does not purport to be all-inclusive or to contain all of the information a prospective or existing investor may desire.

This Information may include certain statements and estimates provided by the Company with respect to the projected future performance of the Company. Such statements, estimates and projections reflect various assumptions by management concerning possible anticipated results, which assumptions may or may not be correct.

Prospective investors will be expected to have conducted their own due diligence investigation regarding these and all other matters pertinent to investment in the Company.

This presentation may contain statements that are “forward looking statements.” The company’s actual future results may differ materially from those suggested by such statements, depending on various factors for which the company and its management does not take any responsibility.

The logo for SOMANY, featuring the word "SOMANY" in white, bold, uppercase letters on a red rectangular background. A small blue square icon with a white outline is positioned to the right of the text.A large, stylized geometric graphic on the left side of the page, composed of various shades of red and pink triangles forming a diamond-like shape.

Company :

Somany Ceramics Ltd.
CIN-L40200DL1968PLC005169
Mr. R. K. Lakhotia
VP – Finance
fin@somanytiles.co.in
www.somanyceramics.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN - U74140MH2010PTC204285
Mr. Shogun Jain/Ms. Ekta Bhalja
jshogun@sgapl.net / bekta@sgapl.net
+91 7738377756 / +91 738359389
www.sgapl.net

www.somanyceramics.com