



SOMANY CERAMICS LTD.

Investor Update - Q4'FY17 / FY17

24th May, 2017



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Reported Revenue growth of 6.7% in FY17 on YoY basis; PBT margins at 7.5% and PAT margins at 4.7%. Board of Directors have recommended a Dividend of Rs. 2.70 per equity share.

Post adverse impact of demonetisation in Q3, volume uptick commenced in Q4 across categories. With the recent completion of expansion in Tiles and Sanitaryware segment we expect to capitalize on the improving macro economic scenario going forward.

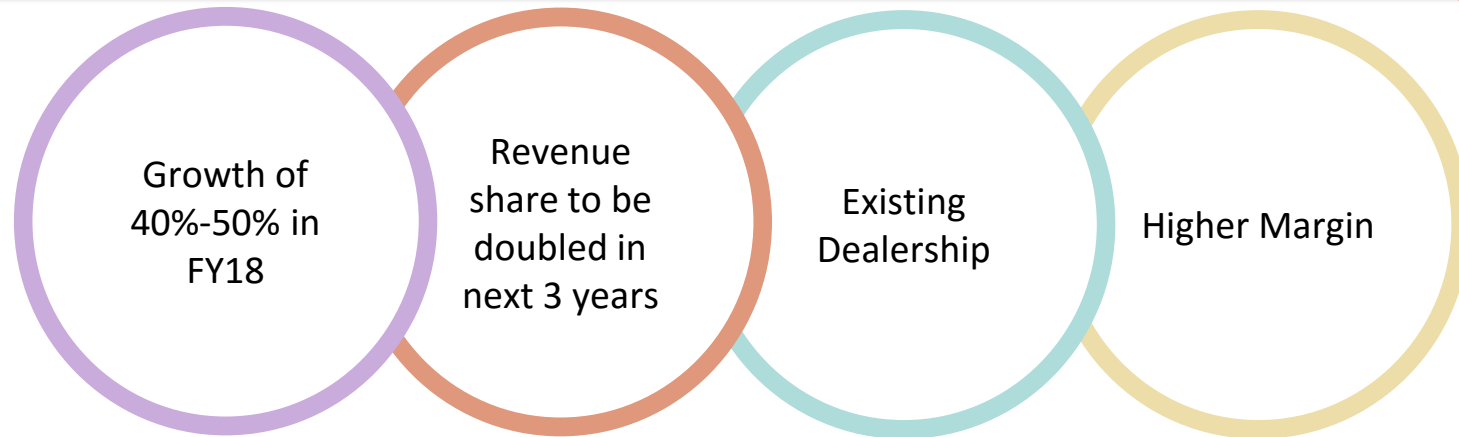
Proposed upgradation and modernisation of certain production lines in own plants would enhance the value added mix further.

Recent Government measures addressed through announcement for Infrastructure creation, Affordable Housing and Implementation of GST are expected to give fresh impetus to the entire Buildings Material Sector.

Lower mortgage rates coupled with RERA is expected to fuel the demand for new houses especially in Tier 2 & 3 cities which remain a strong focus area for us.

Organized Tile Brands with large distribution network, wide variety of products and designs will play a significant role in fulfilling demands of 'Aspirational India'

Sanitaryware & Fittings to be doubled in 3 years



- ❑ Sanitaryware and Bath Fitting segment currently contributes Rs. 138 crores of total sales, expects to grow by 40-50% in FY18

- ❑ Sanitaryware & Bath Fittings contribute 7.2% of total turnover, growth of 15% in next 3 years

- ❑ Use its existing dealership of tiles business, the private builders, retail touch points and various government institutions for distribution

- ❑ Diversification in the product profile will fetch higher margin

Tile Visualizer: Increasing Consumer Connect

SOMANY



[Click Here](#)

Performance Snapshot

Sales Volume

- ✓ Q4'FY17 – 15.56 MSM, growth of 12.6% YoY
- ✓ FY17 – 49.73 MSM, growth of 7.3% YoY

Sales Mix

- ✓ Q4'FY17 - Own manufacturing (38%), JV (44%) & Others (18%)
- ✓ FY17 - Own manufacturing (39%), JV (47%) & Others (15%)

Financial Snapshot

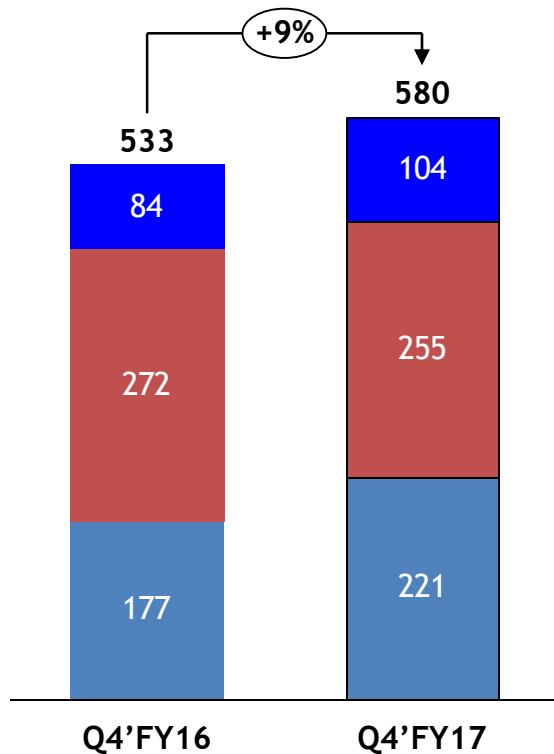
- ✓ Q4'FY17 - Net Sales growth – 8.1% YoY to Rs. 555 cr with PBT margin of 7.8%
- ✓ FY17 - Net Sales growth – 6.2% YoY to Rs. 1828 cr with PBT margin of 7.5%
- ✓ PAT – Q4'FY17 at Rs. 25 cr, margin of 4.5% and FY17 at Rs. 86 cr, margin of 4.7%

Capacity

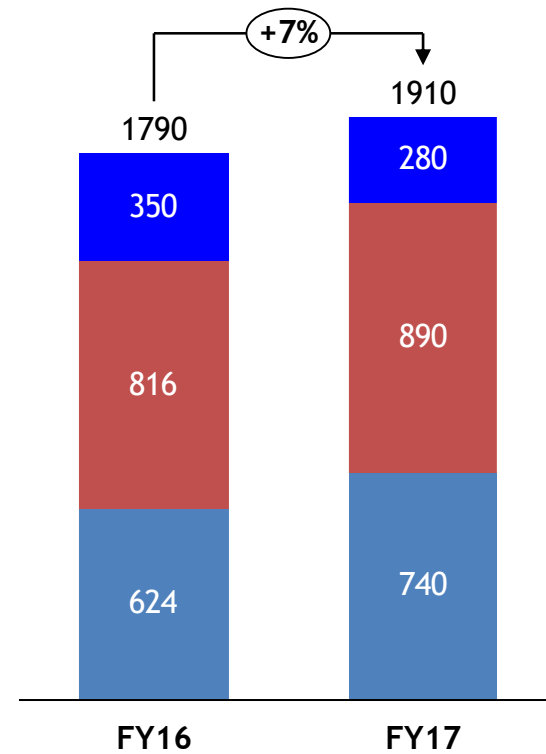
- ✓ Current Access to capacity at ~60 msm p.a.
- ✓ Sanitaryware plant expansion completed in Q1'Fy18
- ✓ Expansion in Vintage tiles completed in Q1'Fy18

Sales Performance (Gross)

Q4'FY17 v/s Q4'FY16



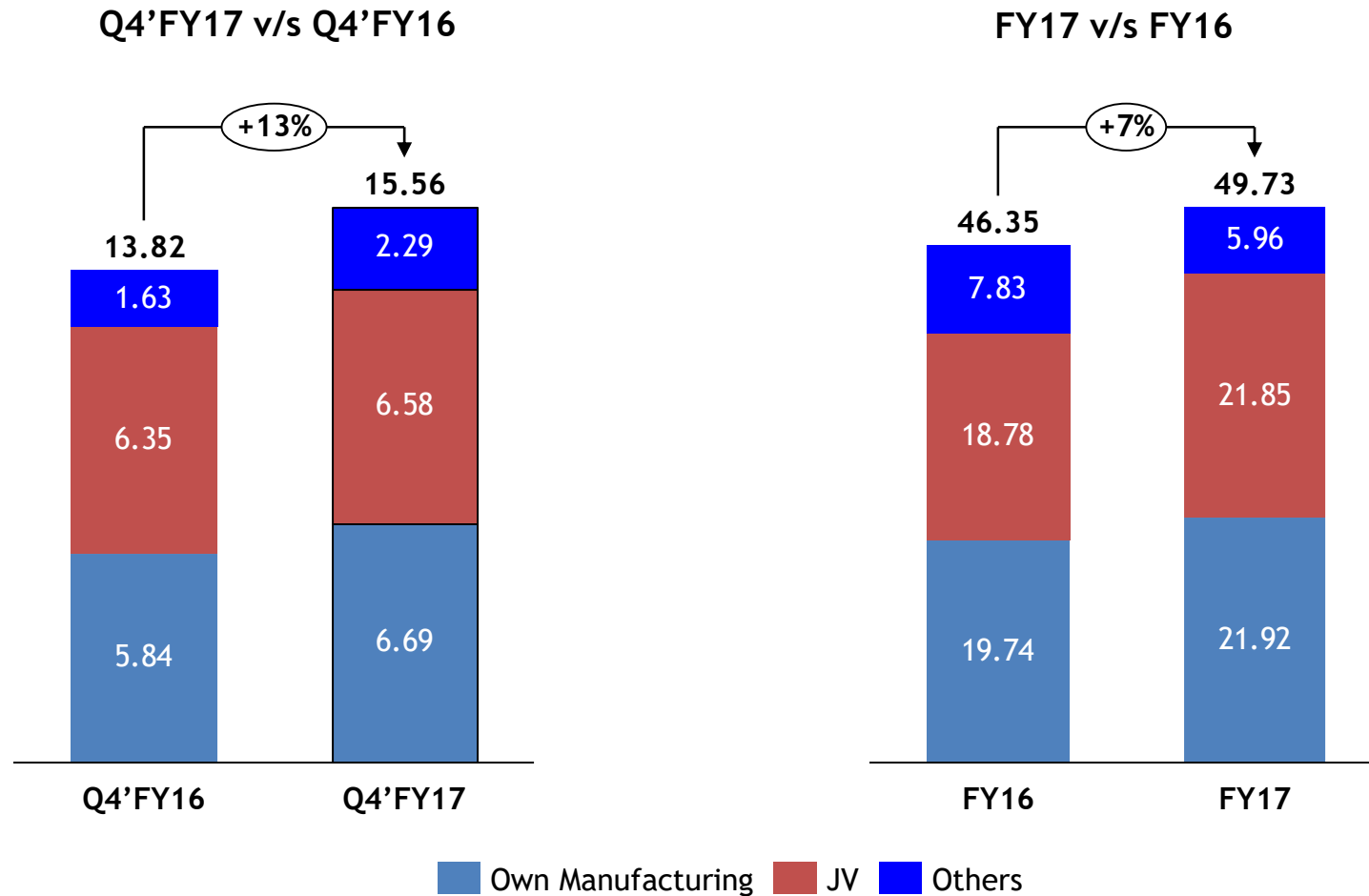
FY17 v/s FY16



Own Manufacturing JV Others

Figures in Rs.cr

Volume Performance - Tiles



Figures in million square metres

Access to Capacity

Own Plants (Tiles)	Location	Capacity (MSM p.a.)	Capacity Utilization in FY17	
Kassar	Haryana	17.13	90%	Owned capacity of 25.55 MSM p.a.
Kadi	Gujarat	8.42	77%	
Subsidiary / Associates Plants (Tiles)	Equity Stake	Capacity (MSM p.a.)	Capacity Utilization in FY17	
Amora Tiles Pvt. Ltd.	51%	4.58	77%	Associates' / Subsidiary's plants current capacity at 25.70 MSM p.a.
Somany Fine Vitrified Pvt. Ltd.	51%	4.29	112%	
Vintage Tiles Pvt. Ltd.	50%	2.99	95%	
Acer Granito Pvt. Ltd.	26%	5.10	86%	
Commander Vitrified Pvt. Ltd.	26%	4.76	76%	
Vicon Ceramic Pvt. Ltd.	26%	3.98	81%	
Outsourced capacity with no equity stake ~9.00 MSM				Outsourced capacity of ~9.00 MSM p.a.
Subsidiary Plant (Sanitaryware)	Equity Stake	Capacity (pcs p.a.)	Capacity Utilization in FY17	
Somany Sanitary Ware Pvt. Ltd.	51%	303000	99%	Sanitaryware capacity of 303000 pcs p.a.

MSM - million square metres

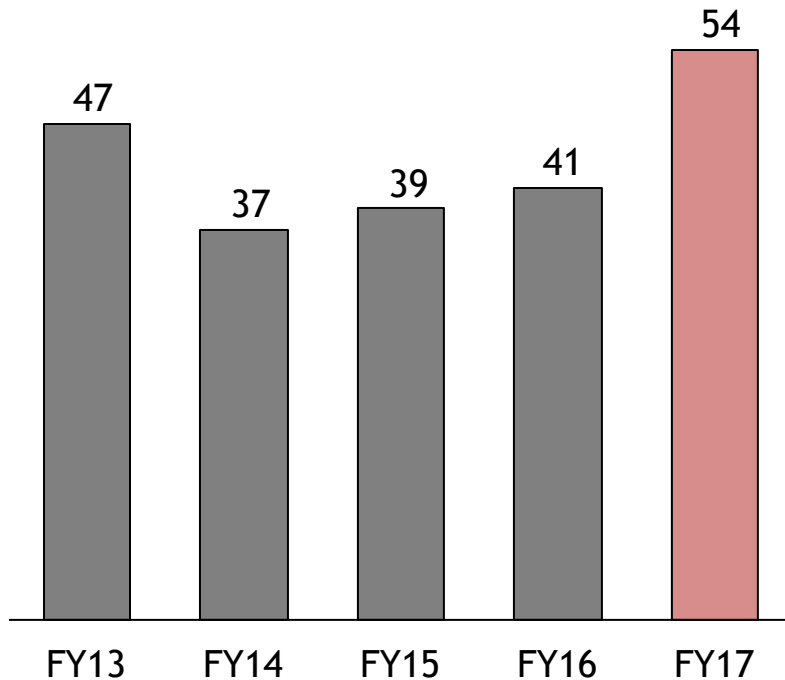
Profit & Loss – Q4'FY17

Particulars	Q4'FY17	Q4'FY16	Growth	FY 17	FY 16	Growth
Gross Sales	580.25	532.73	8.9%	1909.80	1790.07	6.7%
Net Sales	555.36	513.52	8.1%	1827.61	1721.39	6.2%
EBIDTA	54.49	46.23	17.9%	179.23	132.21	35.6%
Depreciation	7.13	5.69	25.3%	25.32	20.57	23.1%
Finance cost	4.00	2.91	37.5%	16.52	16.33	1.2%
PBT Before Exceptional Item	43.36	37.63	15.2%	137.39	95.31	44.2%
Exceptional Item	4.06	0.60	-	4.06	4.43	-
Profit Before Tax	39.30	37.03	6.1%	133.33	90.88	46.7%
Tax expenses	14.30	10.97	30.4%	47.24	29.82	58.4%
Profit after tax	25.00	26.06	-4.1%	86.09	61.06	41.0%
EPS (Rs.)	5.90	6.15	-4.1%	20.31	15.33	32.5%

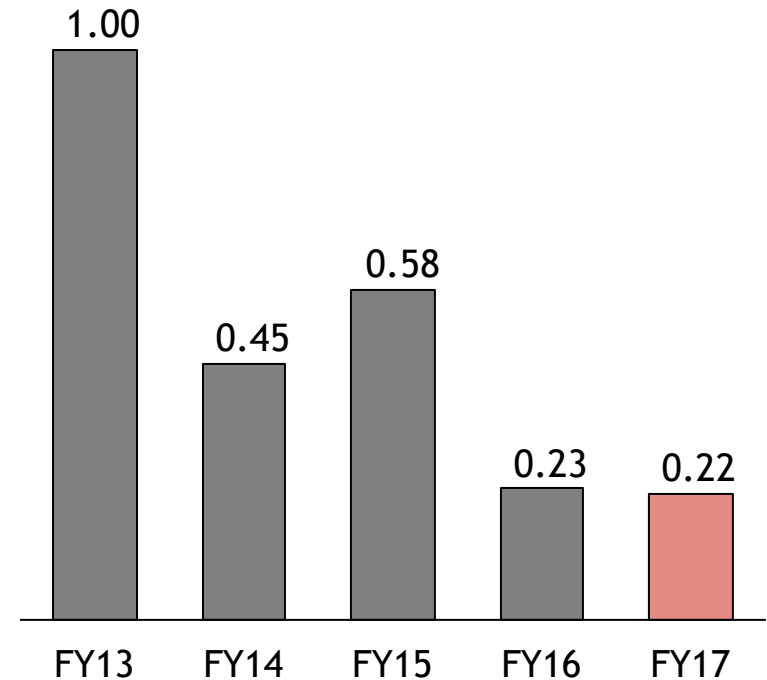
Standalone figures in Rs.cr

Working Capital & Debt Management

Working Capital Days*



Leverage Ratio**



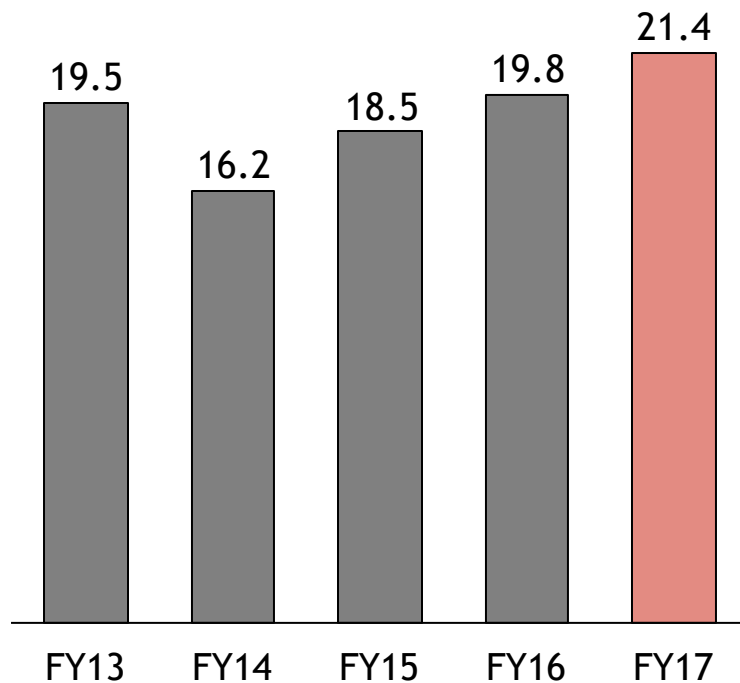
*excludes Current Investment

** Net debt (net of cash & Bank and current investments) equity ratio

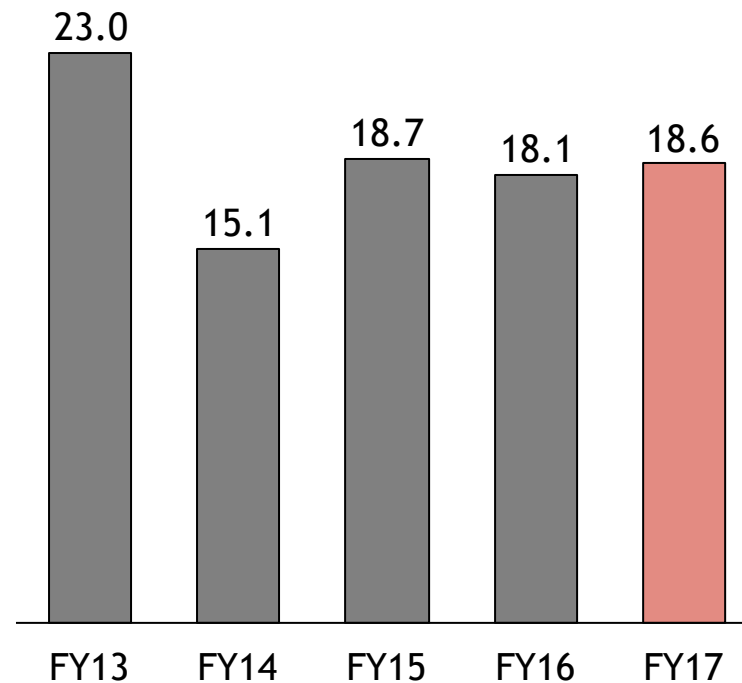
Standalone Figures

Return Ratios

ROCE%



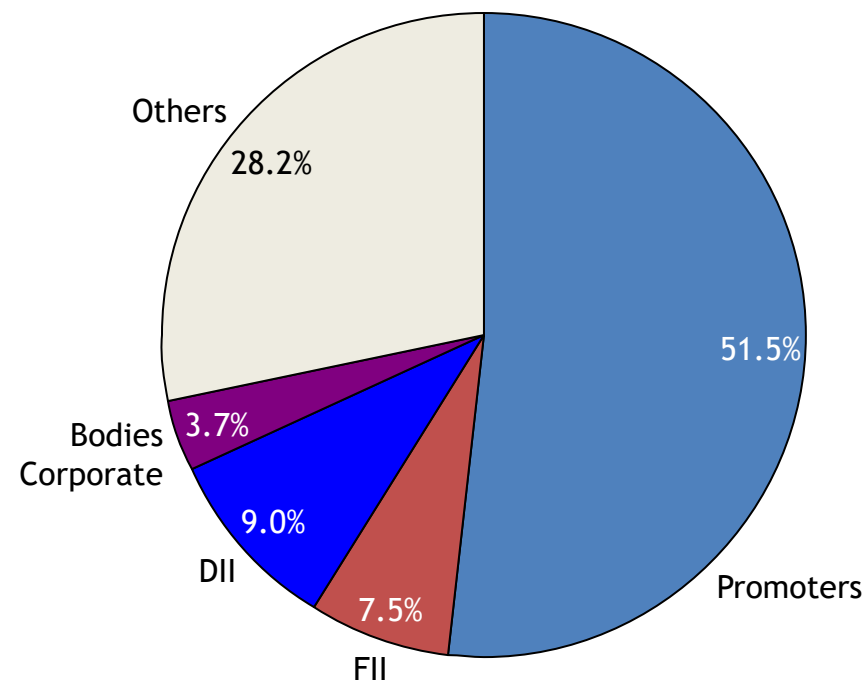
ROE%



Standalone Figures

Shareholding as on 31st March 2017

Particulars	31 st Mar'2017	31 st Dec'2016
Promoters	51.5%	51.5%
FII	7.5%	3.6%
DII	9.0%	8.5%
Bodies Corporate	3.7%	3.9%
Others	28.2%	32.5%
Equity Shares	42,379,426	42,379,426



5 Year P&L - Standalone

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

Figures in Rs. crores
**after exceptional item*

5 Year Balance Sheet - Standalone

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

Figures in Rs. crores

5 Year P&L - Consolidated

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

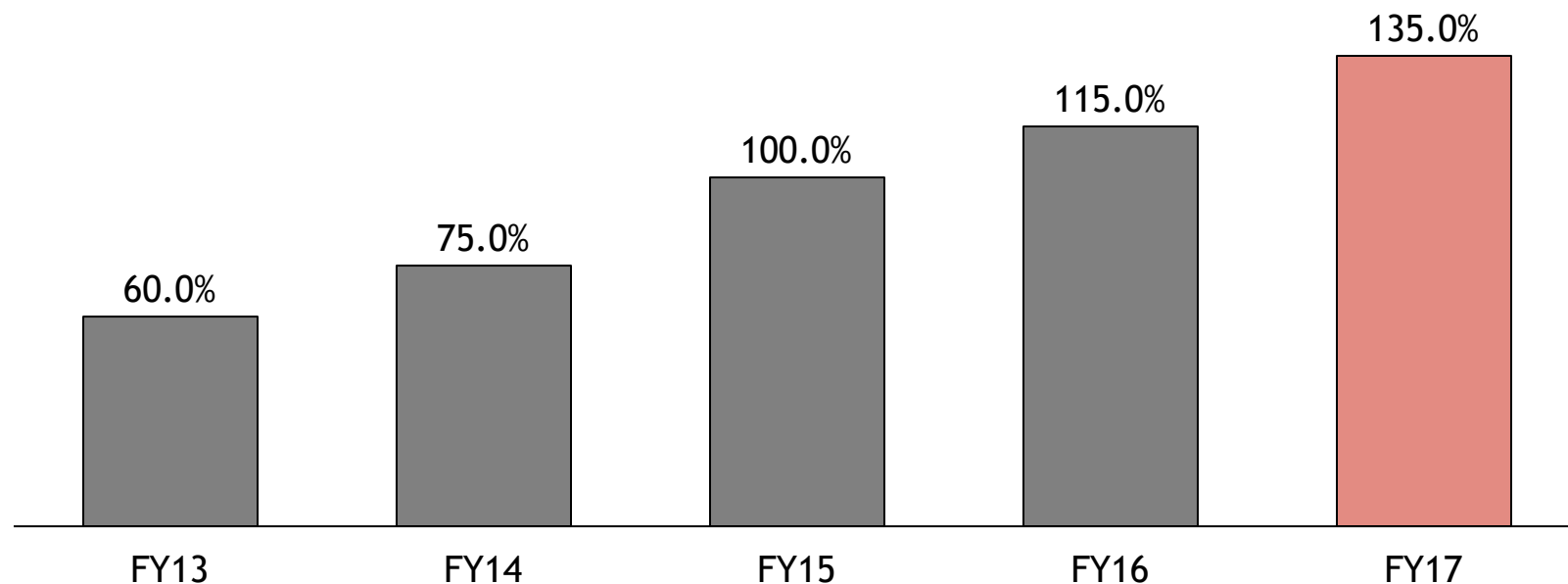
*Figures in Rs. crores
after exceptional item

5 Year Balance Sheet - Consolidated

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

Figures in Rs. crores

Dividend Track Record



Particulars (Rs.)	Mar'13	Mar'14	Mar'15	Mar'16	Mar'17
Consolidated Book Value Per Share	44.37	57.53	66.42	101.03	120.99
Consolidated Earning Per Share	9.28	8.25	11.94	16.25	21.96
Dividend Per Share	1.20	1.50	2.00	2.30	2.70

For further information, please contact:

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. Sanghamitra Karak
shogun.jain@sgapl.net /
sanghamitra.karak@sgapl.net
+91 7738377756 / +91 9833692935
www.sgapl.net