

SOMANY

SOMANY CERAMICS LTD.

Regd. Office :82/19, Bhakerwara Road,
Mundka, New Delhi - 110 041

Dear Shareowners,

I am delighted to place before you the financial results of the Company for the quarter/half year ended 30th September, 2012. The said results have been adopted and approved by the Board of Directors of your company on 17th October, 2012. The key highlights of the business are as follows:

Financials (Q2/HY1)

- Gross turnover grew by 24.3% to Rs. 27205 lacs and 18.8% to Rs. 47600 lacs y-o-y in Q2 and HY1'FY13
- Profit before tax increased by 40.1% to Rs. 1163 lacs and 21.6% to 1951 lacs y-o-y in Q2 and HY1'FY13
- Net profit increased by 39.5% to Rs. 802 lacs and 15% to 1329 lacs y-o-y in Q2 and HY1'FY13
- Return on Average Capital Employed improved to 17.1% in HY1'FY13 from 15.9% in HY1'FY12
- Working capital cycle reduced by 10 days in HY1'FY13 compared to HY1'FY12
- Improvement in debt-equity ratio to 1.44x in HY1'FY13 from 1.65x in HY1'FY12

Sales and Marketing

- Large format 80X80 cm. and 60x120 cm. glazed vitrified tiles (digital/ non digital) produced by JV company launched during the quarter. Large format 80x80 cm. size launched for the first time in the country
- Exports registered a growth of 77% to Rs. 535 lacs and 74% to Rs. 1033 lacs y-o-y in Q2 and HY1'FY13
- Glazed vitrified, Digital and VC (Patented) tiles continue to be the main value drivers

Branding and Networking

- Dealer network increased to 1583 through addition of 47 more dealers during the quarter, strengthening company's pan India presence further
- With addition of 11 more franchisee/owned showrooms during the quarter, the total number of Somany showrooms increased to 140
- The first company from India to have participated in the prestigious international fair 'Cersaie' at Bologna, Italy. Our range of products widely appreciated and found comparable with Italian products
- Trained around 455 masons taking the total to 748 during the year under Tile Master programme

Way forward

The outlook for the year continues to be good. We remain focused on increasing sale of value added products, further strengthen our brand and distribution network and improve internal efficiencies to maximize your returns. I look forward to your continued support and trust in the management team of your company.

Warm regards,

Abhishek Somany
Joint Managing Director

Enclosure: Financial result for Q2/HY1'FY13

SOMANY

Only company in India to get a PATENT for its hardcoat technology-VC Shield.

Launched new range of large format tiles in 80x80 cm and 60x120 cm sizes during the quarter.



Quarter 2 Growth: Turnover - 24.3% | PBT - 40.1% | PAT - 39.5%

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30.09.2012

(₹ in lacs)

Part-I Particulars	Quarter ended			Six months ended		Year ended
	30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
1. Income from operations						
(a) Gross Sales	27,205	20,395	21,890	47,600	40,056	92,110
(b) Net Sales /Income from operations (Net of excise duty)	25,662	18,968	20,690	44,630	37,805	87,036
(c) Other Operating Income	113	68	79	181	151	287
Total Income from operations (net)	**25,775**	**19,036**	**20,769**	**44,811**	**37,956**	**87,323**
2. Expenses						
(a) Cost of materials consumed	3,882	4,185	3,748	8,067	7,337	15,318
(b) Purchases of stock- in -Trade	10,971	7,543	8,739	18,514	15,632	35,208
(c) Changes in inventories of finished goods, work-in progress and stock-in trade	597	(2,443)	(552)	(1,846)	(1,765)	30
(d) Employees benefits expenses	1,822	1,782	1,634	3,604	3,165	6,552
(e) Depreciation and amortisation expenses	500	488	440	988	871	1,822
(f) Stores and Spare Parts	577	572	426	1,149	845	1,778
(g) Power & Fuel	3,032	3,217	2,475	6,249	4,832	10,917
(h) Other Expenses	2,773	2,409	2,586	5,182	4,517	10,153
Total expenses (a to h)	**24,154**	**17,753**	**19,496**	**41,907**	**35,434**	**81,778**
3. Profit from operation before other income, finance cost and exceptional Items (1-2)	**1,621**	**1,283**	**1,273**	**2,904**	**2,522**	**5,545**
4. Other Income	32	18	17	50	53	106
5. Profit from ordinary activities before finance costs and exceptional items (3+4)	**1,653**	**1,301**	**1,290**	**2,954**	**2,575**	**5,651**
6. Finance Cost	490	513	460	1,003	970	2,065
7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	**1,163**	**788**	**830**	**1,951**	**1,605**	**3,586**
8. Exceptional items (Net)	-	-	-	-	-	17
9. Profit from ordinary activities before tax (7-8)	**1,163**	**788**	**830**	**1,951**	**1,605**	**3,569**
10. Tax expenses						
- Current Tax	370	286	275	656	550	1,125
- Deferred Tax	(9)	(25)	(20)	(34)	(101)	(31)
11. Net Profit from ordinary activities after Tax (9-10)	**802**	**527**	**575**	**1,329**	**1,156**	**2,475**
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit for the period (11-12)	**802**	**527**	**575**	**1,329**	**1,156**	**2,475**
14. Paid up Equity Share Capital (Face Value of Rs. 2/- each)	690	690	690	690	690	690
15. Reserves excluding Revaluation Reserves	-	-	-	-	-	11,712
16. Earning per share (EPS)-in Rs. (not annualised)						
Basic & Diluted EPS before / after Extraordinary items for the period, for the year to date and for the previous year						
- Cash	3.75	2.87	2.88	6.62	5.58	12.37
- After tax	2.32	1.53	1.67	3.85	3.35	7.17
Part-II						
A. PARTICULAR OF SHAREHOLDING						
(i) Public Shareholding						
- Number of Shares	12,657,640	12,657,640	12,657,640	12,657,640	12,657,640	12,657,640
- Percentage of Shareholding	36.69	36.69	36.69	36.69	36.69	36.69
(ii) Promoters and promoter group shareholding						
a) Pledged /Encumbered						
Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
Number of shares	21,839,360	21,839,360	21,839,360	21,839,360	21,839,360	21,839,360
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
Percentage of shares (as a % of the total share capital of the Company)	63.31	63.31	63.31	63.31	63.31	63.31

Particulars	3 month ended 30/09/2012
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	6
Disposed of during the quarter	6
Remaning unresolved at the end of the quarter	0

Statement of Assets and Liabilities

(₹ in lacs)

Particulars	Six months ended 30.09.2012 Unaudited	Year ended 31.03.2012 Audited
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share Capital	690	690
(b) Reserves and surplus	13,041	11,712
Sub -total - Shareholders' funds	**13,731**	**12,402**
2. Non-current liabilities		
(a) Long-term borrowings	5,575	6,685
(b) Deferred tax liabilities (net)	2,501	2,535
(c) other long-term liabilities	1,623	1,420
(d) Long-term provisions	252	229
Sub -total - Non- current liabilities	**9,951**	**10,869**
3. Current liabilities		
(a) Short-term borrowings	10,497	8,353
(b) Trade payables	9,886	11,075
(c) Other current liabilities	7,196	5,630
(d) Short-term provision	4,546	4,193
Sub -total - current liabilities	**32,125**	**29,251**
TOTAL -EQUITY AND LIABILITES	**55,807**	**52,522**
B. ASSETS		
1. Non-current assets		
(a) Fixed assets	20,214	19,397
(b) Non-current investments	595	595
(c) Long-term loans and advances	752	459
Sub -total - Non - current asstes	**21,561**	**20,451**
2. Current assets		
(a) Inventories	12,157	9,851
(b) Trade receivables	13,446	13,884
(c) Cash and Bank Balance	1,625	2,203
(d) Short - term loans and advances	6,965	6,043
(e) Other current assets	53	90
Sub -total - Current assets	**34,246**	**32,071**
TOTAL -ASSETS	**55,807**	**52,522**

Notes:

1. The business activity of the Company falls within a single primary business segment viz 'Ceramic Tiles and allied products' and hence there is no other reportable segment as per Accounting Standard 17 'Segment Reporting' notified under Companies (Accounting Standards) Rules, 2006.
2. Figures of previous period(s) have been regrouped / rearranged wherever necessary to conform to this period's/quarter's classification.
3. The above results were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 17/10/2012 and also limited reveiwed by Statutory Auditors.

Dated : 17th October, 2012
Place : New Delhi

For SOMANY CERAMICS LIMITED
sd/-
SHREEKANT SOMANY
CHAIRMAN & MANAGING DIRECTOR

Chosen by the Indian Consumer POWER BRAND 2010-2011
ISOQAR REGISTERED UKAS MANAGEMENT SYSTEMS 0026
IS:15622:2006 CM/L 9829610
COMMITTED TO EXCELLENCE INDIA'S FIRST TILE COMPANY WITH ISO 9001: 2008 CERTIFIED
COMMITTED TO SAVE ENVIRONMENT INDIA'S FIRST TILE COMPANY WITH ISO 14001 CERTIFIED