

SOMANY

By design...

Somany
Ceramics
Limited

Annual Report
2013-14



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 and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials' cost or 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.

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From Somany Pilkingtons to Somany Ceramics, from a modest production capacity of 0.52 mn sqm in 1972 to access to 44 mn sqm of tiles, from a small player to market leader, from ceramic tiles to glazed vitrified and polished vitrified tiles, from own manufacturing to outsourcing, from tiles to other sanitary ware and bathroom fittings; Somany's story is certainly that of unprecedented growth. Growth is not a matter of chance but has been achieved based on its strong leadership position, brand value and the ability to perform exceptionally well year after year. True, Somany's growth story is that of achieving it all

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Leadership By Design

SOMANY



Over the years, Somany has held a clear and distinctive position among the top 3 manufacturers of tiles in India. Striving to enhance its position using its long standing record in innovation, quality and durability; the Company is relentlessly working towards setting benchmarks and creating trends in the tiles sector, with access to ~44 mn sqm of tile manufacturing capacity of ceramic, polished vitrified and glazed vitrified tiles. Over four decades of spearheading industry innovation in ceramics and allied products segment, Somany Ceramics has established its presence as a leading and formidable force in the Indian tiles sector. From implementing the newest in technological brilliance to a steadfast practice of lateral thought and trend-setting approach, to pioneering several first in design and style for consumers, Somany Ceramics determined pursuit of delivering excellence has placed its brand in an illustrious bracket. The Company at all times has focused on acquiring and leveraging on latest technology to be recognized as an undisputed leader in Design & Innovation. In this pursuit, Somany brand has been astonishingly successful for delivering products that reflects a consumer's personality, making it the most valued brand in the category .

“Leadership is the capacity to translate vision into reality

- Warren Bennis

The Company has come a long way to be recognized as a trail-blazer for everyone to follow.

Through its entrenched distribution network, it has reached millions of households in India as well as abroad. It has 6500 plus touch points including 223 franchisee showrooms/own display centers spread across the country, making the Company stand out as distinct and diverse.

During the year, the Company set a fine paradigm of leadership in the market by achieving 19.3% growth in its top-line amidst dismal economic scenario and equally tough market competition.

By venturing into the sanitary ware and bath fittings segment, the Company is yet again ready for another successful leap into the future of growth and prosperity.

44
mn sqm
capacity access

6500+
touch points

Preference By Design



SOMANY

The brand value of Somany has been at the fulcrum of every move made so far by the Company. Taking a pie share of the consumers' mind space, Somany has always been seen as a Company focused on creating products that fair well with its consumers' expectations. True, the Company's spending on brand strengthening exercises like advertisement in electronic, print and social media, participation in prestigious exhibitions and sponsoring architecture and design conference etc., has been on a rise and forms an integral part of the year's key activity calendar.

The quality of the products is paramount at Somany. The Company conducts rigorous testing of its own as well as the outsourced products in order to achieve the quality its customers respect the Company for.

“Management is all about managing in the short term, while developing the plans for the long term - Jack Welch”

As a return to the investment put in to reach out to the customers, the Company has received acceptance as a brand that satisfies consumer preference and constantly works towards the betterment of its design as per the liking pattern and preferences of its discerning customers. The Company currently has a rich basket of diverse products consisting of tiles, sanitaryware and bath fittings. In tiles segment it has currently 1966 running designs.

With several cutting-edge and unique designs under its name, the Company has been riding high on the skills of its internal design team, which is competent to produce world-class designer products.

223
franchisee
showrooms/
own display
centres



1966
running designs



Innovation By Design



latest
technology



“
The best way to predict the
future is to invent it - Alan Kay
”

Somany has been taking effective measures towards offering best-in-class designer products to its end-consumers. The Company invests a lot in technology and as a result of its efficiency in R&D has been able to introduce many path breaking designs and products in the market. Due to the quality expertise, the Company today owns patent for the Veil Craft Shield (VC) technology, a first-of-its-kind in the Indian tile industry. It has recently filed a patent for the slip-resistant tile branded as “Somany Slip Shield”, which is another quality endured product that the Company has introduced in the market recently. Somany has also pioneered the launch of 800 MM (80 CM) X 1200 MM (120 CM) large-size tiles, which have received an encouraging response from the market.

The patented VC shield tiles got another recognition. These were selected for Corporate Technical Achievement awarded by the reputed International ceramic body, The American Ceramics Society (ACerS).

In the last two years, we have installed 7 digital printers in our own manufacturing facilities, which enables us to produce digital tiles with even more precision.



large-sized
tiles

SOMANY

Empowerment By Design

“ We cannot build our own future without helping others to build theirs - *Bill Clinton* ”

32%
increase in
employee
welfare expense

35 years
average age of
employees