



Carborundum Universal's Q1 FY 2020-21 Consolidated Sales lower by 33%, PAT lower by 63%

Chennai, 29th July 2020: The Board of Directors met today and approved the results for the Quarter ended 30th June 2020.

Financial performance

Consolidated sales for the quarter, decreased by 33 percent to Rs.444 Cr from Rs.664 Cr in the corresponding period of last year. The revenue was impacted by the lockdowns imposed in India as well as various parts of the world during Q1 due to Covid 19 pandemic. At a standalone level, sales decreased by 45 percent.

The consolidated segmental profitability was impacted by lower volumes due to significant disturbances and slow down of economic activity consequent to the pandemic

The Company, at a consolidated level, spent Rs.34 Cr on capital expenditure. The debt equity ratio was 0.03. Cash and cash equivalents net of borrowings was at Rs. 393 Cr

On a consolidated basis, profit before tax was Rs.26 Cr as against Rs.78 Cr in Q1 of previous year. Profit after tax and non-controlling interest was Rs.20 Cr as against Rs.53 Cr in Q1 of previous year.

Consolidated Segmental Operating Performance

Abrasives

Segment Revenue was Rs.131 Cr compared to last year's Q1 revenue of Rs.259 Cr. The steep drop in revenue was mainly due to lack of demand in the end user industries like Auto Components, General engineering & fabrications, Wood workings and Constructions, consequent to the lockdowns.

Profit/(Loss) before finance cost and tax was at (Rs.3 Cr) as against Rs.28 Cr in Q1 of last year.



Electro Minerals

Segment revenue was at Rs.210 Cr versus Rs.264 Cr in Q1 of last year, resulting in a decline of 21%. In the domestic market, the end user industries, mainly Abrasives, showed weak demand. The Russian subsidiary performed well displaying strong resilience.

Profit before finance cost and tax was at Rs.23 Cr as against Rs.24 Cr of Q1 last year. The lower impact on the profitability in comparison to the decline in topline largely comes from lower losses from the South African Subsidiary.

Ceramics

Segment Revenues were lower by 35 percent at Rs.108 Cr as against Rs.165 Cr in Q1 of last year. The drop in revenue largely was from the Domestic side of the business while Exports fared better.

Profit before finance cost and tax at Rs.12 Cr was lower as compared to Rs.30 Cr in the corresponding period of the previous year.

About the Murugappa Group

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 51,000 employees.

For more details, visit www.murugappa.com

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