

Carborundum Universal's Full Year 2021-22

Consolidated Sales at Rs.3290 Crores, up by 26%
PAT at Rs.333 Crores, up by 17%

Standalone Sales at Rs.2192 Crores, up by 33%
PAT at Rs.254 Crores, up by 38%

Chennai, 13th May 2022: The Board of Directors met today and approved the results for the quarter and year ended March 31, 2022.

Financial performance

Consolidated sales for the year, increased by 26 percent to Rs.3290 Crores from Rs.2604 Crores in the last year, driven by steady performance across business segments. At standalone level, sales grew by 33 percent to Rs.2192 Crores from Rs.1649 Crores.

On a consolidated basis, profitability for the year recorded strong growth across all three segments. Profit after tax and non-controlling interest grew by 17 percent to Rs.333 Crores against Rs.284 Crores in the last year.

The capital expenditure incurred during the year 2021-22 was Rs.170 Crores at consolidated level. The debt equity ratio at the consolidated level was 0.09. Cash and cash equivalents including deposits with tenure exceeding 3 months net of borrowings was at Rs.138 Crores.

Free cash flow (FCF) for the year ended 31st March 2022 was at Rs.118 Cr, which at 35% of PAT was lower compared to previous financial year FCF, which was 133% of FY 21 PAT. This was mainly on account of strategically maintaining higher inventories considering uncertain external environment and higher CAPEX spend.

Return on Invested Capital (ROIC) for three major segments together moved from 27% in FY21 to 31% in FY22.

During the financial year, the Company made three acquisitions - PLUSS Advanced Technologies in India; Awuko Abrasives and Rhodius Abrasives in Germany for a total consideration of Rs.660 crores. These were fully funded out of internal accruals.

Consolidated Segmental Operating Performance

Abrasives

Revenue for the year at a consolidated level grew by 29% to Rs.1283 Crores compared to Rs.993 Crores during last year. Standalone Abrasives grew by 29% to Rs.1052 Crores in the current year from Rs.818 Crores in last year.

Profit before finance costs and tax for the year increased by 16% to Rs.156 Crores from Rs.134 Crores during last year on the back of improvement in volumes, margins and better product mix. The Abrasives business in India, Russia, and America registered a significant growth.

Electro Minerals

Revenue at a consolidated level grew by 23% to Rs.1312 Crores as against Rs.1064 Crores during last year. Standalone Electro Minerals grew by 41% from Rs.440 Crores to Rs.621 Crores. Volzhsky Abrasives Works, Russia registered double digit growth in Rouble terms. This year had been a turnaround year for Foskor Zirconia (Pty) Limited, South Africa which registered double-digit growth.

Profit before finance costs and tax increased to Rs.194 Crores from Rs.136 Crores in last year indicating a growth of 43% on back of volume growth and higher realizations.

Ceramics

Consolidated revenue grew by 27% from Rs.627 Crores during last year to Rs.798 Crores in the current year. Standalone Ceramics grew by 32% from Rs.501 Crores to Rs.661 Crores despite logistics and cost related challenges. Subsidiaries in Australia and America also registered significant growth.

Profit before finance costs and tax grew by 17% to Rs.159 Crores from Rs.136 Crores on account of growth in volume, realization and product mix despite higher raw material and freight costs.

Final Dividend

The Board of Directors of the Company has recommended a final dividend of Rs.2.00/- per share (200% on face value of Re.1) to the shareholders of the Company. The Company had earlier paid an interim dividend of Re.1.50/- per share, thus aggregating to a total dividend of Rs.3.50 per share (350% on face value of Re.1 per share).



About Murugappa Group

Founded in 1900, the INR 417 Billion (41,713 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions 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.

The Group holds leadership position in several product lines including Abrasives, Technical Ceramics, Electro Minerals, Auto Components & Systems, Bicycles, Fertilisers, Sugar, Tea and Spirulina (Nutraceuticals). The Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, 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 53,000 employees.

For more details, visit <https://www.murugappa.com/>

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