



## **Carborundum Universal's Consolidated Q3 Sales increase by 6%**

### **Consolidated PAT up by 44%**

**Chennai, 4<sup>th</sup> February 2017:** The Board of Directors met today and approved the results for the quarter and nine months ended 31<sup>st</sup> Dec 2016.

#### **Consolidated Q3 financial performance**

**Consolidated sales increased by 6% in the current quarter to Rs.549 crores from Rs.518 crores in corresponding quarter of last year.** Profit after tax increased by 44% from Rs.30 crores to Rs.44 crores in the current quarter.

The gain in sales was due to better performance from all segments.

Profitability of Abrasives and Ceramics businesses improved as compared to corresponding quarter of last year. Profits were lower in Electro mineral business.

The debt equity ratio remained healthy and was at 0.1 on a standalone basis and 0.21 on a consolidated basis.

The domestic external environment in the last quarter was challenging owing to demonetization initiatives and cyclone effect. Business has been able to mitigate these challenges well, leaving less to negligible impact.

#### **Consolidated Segmental Operating Performance**

##### **Abrasives**

At a consolidated level, the sales for the quarter were at Rs.254 cr which was 9% higher than the similar period last year. On a sequential basis, sales were higher by 1% with Quarter 2 2016-17 sales at Rs.252 cr.

PBIT margin in Abrasives increased from 8% in quarter 3 of last year to 11.3% in current quarter. The margins have improved on the back of higher sales in standalone business.

##### **Electro Minerals**

At a consolidated level, the net sales for current quarter were at Rs. 200 cr which was higher by Rs. 3 cr and Rs. 15 cr compared to Quarter 3 of Last Year and Q2 of Current Year respectively. Standalone sales were lower for both the periods.



Consolidated Profit Before Interest Tax of EMD came down from Rs. 29 cr in Quarter 3 of last year to Rs. 21 cr in current quarter owing to lower profits in standalone business.

## **Ceramics**

At a consolidated level, the sales for Quarter 3 were at Rs.108 cr versus Rs.103 cr for the corresponding quarter last year. This is a growth of 5%. On a sequential basis, the sales de-grew by about 11%.

Ceramics standalone business registered lower sales in current quarter compared to the highs registered in quarter 2 of current year.

Profit before interest and tax of the ceramics business at consolidated level at Rs.16 cr recorded an increase of 29% compared to corresponding quarter last year.

## **Interim Dividend**

The Board of Directors of the Company at its meeting held on 4<sup>th</sup> Feb, 2017 has recommended an interim dividend of Re. 1/- per share (100% on face value of Re.1) to the shareholders of the Company.

## **About the Murugappa Group**

Founded in 1900, the INR 295 Billion 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 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., Parry Sugar 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, Ladybird, 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 32,000 employees. For more details, visit [www.murugappa.com](http://www.murugappa.com)

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