



## **Carborundum Universal's Consolidated Q2 Sales increase by 8%**

### **Consolidated PAT up by 17%**

**Chennai, 28<sup>th</sup> October 2016:** The Board of Directors met today and approved the results for the quarter and six months ended 30<sup>th</sup> Sep 2016.

#### **Consolidated Q2 financial performance**

**Consolidated sales increased by 8% in the current quarter to Rs.544 crores from Rs.506 crores in corresponding quarter of last year.** Profit after tax increased by 17% from Rs.40 crores to Rs.47 crores in the current quarter. On a sequential quarter basis, sales grew by 3% and Profit after tax increased by 16%

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 0.14 on a standalone basis and 0.25 on a consolidated basis.

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

##### **Abrasives**

At a consolidated level, the sales for the quarter were at Rs.252 cr which was 6% higher than the similar period last year. On a sequential basis, sales were higher by 2% with Quarter 1 2016-17 sales at Rs.247 cr.

Profit before interest and tax in Abrasives increased from 9.9% in quarter 2 last year to 10.9% in quarter 1 of this year to 11.8% in quarter 2 current year. The margins have improved on the back of higher sales in standalone business.

##### **Electro Minerals**

At a consolidated level, the sales for the quarter were higher at Rs.185 cr versus Rs.182 cr last year. Consolidated Sales remained same compared to Quarter 1 of 2016-17.

Profit before interest and tax at consolidated level decreased from Rs.39 cr in quarter 2 of last year to Rs.24 cr in current year. The drop was due to lower volumes and adverse foreign exchange restatement in Russian entity.



## **Ceramics**

At a consolidated level, the sales for Q2 were at Rs.121 cr versus Rs.99 cr for the corresponding quarter last year. This is a growth of 22%. On a sequential basis, the sales grew by about 9%.

Industrial ceramics continued registering good sales on the back of higher volumes in ceramics products. Super Refractories business registered higher volumes in current year from a low base during last year period.

Profit before interest and tax of the ceramics business at consolidated level at Rs.17 cr recorded an increase of 62% compared to corresponding quarter last year.

## **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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