



murugappa

Carborundum Universal's Consolidated Sales up by 3%, Profit after Tax Flat

Chennai, 31st July 2017: The Board of Directors met today and approved the results for the Quarter ended 30th June 2017.

Financial performance

Consolidated gross sales for the quarter, increased by 3 percent to Rs.540 crores from Rs.526 crores driven by better performance from Electro minerals and Ceramics segments. At a standalone level, gross sales de-grew by 3 percent.

Consolidated segmental profitability for the Quarter improved for Electro minerals business whereas for Abrasives and Ceramics segments, the profits were lower.

The Company, at a consolidated level, spent Rs.35 cr on capital expenditure. The debt equity ratio was 0.12. Borrowings net of cash and cash equivalents was Rs.26 cr.

On a consolidated basis, profit after tax and non-controlling interest was flat at Rs.40 cr.

Consolidated Segmental Operating Performance

Abrasives

Segment Revenue were Rs.235 cr compared to last year's revenue of Rs.247 cr resulting in drop of 5%. Standalone business, which is largely exposed to channel sales, had to deal with decline in primary off-take from channel partners owing to GST migration.

Profit before interest and tax decreased from Rs.27 cr to Rs.22 cr on the back of lower volumes.

Electro Minerals

Segment revenue were higher at Rs.207 cr versus Rs.185 cr for Quarter 1 of last year. The Russian entity had a better performance on the back of higher volumes.

Profit before interest and tax increased from Rs.25 cr to Rs.28 cr on the back of higher volumes.



Ceramics

Revenue were higher by 3 percent from Rs.111 cr to Rs.115 cr. Standalone ceramics business registered lower sales.

Profit before interest and tax at Rs.15.5 cr is marginally lower from Rs.16.1 as that of Quarter 1 of 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

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