



Carborundum Universal's Q3 Consolidated Sales decreased by 6%, Consolidated PAT increased by 8%

Bengaluru, 30th January 2020 The Board of Directors met today and approved the results for the Quarter and Nine months ended 31st December 2019.

Financial performance

Consolidated sales for the quarter, decreased by 6 percent to Rs.642 crores from Rs.683 crores in the corresponding quarter of last year, driven by lower volumes from Abrasives and Electro Minerals segments. At standalone level, sales dropped by 11 percent.

Consolidated segmental profitability for the Quarter improved for Ceramics businesses, but de-grew for Abrasives and Electro Minerals.

The Company, at a consolidated level, spent Rs.107 cr on capital expenditure during nine months period ended December 2019. The debt equity ratio on a consolidated basis was 0.04 as of December 2019. Cash and cash equivalents net of borrowings was Rs.243 Cr.

On a consolidated basis, profit after tax and non-controlling interest for the quarter grew by 8% to Rs.63 cr.

Interim Dividend

The Board of Directors decided to defer consideration of an interim dividend to a later date.

Consolidated Segmental Operating Performance

Abrasives

Segment Revenue for the quarter at a consolidated level was Rs.263 Cr compared to Rs.259 cr to the preceding quarter, thus resulting in a growth of 2%. The growth was due to better performance in Standalone business.

The consolidated revenue for the quarter de-grew by 12% in comparison to the corresponding period of last year.

Profit before interest and tax for the quarter decreased to Rs.31 cr from Rs.38 cr compared to corresponding period of last year, on the back of lower volumes.



Electro Minerals

Segment revenue at a consolidated level were lower at Rs.244 cr versus Rs.264 cr of corresponding period of last year, resulting in a de-growth of 8%. Standalone Electro Minerals segment and Foskor Zirconia contributed largely to the Revenue drop.

Profit before interest and tax decreased to Rs.20 cr from Rs.28 cr mainly due to increased losses in Foskor Zirconia and decrease in profit of Standalone Electro mineral business.

Ceramics

Consolidated revenues increased to Rs.152 cr from Rs.149 cr resulting in a growth of 2% on the back of better performances in CUMI America and CUMI Australia.

Profit before interest and tax increased to Rs.30 cr from Rs.28 cr on the back of product mix and better margins.

About the Murugappa Group

Founded in 1900, the INR 369 Billion (36,893 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, Bioproducts 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 50,000 employees.

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