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GROUP PRESS RELEASE 2023-24

Murugappa Group registers growth of 4.9% in turnover at ₹77,881 Crore. EBITDA of ₹11,554 Crore, up by 10.8%; PAT grew by 15.2% at ₹7,885 Crore. Market Capitalisation at ₹3,44,626 Crore

Chennai, August 20, 2024: The Murugappa Group registered a growth of 4.9% in turnover to ₹77,881 Crore during 2023-24 (previous year ₹74,220 Crore). Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) grew by 10.8%, to ₹11,554 Crore (previous year ₹10,426 Crore). Profit After Tax (PAT) was ₹7,885 Crore (previous year ₹6,846 Crore), registering a growth of 15.2%.

A: Group Highlights

1. Return on Equity of the Financial Services businesses improved marginally to 19.2% in the current year from 19.0% in previous year.
2. Return on Capital Employed of the Manufacturing Entities declined to 21.3% in the current year from 27.9% in previous year.
3. Manufacturing entities of the Group generated a Free Cash Flow of ₹1,229 Crore, which stood at 31% of their PAT.
4. Total Debt Equity has slightly decreased compared to the previous year (0.10 times as on 31st March 2024 vs 0.12 times as on 31st March 2023). The working capital in comparison to the total loan is at 5.70 times (previous year 4.02 times) in manufacturing entities.
5. Aggregate capital expenditure programmes towards expansion/debottlenecking/modernising/ digital initiatives/infrastructure facilities across Group companies, excluding M&A, were approximately ₹3,129 Crore during the year (previous year ₹1,592 Crore).
6. During the year, Group companies undertook the following capital expenditure:
   - Coromandel International Limited commissioned a state-of-the-art Sulphuric Acid plant at Visakhapatnam to further strengthen its backward integration capabilities. The plant was set up with an investment of ₹400 Crore, with a production capacity of 1,650 metric tonnes per day. This new facility increased Coromandel's Sulphuric acid capacity to 11 lakh tonnes per annum from 6 lakh tonnes per annum, supporting its requirement towards downstream processes involving Phosphoric acid and Phosphatic Fertilizer production.
   - Cholamandalam Investment and Finance Company Limited purchased 4.67 acres of land in Chennai from DLF IT Offices Chennai Private Limited, for ₹735 Crore.
   - E.I.D.-Parry (India) Limited commissioned a 120 KLPD distillery in its Haliyal facility and commenced commercial operations at full capacity from May 2024. The facility was set up with an investment of around ₹180 Crore.
   - CG Power and Industrial Solutions Limited, a subsidiary of Tube Investments of India Limited, undertook various capacity expansion programmes across low tension motors, switch gears, large industrial machines and power transformer segments at an outlay of ₹318 Crore.
   - TI Clean Mobility Private Limited, a wholly owned subsidiary of Tube Investments of India Limited, established production facilities for electric 3 wheelers and electric tractors at an investment of ₹44 Crore.

- IPLTech Electric, a subsidiary of TI Clean Mobility Private Limited, established a manufacturing facility for making electric heavy commercial vehicles at an investment of ₹67 Crore.

7. During the year, Group companies undertook the following major corporate actions:
   - Coromandel International Limited through its wholly owned subsidiary Coromandel Technology Limited acquired an additional 32.68% equity stake in Dhaksha Unmanned Systems Pvt. Ltd, at an outlay of ₹204 Crore. With this acquisition, Coromandel increased its stake in Dhaksha to 51%. Coromandel had previously acquired 18.34% in Daksha through its investment arm Dare Ventures Limited.
   - In May 2024, Coromandel International Limited, through its wholly owned subsidiary Coromandel Technology Limited, acquired a further 7% stake in Dhaksha Unmanned Systems Private Limited. Coromandel will invest ₹150 Crore through fresh issue of shares to increase its overall shareholding in Dhaksha to 58%.
   - TI Clean Mobility Private Limited, a wholly-owned subsidiary of Tube Investments of India entered into a definitive agreement for acquisition of 50% in the equity share capital of Jayem Automotives Private Limited (Jayem) through a combination of purchase of equity shares from Mr. Anand Jayachandran and Mr. B Jayachandran (the promoters of Jayem), from other existing shareholders of the company and by way of subscription to fresh equity shares, for an aggregate consideration of up to ₹206 Crore.
   - TI Clean Mobility Private Limited (TICMPL), a wholly owned subsidiary of Tube Investments of India entered into an agreement with Mr. Anand Jayachandran for pursuing electric small commercial vehicle business (e-SCV) through a subsidiary (incorporated as 'Tivolt Electric Vehicles Private Limited'). TICMPL will invest ₹160 Crore and Mr. Anand Jayachandran will be investing ₹40 Crore in the form of equity.
   - Cholamandalam Investment and Finance Company Limited launched a Qualified Institutional Placement (QIP) of equity shares (₹2,000 Crore) and Compulsorily Convertible Debentures (CCD) (₹2,000 Crore). The equity portion got subscribed 7 times at floor price of ₹1,180 per equity share, while the CCD portion was subscribed 2 times.

Note: Previous year's numbers have been re-grouped / re-stated, wherever necessary.

B: Company-wise Performance:

Figures in ₹ Crore

Group Companies	Net Sales		EBITDA	
	2023-24	**YoY Growth %**	**2023-24**	**YoY Growth %**
Cholamandalam MS General Insurance Company Limited	7,533	22.37%	477	62.49%
Cholamandalam Investment and Finance Company Limited	19,140	48.55%	4,803	28.58%
E.I.D.-Parry (India) Limited	7,361	31.83%	389	15.30%
Carborundum Universal Limited	4,628	0.59%	815	11.92%
Tube Investments of India Limited	16,335	13.19%	2,201	8.39%
Coromandel International Limited	22,007	-25.62%	2,604	-15.27%
Other Businesses	877	-10.19%	265	16.31%
Total	**77,881**	**4.93%**	**11,554**	**10.82%**

Note: Previous year's numbers have been re-grouped/re-stated, wherever necessary.

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C: Market Capitalisation

Market Capitalisation of the 9 listed companies of the Group aggregated to ₹3,44,626 Crore as of 31st Mar 2024 (previous year ₹2,25,320 Crore).

D: Sector highlights for 2023-24

Financial Services Businesses

Cholamandalam Investment and Finance Company Limited (CIFCL)

CIFCL's Assets Under Management (AUM) grew by 36% to ₹153,718 Crore as compared to ₹112,782 Crore in FY23. Aggregate disbursements for the year ended March 24 were at ₹88,725 Crore as against ₹66,532 Crore in the previous year registering a growth of 33% Y-o-Y.

Vehicle Finance (VF) business has clocked a volume of ₹48,348 Crore for the year ended March 2024 as against ₹39,699 Crore in the previous year, registering a growth of 22% Y-o-Y. Loan Against property (LAP) business disbursed ₹13,554 Crore as against ₹9,299 Crore for the year ended FY23, registering a growth of 46% Y-o-Y. Home Loan (HL) business disbursed ₹6,362 Crore as against ₹3,830 Crore for the year ended FY23, registering a growth of 66% Y-o-Y.

Small and Medium Enterprises Loan (SME) business disbursed ₹8,106 Cr in FY24, registering 27% growth over ₹6,388 Cr in FY23. Consumer and Small Enterprise Loans (CSEL) and Secured Business and Personal Loan (SBPL) verticals disbursed ₹11,281 Cr and ₹1,074Cr respectively in FY24.

Standalone PAT for the year ended March 2024 was at ₹3,423 Crore as against ₹2,666 Crore in FY23.

Return on Equity in FY24 was maintained at the previous year's level of 20.6%.

CIFCL's asset quality as on March 2024 represented by stage 3 assets had improved to 2.48% (3.01% last FY). Provision coverage was at 46.4% (46.0% last FY). The Capital Adequacy Ratio (CAR) of the company as of 31st March 2024, was at 18.6% as per Ind AS (previous year 17.1%) as against the regulatory requirement of 15.0%.

Cholamandalam MS General Insurance Company Limited (Chola MS)

Chola MS' Gross Written Premium increased 22.4% Y-o-Y to ₹7,533 Crore in FY 2023-24, driven by growth across motor, health and commercial lines of business. Combined Ratio (CoR) has declined to 109.91% in FY 2023-24 from 109.34% in the previous year. PAT was ₹331 Crore in FY 2023-24 as against ₹199 Crore in the previous year aided by improved underwriting as well as investment income. Chola MS reported a provision reversal of ₹9.6 Crore in the current year (previous year provision reversal was ₹7.5 Crore).

PAT excluding provision reversal is ₹324 Crore in FY 2023-24 as against ₹193 Crore in the previous year.

Chola MS ended the year with a solvency ratio of 1.79 times (previous year 2.01 times) as against the minimum regulatory requirement of 1.50 times.

Return on Equity in FY24 was at 13.3% against 9.2% in the previous year.

Investment income during the year was ₹1,117 Crore (previous year ₹887 Crore); Investment book size as of end March 2024 stood at ₹16,811 Crore (previous year ₹14,715 Crore).

The company operates from 195 branches across India.

Engineering Businesses

Carborundum Universal Limited (CUMI)
Consolidated sales for the full year, increased by 1% to ₹4,628 Crore from ₹4,601 Crore. PAT and non-controlling interest grew by 11% to ₹461 Crore against ₹414 Crore in the previous year.

Abrasives
For the full year, consolidated sales were at ₹2,091 Crore showing a growth of 3% compared to previous year's sales of ₹2,035 Crore. The domestic Abrasives division grew by 4% to ₹1,150 Crore during the current year (₹1,107 Crore in the previous year). Sales from wholly owned subsidiaries RHODIUS Abrasives GmbH, Germany (RHODIUS) and CUMI AWUKO GmbH, Germany (AWUKO), for the full year grew to ₹651 Crore, compared to ₹619 Crore during the previous year.

The Profit Before Finance Costs and Tax (PBIT) for the full year improved to ₹182 Crore from ₹105 Crore driven by better profitability of the domestic business, RHODIUS and AWUKO. The subsidiaries in America and India also registered growth.

Electro Minerals
For the full year, consolidated sales declined by 5% to ₹1,545 Crore from ₹1,634 Crore in the previous year. Excluding the Russian subsidiary's exchange rate impact, the consolidated sales grew by 8.9%.

Domestic division grew by 6% as compared to the previous year. The division witnessed double digit volume growth, but realisations were impacted on account of price pressure from Chinese imports.

The South African subsidiary registered a significant drop in revenues on account of postponement of orders by major customers.

The PBIT for the full year declined to ₹237 Crore from ₹275 Crore in the last year mainly due to lower profits in the domestic business and the losses incurred by the South African Subsidiary.

Ceramics
For the full year, consolidated sales grew by 5% to ₹1,077 Crore from ₹1,027 Crore during the previous year. The domestic ceramics division registered a 6% growth, from ₹834 Crore to ₹881 Crore. Subsidiaries in Australia and America registered significant growth.

PBIT increased 14% from ₹251 Crore to ₹286 Crore, driven by improved profits in the domestic division and subsidiaries.

Tube Investments of India Limited (TII)

For FY 2023-24, TII's consolidated net sales for the year was at ₹16,335 Crore as against ₹14,431 Crore in the previous year. The PBIT for the year was ₹1,683 Crore as against ₹1,592 Crore in the previous year.

Engineering
The revenue for the full year was at ₹4,921 Crore compared with ₹4,562 Crore in the previous year. PBIT for the year was at ₹617 Crore as against ₹549 Crore in the previous year, registering a growth of 12%.

Mobility
The revenue for the full year was at ₹664 Crore compared with ₹800 Crore in the previous year. Loss Before Interest and Tax for the year was at ₹18 Crore as against a PBIT of ₹17 Crore in the previous year.

Metal Formed Products
The revenue for the full year was at ₹1,519 Crore compared with ₹1,424 Crore in the previous year. PBIT for the year was at ₹187 Crore, as against ₹174 Crore in the previous year, registering a growth of 7%.

Other divisions
The revenue for the full year was ₹834 Crore compared with ₹768 Crore in the previous year. PBIT for the full year was ₹65 Crore as against ₹48 Crore in the previous year, registering a growth of 35%.

CG Power and Industrial Solutions Limited
The consolidated revenue for the full year was ₹8,046 Crore compared with ₹6,973 Crore for the previous year. The consolidated PBIT was ₹1,137 Crore compared to ₹950 Crore in the previous year.

Shanthi Gears Limited
Shanthi Gears' revenue for the full year was at ₹536 Crore compared with ₹446 Crore in the previous year. PBIT for the year was at ₹110 Crore as against ₹90 Crore in the previous year.

Agri-businesses

Coromandel International Limited (CIL)

For the year ended 31 March 2024, the Company's consolidated net sales were ₹22,007 Crore (previous year ₹29,587 Crore). Earnings Before Depreciation, Interest, Taxes, and Exceptional Items (EBITDA) was ₹2,604 Crore, registering a de-growth of 15% over previous year (₹3,073 Crore) and PAT was ₹1,641 Crore (previous year ₹2,013 Crore) at a decline of 18%.

The Nutrient & Allied business revenue for FY24 declined by 27% to ₹19,749 Cr vs. ₹27,162 Cr in previous year. PBIT for FY24 was ₹2,176 Cr as against ₹2,594 Cr in the previous year.

The Crop Protection Business revenue for FY24 declined by 6% to ₹2,454 Cr vs. ₹2,617 Cr in previous year. PBIT for FY24 was ₹288 Cr as against ₹358 Cr in the previous year.

E.I.D.-Parry (India) Limited (EID)

E.I.D. Parry reported consolidated net sales, excluding Coromandel International Limited, of ₹7,361 Crore in FY 2023-24, registering a growth of 32% over the previous year. EBITDA has improved by 15% from ₹337 Crore in FY 2022-23 to ₹389 Crore in FY 2023-24, on account of improved performance in refinery as well as distillery segments.

For FY 2023-24, EID achieved net PAT of ₹76 Crore, against previous year's net PAT of ₹13 Crore.

Other Businesses

This business group consists of Plantations, Floor Covering / Home Textiles, Technical Textiles / Shade Nets, Risk services and Water treatment solutions. The net sales of this business group were recorded at ₹877 Crore registering a decline of 10.2% as compared to the previous year. EBITDA grew by 16% from ₹227 Crore in FY 2022-23 to ₹265 Crore in FY 2023-24.