Murugappa Group

An Overview
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Murugappa Group in a Nutshell

- Years: 119
- Consolidated Turnover (Rs. Crs.): 36,893
- Group Market Cap. (Rs. Crs.): 66,000+
- Sectors: 3
- Businesses: 28
- Listed Companies: 9
- Countries: 18
- Manufacturing Locations (incl. overseas): 90+
- Work-force (Nos.): 50,000
9 Listed Companies
Other Group Companies & JVs

Volzhsky Abrasive Works
Group Philosophy

“The fundamental principle of economic activity is that no man you transact with will lose, then you shall not.”

- An excerpt from Arthashastra
<table>
<thead>
<tr>
<th>Year Range</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900 - 1915</td>
<td>A. M. Murugappa Chettiar lays the foundation of the Group by establishing a money-lending and banking business with Ramanathan Chettiar under the name A.M.M. Rm. Firm.</td>
</tr>
<tr>
<td>1915 - 1934</td>
<td>The Company diversifies into textiles, rubber plantation, insurance and stock broking. Expands businesses to Malaya, Vietnam and Ceylon.</td>
</tr>
<tr>
<td>1935 - 1949</td>
<td>Just before the Japanese invasion of Burma in World War II, the Company strategically moves its assets back to India. Invests in steel furniture and emery paper.</td>
</tr>
<tr>
<td>1950 - 1980</td>
<td>New companies TI of India and CUMI are established. Company enters the Financial Services sector with Cholamandalam Investment &amp; Finance Co.</td>
</tr>
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</table>
Decades Of Growth

1981 - 1990
New acquisitions take place demonstrating that Company’s capability to turn around businesses. Existing Companies and new acquisitions are consolidated and the Murugappa Group is formed.

1991-2000
The Group is restructured where core businesses are streamlined and portfolios are realigned. It takes on an aggressive growth path while driving into the domestic market.

2000 ONWARDS
The Group continues to increase its global presence through joint ventures with leading international firms. Its domestic capacity is on the rise through new product launches, newer acquisitions and Green field projects. The future holds the promise of significant opportunities, challenges, achievements and growth. And the Murugappa Group is poised to embrace it all with the zeal and positive energy that has come to be synonymous with the Group.
Evolution Of The Group

- **(1900–1915)**
  - Started a money lending and banking business in Burma.

- **(1915–1934)**
  - Diversified into Textiles, Rubber, Plantations, Insurance and Stock Broking, Expanded business into Malaysia and Ceylon.

- **(1934–1949)**
  - Shifted base to India, Invested in Steel, Furniture and Emery Paper.

  - Started TII and CUMI.

  - Acquired Godavari Fertilizers (2009)

  - Formation of Diversified Business Group (DBG), Acquisition of Sadashiva Sugar Plant by EID

  - Acquisition of Strategic stake in TIFERT, Tunisia; Business Agreement with Foskor by Coromandel; Acquisition of VAW, Russia by CUMI

  - Acquisition of Godavari Fertilizers (2009)

  - Formation of the Murugappa Group, Acquisition and turnaround of companies

- **(2011–2015)**
  - Acquisition of GMR Industries by EID in AP and KN, SEDIS by TII (71% stake), Sabero by CIL

- **(2015–2020)**
  - Founded the AMM Charities Trust

- **(2020–2022)**
  - Acquisition of Strategic stake in TIFERT, Tunisia; Business Agreement with Foskor by Coromandel; Acquisition of VAW, Russia by CUMI

- **(2022–present)**
  - Acquisition of Godavari Fertilizers (2009)
Liberty Phosphates and Sabero merged with Coromandel (2014-15)

JV formed between Coromandel, TII and Yanmar for farm equipment (2014)

TII Tsubamex JV pact (75% stake) (2013)

Acquisition of Shanthi Gears by TII (70% stake) (2013)

Acquisition of Liberty Phosphates (2012)

Acquired 49% stake from Cargill making Silk road sugar a 100% subsidiary of EID Parry; Renamed as ‘Parry Sugar Refinery’ (2012)

TII - JV with Synthite (2018)

EID Parry - JV with Synthite (2018)


Coromandel International acquired the Bio-Products Division of EID Parry (2018)
Overseas Presence

Overseas Manufacturing Locations – 8 plants in 7 countries

USA
- Nutraceuticals, Industrial Ceramics

Chile
- Astaxanthin

Tunisia
- Phosphoric Acid

South Africa
- Zirconia, Phosphoric Acid

France
- Industrial Chains

UK
- Textiles Marketing

ME
- Materials, Abrasives

Russia, China
- Electro Minerals, Abrasives

Sri Lanka
- Cycles

Thailand
- Materials, Abrasives

Australia
- Industrial Ceramics

Marketing & Distribution Bases in
- Argentina, Australia, Brazil, Netherlands, Philippines, South Africa, Thailand, UK, USA
82 manufacturing locations across 16 states in India
Setting Standards In Our Fields

**Russia**
- Silicon Carbide Electro Minerals

**Pan India**
- Precision Steel Tubes
- Abrasives
- Electro Minerals
- Bicycles
- Transmission Chains

**Regional**
- Phosphatic Fertilisers
- Sugar
- Non-Banking Financial Services
Overall Group Performance

**Turnover**
- 2017-18: Rs. 33,079 Crores
- 2018-19: Rs. 36,893 Crores

**EBITDA**
- 2017-18: Rs. 4,618 Crores (14.0%)
- 2018-19: Rs. 5,190 Crores (14.1%)
Overall Group Performance

**PBT (before EOI)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs Crores</th>
<th>2017-18</th>
<th>2018-19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3,600</td>
<td>4,057</td>
<td>13%</td>
</tr>
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</table>

**PBT (after EOI)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs Crores</th>
<th>2017-18</th>
<th>2018-19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3,512</td>
<td>4,236</td>
<td>21%</td>
</tr>
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</table>
Group Market Capitalization (Indexed Mar-18 to Mar-19)

- Rs. 67,117 Crs. Market Cap
- 19,097 Nifty Mid-Cap
- Rs. 66,088 Crs. Market Cap (2% decline)
- 18,259 Nifty Mid-Cap (4% decline)

Note: Listed companies of the Murugappa Group
Coromandel International Ltd.

- 2nd largest phosphatic player in India
- Revenue: Rs. 13,159 Cr. (19% growth)
- Market Cap: Rs. 14,270 Cr. (-5% de-growth)
- Manufacturing Locations: 20

Partnerships

- NPK Fertilisers, Single Super Phosphate
- Crop Protection – Chemicals & Bio*
- Specialty Nutrients – Water Soluble Fertilisers, Micro Nutrients
- Organic Fertilisers
- Mana Gromor Centres – Agri Retail venture
- Services – Farm mechanisation, farm credit, crop insurance

*Acquired Bio division of EID Parry w.e.f. 01-Apr-2018
Financial Performance

**Turnover**

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Crores</td>
<td>11,027</td>
</tr>
</tbody>
</table>

Change: 19%

**EBITDA**

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Crores</td>
<td>1,316</td>
</tr>
</tbody>
</table>

Change: 13%

**PAT**

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Crores</td>
<td>691</td>
</tr>
</tbody>
</table>

Change: 4%
EID - Parry (India) Limited

- Largest sugar manufacturer in South India
- Revenue: Rs. 3,283 Cr. (-28% de-growth)
- Market Cap: Rs. 3,643 Cr. (-26% de-growth)
- Manufacturing Locations: 17
- Partnerships: Syntihite

- Sugar, Co-gen & Distillery
- Nutritional Health Supplements
- Port-based Parry Sugar Refinery in Kakinada

Revenue and Market Cap represent decreases in revenue and market capitalization.
Financial Performance

Turnover

- **FY18**: Rs 4,569 Crores
- **FY19**: Rs 3,283 Crores
- **Change**: -28%

EBITDA

- **FY18**: Rs 405 Crores, 8.8%
- **FY19**: Rs 198 Crores, 6.0%
- **Change**: -51%

PAT

- **FY18**: Rs 28 Crores, 0.6%
- **FY19**: Rs 79 Crores, 2.4%
- **Change**: 177%
Tube Investments of India Limited

- Largest manufacturer of precision tubes in India
- 2nd largest manufacturer of cycles & transmission chains in India
- Revenue: Rs 5,464 Cr. (15% growth)
- Market Cap: TII Rs 7,161 Cr. SGL Rs 1,075 Cr.
- Manufacturing Locations: 19

Tube Products of India (TPI)
TI Cycles of India (TICI)
TIDC India (TIDC)
TI Metal Forming (TIMF)
Shanthi Gears Ltd. (SGL)
SEDIS Group, France
Financial Performance

Turnover

FY18: 4,760 Rs Crores
FY19: 5,464 Rs Crores

EBITDA

FY18: 442 Rs Crores
FY19: 598 Rs Crores

PAT

FY18: 156 Rs Crores
FY19: 251 Rs Crores
Carborundum Universal Limited

- Largest Electro-Minerals & Abrasives player in India
- Largest Silicon Carbide player in Russia
- Revenue: Rs 2,656 Cr. (14% growth)
- Market Cap: Rs 7,632 Cr. (17% growth)
- Manufacturing Locations: 20

Partnerships:
- Morgan Advanced Materials
- WENDT
- CIRIA
- VIBAÇ GROUP
- Foskor Zirconia

Product Offerings:
- Coated Abrasives, Bonded Abrasives, Super Abrasives
- Sintered Aluminum Oxide & Silicon Carbide
- Industrial Ceramics (IC), Bio-Ceramics
- Super Refractories, Anticorrosion products
Financial Performance

**Turnover**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>2,330</td>
</tr>
<tr>
<td>FY19</td>
<td>2,656</td>
</tr>
</tbody>
</table>

Increase: 14%

**EBITDA**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs Crores</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>422</td>
<td>18.1%</td>
</tr>
<tr>
<td>FY19</td>
<td>466</td>
<td>17.5%</td>
</tr>
</tbody>
</table>

Increase: 10%

**PAT**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs Crores</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>220</td>
<td>9.4%</td>
</tr>
<tr>
<td>FY19</td>
<td>248</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

Increase: 13%
Cholamandalam Investment and Finance Company Limited

- **AUM**: Rs. 54,279 Cr. (26% growth)
- **Disbursements**: Rs. 30,451 Cr. (21% growth)
- **Market Cap**: Rs. 22,624 Cr. (No change)
- **Branches across India**: 900
- **Customers**: Over 1 million

- **Vehicle Finance**
- **Home Equity**
- **Small and Medium Enterprises Lending**
- **Home Loans**
## Financial Performance

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disbursement (Rs Cr)</td>
<td>25,114</td>
<td>30,451</td>
<td>21%</td>
</tr>
<tr>
<td>Assets Under Management (Rs Cr)</td>
<td>42,924</td>
<td>54,279</td>
<td>26%</td>
</tr>
<tr>
<td>Profit Before Tax (Rs Cr)</td>
<td>1,401</td>
<td>1,832</td>
<td>31%</td>
</tr>
<tr>
<td>Profit After Tax (Rs Cr)</td>
<td>918</td>
<td>1,197</td>
<td>30%</td>
</tr>
<tr>
<td>Gross Non Performing Assets</td>
<td>3.4%</td>
<td>2.7%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Capital Adequacy Ratio</td>
<td>18.4%</td>
<td>17.6%</td>
<td></td>
</tr>
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Note: The company transitioned from IGAAP to Ind AS during FY 2018-19
Cholamandalam MS General Insurance Company Limited

- **JV with**: Mitsui Sumitomo Insurance
- **GWP**: Rs. 4,428 Cr. (8% growth)
- **Investment book size**: Rs. 7,596 Cr. (19% growth)
- **Branches across India**: 90
- **Banca Partners**

- **Motor - Own Damage**
- **Motor - Third Party**
- **Fire, Property, Marine**
- **Health & Accident**
## Financial Performance

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Written Premium (Rs. Cr)</td>
<td>4,103</td>
<td>4,428</td>
<td>8%</td>
</tr>
<tr>
<td>Investment Income (Rs. Cr)</td>
<td>489</td>
<td>538</td>
<td>10%</td>
</tr>
<tr>
<td>Profit After Tax (Rs. Cr)</td>
<td>243</td>
<td>179</td>
<td>-26%</td>
</tr>
<tr>
<td>Investment book size (Rs. Cr)</td>
<td>6,363</td>
<td>7,596</td>
<td>19%</td>
</tr>
<tr>
<td>Combined Ratio</td>
<td>100.79%</td>
<td>104.60%</td>
<td></td>
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</table>
Diversified Business Group

Parry Agro and New Ambadi (Plantations)
- Tea Plantations
- Rubber Plantations

Ambadi
- Home furnishings supplied to global brands

Parry Enterprises India Ltd
- Marketing of food intermediaries, travels

Coromandel Engineering
- Construction and Property Development
Research & Development

19 DSIR Labs

Sugarcane R&D

Coromandel - Vizag

44 Patents filed in FY19
A birds paradise within our Kakinada plant

Once a marshy water-logged area, has today transformed into a serene, lush green-belt proving to be an ideal habitat for diverse species of birds while greatly contributing to biodiversity and conservation of the ecosystem.

Home to over 100 bird species including 24 long-distance migratory species.
AMM Foundation – Healthcare Initiatives

4 hospitals run by AMM Foundation

8 lakh out-patients and over 12,000 in-patients

OP block & New OT block renovation work at Sir Ivan Stedeford Hospital has been initiated

Mobile Health Van service in Haliyal (North Karnataka), Sarigam (Gujarat), Deckiajuli (Assam), and Uttrakhand
AMM Foundation – Education Initiatives

4 schools and 1 Polytechnic College (~10,000 students, of which 7000 belong to marginalised communities)

AMM Murugappa Chettiar Centenary Scholarships (full fee) for 70 economically backward students

Mobile Science Van - facilitated science education in 40 govt. and govt-aided schools in Sivagangai district

Murugappa Youth Football Academy currently coaches around 96 students in football
Company CSR initiatives

TII’s - Basic Training Centre (BTC)
Currently 137 trainees are undergoing skill & technical training at Avadi

CUMI’s Centre for Skill Development
Currently 260 trainees are undergoing skill & technical training at the Hosur, Edapally & Ranipet centres
Launched in March 2019, #JaldiKyaHai is a road safety initiative against over-speeding, by Chola Finance. Using social media, they promoted the message – ‘drive safe’ through a series of multilingual social awareness films. The campaign hopes to bring about a change in the behaviour of road users and make roads safer. This campaign has since garnered over 30 million views across social media platforms and 41 million listeners across 16 states and 32 cities.
The Spirit of the Murugappa Group

These five lights guide us as we navigate through professional and personal decisions.
Thank You