



## **Carborundum Universal's Consolidated Q1 Net Sales down by 2% on a sequential basis**

### **Consolidated Operating PBT up by 7%**

**Chennai, 1<sup>st</sup> August 2014:** The Board of Directors met today and approved the results for the quarter ended 30<sup>th</sup> June 2014.

#### **Consolidated Q1 financial performance**

**Consolidated net sales increased by 3% to Rs.516 crores from Rs.501 crores, on a quarter on quarter basis.** PBT decreased by 10% from Rs.47 crores to Rs.42 crores in the current quarter. On a sequential basis, sales dropped by 2% but PBT increased by 7%.

The increase in sales on quarter on quarter basis was largely due to better performance across all businesses. The electro minerals division witnessed increase in volumes in silicon carbide business in Russia. On a sequential basis, however, Abrasives and Ceramics degrew on the back of lower volumes.

Profitability of Electro minerals and Ceramic businesses improved both on a sequential and quarter on quarter basis. Profitability of Abrasives improved on a sequential basis; however it was lower than corresponding quarter of last year. The company improved standalone debt equity, which is at its lowest.

PBIT decreased by 9% from Rs.54 crores in sequential quarter to Rs.49 crores in the current quarter. On a sequential basis, that was an increase of 4%.

The profit after tax and after minority interest dropped from Rs.28 crores to Rs.27 crores. However sequentially PAT was better by 10%

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

##### **Abrasives**

Sales of the abrasives business on a consolidated basis registered an increase of 3% in a quarter on quarter basis. Sales for the quarter was Rs.212 crores (Rs.206 crores for the corresponding quarter of last year). On a sequential basis, this was a drop of 2%.

Profit before interest and tax on a consolidated basis recorded an increase of 39% as against the quarter ending March. However there was a drop by a similar percentage amount on a quarter on quarter basis. The broader business performance of the Abrasives' user industries continues to be moderate.



## **Electro Minerals**

At a consolidated level, the net sales for Q1 at Rs. 202 crores delivered a growth of 4% for both the periods.

Profit before interest and tax at consolidated level increased from Rs. 17 cr to Rs. 26 cr on a sequential quarter basis. On a quarter on quarter basis, the gain was 2%. This was largely due to higher volumes in Silicon carbide business in Russia.

## **Ceramics**

The ceramics segment recorded a 3% gain in sales on a quarter on quarter basis at Rs. 115 cr. On a sequential basis, this was a drop of 7%.

Refractories sales were lower owing to delayed project orders from user industries. Australian entity registered lower sales. Industrial Ceramics division witnessed a reduced offtake from export customers owing to delay in project schedules.

Profit before interest and tax of the ceramics business at consolidated level recorded an increase of 13% from Rs.15 crores to Rs. 17 crores, on a quarter on quarter basis. On a sequential basis, it was flat.

## **About the Murugappa Group**

Founded in 1900, the INR 225 Billion Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eleven 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., Sabero Organics Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilizers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies like Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Crucible and Sociedad Química y Minera de Chile (SQM). The Group has a wide geographical presence spanning 13 states in India and 5 continents.

Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, Chola, Gromor and Paramfos are from the Murugappa stable. The organization 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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