



TUBE INVESTMENTS OF INDIA LTD's STANDALONE Q1 PBT BEFORE EXCEPTIONAL ITEMS AT Rs. 130 Cr

The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the Quarter ended 30th June 2021.

Standalone Results for the Quarter:

- Revenue in Q1 was at Rs.1,257 Cr compared with Rs.379 Cr of same period previous year.
- **PBT** (before exceptional items) was of Rs.130 Cr as against a loss of Rs. 69 Cr in the same period previous year.
- **ROIC** (annualized) at 41% for the quarter ended 30th June 2021 compared with (19%) in the previous year same period.
- **Free Cash Flow (FCF)** for the quarter was negative at Rs. 134 Cr as against Rs. 49 Cr in the same period previous year. During Q1, inventory levels went up due to unexpected lockdown conditions during May'21 and the creditors had to be paid as per agreed terms. We are expecting the NWC levels to improve during Q2.

Review of Businesses

The Company, with effect from this quarter, in accordance with the core principles of IND AS 108 – Operating Segments, considers the below as the reportable segments.

Engineering

This segment comprises of cold rolled steel strips and precision steel tubes viz., Cold Drawn Welded tubes (CDW) and Electric Resistance Welded tubes (ERW). The Revenue for the quarter was at Rs.815 Cr compared with Rs.164 Cr in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.83 Cr as against loss of Rs.27 Cr in the corresponding quarter of the previous year.

Metal Formed Products

This segment comprises of Automotive chains, fine blanked products, stamped products, roll-formed car doorframes and cold rolled formed sections for railway wagons and passenger coaches. The Revenue for the quarter was at Rs.245 Cr compared with Rs.97 Cr in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.26 Cr as against loss of Rs.33 Cr in the corresponding quarter of the previous year.

Mobility

This segment comprises of Standard bi-cycles, Special bi-cycles, including alloy bikes and Specialty performance bikes, fitness equipment and 3-wheeler electric vehicle. The division has registered revenue of Rs.172 Cr during the quarter compared with Rs.100 Cr in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.7 Cr, compared to the loss of Rs.6 Cr in the corresponding quarter of the previous year.

Others

This segment comprises of industrial chains and new businesses. The Revenue for the quarter was at Rs.88 Cr compared with Rs.30 Cr in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.10 Cr as against loss of Rs.5 Cr in the corresponding quarter of the previous year.

Consolidated Results

TII's consolidated Revenue for the quarter was Rs. 2,437 Cr as against Rs. 457 Cr in the corresponding quarter of the previous year. The profit before tax (before exception) for the quarter was at Rs. 185 Cr as against loss of Rs. 77 Cr in the corresponding quarter of the previous year.

CG Power and Industrial Solutions Ltd, a subsidiary company, in which the Company holds 53.16% stake, registered a consolidated revenue of Rs. 1050 Cr during the quarter as against Rs. 363 Cr in the corresponding quarter of the previous year. Profit before tax (before exceptional items) for the quarter was at Rs. 75 Cr as against a loss of Rs. 162 Cr in the corresponding quarter of previous year.

Shanthi Gears Ltd., a subsidiary company in the Gears Business, in which the Company holds 70.47% stake, registered revenue of Rs. 67 Cr during the quarter as against Rs. 25 Cr in the corresponding quarter of the previous year. Profit before tax for the quarter was at Rs. 12 Cr as against loss of Rs. 5 Cr in the corresponding quarter of previous year.

Commenting on the financial results, Mr. M.A.M Arunachalam (known as Arun Murugappan), Chairman, Tube Investments of India Ltd

TII has delivered healthy performance for the quarter despite partial disruption in the operations in some of the businesses of the Company due to the impact of the 2nd wave of Covid-19 pandemic. The company witnessed good demand in the Engineering and the Metal Formed Products business. The signs of exports are encouraging with the opening of overseas markets. With revival of the operations we expect the momentum to pick up in the coming months.

About Murugappa Group

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions 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, 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, 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 51,000 employees.

For more details, visit <https://www.murugappa.com/>

For further information, please contact:

Gopi Kannan. S
Murugappa Group
+91-9500011238

Bhargav TS
Adfactors PR
+91-9884883350