



TUBE INVESTMENTS OF INDIA LTD STANDALONE Q4 PAT UP BY 167%

The Board of Directors of Tube Investments of India Limited (TII), formerly known as TI Financial Holdings Limited met today and approved the financial results for the Quarter ended 31st March 2019. The Board has recommended a final dividend of ₹0.75 per share for the year ended 31st March 2019. The Board had declared an interim dividend of ₹1.75 per share which was paid to the shareholders in February 2019.

Highlights:

The Company continues to focus on 4 key priorities of revenue growth, profitability, ROCE and Free Cash Flow (FCF). TII delivered decent performance on all these 4 priorities during Q4:

- Revenue of ₹1224 Cr. in the quarter with a **10% growth** over Q4 of last year. Revenue of ₹5286 Cr. for the year with **16% growth** over last year.
- **PBT** (before exceptional items) of ₹86 Cr., a **growth of 75%** over Q4 of last year. PBT (before exceptional items) of ₹371 Cr. with a **growth of 70%** over last year.
- **ROCE** at 21% for the year ended 31st March 2019.
- Cumulative **Free cash flow** of Rs. 208 Crs for the year ended 31st March 2019, which is 85% of PAT. This has resulted in the net debt reduction by ₹173 Cr., from ₹660 Cr to ₹487 Cr.

Standalone Results

TII's Revenue for the quarter was higher by 10% at ₹1224 Cr. as against ₹1109 Cr. in the corresponding quarter of the previous year. The profit after tax for the quarter was at ₹55 Cr. as against ₹21 Cr. in the corresponding quarter of the previous year. For the year ended 31st March 2019, higher profitability and lower capital employed enabled improvement in Return on Capital Employed (ROCE) to 21% from 14% in the previous year. The results for the year ended 31st March 2019 have considered an impairment provision of ₹12 Cr. pertaining to its Joint venture Company. The Company generated a cumulative free cash flow of ₹208 Cr. for the year ended 31st March 2019.

Review of Businesses

Engineering

The Revenue for the quarter was at ₹659 Cr. compared with ₹628 Cr. in the corresponding quarter of the previous year, registering a growth of 5%. Profit before interest and tax for the quarter was ₹65 Cr. as against ₹46 Cr. in the corresponding quarter of the previous year, registering a growth of 42%.

The Revenue for the full year was at ₹2896 Cr. compared with ₹2299 Cr. (net of excise duty) in the previous year, registering a growth of 26%. Profit before interest and tax for the year was at ₹254 Cr. as against ₹175 Cr. in the previous year, registering a growth of 45%. For the year ended March 2019, ROCE of this division improved to 37% as against 26% in the previous year.

Cycles and Accessories

This division has registered revenue growth of 16% during the quarter compared with corresponding quarter in the previous year, mainly because of higher institution sales during the quarter. Loss before interest and tax for the quarter was ₹6 Cr. as against loss before interest and tax of ₹20 Cr. in the corresponding quarter of the previous year.

The Revenue for the full year was at ₹1238 Cr. compared with ₹1300 Cr. (net of excise duty) in the previous year, mainly because of lower institutional sales in the current year. Profit before interest and tax for the year was at ₹11 Cr. as against ₹0.34 Cr. in the previous year. For the year ended March 2019, ROCE of this division improved to 6%.

Metal Formed Products

The Revenue for the quarter was at ₹358 Cr. compared with ₹307 Cr. in the corresponding quarter of the previous year, registering a growth of 17%. Profit before interest and tax for the quarter was ₹30 Cr. as against ₹28 Cr. in the corresponding quarter of the previous year, registering a growth of 5%.

The Revenue for the full year was at ₹1360 Cr. compared with ₹1150 Cr. (net of excise duty) in the the previous year, registering a growth of 18%. Profit before interest and tax for the year was at ₹123 Cr. as against ₹102 Cr. in the previous year, registering a growth of 20%. For the year ended March 2019, ROCE of this division improved to 27% as against 26% in the previous year.

Consolidated Results

TII's consolidated Revenue for the quarter was higher by 10% at ₹1347 Cr. as against ₹1225 Cr. in the corresponding quarter of the previous year. The profit after tax for the quarter was at ₹56 Cr. as against ₹39 Cr. in the corresponding quarter of the previous year.

TII's consolidated Revenue for the year was higher by 15% at ₹5775 Cr. as against ₹5000 Cr. (net of taxes) in the previous year. The profit after tax for the year was at ₹251 Cr. as against ₹156 Cr. in the previous year.

Shanthi Gears Ltd., a subsidiary company in the Gears Business, in which the Company holds 70.12% stake, registered revenue of ₹60 Cr. during the quarter as against ₹55 Cr. in the corresponding quarter of the previous year, registering a growth of 10%. Profit after tax for the quarter was at ₹6 Cr. as against ₹10 Cr. in the corresponding quarter of previous year. The Revenue for the full year was at Rs.243 Cr, compared with Rs.214 Cr (net of excise duty) in the previous year. Profit before tax for the year was at ₹42 Cr. as against ₹33 Cr. in the previous year

About Murugappa Group

Founded in 1900, the ₹329 Billion (32,893 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 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., TI Financial Holdings 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.

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