



TUBE INVESTMENTS OF INDIA LTD STANDALONE OPERATING PBT UP BY 8%

Chennai, 7th May 2018: The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the quarter and year ended 31st March 2018. The Board has recommended a final dividend of ₹0.50 per share for the year ended 31st March 2018. The Board had declared an interim dividend of ₹1.25 per share which was paid to the shareholders in February 2018.

Standalone Results

For the year 2017-18, TII's Revenue was higher by 12% at ₹4598 Cr. as against ₹4109 Cr. (net of excise duty) in the previous year. The profit before tax and exceptional items for the year was at ₹218 Cr. as against ₹202 Cr. in the previous year, registering a growth of 8%. Despite slowdown in Bi-cycles sales, strong growth in Auto sector helped the Company.

TII's Revenue for the quarter was at ₹1116 Cr. as against ₹1090 Cr. (net of excise duty) in the corresponding quarter of the previous year. The profit before tax and exceptional items for the quarter was at ₹49 Cr. as against ₹42 Cr. in the corresponding quarter of the previous year, registering a growth of 18%.

The results have considered an impairment provision of ₹25.25 Cr. pertaining to its Joint ventures, considering the current performance and future outlook.

Review of Businesses

Engineering

In domestic tubes, we continue to improve our market share through better quality and service. The sales of Large Diameter Tubes recorded a growth of 70% through better efficiency and throughput. Engineering division has registered revenue growth of 24% (net of excise duty) during the year and Profit before interest and tax for the year was ₹175 Cr. as against ₹146 Cr. in the previous year, a growth of 20%.

This division has registered revenue growth of 27% (net of excise duty) during the quarter, aided by growth in domestic sales of Tubes. Profit before interest and tax for the quarter was ₹46 Cr. as against ₹25 Cr. in the corresponding quarter of the previous year.

Cycles and Accessories

The Market condition of the Bicycles segment continues to be difficult. Trade volumes declined by 10%. The division's sales in Institution segment have offset, to some extent, the drop in trade segment. Premium Cycles Segment grew by 29%. This division continues to pursue aggressive cost reduction measures to mitigate the drop in volumes. The revenue of this segment dropped by 3% (net of excise duty) during the year. Profit before interest and tax for the year was ₹0.33 Cr. as against ₹36 Cr. in the previous year.

This division has registered a revenue drop of 40% (net of excise duty) during the quarter. Loss before interest and tax for the quarter was ₹20 Cr. as against the profit of ₹6 Cr. in the corresponding quarter of the previous year.

Metal Formed Products

Revenue of this division, with a product range of doorframes, chains and fine banking products catering to Auto sector, registered a growth of 11% (net of excise duty) during the year and Profit before interest and tax for the year was ₹102 Cr. as against ₹88 Cr. in the previous year, a growth of 16%.

This division has registered revenue growth of 18% (net of excise duty) during the quarter compared with corresponding quarter in the previous year. Profit before interest and tax for the quarter was ₹28 Cr. as against ₹20 Cr. in the corresponding quarter of the previous year.

Consolidated Results

For the year 2017-18, TII has recorded revenue of ₹5027 Cr. as against ₹4493 Cr. (net of excise duty) in the previous year, registering a growth of 12%. TII achieved consolidated Profit after tax of ₹156 Cr. as against ₹174 Cr. in the Previous Year.

Shanthi Gears Ltd., a subsidiary company in the industrial gears business, in which the Company holds 70.12% stake, registered a revenue growth of 16% (net of excise duty) for the year compared with the previous year. The revenue for the year was ₹214 Cr. as against ₹184 Cr. in the previous year. Profit after tax for the year was at ₹29 Cr. as against ₹23 Cr. in the previous year, registering a growth of 27%.

About Murugappa Group

Founded in 1900, the INR 300 Billion 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.

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 35,000 employees.

For more details, visit www.murugappa.com.

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