



TUBE INVESTMENTS OF INDIA LTD CONSOLIDATED Q4 NET PROFIT UP BY 15%

The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the quarter and the year ended 31st March, 2014. The Board has recommended a final dividend of ₹0.50 per share (25% of the face value of ₹2 per share). The Board had declared an interim dividend of ₹1.50 per share (75 % of the face value of ₹2 per share) which was paid to the shareholders in February 2014.

Consolidated Results

For the year 2013-14, TII has achieved consolidated revenue of ₹8834 Cr., a growth of 14% against the previous year and consolidated Net Profit before Minority Interest of ₹518 Cr., a growth of 13% against the previous year. Net profit after minority interest for the year 2013-14 was at ₹311 Cr. against ₹289 Cr. for the previous year.

During the quarter ended 31st March 2014, TII has achieved consolidated revenue of ₹2282 Cr., a growth of 8% against the corresponding quarter in the previous year and consolidated Net Profit before Minority Interest of ₹121 Cr., a growth of 2% against the corresponding quarter in the previous year. Net profit after minority interest for the quarter ended 31st March 2014 was at ₹69 Cr. against ₹60 Cr. for the corresponding quarter in the previous year.

Cholamandalam Investment & Finance Company Ltd, a subsidiary company in the financial service business, registered an impressive growth of 17% and 28% in Revenue for the quarter and the year respectively. Profit after Tax (PAT) for the year was at ₹364 Cr. against ₹307 Cr. in the previous year, registering an impressive growth of 19%. Profit after Tax (PAT) for the quarter was at ₹91 Cr. against ₹86 Cr. for the corresponding quarter in the previous year, registering a growth of 6%.

Cholamandalam General Insurance Company Ltd., a general insurance subsidiary of the Company registered a growth of 15% and 13% in Gross Written Premium during the quarter and the year respectively. Gross Written Premium for the year was at ₹1872 Cr. as against ₹1652 Cr. and the PAT for the year was at ₹70 Cr. as against ₹60 Cr. compared with the previous year. Gross Written Premium for the quarter was at ₹540 Cr. as against ₹470 Cr. and the PAT for the quarter was at ₹19 Cr. as against ₹23 Cr. compared with corresponding quarter in the previous year.

Shanthi Gears Ltd., a subsidiary company in the Gears Business, registered a revenue growth of 3% and 6% for the quarter and the year respectively. Profit after Tax (PAT) for the year was at ₹18 Cr. as against ₹15 Cr., a growth of 19% compared with the previous year. Profit after Tax (PAT) for the quarter was at ₹4 Cr. as against ₹2 Cr., a growth of 92% compared with corresponding quarter in the previous year.

Standalone Results

TII's Revenue for the year was marginally lower at ₹3526 Cr. as against ₹3566 Cr. in the previous year. The profit before interest and tax for the year was higher by 4% at ₹264 Cr. as against ₹255 Cr. in the previous year. The PAT for the year was ₹94 Cr. as compared to ₹104 Cr. in the previous year.

TII's Revenue for the quarter was higher by 6% at ₹890 Cr. as against ₹837 Cr. for the corresponding quarter in the previous year. The profit before interest and tax for the quarter was higher by 32% at ₹80 Cr. as against ₹61 Cr. for the corresponding quarter in the previous year. The PAT for the quarter was higher by 46% at ₹30 Cr. as compared to ₹21 Cr. for the corresponding period in the previous year.

Mr. L. Ramkumar, Managing Director said, “Despite a challenging environment, the Company recorded a growth in revenues and profits in the last quarter. This was a result of Company-wide efforts on cost reduction and improved operational efficiencies. TII is well positioned to benefit from an expected turnaround in the automobile industry in the coming year. The Company continues to invest in capacity balancing and the large diameter tubing project is expected to start production in the near future.”

Review of Businesses

Bicycles

The Bicycle division registered a drop of 7% in volumes during the year compared with the previous year. The revenue for the year was dropped by 6% at ₹1185 Cr. as against ₹1260 Cr. in the previous year. Profit before Interest and Tax for the year was ₹39 Cr. as against ₹49 Cr. in the previous year. The revenue for the quarter was ₹274 Cr. as against ₹278 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹2 Cr. as against ₹1 Cr. for the corresponding quarter in the previous year. The margins were under pressure due to increase in input costs and competitive environment.

Engineering

The Engineering division registered a volume growth of 1% in Tubes and 7% in Cold Rolled Steel Strips during the year compared with the previous year. The Engineering division's revenue for the year was ₹1622 Cr., a growth of 3% compared with the previous year. Profit before Interest and Tax for the quarter was ₹136 Cr., a growth of 24% compared with the previous year. The Engineering division's revenue for the quarter was ₹424 Cr., a growth of 10% compared with the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹42 Cr., a growth of 38% compared with the corresponding quarter in the previous year. The improvement in profit was achieved through focus on value added products, better internal efficiencies and cost reduction.

Metal Formed Products

In this segment, the sale of automotive Chains to OEMs recorded a volume growth of 19% over the previous year. The sale of Industrial Chains and Fine Blanked Components recorded a volume growth of 13% and 15% respectively over the previous year. The doorframe segment volume was lower by 14% compared with the previous year due to decline in the sale of select models of major car manufactures. The revenue for the year was ₹851 Cr. as against ₹850 Cr. in the previous year. Profit before Interest and Tax for the year was ₹67 Cr. as against ₹80 Cr. in the previous year, a decline of 16%. The revenue for the quarter was ₹223 Cr. as against ₹202 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹14 Cr. as against ₹18 Cr. for the corresponding quarter in the previous year.

About Murugappa Group

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Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilisers, 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

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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 <http://www.murugappa.com>

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