



TUBE INVESTMENTS OF INDIA LTD CONSOLIDATED Q3 NET PROFIT UP BY 12%

The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the quarter and nine months ended 31st December, 2013. The Board declared an interim dividend of ₹1.50 per share (75%) for the financial year 2013-14.

Consolidated Results

The Company's consolidated Net Profit before Minority Interest for the quarter was at ₹127 Cr., a growth of 16% against the corresponding quarter of the previous year. Net profit after minority interest for the quarter was at ₹77 Cr. against ₹68 Cr. for the corresponding quarter in the previous year.

Cholamandalam Investment & Finance Company Ltd, a subsidiary company in the financial service business, registered a good growth of 7% in the disbursements for the quarter. Profit after Tax (PAT) for the quarter was at ₹93 Cr. against ₹82 Cr. for the corresponding quarter in the previous year, registering an impressive growth of 14%.

Cholamandalam General Insurance Company Ltd., a general insurance subsidiary of the Company registered a growth of 8% in Gross Written Premium during the quarter. Gross Written Premium for the quarter was at ₹420 Cr. as against ₹389 Cr. and the PAT for the quarter was at ₹13 Cr. as against ₹16 Cr. compared with corresponding quarter in the previous year.

Shanthi Gears Ltd., a subsidiary company in the Gears Business, registered a revenue growth of 4% for the quarter compared with corresponding quarter of the previous year. Profit after Tax (PAT) for the quarter was at ₹5 Cr. as against ₹4 Cr., a growth of 9% compared with corresponding quarter in the previous year.

Standalone Results

TII's Revenue for the quarter was higher by 9% at ₹834 Cr. as against ₹765 Cr. for the corresponding quarter in the previous year. The profit before interest and tax for the quarter was at ₹58 Cr. as against ₹44 Cr. for the corresponding quarter in the previous year. The PAT for the quarter was ₹15 Cr. as compared to ₹7 Cr. for the corresponding period in the previous year.

Mr. L. Ramkumar, Managing Director said, "During the quarter, the Company benefited from the pick-up in demand of two wheelers in the country. This coupled with enhanced service levels and better operational efficiencies helped the top and bottom lines. The Company has put in place operational excellence initiatives to realize break through improvements in all operating parameters.

Review of Businesses

Bicycles

The Bicycle division registered a growth in volumes during the quarter compared with corresponding quarter in the previous year. The revenue for the quarter was ₹278 Cr. as against ₹268 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹8 Cr. as against ₹5 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 7% in Tubes and 12% in Cold Rolled Steel Strips during the quarter compared with corresponding quarter in the previous year. The Engineering division's revenue for the quarter was ₹380 Cr. as against ₹341 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹34 Cr. as against ₹19 Cr. for the corresponding quarter in the previous year. The improvement in profit was achieved through better internal efficiencies and cost reduction.

Metal Formed Products

In this segment, the domestic volumes of the automotive Chains increased by 31% and volume to the replacement market increased by 30% over the corresponding quarter in the previous year. The doorframe segment and railway segment registered a drop over the corresponding quarter in the previous year. The revenue for the quarter was ₹210 Cr. as against ₹188 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was ₹20 Cr. as against ₹16 Cr. for the corresponding quarter in the previous year.

About Murugappa Group

Founded in 1900, the ₹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, 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 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, Choia, 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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