

## **CG Power and Industrial Solutions Limited**

Registered Office:  
CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India  
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Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.  
Strong relationships.

Our Ref: COSEC/107/2022-23

19<sup>th</sup> October, 2022

**By Portal**

### **The Corporate Relationship Department**

BSE Limited  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001  
**Scrip Code : 500093**

### **The Listing Department**

National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai 400 051

**Scrip Code : CGPOWER**

Dear Sir/Madam,

### **Sub: Press Release**

Please find enclosed Press Release issued by the Company in connection with the financial results for the 2<sup>nd</sup> quarter and half year ended 30<sup>th</sup> September, 2022, announced today.

Request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
For **CG Power and Industrial Solutions Limited**

**P Varadarajan**  
**Company Secretary**

Encl: As above



## CG POWER AND INDUSTRIAL SOLUTIONS LTD

### Q2 FY 2022-23 Performance – YoY Sales grew 17% and PBT by 73%

All the businesses of the Company performed exceptionally well in Q2 FY23 contributing to a 73% growth in PBT YoY. **Sales and PBT recorded in the Quarter were the highest achieved in recent times.**

#### FINANCIAL RESULTS (STANDALONE)

INR Crores	Q2 FY 23	Q2 FY 22	YoY%	Q1 FY 23	QoQ%	H1 FY23	H1 FY22	YoY%
Sales	1,588	1,352	17%	1,559	2%	3,147	2,306	36%
EBITDA (including Other income)	260	173	50%	189	38%	448	280	60%
EBITDA / Sales %	16.3%	12.8%		12.1%		14.2%	12.2%	
PBT	237	137	73%	165	44%	401	210	91%
PBT / Sales %	14.9%	10.1%		10.6%		12.8%	9.1%	
Exceptional Income (Net)	1	3		1		2	(2)	
PAT	178	107	66%	124	43%	302	158	91%

- **Aggregate sales** for the quarter were higher at Rs. 1,588 crores recording a growth of 17% YoY and 2% QoQ.
- **PBT** was at Rs. 237 crores (14.9% of sales) in Q2FY23 as against Rs 137 crores (10.1% of sales) in Q2FY22 and Rs. 165 crores (10.6% of sales) in Q1FY23.
- **Margins** were higher on account of improved sales realisation, favourable product mix, moderation in input costs, procurement efficiencies and better operating leverage.
- **ROCE (on annualised basis)** for Q2 FY23 was at 48% as against 40% in Q2 FY22.
- **Free Cash Flow** generated for the quarter was Rs. 221 crores.

#### Segment wise performance

##### Industrial Systems

INR Crores	Q2 FY 23	Q2 FY 22	YoY%	Q1 FY 23	QoQ%	H1 FY23	H1 FY22	YoY%
Sales	1,094	980	12%	1,106	(1%)	2,200	1,668	32%
EBITDA	203	129	57%	160	26%	363	200	81%
EBITDA / Sales %	18.5%	13.2%		14.5%		16.5%	12.0%	
PBIT	195	122	59%	153	28%	347	186	87%
PBIT / Sales %	17.8%	12.5%		13.8%		15.8%	11.1%	

- Aggregate sales for the quarter were higher at Rs. 1,094 crores recording a growth of 12% YoY and lower by 1% QoQ
- **PBIT** was at Rs. 195 crores (17.8% of sales) in Q2FY23 as against Rs 122 crores (12.5% of sales) in Q2FY22 and Rs. 153 crores (13.8% of sales) in Q1FY23.
- **Margins** were higher on account of improved sales realisation, moderation in input costs, procurement efficiencies and better operating leverage.



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- Unexecuted Order book as at 30 Sep 2022 was Rs 1,649 crores which grew by 9% compared to Rs.1,513 crores as at 30 Sep 2021.

## Power systems

INR Crores	Q2 FY 23	Q2 FY 22	YoY%	Q1 FY 23	QoQ%	H1 FY23	H1 FY22	YoY%
Sales	494	372	33%	453	9%	947	638	48%
EBITDA	64	49	31%	49	32%	113	86	32%
EBITDA / Sales %	13.0%	13.1%		10.8%		11.9%	13.4%	
PBIT	55	40	40%	40	39%	95	67	42%
PBIT / Sales %	11.2%	10.7%		8.8%		10.1%	10.5%	

- Aggregate sales for the quarter were higher at Rs 494 crores recording a growth of 33% YoY and 9% QoQ
- **PBIT** was at Rs. 55 crores (11.2% of sales) in Q2FY23 as against Rs 40 crores (10.7% of sales) in Q2FY22 and Rs. 40 crores (8.8% of sales) in Q1FY23.
- **Margins** were higher due to favourable product mix and better operating leverage.
- Unexecuted Order book as at 30 Sep 2022 was Rs 1,970 crores which grew by 58% compared to Rs.1,247 crores as at 30 Sep 2021.

## FINANCIAL RESULTS (CONSOLIDATED)

INR Crores	Q2 FY 23	Q2 FY 22	YoY%	Q1 FY 23	QoQ%	H1 FY23	H1 FY22	YoY%
Sales	1,696	1,454	17%	1,665	2%	3,362	2,504	34%
EBITDA (including Other income)	270	186	45%	201	34%	472	302	56%
EBITDA / Sales %	15.9%	12.8%		12.1%		14.0%	12.1%	
PBT	241	144	68%	172	40%	413	215	92%
PBT / Sales %	14.2%	9.9%		10.3%		12.3%	8.6%	
Exceptional Income (Net)	1	92		1		2	93	
PAT	179	202	(11%)	130	38%	309	257	21%

Consolidated results include the performance of the operating Subsidiaries at USA (QEI Inc.) and in Sweden, Germany and Netherlands (Drives and Automation Europe) and other non-operating and holding subsidiaries.

- Aggregate sales for the quarter were higher at Rs. 1,696 crores recording a growth of 17% YoY and 2% QoQ.
- PBT was at Rs. 241 crores (14.2% of sales) in Q2FY23 as against Rs 144 crores (9.9% of sales) in Q2FY22 and Rs. 172 crores (10.3% of sales) in Q1FY23.

### Key events in Q2:

- 1) The Board of directors today approved a proposal to expand the manufacturing capacity of Motors at its plants at Ahmednagar and Goa at an outlay of Rs 230 crores – This project will be implemented in 2 phases over a period of 4 years.



- 2) The Board of directors have approved the Scheme of Arrangement for transfer of Rs. 400 crores from General Reserves to Retained Earnings subject to regulatory and statutory approvals.

Unaudited financial statements with detailed notes are available as part of stock exchange filing and in the company's website [www.cgglobal.com](http://www.cgglobal.com)

## About Murugappa Group

Founded in 1900, the INR 547 Billion (INR 54,722 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.

The Group holds leadership position in several product lines including Abrasives, Technical Ceramics, Electro Minerals, Auto Components & Systems, Power Conversion Equipment, Transformers & Reactors for the Power T&D segment, Solutions for Railways in Rolling Stock & Signalling Equipment, Bicycles, Fertilisers, Sugar, Tea and Spirulina (Nutraceuticals). The Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, 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, Rhodius, 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 59,000 employees.

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

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