

CG Power and Industrial Solutions Limited

Registered Office:
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Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.
Strong relationships.

Our Ref: COSEC/077/2023-24

27th July, 2023

By Portal

The Corporate Relationship Department

BSE Limited
1st 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 1st quarter ended 30th June, 2023, announced today.

Request you to kindly take the same on record.

Thanking you,

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

Sanjay Kumar Chowdhary
Company Secretary and Compliance Officer

Encl: As above



CG POWER AND INDUSTRIAL SOLUTIONS LTD.

Q1 FY 2023-24 Performance –YoY all the businesses grew in double digits and Profit before tax grew by 55%

PBT achieved in Q1 FY24 is the highest ever recorded in Q1 in recent times. Order book on hand as at 30 Jun 2023 aggregate to Rs. 4,909 crores.

FINANCIAL RESULTS (STANDALONE)

| INR Crores | Q1 FY 24 | Q1 FY 23 | YoY% | Q4 FY 23 | QoQ% |
|-----------------------------------|----------|----------|------|----------|-------|
| Sales | 1,766 | 1,559 | 13% | 1,788 | (1%) |
| EBITDA (including Other income) | 277 | 189 | 47% | 273 | 1% |
| EBITDA / Sales % | 15.7% | 12.1% | | 15.3% | |
| PBT (before Exceptional items) | 256 | 165 | 55% | 252 | 1% |
| PBT / Sales % | 14.5% | 10.6% | | 14.1% | |
| PAT (excluding exceptional items) | 192 | 123 | 56% | 237 | (19%) |
| Exceptional Income (Net) | - | 1 | | 3 | |

- **Aggregate sales** for the quarter were higher at Rs. 1,766 crores recording a growth of 13% YoY and lower by 1% QoQ.
- **PBT** was at Rs. 256 crores (14.5% of sales) in Q1FY24 as against Rs 165 crores (10.6% of sales) in Q1FY23 and Rs 252 crores (14.1% of sales) in Q4FY23.
- **Margins** were higher YoY on account of volume growth, softening in input costs, favourable product mix and procurement efficiencies.
- **ROCE (annualised)** for Q1FY24 was at 45% as against 38% in Q1FY23.
- **Order intake** for Q1FY24 was Rs. 2,514 crores (47% growth YoY) and **Unexecuted Order Book** as at 30 Jun 2023 was Rs. 4,909 crores (39% higher YoY).

Segment wise performance

Industrial Systems

| INR Crores | Q1 FY 24 | Q1 FY 23 | YoY% | Q4 FY 23 | QoQ% |
|------------------|----------|----------|------|----------|------|
| Sales | 1,255 | 1,106 | 13% | 1,196 | 5% |
| EBITDA | 206 | 160 | 28% | 197 | 4% |
| EBITDA / Sales % | 16.4% | 14.5% | | 16.5% | |
| PBIT | 197 | 153 | 29% | 188 | 5% |
| PBIT / Sales % | 15.7% | 13.8% | | 15.8% | |

- **Aggregate sales** for the quarter were higher at Rs. 1,255 crores recording a growth of 13% YoY and 5% QoQ



- **PBIT** was at Rs. 197 crores (15.7% of sales) in Q1FY24 as against Rs 153 crores (13.8% of sales) in Q1FY23 and Rs. 188 crores (15.8% of sales) in Q4FY23.
- **Margins** were higher YoY on account of volume growth, softening in input costs and procurement efficiencies.
- **Order intake** for Q1FY24 was Rs. 1,395 crores (27% growth YoY) and **Unexecuted Order book** as at 30 Jun 2023 was Rs. 2,035 crores (12% higher YoY).

Power systems

| INR Crores | Q1 FY 24 | Q1 FY 23 | YoY% | Q4 FY 23 | QoQ% |
|------------------|----------|----------|------|----------|-------|
| Sales | 512 | 453 | 13% | 593 | (14%) |
| EBITDA | 72 | 49 | 47% | 83 | (14%) |
| EBITDA / Sales % | 14.0% | 10.8% | | 14.1% | |
| PBIT | 63 | 40 | 57% | 75 | (16%) |
| PBIT / Sales % | 12.3% | 8.8% | | 12.7% | |

- **Aggregate sales** for the quarter were higher at Rs 512 crores recording a growth of 13% YoY and lower by 14% QoQ
- **PBIT** was at Rs. 63 crores (12.3% of sales) in Q1FY24 as against Rs 40 crores (8.8% of sales) in Q1FY23 and Rs. 75 crores (12.7% of sales) in Q4FY23.
- **Margins** were significantly higher YoY on account of higher realisations and favourable product mix.
- **Order intake** for Q1FY24 was Rs. 1,119 crores (84% growth YoY) and **Unexecuted Order book** as at 30 Jun 2023 was Rs. 2,874 crores (69% higher YoY).

FINANCIAL RESULTS (CONSOLIDATED)

| INR Crores | Q1 FY 24 | Q1 FY 23 | YoY% | Q4 FY 23 | QoQ% |
|-----------------------------------|----------|----------|------|----------|-------|
| Sales | 1,874 | 1,643 | 14% | 1,903 | (2%) |
| EBITDA (including Other income) | 288 | 196 | 47% | 290 | (1%) |
| EBITDA / Sales % | 15.3% | 11.9% | | 15.2% | |
| PBT (before Exceptional items) | 263 | 167 | 58% | 262 | 0% |
| PBT / Sales % | 14.0% | 10.1% | | 13.8% | |
| PAT (excluding exceptional items) | 197 | 124 | 59% | 241 | (19%) |
| Exceptional Income (Net) | 1 | 1 | | 19 | |

Consolidated results include the performance of the operating Subsidiaries at Sweden, Germany and Netherlands (Drives and Automation Europe), CG Adhesives Products Ltd. (India) and other non-operating and holding subsidiaries.

The Company subsequent to quarter ended June 30, 2023 has concluded sale of QEI LLC, USA for a total consideration of USD 10.5 million free of cash/ debt.



- **Aggregate sales** for the quarter were higher at Rs. 1,874 crores recording a growth of 14% YoY and lower by 2% QoQ.
- **PBT** was at Rs. 263 crores (14.0% of sales) in Q1FY24 as against Rs 167 crores (10.1% of sales) in Q1FY23 and Rs 262 crores (13.8% of sales) in Q4FY23.
- **Unexecuted Order Book** of Drives and Automation, Europe as at 30 Jun 2023 was Rs. 136 crores (9% higher YoY).

Unaudited financial statements with detailed notes are available as part of stock exchange filing and in the company's website www.cgglobal.com

About Murugappa Group

Founded in 1900, the INR 742 Billion (INR 74,220 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 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's businesses hold leadership positions 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's businesses serve customers across the length and breadth of India and in over 50 countries.

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 73,000 employees.

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

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