

## **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/121/2023-24

20<sup>th</sup> October, 2023

**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, 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

### Q2 FY 2023-24 Performance – Sales grew YoY by 20% and Profit before tax grew by 24%

Both the sales of Rs. 1900 crores and PBT of Rs. 293 crores achieved during Q2 FY24 is the highest ever for Q2 in recent times. Order book on hand as at 30 Sep 2023 aggregate to Rs. 5,229 crores.

#### FINANCIAL RESULTS (STANDALONE)

INR Crores	Q2 FY 24	Q2 FY 23	YoY%	Q1 FY 24	QoQ%	H1 FY24	H1 FY23	YoY%
Sales	1,900	1,588	20%	1,766	8%	3,666	3,147	17%
EBITDA	313	260	20%	277	13%	589	448	31%
EBITDA / Sales %	16.4%	16.3%		15.7%		16.1%	14.2%	
PBT (before EI)	293	237	24%	256	15%	549	401	37%
PBT / Sales %	15.4%	14.9%		14.5%		15.0%	12.8%	
PAT (excluding EI)	213	177	20%	192	11%	405	300	35%
Exceptional Income (Net)	142	1		-		142	2	
PAT	355	178	100%	192	85%	547	302	81%

EI: Exceptional items

- **Aggregate sales** for the quarter were higher at Rs. 1,900 crores recording a growth of 20% YoY and higher by 8% QoQ.
- **PBT** (before exceptional items) was at Rs. 293 crores (15.4% of sales) in Q2FY24 as against Rs 237 crores (14.9% of sales) in Q2FY23 and Rs 256 crores (14.5% of sales) in Q1FY24.
- **Margins** were higher YoY on account of execution of export orders with better margins and lower finance cost.
- **ROCE (annualised)** for Q2FY24 was at 44%.
- **Free cash flow** generated for the quarter was Rs.319 crores.
- **Order intake** for Q2FY24 was Rs. 2,232 crores (22% growth YoY) and **Unexecuted Order Book** as at 30 Sep 2023 was Rs. 5,229 crores (44% higher YoY).

### Segment wise performance

#### Industrial Systems

INR Crores	Q2 FY 24	Q2 FY 23	YoY%	Q1 FY 24	QoQ%	H1 FY24	H1 FY23	YoY%
Sales	1,283	1,094	17%	1,255	2%	2,538	2,200	15%
EBITDA	215	203	6%	206	5%	421	363	16%
EBITDA / Sales %	16.8%	18.5%		16.4%		16.6%	16.5%	
PBIT	207	195	6%	197	5%	404	347	16%
PBIT / Sales %	16.1%	17.8%		15.7%		15.9%	15.8%	

- **Aggregate sales** for the quarter were higher at Rs. 1,283 crores recording a growth of 17% YoY and 2% QoQ
- **PBIT** was at Rs. 207 crores (16.1% of sales) in Q2FY24 as against Rs 195 crores (17.8% of sales) in Q2FY23 and Rs. 197 crores (15.7% of sales) in Q1FY24.
- **Margins** are in line with Q1FY24 margins.



- **Order intake** for Q2FY24 was Rs. 1,113 crores (4% growth YoY) and **Unexecuted Order book** as at 30 Sep 2023 was Rs. 1,866 crores (13% higher YoY).

### Power systems

INR Crores	Q2 FY 24	Q2 FY 23	YoY%	Q1 FY 24	QoQ%	H1 FY24	H1 FY23	YoY%
Sales	619	494	25%	512	21%	1,131	947	19%
EBITDA	111	64	73%	72	55%	183	113	62%
EBITDA / Sales %	17.9%	13.0%		14.0%		16.1%	11.9%	
PBIT	103	55	85%	63	63%	165	95	74%
PBIT / Sales %	16.6%	11.2%		12.3%		14.6%	10.1%	

- **Aggregate sales** for the quarter were higher at Rs 619 crores recording a growth of 25% YoY and 21% QoQ
- **PBIT** was at Rs. 103 crores (16.6% of sales) in Q2FY24 as against Rs 55 crores (11.2% of sales) in Q2FY23 and Rs. 63 crores (12.3% of sales) in Q1FY24.
- **Margins** were significantly higher YoY on account of execution of export orders with better margins, improved pricing due to demand environment and better operating leverage.
- **Order intake** for Q2FY24 was Rs. 1,118 crores (47% growth YoY) and **Unexecuted Order book** as at 30 Sep 2023 was Rs. 3,363 crores (71% higher YoY).

### FINANCIAL RESULTS (CONSOLIDATED)

INR Crores	Q2 FY 24	Q2 FY 23	YoY%	Q1 FY 24	QoQ%	H1 FY24	H1 FY23	YoY%
<b>Sales</b>	<b>2,002</b>	1,675	20%	1,874	7%	3,876	3,317	17%
EBITDA	326	264	23%	288	13%	614	460	33%
EBITDA / Sales %	16.3%	15.8%		15.3%		15.8%	13.9%	
PBT (before EI)	303	237	28%	263	15%	565	403	40%
PBT / Sales %	15.1%	14.1%		14.0%		14.6%	12.2%	
PAT (excluding EI)	217	177	22%	197	10%	413	301	37%
Exceptional Income (Net)	27	1		1		28	2	
PAT	244	178	37%	197	24%	441	303	45%

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 has received proceeds against the sale of QEI LLC, USA in this quarter.

- **Aggregate sales** for the quarter were higher at Rs. 2,002 crores recording a growth of 20% YoY and 7% QoQ.
- **PBT** was at Rs. 303 crores (15.1% of sales) in Q2FY24 as against Rs 237 crores (14.1% of sales) in Q2FY23 and Rs 263 crores (14.0% of sales) in Q1FY24.
- **Unexecuted Order Book** of Drives and Automation, Europe as at 30 Sep 2023 was Rs. 121 crores.

### Key events in Q2:

- 1) The Board of directors today approved a proposal to expand the manufacturing capacity of:
  - a) Switchgears at its plant in Nashik at Rs. 155 crores;



- b) Power Transformers at Bhopal at Rs. 31 crores (for addition of 10,000 MVA capacity);  
and
  - c) HT Motors at Bhopal at Rs. 35 crores.
- 2) In Aug 2023, the Company and JC Flowers Asset Reconstruction Company (“JCFARC”) (to which Yes Bank has assigned its stressed loans) have entered into a Settlement Agreement for the pending litigations on the Company, making a payment of Rs. 42 crores. JCFARC will unconditionally withdraw all the cases pending and initiated and the Company will be fully discharged from all the obligations.

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 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/>

For further information, please contact:

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