

Key Highlights of Voltas' Consolidated Financial Results

	Q1 FY 2018-19	Q1 FY 2017-18	%
	Rs. Crores	Rs. Crores	change
Gross Sales / Income from Operations	2134	1962	9%
Profit before tax	263	261	1%
Profit after tax	187	188	-

10th August, 2018 Mumbai: The Board of Directors of Voltas Limited, the global air conditioning and engineering services provider of the Tata Group, today announced the Consolidated Financial Results (including the Consolidated Segment Report) for the quarter ended 30th June, 2018.

Consolidated Results for the quarter ended 30th June, 2018:

The Consolidated Gross Sales / Income from Operations for the quarter ended 30th June, 2018 was higher by 9%, at Rs. 2134 crores as compared to Rs. 1962 crores in the corresponding quarter last year. Profit before tax was higher by 1%, at Rs. 263 crores as compared to Rs. 261 crores last year, notwithstanding lower Other Income of Rs. 28 crores in the current quarter as compared to Rs. 59 crores in the corresponding quarter last year. Profit after tax was stable at Rs. 187 crores as compared to Rs. 188 crores last year. Tax expense for the current quarter ended 30th June, 2018 is determined based on tax rate that apply to different categories of income as compared to average annual effective rate in the corresponding quarter last year. Earnings per Share (Face Value per share of Re. 1) (not annualized) as at June 30, 2018 was at Rs. 5.56 as compared to Rs. 5.61 last year. Total Comprehensive Income, including notional mark to market revaluation gains / losses on equity investments, foreign currency translations, etc. for the quarter stands at Rs. 242 crores as compared to Rs. 234 crores in the corresponding quarter last year.

The Group has aligned its policy of revenue recognition with Ind AS 115 "Revenue from Contracts with Customers" which is effective from 1st April, 2018. The application of Ind AS 115 has impacted the group's accounting of expected credit losses on contract assets and identification of performance obligation on certain transactions. As permitted under the standard, the Group has adopted modified retrospective approach and debited the retained earnings at 1st April, 2018 by Rs.131 crores, net of tax effect. The application of Ind AS 115 did not have any significant impact on the financial results and EPS for the quarter ended 30th June, 2018.

Consolidated Segment Results for the quarter ended 30th June, 2018:

Unitary Cooling Products for Comfort and Commercial use: Despite stiff competition, Voltas brand maintained its No.1 position, improving its market share to 23.5% during the quarter ended 30th June, 2018. The Company has also ramped up its product mix to gain market share in the inverter AC segment. Uncertain weather, unseasonal rains and lower customer offtake has led to a reduction in Segment Revenue which stood at Rs. 1191 crores as compared to Rs. 1212 crores last year. Segment Result was Rs. 149 crores as compared to Rs. 171 crores in the corresponding quarter last year.

Electro-Mechanical Projects and Services: Segment Revenue for the quarter was higher at Rs. 866 crores as compared to Rs. 661 crores in the corresponding quarter last year. Segment Results was higher at Rs. 88 crores as compared to Rs. 35 crores last year, reflecting better quality of orders and efficient execution both in domestic and international business. Carry forward order book of the Segment stood at Rs. 4623 crores.

Engineering Products and Services: Segment Revenue and Results for the quarter were at Rs. 77 crores and Rs. 27 crores as compared to Rs. 90 crores and Rs. 26 crores, respectively in the corresponding quarter last year. The impact due to demonetization and GST implementation has been extra severe on the Textile Machinery Industry. In Mining and Construction Equipment, Mozambique operations continue to drive the performance. On the domestic front, a gradual recovery appears to be on the horizon and the Company has re-prioritized the India business.

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