



For immediate use

PRESS RELEASE

Voltas Consolidated Financial Results for Q1 (2014-15)

August 13, 2014 Mumbai: The Board of Directors of Voltas Limited, the global air conditioning and engineering services provider of the Tata Group, today announced the Consolidated Unaudited Financial Results (including the Consolidated Segment Report) for the quarter ended 30th June, 2014.

Consolidated Results:

The Consolidated Sales/Income from Operations for the quarter ended 30th June, 2014 was higher at ₹ 1752 crores as compared to ₹ 1602 crores in the corresponding quarter last year. Despite slowdown in the economy coupled with higher interest costs, the Operating Profit (Profit before Exceptional Items & Tax) was substantially higher at ₹ 146 crores as compared to ₹ 60 crores in the corresponding quarter last year. Net Profit after tax and Minority Interest was ₹ 109 crores as compared to ₹ 41 crores in the corresponding quarter last year. Earnings per Share (not annualized) was at ₹ 3.29 as compared to ₹ 1.23 in the corresponding quarter last year (Face Value per share of ₹ 1).

Consolidated Segments:

Electro-Mechanical Projects and Services: Segment Revenue was at ₹ 622 crores as compared to ₹ 693 crores in the corresponding quarter last year. While overall margin realization has started improving with execution of newer orders, the Segment Result at ₹ 4 crores as compared to negative ₹ 26 crores in the corresponding quarter last year, continues to remain impacted largely on account of overseas projects.

The Order Book of the Segment stood at ₹ 3789 crores as compared to ₹ 3811 crores in the corresponding quarter last year. The Company has recently in June 2014, received an order for MEP works of Dubai Trade Centre District project in Dubai amounting to ₹ 260 crores approx.

Subsequent to close of the quarter, the Main Contractor of a major project in Qatar, Sidra Medical and Research Centre, has recently been terminated by the end customer (Qatar Foundation) and a new Main contractor has been appointed. As provided in the original contract, Qatar Foundation has asked for the assignment of contracts of select subcontractors, including Voltas to the new Main contractor.

However, a formal understanding to that effect is yet to be reached. In the previous years, due to significant upward revision in estimated cost, the Company had accounted for cost overruns in accordance with the requirement of Accounting Standard (AS) 7. As uncertainties in the completion schedule, assignment of the sub-contracts and approval of variations/claims continues, the Company's current estimates of cost and entitlements could get modified. Nevertheless, the Company continues to pursue its entitlements vigorously.

Engineering Products and Services: Segment Revenue and Result was at ₹ 111 crores and ₹ 24 crores as compared to ₹ 111 crores and ₹ 31 crores respectively, in the corresponding quarter last year.

Unitary Cooling Products for Comfort and Commercial use: Segment Revenue was higher at ₹ 1001 crores as compared to ₹ 787 crores in the corresponding quarter last year on account of increase in sales volumes. Segment Result was significantly higher at ₹ 116 crores as compared to ₹ 68 crores in the corresponding quarter last year. Despite intense competition, the Company has enhanced its market share in room air conditioners and continues to hold the No.1 position in Multi-Brand Outlets, based on GFK Nielsen Retail Audit findings.

Issued by:

B.N. Garudachar
Senior General Manager
Corporate Communications & IR
Mumbai
Tel: 022- 66656280/1

Rediffusion / Edelman
Ms. Neha Khatter (Delhi)
Mob: 91-8826416555
Ms. Sahana Chowdhury (Mumbai)
Mob: 91-9619438295