



Carborundum Universal Limited

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30th July 2013

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Stock Code : CARBORUNIV-EQ
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Total 8 pages (including covering letter)

Dear Sirs,

Further to our letter enclosing a copy of the Unaudited Financial Results for the quarter ended 30th June 2013, we are now enclosing a copy of the Press Release together with one more copy of the consolidated financial results.

Thanking you

Yours faithfully
For **Carborundum Universal Limited**


S. Dhanvanth Kumar
Company Secretary

Encl:a.a





Carborundum Universal's Consolidated Q1 Net Sales sequentially up by 5%

Consolidated Operating PBT sequentially up by 79%

Chennai, 30th July 2013: The Board of Directors met today and approved the results for the quarter ended 30th June 2013.

Consolidated Q1 financial performance

Consolidated net sales increase by 5% to Rs.501 crores from Rs.478 crores, on a sequential basis. PBIT (excluding exceptional income) increased by 62% from Rs.33 crores in sequential quarter to Rs.54 crores in the current quarter. On a quarter on quarter basis, sales grew by 1% and PBIT dropped by 15%.

The increase in sales on sequential basis and quarter on quarter basis was largely due to better performance by Electro minerals division. The division witnessed increase in volumes in silicon carbide business in Russia and Aluminas business in India. South African subsidiary reported higher volumes compared to the earlier quarter. Sales also grew for Abrasives segment for both the periods. Ceramic sales however de grew for the same periods.

Profitability of Electro minerals business improved both on a sequential and quarter on quarter basis. Profitability of Abrasives and Ceramics business improved on a sequential basis but dropped on a quarter on quarter basis. The company improved standalone debt equity, which is at its lowest.

Earnings before interest, depreciation and amortization (EBITDA) recorded an increase of 39% (i.e. from Rs.53 crores in sequential quarter to Rs.74 crores in current quarter) without considering exceptional income of last year. On a quarter on quarter basis, that was a decrease of 6%.

Profit before tax and exceptional income was Rs.47 crores – a gain of 79% over the sequential quarter amount of Rs.26 crores. The profit after tax increased from Rs.12 crores to Rs.28 crores. On a quarter on quarter basis, Profit before tax and exceptional income, dropped by 17% and profit after tax dropped by 23%.

Consolidated Segmental Operating Performance

Abrasives

Sales of the abrasives business on a consolidated basis registered a increase of 3% in a sequential basis. Sales for the quarter was Rs.206 crores (Rs.200 crores for the sequential quarter). On a quarter on quarter basis, this was an increase of 2%.



Profit before interest and tax on a consolidated basis recorded an increase of 3% i.e. from Rs.19.6 crores to Rs.20.3 crores, on a sequential basis. On a quarter on quarter basis, this was a drop of 5%.

The broader business performance of the Abrasives' user industries continues to be moderate. The manufacturing industries continued to have sub optimum levels of production.

Electro Minerals

At a consolidated level, the net sales for Q1 were higher at Rs. 195 crores versus Rs. 167 crores for the sequential quarter. This is a growth of 16%. On a quarter on quarter basis, this was an increase of 6%.

Profit before interest and tax on a consolidated basis recorded a gain from a loss of Rs.7.1 crores to a profit of Rs. 25.9 crores, on a sequential basis. On a quarter on quarter basis, the gain was 29%. This was largely due to higher volumes in Silicon carbide business in Russia, lower losses in South African subsidiary and increased Aluminas business in India.

Ceramics

The ceramics segment recorded a 13% drop in sales on a sequential basis (Rs.111 crores vs. Rs.128 crores last year). On a quarter on quarter basis, this was a drop of 6%.

Alumina Ceramics business from India, had challenges from market due to project postponements. Refractories sales were lower owing to delayed project orders from user industries. Australian entity registered a lower sales growth.

Profit before interest and tax of the ceramics business on a consolidated basis recorded a drop of 3% from Rs.15.8 crores to Rs. 15.3 crores, on a sequential basis. On a quarter on quarter basis, the drop was 38%.

About the Murugappa Group

Founded in 1900, the INR 225 Billion Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eleven listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal 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., Sabero Organics Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilizers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies like Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Crucible and Sociedad Química y Minera de Chile (SQM). The Group has a wide geographical presence spanning 13 states in India and 5 continents.



Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, Chola, Gromor and Paramfos are from the Murugappa stable. The organization fosters an environment of professionalism and has a workforce of over 32,000 employees. For more details, visit www.murugappa.com

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CARBORUNDUM UNIVERSAL LIMITED

Registered Office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001

**CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2013 UNDER
CLAUSE 41 OF THE LISTING AGREEMENT**



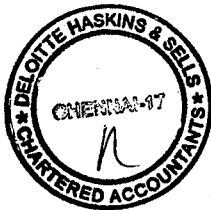
Part - I

(Rs. In Lakhs)

| Sl.no | Particulars | Quarter ended | | Year ended | |
|-------|--|---------------|-------------------------------------|--------------|---------------|
| | | (Unaudited) | (Audited) (Refer note no : 5) | (Unaudited) | (Audited) |
| | | 30.06.2013 | 31.03.2013 | 30.06.2012 | 31.03.2013 |
| 1 | Income from operations | | | | |
| | a) Gross Sales / Income from operations | 52611 | 50447 | 52202 | 204240 |
| | Less: Excise duty recovered | 2559 | 2603 | 2406 | 10003 |
| | Net Sales / Income from operations | 50052 | 47844 | 49796 | 194237 |
| | b) Other operating income | 720 | 1253 | 512 | 2903 |
| | Total Income from operations (net) | 50772 | 49097 | 50308 | 197140 |
| 2 | Expenses | | | | |
| | a) Cost of materials consumed | 16413 | 15676 | 18097 | 60691 |
| | b) Purchase of stock-in-trade | 1749 | 2275 | 1657 | 8395 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (1054) | 124 | (2646) | 2186 |
| | d) Employee benefits expense | 6700 | 7583 | 6017 | 26273 |
| | e) Depreciation and amortization expense | 2026 | 2022 | 1610 | 7109 |
| | f) Power & fuel | 7824 | 7341 | 6790 | 28499 |
| | g) Other expenses | 12723 | 10827 | 13062 | 47017 |
| | Total expenses | 46381 | 45848 | 44587 | 180170 |
| 3 | Profit from Operations before Other Income, finance costs and exceptional items (1-2) | 4391 | 3249 | 5721 | 16970 |
| 4a | Other Income | 815 | 514 | 271 | 1304 |
| 4b | Exchange gain / (loss) (net) | 156 | (460) | 294 | (360) |
| 5 | Profit before finance costs and exceptional items (3+4a+4b) | 5362 | 3303 | 6286 | 17914 |
| 6 | Finance costs | 640 | 658 | 609 | 2721 |
| 7 | Profit after finance costs but before exceptional items (5-6) | 4722 | 2645 | 5677 | 15193 |
| 8 | Exceptional Items | - | - | - | - |
| 9 | Profit from ordinary activities before tax (7+8) | 4722 | 2645 | 5677 | 15193 |
| 10 | Tax expense | 1844 | 1753 | 1835 | 6193 |
| 11 | Net Profit from ordinary activities after tax (9-10) | 2878 | 892 | 3842 | 9000 |
| 12 | Share of Profit / (Loss) from Associate | - | - | - | - |
| 13 | Minority Interest | (114) | 309 | (253) | (23) |
| 14 | Net Profit after tax, minority interest and share of profit from associate (11+12+13) | 2764 | 1201 | 3589 | 8977 |
| 15 | Paid up Equity Share Capital (Face value- Re.1 per share) | 1875 | 1875 | 1874 | 1875 |
| 16 | Reserves excluding revaluation reserve | | | | 103790 |
| 17 | Earnings per share (Rs.) not annualised | | | | |
| | - Basic | 1.47 | 0.64 | 1.92 | 4.79 |
| | - Diluted | 1.47 | 0.64 | 1.91 | 4.78 |

M H Murugappa

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**CARBORUNDUM UNIVERSAL LIMITED**

Registered Office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001
**CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2013 UNDER
 CLAUSE 41 OF THE LISTING AGREEMENT**

**Part - II****Select information for the period ended June 30, 2013**

| Sl.no | Particulars | Quarter ended | | | Year ended |
|----------|---|---------------|------------|------------|------------|
| | | 30.06.2013 | 31.03.2013 | 30.06.2012 | 31.03.2013 |
| A | PARTICULARS OF SHAREHOLDING | | | | |
| 1 | Public shareholding | | | | |
| | - Number of Shares | 108318870 | 108297724 | 108511442 | 108297724 |
| | - Percentage of shareholding | 57.77% | 57.77% | 57.90% | 57.77% |
| 2 | Promoters and Promoter Group Shareholding | | | | |
| | a) Pledged / Encumbered | | | | |
| | - No of shares | 1407800 | 1407800 | 1752800 | 1407800 |
| | - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 1.78% | 1.78% | 2.22% | 1.78% |
| | - Percentage of shares (as a % of the total share capital of the company) | 0.75% | 0.75% | 0.94% | 0.75% |
| | b) Non-encumbered | | | | |
| | - No of shares | 77762820 | 77762820 | 77138936 | 77762820 |
| | - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 98.22% | 98.22% | 97.78% | 98.22% |
| | - Percentage of shares (as a % of the total share capital of the company) | 41.48% | 41.48% | 41.16% | 41.48% |

| | Particulars | Quarter ended 30.06.2013 |
|----------|--|-----------------------------|
| B | INVESTOR COMPLAINTS | |
| | Pending at the beginning of the quarter | - |
| | Received during the quarter | - |
| | Disposed off during the quarter | - |
| | Remaining unresolved at the end of the quarter | - |

M.M. Murugappa

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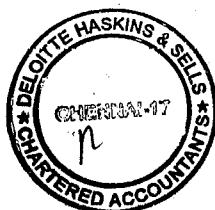
CARBORUNDUM UNIVERSAL LIMITED
Registered Office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001
CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED
UNDER CLAUSE 41 OF THE LISTING AGREEMENT



(Rs. In Lakhs)

| Sl.no | Particulars | Quarter ended | | Year ended | |
|----------|---|---------------|-------------------------------------|---------------|---------------|
| | | (Unaudited) | (Audited) (Refer note no : 5) | (Unaudited) | (Audited) |
| | | 30.06.2013 | 31.03.2013 | 30.06.2012 | 31.03.2013 |
| 1 | Segment Revenue | | | | |
| | Abrasives | 20606 | 19988 | 20212 | 80929 |
| | Ceramics | 11145 | 12828 | 11836 | 49913 |
| | Electrominerals | 19499 | 16742 | 18354 | 66879 |
| | Others | 940 | 912 | 1006 | 3886 |
| | Total | 52190 | 50470 | 51408 | 201607 |
| | Less: Inter-Segment Revenue | 2138 | 2626 | 1612 | 7370 |
| | Net Sales/Income from operations | 50052 | 47844 | 49796 | 194237 |
| 2 | Segment Results (Profit (+) / Loss (-) before finance costs and tax) | | | | |
| | Abrasives | 2029 | 1962 | 2130 | 8295 |
| | Ceramics | 1526 | 1580 | 2470 | 7891 |
| | Electrominerals | 2587 | (713) | 2013 | 2371 |
| | Others | 132 | 76 | 304 | 973 |
| | Total | 6274 | 2905 | 6917 | 19530 |
| | Less: (i) Finance Costs | 640 | 658 | 609 | 2721 |
| | (ii) Other un-allocable expenditure / (income) net | 912 | (398) | 631 | 1616 |
| | Add: Exceptional Items | - | - | - | - |
| | Total Profit before Tax | 4722 | 2645 | 5677 | 15193 |
| 3 | Capital Employed (Segment Assets - Segment Liabilities) | | | | |
| | Abrasives | 63120 | 53934 | 55742 | 53934 |
| | Ceramics | 40825 | 37382 | 36384 | 37382 |
| | Electrominerals | 50661 | 53350 | 51705 | 53350 |
| | Others (including un-allocable) | 8087 | 12122 | 5981 | 12122 |
| | Total | 162693 | 156788 | 149812 | 156788 |

M M Murugappa



Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on July 30, 2013 and has been subjected to limited review by the Statutory Auditors of the Company. The limited review of the financial results of Subsidiaries and Joint Ventures for the quarter has been carried out by the Statutory Auditors of the respective Companies.
- 2 During the current quarter, the Company has allotted 21146 equity shares pursuant to exercise of Employee Stock Options.
- 3 Figures for the previous periods have been regrouped and reclassified where considered necessary.

4 Summary of Key Standalone Financial Results of Carborundum Universal Limited is as follows: (Rs. In Lakhs)

| Particulars | Quarter ended | | Year ended | |
|---|---------------|------------|------------|------------|
| | 30.06.2013 | 31.03.2013 | 30.06.2012 | 31.03.2013 |
| Total Income | 27361 | 28184 | 27365 | 110089 |
| Profit before Tax and Exceptional Items | 3183 | 2862 | 3454 | 10804 |
| Add : Exceptional Items | - | - | - | - |
| Profit before Tax | 3183 | 2862 | 3454 | 10804 |
| Net Profit After Tax | 2264 | 1682 | 2610 | 7454 |

- 5 The figures for the quarter ended March 31,2013 are balancing figures between the audited figures in respect of the full financial year ended March 31, 2013 and the published year-to-date figures upto the third quarter ended December 31, 2012.
- 6 The Company has opted to publish the Consolidated financial results from the financial year 2010-11. Standalone financial results are available at the website of the Company: www.cumi.murugappa.com and Stock Exchanges: www.bseindia.com & www.nseindia.com

For Carborundum Universal Limited

M.M. Murugappan
M.M. Murugappan
Chairman

Chennai
July 30, 2013

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