



Carborundum Universal Limited
Regd. off: 'Parry House', 43, Moore Street,
Chennai - 600 001, India.
Tel.: +91-44-3000 6161 Fax: +91-44-3000 6149
Email: cumigeneral@cumi.murugappa.com
Website: www.cumi.murugappa.com
CIN No.: L29224TN1954PLC000318

29th July 2020

BSE Limited,
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai 400 001

Stock Code: 513375

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Stock Code: CARBORUNIV-EQ

Total 14 pages (including covering letter)

Dear Sir/Madam,

Sub: Intimation on the outcome of the Board Meeting held on 29th July 2020

We refer to our letter dated 13th July 2020, intimating you of the convening of the meeting of the Board of Directors of our Company. In this regard, we wish to inform that the Board of Directors of our Company met today and approved the following:

1. Unaudited Financial Results for the quarter ended 30th June 2020:

Unaudited financial results for the quarter ended 30th June 2020 in Schedule III format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and pursuant to SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016. In this connection, we enclose the following:

- a. Standalone financial results for the quarter ended 30th June 2020;
- b. Consolidated financial results for quarter ended 30th June 2020;
- c. Limited Review Report of M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors on the Standalone and Consolidated financial results for quarter ended 30th June 2020; and
- d. Press Release being made in this connection.

Pursuant to Regulation 47 of the Listing Regulations and the above mentioned SEBI circular, we would be publishing an extract of the consolidated financial results in the prescribed format in English and Tamil newspapers within the stipulated time. The detailed standalone financial results and consolidated financial results of the Company would be available on the website of the Company www.cumi-murugappa.com as well on the websites of Stock Exchanges.





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We further wish to inform that the meeting of the Board of Directors of the Company commenced at 12.15 p.m. and concluded at 01.35 p.m.

Kindly take the above information on record.

Thanking you

Yours faithfully,

For Carborundum Universal Limited

Rekha Surendhiran
Company Secretary

Encl.: a.a.



CARBORUNDUM UNIVERSAL LIMITED

CIN : L29224TN1954PLC000318

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

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(Rs.in Lakhs)

S.No.	Particulars	Quarter ended			Year ended
		Unaudited	Audited	Unaudited	Audited
		30.06.2020	(Refer note no: 5) 31.03.2020	30.06.2019	31.03.2020
1	Income				
	a) Sales / Income from Operations	23387	35631	42430	162306
	b) Other Operating Income	422	922	636	2813
	Revenue from Operations	23809	36553	43066	165119
	Other income	1530	2187	1799	4733
	Total Income	25339	38740	44865	169852
2	Expenses .				
	a) Cost of materials consumed	6656	14205	16950	62673
	b) Purchase of stock-in-trade	1004	1128	1748	6260
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	3379	(2311)	(751)	(2960)
	d) Employee benefits expense	4615	4102	4947	19589
	e) Finance costs	1	32	-	35
	f) Depreciation and amortisation expense	1411	1619	1724	6698
	g) Power and fuel	2097	4561	4695	18086
	h) Other expenses	5116	7948	9370	35517
	Total expenses	24279	31284	38683	145898
3	Profit before tax (1)-(2)	1060	7456	6182	23954
4	Tax expense				
	Current tax	-	1580	1841	5775
	Deferred tax	10	(365)	(167)	(953)
	Total tax expense	10	1215	1674	4822
5	Profit for the period (3)-(4)	1050	6241	4508	19132
6	Other comprehensive income [OCI]				
	Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the defined benefit plans	(21)	(1225)	-	(1225)
	(b) Equity instruments through other comprehensive income	326	(158)	(178)	(511)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	Other comprehensive income - Total	305	(1383)	(178)	(1736)
7	Total Comprehensive income [5 + 6]	1355	4858	4330	17396
8	Paid up Equity Share Capital (Face value - Re.1 per share)	1894	1894	1892	1894
9	Reserves excluding revaluation reserve				134576
10	Earnings per share (Rs.) on S.no. 5 Net Profit after tax (not annualised)				
	- Basic	0.55	3.30	2.38	10.11
	- Diluted	0.55	3.29	2.38	10.10





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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

STANDALONE UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Year ended
		Unaudited	Audited	Unaudited	Audited
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
			(Refer note no: 5)		
1	Segment Revenue				
	Abrasives	10090	17374	21374	81468
	Ceramics	7882	10792	13822	51200
	Electrominerals	6538	10111	10464	41088
	Total	24510	38277	45660	173756
	Less: Inter-Segment Revenue	1123	2646	3230	11450
	Sales / Income from operations	23387	35631	42430	162306
2	Segment Results				
	(Profit (+) / Loss (-) before Finance costs and tax)				
	Abrasives	(188)	2164	2781	10829
	Ceramics	703	2367	2489	10006
	Electrominerals	139	642	319	2169
	Total	654	5173	5589	23004
	Less: (i) Finance costs	1	32	-	35
	(ii) Other unallocable expenses / (income) net	(407)	(2315)	(593)	(985)
	Profit before tax	1060	7456	6182	23954
	Less : Tax expense	10	1215	1674	4822
	Net profit after tax	1050	6241	4508	19132
3a	Segmental assets				
	Abrasives	39782	41306	47232	41306
	Ceramics	37398	36383	37248	36383
	Electrominerals	30003	30757	33962	30757
	Unallocable	55150	48855	37537	48855
	Total	162333	157301	155979	157301
3b	Segmental liabilities				
	Abrasives	5983	6612	10309	6612
	Ceramics	7523	4798	5117	4798
	Electrominerals	5557	5011	4301	5011
	Unallocable	5158	4173	4073	4173
	Total	24221	20594	23800	20594





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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

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 29,2020 and were subjected to a limited review by the Statutory Auditors of the Company.
- 2 The step down subsidiary M/s.Foskor Zirconia Pty Limited, South Africa [FZL] has incurred a loss of Rs.422 Lakhs for the period ended June 30, 2020, out of this Rs.215 Lakhs has been considered in the Group consolidated financials, being share of the Parent. The Board of FZL is monitoring the business performance and will initiate suitable measures in due course. No adjustments are necessary to these financial statements in this regard.
- 3 In July 2020, the Company's wholly owned step down subsidiary, M/s.Thukela Refractories Isithebe Pty Limited, South Africa (TRI), (subsidiary of M/s.CUMI International Limited, Cyprus) ceased its status consequent to the approval of its voluntary de-registration by the Companies and Intellectual Property Commission (CIPC), South Africa.
- 4 **Impact of COVID 19 Pandemic**
The Covid 19 pandemic is unprecedented and measures to contain it has caused significant disturbances and slow down of economic activity. The Company's operations & financial results for the quarter have been adversely impacted due to scaling down / suspension of operations across all plants due to supply chain constraints, shortage of workforce and various safety measures taken across all areas of operations.
The operations were resumed gradually and will take time to stabilise, as the situation continues to be still evolving. The Company has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.
- 5 The figures for the quarters ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter ended December 31, 2019.
- 6 The standalone and consolidated financial results are available on the website of the Company : www.cumi-murugappa.com and Stock exchanges : www.bseindia.com & www.nseindia.com.

Chennai
July 29, 2020

For Carborundum Universal Limited

M.M.Murugappan
Chairman





CARBORUNDUM UNIVERSAL LIMITED
CIN : L29224TN1954PLC000318
Registered office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001



CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

S.No.	Particulars	(Rs. in Lakhs)			
		Quarter ended		Year ended	
		Unaudited	Audited	Unaudited	Audited
			(Refer Note no: 6)		
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
1	Income				
	a) Sales / Income from operations	44380	58602	66358	256936
	b) Other Operating income	578	795	782	2961
	Revenue from operations	44958	59397	67140	259897
	Other income	645	2943	490	4501
	Total income	45603	62340	67630	264398
2	Expenses				
	a) Cost of materials consumed	8502	17917	22363	82482
	b) Purchase of stock-in-trade	1205	1772	2536	9166
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	4577	(1755)	(1064)	(2954)
	d) Employee benefits expense	8237	8048	8404	34483
	e) Finance costs	99	163	193	633
	f) Depreciation and amortisation expense	2327	2517	2640	10452
	g) Power and fuel	7059	9251	9550	37166
	h) Other expenses	11041	13917	15827	59693
	Total expenses	43047	51830	60449	231121
3	Profit from operations before share of profit of equity accounted investees and income tax [1]-[2]	2556	10510	7181	33277
4(a)	Share of profit of associate (net of tax)	16	(31)	143	400
4(b)	Share of profit of joint ventures (net of tax)	70	94	447	1377
5	Profit before tax [3]+[4(a)]+[4(b)]	2642	10573	7771	35054
6	Tax expense				
	Current tax	854	2961	2685	9667
	Deferred tax	(137)	(1780)	(54)	(2112)
	Total tax	717	1181	2631	7555
7	Net profit after tax (5-6)	1925	9392	5140	27499
	Profit for the period attributable to :				
7(a)	- Owners of the Company	1973	9233	5277	27242
7(b)	- Non-controlling interest	(48)	159	(137)	257
8	Add : Other comprehensive income / (loss)				
	A.Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the defined benefit plans	(21)	(1260)	-	(1258)
	(b) Equity instruments through other comprehensive income	326	(158)	(178)	(511)
	(c) Share of Joint ventures/associate - Adjustments net of tax - Remeasurements of the defined benefit plans	3	(24)	-	(52)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	Total	308	(1442)	(178)	(1821)
	B.Items that may be reclassified to profit or loss				
	(a) Exchange differences in translating the financial statements of foreign operations	4754	(7985)	1375	(3837)
	(b) Valuation of cash flow hedges	22	(55)	3	(87)
	(c) Share of Joint ventures/associate - Adjustments net of tax	48	(19)	40	67
	Income tax relating to items that may be reclassified to profit or loss	(6)	14	(1)	23
	Total	4818	(8045)	1417	(3834)
8	Other comprehensive income /(loss) - A+B	5126	(9487)	1239	(5655)
	Other comprehensive income for the period attributable to :				
8(a)	- Owners of the Company	5119	(9458)	1238	(5617)
8(b)	- Non-controlling interest	7	(29)	1	(38)
9	Total comprehensive income (7+8)	7051	(95)	6379	21844
	Total comprehensive income for the period attributable to :				
9(a)	- Owners of the Company	7092	(225)	6515	21625
9(b)	- Non-controlling interest	(41)	130	(136)	219
10	Paid up equity share capital (Face value - Re.1 per share)	1894	1894	1892	1894
11	Reserves excluding revaluation surplus				183704
12	Earnings per share (Rs.) on S.no.7(a) Net Profit after tax and non-controlling interests (not annualised)				
	- Basic	1.04	4.88	2.79	14.39
	- Diluted	1.04	4.87	2.78	14.38



**CARBORUNDUM UNIVERSAL LIMITED**

CIN : L29224TN1954PLC000318

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

**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020****CONSOLIDATED UNAUDITED SEGMENTWISE REVENUE, RESULTS , ASSETS AND LIABILITIES****(Rs. in Lakhs)**

S.No.	Particulars	Quarter ended		Year ended	
		Unaudited	Audited	Unaudited	Audited
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
			(Refer Note no: 6)		
1	Segment revenue				
	Abrasives	13138	21306	25937	99531
	Ceramics	10759	14011	16529	62895
	Electrominerals	20955	25152	26415	102577
	Others	1177	1711	1710	7083
	Total	46029	62180	70591	272086
	Less: Inter-segment revenue	1649	3578	4233	15150
	Sales / Income from operations	44380	58602	66358	256936
2	Segment results				
	(Profit (+) / Loss (-) before Finance costs and tax)				
	Abrasives	(303)	2297	2827	11295
	Ceramics	1183	3583	2980	13171
	Electrominerals	2332	3222	2442	10415
	Others	162	334	204	1002
	Total	3374	9436	8453	35883
	Less: (i) Finance costs	99	163	193	633
	(ii) Other unallocable expenses / (income) net	719	(1237)	1079	1973
	Profit before tax	2556	10510	7181	33277
	Less : Tax expense	717	1181	2631	7555
	Add : Share of profit from associate and joint ventures	86	63	590	1777
	Less : Non-controlling interests	(48)	159	(137)	257
	Profit after tax , share of profit from associate/joint ventures and non-controlling interests	1973	9233	5277	27242
3a	Segmental assets				
	Abrasives	56913	59023	68175	59023
	Ceramics	49027	48084	46407	48084
	Electrominerals	73430	68184	73025	68184
	Others (including un-allocable)	59845	53876	44955	53876
	Total segmental assets	239215	229167	232562	229167
3b	Segmental liabilities				
	Abrasives	7998	8947	13127	8947
	Ceramics	8693	6480	5513	6480
	Electrominerals	12064	11627	10871	11627
	Others (including un-allocable)	13433	11724	19914	11724
	Total segmental liabilities	42188	38778	49425	38778





CARBORUNDUM UNIVERSAL LIMITED
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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

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 29,2020 and were subjected to a limited review by the Statutory Auditors of the Company.

2 Summary of key standalone financial results of Carborundum Universal Limited is as follows:

Particulars	Quarter ended		Year ended	
	Unaudited	Audited	Unaudited	Audited
		(Refer Note no: 6)		
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
Revenue from operations	23809	36553	43066	165119
Profit before tax	1060	7456	6182	23954
Net profit after tax	1050	6241	4508	19132
Total comprehensive income	1355	4858	4330	17396

3 The step down subsidiary M/s.Foskor Zirconia Pty Limited, South Africa [FZL] has incurred a loss of Rs.422 Lakhs for the period ended June 30, 2020, out of this Rs.215 Lakhs has been considered in the Group consolidated financials, being share of the Parent. The Board of FZL is monitoring the business performance and will initiate suitable measures in due course. No adjustments are necessary to these financial statements in this regard.

4 In July 2020, the Company's wholly owned step down subsidiary, M/s.Thukela Refractories Isithebe Pty Limited, South Africa (TRI), (subsidiary of M/s.CUMI International Limited, Cyprus) ceased its status consequent to the approval of its voluntary de-registration by the Companies and Intellectual Property Commission (CIPC), South Africa.

5 Impact of COVID 19 Pandemic

The Covid 19 pandemic is unprecedented and measures to contain it has caused significant disturbances and slow down of economic activity. The Group's operations & Consolidated financial results for the quarter have been adversely impacted due to scaling down / suspension of operations across all plants due to supply chain constraints, shortage of workforce and various safety measures taken across all areas of operations.

The operations were resumed gradually and will take time to stabilise, as the situation continues to be still evolving. The Group has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Group continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.

6 The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year- to -date figures upto the third quarter ended December 31, 2019.

7 The standalone and consolidated financial results are available on the website of the Company : www.cumi-murugappa.com and Stock exchanges : www.bseindia.com & www.nseindia.com.

Chennai
July 29, 2020

For Carborundum Universal Limited

M.M. Murugappan
Chairman



Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report on Review of Interim Standalone Financial Results

To
The Board of Directors
Carborundum Universal Limited
"Parry House", 6th floor,
43, Moore Street,
Chennai - 600 001

1. We have reviewed the unaudited financial results of Carborundum Universal Limited (the "Company") for the quarter ended June 30, 2020 which are included in the accompanying "Standalone unaudited financial results for the quarter ended June 30, 2020" (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations, 2015") and SEBI circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement, which is the responsibility of the Company's Management has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ("Ind AS 34") "Interim financial reporting", prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 4 to the Statement, regarding management's assessment of the impact on the financial results due to lockdown and related restrictions imposed towards COVID 19 pandemic. Management continues to monitor all material changes to the Company's internal and external environment due to the Covid-19 pandemic. Our conclusion is not modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants



Subramanian Vivek
Partner

Membership Number: 100332
UDIN: 20100332AAAAA03093

Place: Chennai
Date: July 29, 2020

Price Waterhouse Chartered Accountants LLP, 8th Floor, Prestige Palladium Bayan, 129 - 140, Greams Road
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T: +91 (44) 4228 5000, F: +91 (44) 4228 5100

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report on Review of Interim Consolidated Financial Results

To
The Board of Directors
Carborundum Universal Limited
"Parry House", 6th Floor,
43, Moore Street,
Chennai - 600 001

1. We have reviewed the unaudited consolidated financial results of Carborundum Universal Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together hereinafter referred to as the "Group"), its share of profit of its jointly controlled entities and an associate company along with its wholly owned subsidiaries (the "Associate") for the quarter ended June 30, 2020 which are included in the accompanying "Consolidated unaudited financial results for the quarter ended June 30, 2020" (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), as amended which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and approved by their Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries:

- i. CUMI Abrasives and Ceramics Company Limited
- ii. CUMI America Inc
- iii. CUMI (Australia) Pty Limited
- iv. CUMI Europe s.r.o
- v. CUMI International Limited
- vi. CUMI Middle East FZE
- vii. Foskor Zirconia (Pty) Limited
- viii. Net Access India Limited

Price Waterhouse Chartered Accountants LLP, 8th Floor, Prestige Palladium Bayan, 129 - 140, Gretna Road
Chennai - 600 006, India
T: +91 (44) 4228 5000, F: +91 (44) 4228 5100

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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- ix. Sterling Abrasives Limited
- x. Southern Energy Development Corporation Limited
- xi. Thukela Refractories Isithebe Pty Limited
- xii. Volzhsky Abrasives Works

Jointly controlled entities:

- xiii. Ciria India Limited
- xiv. Murugappa Morgan Thermal Ceramics Ltd

Associate:

- xv. Wendt (India) Limited and its wholly owned subsidiaries

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review/audit reports of other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 5 to the Statement, regarding management's assessment of the impact on the financial results due to lockdown and related restrictions imposed towards COVID 19 pandemic. Management continues to monitor all material changes to the Company's internal and external environment due to the Covid-19 pandemic. Our conclusion is not modified in respect of this matter.
7. We draw your attention to the following paragraph on "Material Uncertainty regarding Going concern" included in the report on review of interim reporting package of Foskor Zirconia (Pty) Limited which is a subsidiary of CUMI International Limited, a subsidiary of the Parent, issued by an independent firm of Accountants based out of South Africa vide its report dated July 10, 2020 reproduced by us as under:

"We draw attention to the condensed income statement, which indicates that Foskor Zirconia (Pty) Ltd incurred a net loss of R 9,964,287 for the 3 month period ended June 30, 2020. As of that date, the liabilities of the Company exceeded its total assets by R 98,770,679. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on Foskor Zirconia (Pty) Ltd's ability to continue as a going concern. Our opinion is not modified in respect of this matter".

Our conclusion is not modified in respect of this matter.

8. We did not review the financial results/statements of ten subsidiaries considered in the preparation of the statement and which constitutes total revenues of Rs. 25,746 lakhs, total net profit after tax of Rs. 2,143 lakhs and other comprehensive income of Rs. 1,397 lakhs, for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 70 lakhs and other comprehensive income of Rs. 3 lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, in respect of two jointly controlled entities, whose financial results have not been reviewed by us. These financial results/statements have been reviewed/audited by other auditors who have issued an unmodified conclusion/opinion, which have been furnished to us by the Parent's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.



Out of the above, seven subsidiaries are located outside India whose financial results/statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed/audited by other auditors under generally accepted auditing standards applicable in their respective countries, which constitute total revenue of Rs. 23,349 lakhs, total net profit after tax of Rs. 2,011 lakhs and other comprehensive income of Rs. nil for the quarter ended June 30, 2020. The Parent's management has converted the financial results/ statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us. Our conclusion on the Statement is not modified in respect of the above matters.

9. The consolidated unaudited financial results includes the financial results of two subsidiaries which have not been reviewed/audited by their auditors, whose financial results reflect total revenue of Rs. Nil, total net loss of Rs. nil and other comprehensive income of Rs. nil for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants



Subramanian Vivek
Partner
Membership Number: 100332
UDIN: 20100332AAAAAP8430

Place: Chennai
Date: July 29, 2020



Carborundum Universal's Q1 FY 2020-21 Consolidated Sales lower by 33%, PAT lower by 63%

Chennai, 29th July 2020: The Board of Directors met today and approved the results for the Quarter ended 30th June 2020.

Financial performance

Consolidated sales for the quarter, decreased by 33 percent to Rs.444 Cr from Rs.664 Cr in the corresponding period of last year. The revenue was impacted by the lockdowns imposed in India as well as various parts of the world during Q1 due to Covid 19 pandemic. At a standalone level, sales decreased by 45 percent.

The consolidated segmental profitability was impacted by lower volumes due to significant disturbances and slow down of economic activity consequent to the pandemic

The Company, at a consolidated level, spent Rs.34 Cr on capital expenditure. The debt equity ratio was 0.03. Cash and cash equivalents net of borrowings was at Rs. 393 Cr

On a consolidated basis, profit before tax was Rs.26 Cr as against Rs.78 Cr in Q1 of previous year. Profit after tax and non-controlling interest was Rs.20 Cr as against Rs.53 Cr in Q1 of previous year.

Consolidated Segmental Operating Performance

Abrasives

Segment Revenue was Rs.131 Cr compared to last year's Q1 revenue of Rs.259 Cr. The steep drop in revenue was mainly due to lack of demand in the end user industries like Auto Components, General engineering & fabrications, Wood workings and Constructions, consequent to the lockdowns.

Profit/(Loss) before finance cost and tax was at (Rs.3 Cr) as against Rs.28 Cr in Q1 of last year.



Electro Minerals

Segment revenue was at Rs.210 Cr versus Rs.264 Cr in Q1 of last year, resulting in a decline of 21%. In the domestic market, the end user industries, mainly Abrasives, showed weak demand. The Russian subsidiary performed well displaying strong resilience.

Profit before finance cost and tax was at Rs.23 Cr as against Rs.24 Cr of Q1 last year. The lower impact on the profitability in comparison to the decline in topline largely comes from lower losses from the South African Subsidiary.

Ceramics

Segment Revenues were lower by 35 percent at Rs.108 Cr as against Rs.165 Cr in Q1 of last year. The drop in revenue largely was from the Domestic side of the business while Exports fared better.

Profit before finance cost and tax at Rs.12 Cr was lower as compared to Rs.30 Cr in the corresponding period of the previous year.

About the Murugappa Group

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal 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.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, 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 51,000 employees.

For more details, visit www.murugappa.com

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