

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
CARBORUNDUM UNIVERSAL LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of CARBORUNDUM UNIVERSAL LIMITED ("the Company") for the Quarter ended 30 June 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management 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 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 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended 30 June 2014 of the Statement, from the details furnished by the Management.

For DELOITTE HASKINS & SELLS,  
Chartered Accountants  
(Firm's Registration No.008072S)



*B. Ramaratnam*

**B. Ramaratnam**  
Partner  
(Membership No.21209)

CHENNAI, August 1, 2014

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**CARBORUNDUM UNIVERSAL LIMITED**  
CIN No: L29224TN1954PLC000318

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



**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014**  
**UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

PART - I		(Rs.in Lakhs)			
S.No.	Particulars	Quarter ended		Year ended	
		(Unaudited)	(Audited) Refer Note no : 6	(Unaudited)	(Audited)
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
1	<b>Income from Operations</b>				
	a) Gross Sales / Income from Operations	29109	31892	29179	122677
	Less: Excise duty recovered	2222	2613	2264	9913
	Net Sales / Income from Operations	26887	29279	26915	112764
	b) Other Operating Income	341	832	446	2096
	<b>Total Income from Operations (net)</b>	<b>27228</b>	<b>30111</b>	<b>27361</b>	<b>114860</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	10953	11249	11497	45909
	b) Purchase of stock-in-trade	706	1256	1058	6251
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	171	882	(412)	(850)
	d) Employee benefits expense	3154	3244	2995	12585
	e) Depreciation and amortisation expense	1408	1263	1207	4914
	f) Power & Fuel	3065	3201	2809	11815
	g) Other expenses	5913	6527	5691	24646
	<b>Total expenses</b>	<b>25370</b>	<b>27622</b>	<b>24845</b>	<b>105270</b>
3	<b>Profit from operations before other income and finance costs (1-2)</b>	<b>1858</b>	<b>2489</b>	<b>2516</b>	<b>9590</b>
4a	Other income	609	759	773	1726
4b	Exchange gain/(loss) (net)	(46)	(68)	190	219
5	<b>Profit before finance costs (3+4a+4b)</b>	<b>2421</b>	<b>3180</b>	<b>3479</b>	<b>11535</b>
6	Finance costs	241	367	296	1294
7	<b>Profit from ordinary activities before tax (5-6)</b>	<b>2180</b>	<b>2813</b>	<b>3183</b>	<b>10241</b>
8	Tax expense	633	645	919	2963
9	<b>Net Profit after tax (7-8)</b>	<b>1547</b>	<b>2168</b>	<b>2264</b>	<b>7278</b>
10	Paid up Equity Share Capital (Face value - Re.1 per share)	1879	1878	1875	1878
11	Reserves excluding revaluation reserve				71235
12	Earnings per share (Rs.) not annualised				
	- Basic	0.82	1.16	1.21	3.88
	- Diluted	0.82	1.15	1.21	3.88

*M. H. Murgappa*



**CARBORUNDUM UNIVERSAL LIMITED**

CIN No: L29224TN1954PLC000318

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**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT****PART - II****Select Information for the period ended June 30, 2014**

S.No.	Particulars	Quarter ended			Year ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
<b>A</b>	<b>PARTICULARS OF SHAREHOLDINGS</b>				
1	Public shareholding				
	- Number of Shares	108676704	108580198	108318870	108580198
	- Percentage of shareholding	57.85%	57.83%	57.77%	57.83%
2	Promoters and Promoter group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	1407800	1407800	1407800	1407800
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	1.78%	1.78%	1.78%	1.78%
	- Percentage of shares (as a % of the total share capital of the company)	0.75%	0.75%	0.75%	0.75%
	b) Non-encumbered				
	- Number of shares	77768220	77768220	77762820	77768220
	- Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	98.22%	98.22%	98.22%	98.22%
	- Percentage of shares (as a % of the total share capital of the company)	41.40%	41.42%	41.48%	41.42%

	Particulars	Quarter ended 30.06.2014
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	-
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	-

*M M Murugappa*

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**STANDALONE SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Year ended
		(Unaudited)	(Audited) Refer Note no : 6	(Unaudited)	(Audited)
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
<b>1</b>	<b>Segment Revenue</b>				
	Abrasives	15505	16192	15169	63993
	Ceramics	7437	8486	7115	30574
	Electrominerals	5479	5829	6131	24077
	<b>Total</b>	<b>28421</b>	<b>30507</b>	<b>28415</b>	<b>118644</b>
	<b>Less: Inter-Segment Revenue</b>	1534	1228	1500	5880
	<b>Net Sales/Income from operations</b>	<b>26887</b>	<b>29279</b>	<b>26915</b>	<b>112764</b>
<b>2</b>	<b>Segment Results (Profit (+) / Loss (-) before Finance costs and tax)</b>				
	Abrasives	1288	1173	1808	5954
	Ceramics	992	1198	797	3428
	Electrominerals	551	339	796	2865
	<b>Total</b>	<b>2831</b>	<b>2710</b>	<b>3401</b>	<b>12247</b>
	<b>Less: (i) Finance costs</b>	241	367	296	1294
	(ii) Other unallocable expenses / (income) net	410	(470)	(78)	712
	<b>Total Profit before Tax</b>	<b>2180</b>	<b>2813</b>	<b>3183</b>	<b>10241</b>
<b>3</b>	<b>Capital Employed ( Segment Assets - Segment Liabilities )</b>				
	Abrasives	34209	36244	35487	36244
	Ceramics	24797	25416	26476	25416
	Electrominerals	15456	15179	14733	15179
	Unallocable	7934	8396	7052	8396
	<b>Total</b>	<b>82396</b>	<b>85235</b>	<b>83748</b>	<b>85235</b>

*M.M. Murugappa*



CARBORUNDUM UNIVERSAL LIMITED  
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**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

**Notes :**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on August 1, 2014 and has been subjected to limited review by the Statutory Auditors of the Company.
- 2 During the current quarter, the Company has allotted 96,506 equity shares pursuant to exercise of Employee Stock Options.
- 3 The Company has opted to publish the Consolidated financial results. Standalone financial results are available at the website of the Company : [www.cumi.murugappa.com](http://www.cumi.murugappa.com) and Stock exchanges : [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com).
- 4 With effect from April 1, 2014, the Company has adopted the useful life of fixed assets specified in Schedule II to the Companies Act, 2013 and has also applied the transitional provisions stated therein. Consequently, the depreciation for the quarter is higher by Rs.95 Lakhs.
- 5 Figures for the previous periods have been regrouped and reclassified, where considered necessary.
- 6 The figures for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2014 and the published year-to-date figures upto the third quarter ended December 31, 2013.

For Carborundum Universal Limited

Chennai  
August 1, 2014.



*M M Murugappa*

M.M.Murugappan  
Chairman



## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF CARBORUNDUM UNIVERSAL LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **CARBORUNDUM UNIVERSAL LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") for the Quarter ended 30 June 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management 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 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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

### Subsidiaries

- i. CUMI America Inc
- ii. CUMI (Australia) Pty Ltd
- iii. CUMI Canada Inc
- iv. CUMI Middle East FZE
- v. Volzhsky Abrasives Works
- vi. Foskor Zirconia (Pty) Ltd
- vii. CUMI International Limited
- viii. Net Access India Ltd
- ix. Sterling Abrasives Ltd
- x. Southern Energy Development Corporation Ltd
- xi. Cellaris Refractories India Limited
- xii. CUMI Abrasives and Ceramics Company Limited
- xiii. Thukela Refractories Isithebe Pty Limited

### Jointly Controlled Entities

- xiv. Wendt (India) Ltd. and its wholly owned subsidiaries
- xv. Murugappa Morgan Thermal Ceramics Ltd
- xvi. Ciria India Ltd





# Deloitte Haskins & Sells

4. We did not review the interim financial statements / information / results of 13 subsidiaries as indicated in paragraph 3(i) to (xiii) and 2 jointly controlled entities as indicated in 3 (xv) to (xvi) included in the consolidated financial results, whose interim financial statements / information / results reflect total revenues of Rs.25,708 Lakhs for the Quarter ended 30 June 2014 and total profit after tax of Rs.1,476 Lakhs for the Quarter ended 30 June 2014, as considered in the consolidated financial results. These interim financial statements / information / results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report 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.
5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended 30 June 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**,  
Chartered Accountants  
(Firm's Registration No.008072S)

*B. Ramaratnam*

**B.Ramaratnam**  
Partner  
(Membership No.21209)



CHENNAI, August 1, 2014

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**CARBORUNDUM UNIVERSAL LIMITED**  
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**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014 UNDER  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

PART - I		(Rs. In Lakhs)			
S.No.	Particulars	Quarter ended		Year ended	
		(Unaudited) 30.06.2014	(Audited) Refer Note No.7 31.03.2014	(Unaudited) 30.06.2013	(Audited) 31.03.2014
1	<b>Income from Operations</b>				
	a) Gross Sales / Income from Operations	54115	55447	52611	220570
	Less: Excise duty recovered	2513	2942	2559	11182
	Net Sales / Income from Operations	51602	52505	50052	209388
	b) Other Operating Income	588	1132	720	3146
	<b>Total Income from Operations (net)</b>	<b>52190</b>	<b>53637</b>	<b>50772</b>	<b>212534</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	17866	17634	16413	67774
	b) Purchase of stock-in-trade	1161	1036	1749	8849
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2268)	754	(1054)	(2116)
	d) Employee benefits expense	7178	8139	6700	28996
	e) Depreciation and amortisation expense	2587	2703	2026	9107
	f) Power & Fuel	8921	8164	7824	33622
	g) Other expenses	11893	11119	12723	50256
	<b>Total expenses</b>	<b>47338</b>	<b>49549</b>	<b>46381</b>	<b>196488</b>
3	<b>Profit from operations before other income and finance costs (1-2)</b>	<b>4852</b>	<b>4088</b>	<b>4391</b>	<b>16046</b>
4a	Other income	318	463	815	1665
4b	Exchange gain/(loss) (net)	(271)	154	156	537
5	<b>Profit before finance costs (3+4a+4b)</b>	<b>4899</b>	<b>4705</b>	<b>5362</b>	<b>18248</b>
6	Finance costs	658	747	640	2818
7	<b>Profit from ordinary activities before tax (5-6)</b>	<b>4241</b>	<b>3958</b>	<b>4722</b>	<b>15430</b>
8	Tax expense	1354	1342	1844	5919
9	<b>Net Profit after tax (7-8)</b>	<b>2887</b>	<b>2616</b>	<b>2878</b>	<b>9511</b>
10	Minority Interest	151	122	114	360
11	<b>Net Profit after tax and minority interest (9-10)</b>	<b>2736</b>	<b>2494</b>	<b>2764</b>	<b>9151</b>
12	Paid up Equity Share Capital (Face value - Re.1 per share)	1879	1878	1875	1878
13	Reserves excluding revaluation reserve				108478
14	Earnings per share (Rs.) not annualised				
	- Basic	1.46	1.33	1.47	4.88
	- Diluted	1.45	1.33	1.47	4.87

*M M Murugappa*







**CARBORUNDUM UNIVERSAL LIMITED**

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**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014 UNDER  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

**Select Information for the quarter ended June 30, 2014**

S.No.	Particulars	Quarter ended			Year ended
		(Unaudited)	(Audited) Refer Note No.7	(Unaudited)	(Audited)
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
<b>A</b>	<b>PARTICULARS OF SHAREHOLDINGS</b>				
1	Public shareholding				
	- Number of Shares	108676704	108580198	108318870	108580198
	- Percentage of shareholding	57.85%	57.83%	57.77%	57.83%
2	Promoters and Promoter group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	1407800	1407800	1407800	1407800
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	1.78%	1.78%	1.78%	1.78%
	- Percentage of shares (as a % of the total share capital of the company)	0.75%	0.75%	0.75%	0.75%
	b) Non-encumbered				
	- Number of shares	77768220	77768220	77762820	77768220
	- Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	98.22%	98.22%	98.22%	98.22%
	- Percentage of shares (as a % of the total share capital of the company)	41.40%	41.42%	41.48%	41.42%

	Particulars	Quarter ended 30.06.2014
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	-
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	-

*M. M. Murugappa*





**CARBORUNDUM UNIVERSAL LIMITED**

CIN No: L29224TN1954PLC000318

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**CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED  
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. in Lakhs)

		Quarter ended			Year ended
		(Unaudited)	(Audited) Refer Note No.7	(Unaudited)	(Audited)
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
<b>1</b>	<b>Segment Revenue</b>				
	Abrasives	21206	21546	20606	85986
	Ceramics	11494	12373	11145	47069
	Electrominerals	20211	19426	19499	80986
	Others	845	936	940	3644
	<b>Total</b>	<b>53756</b>	<b>54281</b>	<b>52190</b>	<b>217685</b>
	<b>Less: Inter-Segment Revenue</b>	2154	1776	2138	8297
	<b>Net Sales/Income from operations</b>	<b>51602</b>	<b>52505</b>	<b>50052</b>	<b>209388</b>
<b>2</b>	<b>Segment Results (Profit (+) / Loss (-) before Finance costs and tax)</b>				
	Abrasives	1230	885	2029	6011
	Ceramics	1720	1719	1526	5885
	Electrominerals	2640	1659	2587	8067
	Others	45	(14)	132	292
	<b>Total</b>	<b>5635</b>	<b>4249</b>	<b>6274</b>	<b>20255</b>
	<b>Less: (i) Finance costs</b>	658	747	640	2818
	<b>(ii) Other unallocable expenses / (income) net</b>	736	(456)	912	2007
	<b>Total Profit before Tax</b>	<b>4241</b>	<b>3958</b>	<b>4722</b>	<b>15430</b>
<b>3</b>	<b>Capital Employed ( Segment Assets - Segment Liabilities )</b>				
	Abrasives	60628	60592	63120	60592
	Ceramics	38493	39360	40825	39360
	Electrominerals	54175	50455	50661	50455
	Others (including un-allocable)	12162	12811	8087	12811
	<b>Total</b>	<b>165458</b>	<b>163218</b>	<b>162693</b>	<b>163218</b>

*M. Murugappa*





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**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014 UNDER  
CLAUSE 41 OF THE LISTING AGREEMENT**

**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on August 1, 2014 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 96,506 equity shares pursuant to exercise of Employee Stock Options.
- 3 In accordance with requirements of Companies Act 2013, the depreciation for the quarter has been computed based on the useful life specified therein and the transitional provisions have also been applied. Consequently, the depreciation for the quarter is higher by Rs.168 Lakhs.
- 4 Figures for the previous periods have been regrouped and reclassified where considered necessary.

- 5 Summary of Key Standalone Financial Results of Carborundum Universal Limited is as follows: (Rs. in Lakhs)

Particulars	Quarter ended			
	(Unaudited)	(Audited)	(Unaudited)	Year ended
		Refer Note No.7		(Audited)
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
Total Income from operations (net)	27228	30111	27361	114860
Profit before Tax	2180	2813	3183	10241
Net Profit After Tax	1547	2168	2264	7278

- 6 The Company has opted to publish the Consolidated financial results. Standalone financial results are available at the website of the Company: [www.cumi.murugappa.com](http://www.cumi.murugappa.com) and Stock Exchanges: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)
- 7 The figures for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2014 and the published year-to-date figures upto the third quarter ended December 31, 2013.

**For Carborundum Universal Limited**



*M.M. Murugappan*

**M.M. Murugappan**  
Chairman

Chennai  
August 1, 2014

