

**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.

14th February 2018

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 15 pages (including covering letter)

Dear Sirs,

Sub: Intimation on the outcome of the Board Meeting held on 14th February 2018

We refer to our letter dated 11th January 2018, 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 met today and approved the following:

1. Unaudited Financial Results for the quarter/period ended 31st December 2017

Unaudited financial results for the quarter/period ended 31st December 2017 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/period ended 31st December 2017;
- b. Consolidated financial results for quarter/period ended 31st December 2017;
- c. Limited Review Report of M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors on the Standalone and Consolidated financial results for quarter/period ended 31st December 2017;
- 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.



2. Declaration of Interim Dividend

The Board at its meeting today has declared a payment of interim dividend of Re. 1/- (One rupee only) per equity share (on a face value of Re. 1/-) for the year ending 31st March 2018. The Record Date for determining the members eligible to receive aforesaid interim dividend is 26th February 2018. In the case of shareholders opting for NECS/ECS, the dividend would in the normal course be credited to their accounts by Monday, 5th March 2018. In the case of physical warrants, they will be posted by Monday, 5th March 2018.

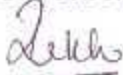
We further wish to inform that the meeting of the Board of Directors of the Company commenced at 12 noon and concluded at 1:10 p.m.

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 AND NINE MONTHS ENDED DECEMBER 31, 2017

S.No.	Particulars	(Rs.in Lakhs)					
		Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
1	Income						
	a) Gross Sales / Income from Operations (inclusive of excise duty)	40560	38553	35725	113831	109485	149688
	b) Other Operating Income	585	382	403	1464	1131	2291
	Revenue from Operations	41145	38945	36128	115295	110616	151977
	Other income	802	155	427	1908	1178	3431
	Total Income	41947	39100	36555	117203	111794	155410
2	Expenses						
	a) Cost of materials consumed	15970	13755	12187	42259	38094	51207
	b) Purchase of stock-in-trade	1477	1215	1801	5352	6098	8181
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(239)	2071	(923)	314	(1290)	120
	d) Excise duty on sales	-	0	2782	2605	8266	11409
	e) Employee benefits expense	4565	4266	3949	12989	11590	15327
	f) Finance costs	17	52	204	89	677	876
	g) Depreciation and amortisation expense	1858	1825	1686	5475	5009	6694
	h) Power and fuel	4165	3653	3398	11592	9530	12981
	i) Other expenses	8840	7351	8036	23405	22688	31545
	Total expenses	36603	34188	33120	104081	100687	138340
3	Profit before tax (1)-(2)	5344	4912	3435	13122	11107	17070
4	Tax expense						
	Current tax	1778	1975	1191	4665	3822	5275
	Deferred tax	(192)	(295)	(140)	(597)	(352)	(382)
	Total tax expense	1586	1679	1051	4068	3470	4893
5	Profit for the period (3)-(4)	3758	3233	2384	9054	7637	12177
6	Other comprehensive income (OCI)						
	Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit liabilities / (asset)	67	134	(65)	201	(195)	(253)
	(b) Equity instruments through other comprehensive income	273	(55)	82	568	(426)	(542)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income - Total	340	79	17	769	(621)	(795)
7	Total Comprehensive income [5 + 6]	4098	3312	2401	9823	7016	11382
8	Paid up Equity Share Capital (Face value - Re.1 per share)	1889	1888	1886	1889	1886	1887
9	Reserves excluding revaluation reserve						103379
10	Earnings per share (Rs.) on S.no. 5 Net Profit after tax (not annualised)						
	- Basic	1.99	1.71	1.26	4.80	4.05	6.46
	- Diluted	1.98	1.71	1.26	4.78	4.04	6.44





CARBORUNDUM UNIVERSAL LIMITED

CIN : L29224TN1954PLC000318

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



STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

STANDALONE UNAUDITED SEGMENTWISE REVENUE, RESULTS ASSETS AND LIABILITIES

(Rs. in Lakhs)

S.NO.	Particulars	Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
1	Segment Revenue						
	Abrasives	22412	21501	20983	63298	63331	85917
	Ceramics	10128	9675	9114	28779	28467	38986
	Electrominerals	10769	9722	7889	29344	24613	33960
	Total	43309	40898	37986	121421	116411	158863
	Less: Inter-Segment Revenue	2749	2345	2261	7590	6925	9177
	Gross Sales / Income from operations	40560	38553	35725	113831	109485	149686
2	Segment Results						
	(Profit (+) / Loss (-) before Finance costs and tax)						
	Abrasives	3508	3354	2491	8787	7802	10468
	Ceramics	1317	1358	1071	3577	3566	5085
	Electrominerals	966	895	447	2059	1860	2115
	Total	5791	5617	4009	14423	13028	17670
	Less: (i) Finance costs	17	52	204	59	572	876
	(ii) Other unallocable expenses / (income) net	430	653	370	1212	1249	(276)
	Total profit before tax	5344	4912	3435	13152	11107	17070
	Less: Tax expense	1586	1679	1051	4068	3470	4894
	Net profit after tax	3758	3233	2384	9084	7637	12177
3a	Segmental assets						
	Abrasives	45471	44921	42134	45471	42134	40962
	Ceramics	34179	32875	33570	34179	33570	32555
	Electrominerals	31280	31273	29427	31280	29427	29745
	Unallocable	30114	27332	32124	30114	32124	26470
		141044	136406	137255	141044	137255	129732
3b	Segmental liabilities						
	Abrasives	11457	10469	9801	11497	9801	9739
	Ceramics	4755	3079	4811	4755	4811	4357
	Electrominerals	5738	5563	4672	5738	4672	4862
	Unallocable	4965	7380	14869	4955	14869	5271
		26955	26491	34153	26955	34153	24229

M M Murugappa





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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

Notes :

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on February 14, 2018 and was subjected to limited review by the Statutory Auditors of the Company.
2. The Board of Directors have recommended an interim dividend of Rs.1 per share (on face value of Rs.1/- each) per share.
3. The Income from operations reported above are inclusive of excise duty for all the periods except the current and previous quarter due to implementation of Goods and Service Tax effective July 01, 2017. The comparative figures excluding excise duty is summarised below for all the periods :

Particulars	Quarter ended			Nine months ended		Year ended
	Unaudited			Unaudited		Audited
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
Gross Sales / Income from Operations (inclusive of excise duty)	40560	38553	35725	113831	103485	149686
Less : Excise duty on Sales	-	0	2782	2605	8266	11409
Gross Sales / Income from Operations (exclusive of excise duty)	40560	38553	32943	111226	101219	138277
Segmentwise Gross Sales / Income from Operations (exclusive of excise duty)						
Abrasives	22412	21501	19158	61643	57956	78658
Ceramics	10128	9675	8635	28557	26967	36862
Electrominerals	10769	9722	7411	28822	23222	31914
Total	43309	40898	35204	118816	108145	147454
Less : Intersegment revenue	2749	2345	2261	7590	6926	9177
Gross Sales / Income from Operations (exclusive of excise duty)	40560	38553	32943	111226	101219	138277

4. During the current quarter, the Company has allotted 35604 equity shares pursuant to exercise of Employee Stock Options.
5. 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 and Stock exchanges : www.bseindia.com & www.nseindia.com.

For Carborundum Universal Limited

M.M. Murugappa

M.M. Murugappa
Chairman

Kochi
February 14, 2018





CARBORUNDUM UNIVERSAL LIMITED
CIN : L29224TN1954PLC000318
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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Lakhs)

S.No	Particulars	Quarter ended			Nine months ended	
		Unaudited			Unaudited	Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
1	Income					
	a) Gross sales / income from operations (inclusive of excise duty)	60028	57939	54938	171943	161924
	b) Other operating income	1131	771	720	2620	2030
	Revenue from operations	61159	58710	55658	174563	163954
	Other income	335	448	668	1837	2146
	Total Income	61494	59158	56326	176400	166100
2	Expenses					
	a) Cost of materials consumed	18425	16175	15015	49394	45885
	b) Purchase of stock-in-trade	1977	1312	2549	6828	8231
	c) Charges in inventories of finished goods, work-in-progress and stock-in-trade	154	2508	22	1699	(211)
	d) Excise duty on sales	-	-	2928	2741	8700
	e) Employee benefits expense	7898	7514	6946	23081	20398
	f) Finance costs	182	238	403	626	1395
	g) Depreciation and amortisation expense	2602	2578	2431	7836	7164
	h) Power and fuel	8349	7579	6835	23789	18587
	i) Other expenses	13938	12241	13272	38137	51707
	Total expenses	53565	50945	50401	154741	148786
3	Profit from operations before share of profit of equity accounted investees and income tax [1]-(2)	7929	8213	5925	21659	17814
4(a)	Share of profit of associate (net of tax)	132	105	102	328	377
4(b)	Share of profit of joint ventures (net of tax)	264	208	415	749	1127
5	Profit before tax [3]+4(a)+4(b)]	8325	8526	6442	22736	19318
6	Tax expense					
	Current tax	2543	3076	2097	7830	6032
	Deferred tax	135	(395)	(292)	(763)	(461)
	Total tax	2678	2681	1805	7067	5571
7	Net profit after tax (5-6)	5647	5845	4637	15669	13747
	Profit for the period attributable to:					
7(a)	- Owners of the Company	5430	5536	4374	14982	15051
7(b)	- Non-controlling interest	217	309	263	687	696
8	Add: Other comprehensive income / (loss)					
	A. Items that will not be reclassified to profit or loss					
	(a) Remeasurement of the defined benefit liabilities / (asset)	67	134	(69)	201	(199)
	(b) Equity instruments through other comprehensive income	273	(55)	82	568	(425)
	(c) Share of joint ventures/associate - Adjustments net of tax - Remeasurement on defined benefit liabilities/asset	(10)	(21)	-	(31)	-
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Total	330	58	13	738	(862)
	B. Items that may be reclassified to profit or loss					
	(a) Exchange differences in translating the financial statements of foreign operations	(630)	722	1122	(1190)	3459
	(b) Valuation of cash flow hedges	2	(41)	1	(27)	(1)
	(c) Share of joint ventures/associate - Adjustments net of tax	17	1	(12)	33	9
	Income tax relating to items that may be reclassified to profit or loss	(1)	14	0	9	(13)
	Total	(612)	696	1111	(1175)	3468
8	Other comprehensive income / (loss) - A+B	(282)	754	1124	(437)	2843
	Other comprehensive income for the period attributable to:					
8(a)	- Owners of the Company	(283)	765	1127	(430)	2846
8(b)	- Non-controlling interest	1	(11)	13	(7)	(3)
9	Total comprehensive income (7+8)	5365	6599	5761	15232	16590
	Total comprehensive income for the period attributable to:					
9(a)	- Owners of the Company	5147	6301	5501	14552	15897
9(b)	- Non-controlling interest	218	298	260	680	693
10	Paid up equity share capital (Face value - Re.1 per share)	1889	1888	1886	1889	1885
11	Reserves excluding revaluation surplus					136155
12	Earnings per share (Rs.) on S.no.7(a) Net Profit after tax and non-controlling interests (not annualised)					
	- Basic	2.88	2.93	2.32	7.34	6.32
	- Diluted	2.87	2.93	2.31	7.31	6.31

JPP

M M Mungappa





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



CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

CONSOLIDATED UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

		Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
1	Segment revenue						
	Abrasives	27028	25928	25397	75499	75315	101627
	Ceramics	12201	12085	10812	35747	34000	47244
	Electrominerals	22782	21650	19998	65202	57006	76935
	Others	1607	1408	1761	4663	4958	6592
	Total	63618	61171	57968	182111	171279	232398
	Less: Inter-segment revenue	3590	3232	3030	10168	9355	12408
	Gross Sales / Income from operations	60028	57939	54938	171943	161924	219990
2	Segment results						
	(Profit before finance costs and tax)						
	Abrasives	3639	3648	2857	9462	8541	11330
	Ceramics	2022	1674	1634	5250	4952	7041
	Electrominerals	3376	3737	2141	9902	7013	9086
	Others	206	223	364	639	895	1176
	Total	9243	9282	7006	25253	21401	28633
	Less: (i) Finance costs	182	238	403	626	1395	1812
	(ii) Other unallocable expenses / (Income) net	1132	831	673	2968	2192	2544
	Profit before tax	7929	8213	5923	21659	17814	24277
	Less : Tax expense	7678	7681	1805	7067	5571	7808
	Add : Share of profit from associate and joint ventures	396	313	517	1077	1504	1905
	Less : Non-controlling interests	217	309	263	687	696	891
	Profit after tax, share of profit from associate/joint ventures and non-controlling interests	5430	5536	4374	14982	13051	17487
3a	Segmental assets						
	Abrasives	55025	63724	58942	65025	58942	58306
	Ceramics	42913	41757	42735	42913	42736	41919
	Electrominerals	54001	63051	62215	64001	62215	62370
	Others (including un-allocable)	33265	31069	40455	33265	40455	29625
	Total segmental assets	205204	199671	204343	205204	204348	192222
3b	Segmental liabilities						
	Abrasives	14462	13321	12259	14462	12259	12014
	Ceramics	4934	3560	5403	4934	5403	4978
	Electrominerals	7977	8007	8589	7977	8589	7229
	Others (including un-allocable)	19950	21952	36305	19950	36306	23156
	Total segmental liabilities	47323	46880	62557	47323	62557	47377

M. H. Gappa





CARBORUNDUM UNIVERSAL LIMITED

CIN No: L29224TN1954PLC000318

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



CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on February 14, 2018 and has been subjected to the limited review by the Statutory Auditors of the Company.
- The Board of Directors have recommended an interim dividend of Re.1 per share (on face value of Re.1/- each per share).
- The Income from operations reported above are inclusive of excise duty for all the periods except the current and previous quarter due to the implementation of Goods and Service Tax effective July 01, 2017. The comparative figures excluding excise duty is summarised below for all the periods:

Particulars	Quarter ended			Nine months ended		Year ended
	Unaudited			Unaudited		Audited
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
Gross sales / Income from operations (inclusive of excise duty)	60028	57539	54938	171543	161924	219890
Less : Excise duty on sales	-	-	2928	2741	8700	11586
Gross sales / Income from operations (exclusive of excise duty)	60028	57539	52010	169202	153224	208304
Segmentwise: Gross sales / Income from operations (exclusive of excise duty)						
Abrasives	27028	25628	23426	74707	69506	93791
Ceramics	12201	12085	10333	35320	32500	45140
Electrominerals	22782	21690	19520	64680	55615	74889
Others	1607	1468	1761	4663	4958	6592
Total	63618	61171	55040	179370	162575	220412
Less: Inter-segment revenue	3590	3232	3030	10168	9355	12408
Gross sales / Income from operations (exclusive of excise duty)	60028	57539	52010	169202	153224	208304

- During the current quarter, the Company has allotted 39604 equity shares pursuant to exercise of Employee Stock Options.
- Summary of key standalone financial results of Carborundum Universal Limited is as follows:

Particulars	Quarter ended			Nine months ended		Year ended
	Unaudited			Unaudited		Audited
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
Revenue from operations	41145	38945	36128	115295	110615	151977
Profit before tax	5344	4912	3435	13122	11107	17070
Net profit after tax	3758	3233	2384	9054	7637	12177
Total comprehensive income	4098	3312	2401	9823	7015	11382

- The Company has opted to publish the Consolidated financial results. The standalone financial results are available at the website of the Company; www.cum-murugappa.com and Stock exchanges; www.bseindia.com & www.nseindia.com

for Carborundum Universal Limited

M.M. Murugappa

M.M. Murugappan
Chairman

Kochi
February 14, 2018



Price Waterhouse Chartered Accountants LLP

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

The Board of Directors
Carborundum Universal Limited
Parry House, 43, Moore Street,
Chennai - 600001

1. We have reviewed the unaudited financial results of Carborundum Universal Limited (the "Company") for the quarter ended December 31, 2017 and the year to date results for the period April 1, 2017 to December 31, 2017 (including the period from April 1, 2017 to June 30, 2017 reviewed by the predecessor statutory auditors vide their 'Independent Auditor's review report on review of Interim financial results' dated July 31, 2017 which we have relied upon), (the "results") which are included in the accompanying 'Standalone unaudited financial results for the quarter and nine months ended December 31, 2017' (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 and read with our comments in Para 5 (c) below. 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 and read with our comments in 5(c) below, 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. a) The standalone financial results of the Company for the quarter and nine months ended December 31, 2016 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, which were reviewed by the predecessor statutory auditors who have issued an unmodified report vide their 'Independent Auditor's review report on review of Interim financial results' dated February 4, 2017.
b) The standalone financial statements of the Company for the year ended March 31, 2017 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were audited by the predecessor statutory auditors who have issued an unmodified opinion vide their 'Independent Auditor's report' dated May 9, 2017.



Price Waterhouse Chartered Accountants LLP

c) The standalone financial results of the Company for the quarter ended June 30, 2017 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were reviewed by the predecessor statutory auditors who have issued an unmodified report vide their 'Independent Auditor's review report on review of Interim financial results' dated July 31, 2017.

Our conclusion is not qualified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants



Subramanian Vivek

Partner

Membership Number: 100332

Kochi

February 14, 2018

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditors' Report on Review of Interim Consolidated Financial Results

To
The Board of Directors
Carborundum Universal Limited
Parry House, 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 the profit of its jointly controlled entities and an associate company along with its wholly owned subsidiaries ("the Associate") for the quarter ended December 31, 2017 and the year to date results for the period April 1, 2017 to December 31, 2017 (including the period April 1, 2017 to June 30, 2017 reviewed by the predecessor statutory auditors vide their 'Independent Auditor's review report on review of Interim financial results' dated July 31, 2017 which we have relied upon), (the "results"), which are included in the accompanying 'Consolidated unaudited financial results for the quarter and nine months ended December 31, 2017' (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 initiated 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 and read with our comments in Para 8(c) below. 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 Parent's personnel and analytical procedures applied to group's 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. The Statement includes the results of the following entities:

Subsidiaries:

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

Joint Ventures:

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

Associate:

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



Price Waterhouse & Co Chartered Accountants LLP

5. We did not review the financial results / statements of (i) eleven subsidiaries considered in the preparation of the Statement and which constitute total income of Rs. 24,882 Lakhs and Rs. 78,267 Lakhs for the quarter and nine months ended December 31, 2017 respectively, total profit after tax of Rs. 2,336 Lakhs and Rs. 10,926 Lakhs for the quarter and nine months ended December 31, 2017 respectively and other comprehensive income of Rs. 1,433 Lakhs and Rs. 2,081 Lakhs for the quarter and nine months ended December 31, 2017 respectively; and (ii) two jointly controlled entities which constitute group's profit after tax of Rs. 264 Lakhs and Rs. 749 Lakhs for the quarter and nine months ended December 31, 2017 respectively and other comprehensive income of Rs. 0.83 lakhs and Rs. 0.12 lakhs for the quarter and nine months ended December 31, 2017 respectively. These financial results / statements and other financial information have been reviewed by other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement to the extent they have been derived from such financial results / statements is based solely on the report of such other auditors. Our conclusion on the Statement is not modified in respect of this matter.
6. We did not review the financial results/statements of a subsidiary considered in the preparation of the Statement and which constitute total revenue of Rs. 0.00 Lakhs and Rs. 0.01 Lakhs for the quarter and nine months ended December 31, 2017 respectively and net loss of Rs 0.16 Lakhs and Rs. 1.09 Lakhs for the quarter and nine months ended December 31, 2017 respectively. These financial results have been furnished to us by the Management and our conclusion on the Statement insofar as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such financial results/statements. Our conclusion on the Statement is not modified in respect of this matter.
7. Based on our review conducted as above and read with our comments in Para 8(c) below, 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.
8. (a) The consolidated financial results for the quarter and nine months ended December 31, 2016 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were reviewed by the predecessor statutory auditors who have issued an unmodified report vide their 'Independent Auditor's review report on review of Interim Consolidated financial results' dated February 4, 2017.
- (b) The consolidated financial statements for the year ended March 31, 2017 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were audited by the predecessor statutory auditors who have issued an unmodified opinion vide their 'Independent Auditor's report' dated May 9, 2017.
- (c) The consolidated financial results for the quarter ended June 30, 2017 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 which were reviewed by the predecessor statutory auditors who have issued an unmodified report vide their 'Independent Auditor's review report on review of Interim financial results' dated July 31, 2017.

Our conclusion on the statement is not modified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants



Subramanian Vivek

Partner

Membership Number 100332

Kochi

February 14, 2018



Carborundum Universal's Consolidated Q3 Net Sales increased by 15%

Consolidated PAT up by 24%

Kochi, 14th February 2018: The Board of Directors met today and approved the results for the quarter and nine months ended 31st Dec 2017.

Consolidated Q3 financial performance

Consolidated net sales (excluding excise duty) for the quarter, increased by 15 percent to Rs.600 crores from Rs.520 crores driven by better performance from all segments. At standalone level, net sales grew up by 23 percent.

Consolidated Profit after tax increased by 24% from Rs.44 crores to Rs.54 crores in the current quarter.

The gain in sales and profit were due to better performance from Abrasives, Ceramics and Electro mineral businesses.

The debt equity ratio remained healthy and was at 0.01 on a standalone basis and 0.09 on a consolidated basis.

Consolidated Segmental Operating Performance

Abrasives

At a consolidated level, the net sales for the quarter were at Rs.270 cr which was 15% higher than the similar period last year. On a sequential basis, the net sales were higher by 4% with Quarter 2 2017-18 sales at Rs.259 cr.

PBIT margin in Abrasives increased from 12.2% in quarter 3 of last year to 13.5% in current quarter. The margins have improved on the back of higher sales in standalone business.



Electro Minerals

At a consolidated level, the net sales for current quarter were at Rs.228 cr which was higher by Rs.33 cr and Rs.11 cr compared to Quarter 3 of Last Year and Q2 of Current Year respectively.

Consolidated Profit before Interest Tax of electro mineral division grew up from Rs.21 cr in Quarter 3 of last year to Rs.34 cr in current quarter. Russian subsidiary and standalone business exhibited better performance.

Ceramics

At a consolidated level, the net sales for Quarter 3 were at Rs.122 cr versus Rs.103 cr for the corresponding quarter last year. This is a growth of 18%. On a sequential basis, the net sales grew by 1%.

Profit before interest and tax of the Ceramics business at consolidated level at Rs.20 cr recorded an increase of 24% compared to corresponding quarter last year.

Interim Dividend

The Board of Directors of the Company at its meeting held on 14th Feb, 2018 has recommended an interim dividend of Re. 1/- per share (100% on face value of Re.1/-) to the shareholders of the Company.

About the Murugappa Group

Founded in 1900, the INR 295 Billion 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 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., Parry Sugar 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, Ladybird, 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 32,000 employees. For more details, visit www.murugappa.com

For further information, please contact:

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