

MCL: SEC: 2016-17:4180

25.01.2017

**National Stock Exchange of India Limited**Exchange Plaza,  
Bandra Kurla Complex  
Bandra (East)  
MUMBAI 400 051**STOCK CODE : MURUDCERA.EQ**

Dear Sir,

**Sub: Outcome of the Board Meeting held today January 25, 2017**

In continuation of our communication dated 11.01.2017 informing the date of Board Meeting. The Board of Directors at their meeting held today have approved the following.

1. Unaudited Financial Results for the quarter ended on 31.12.2016.
2. Limited Review Report for the quarter ended 31.12.2016.
3. The Board of Directors have decided to allot 21,40,000 Equity Shares and 46,20,000 Convertible Share Warrants to **Murudeshwar Power Corporation Limited** in one or more trenches to the Promoter's group of company on preferential basis subject to approval of the members in the Extra Ordinary General Meeting. The pricing of the said Equity shares/ Convertible share warrants shall be fixed as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations.
4. The Board of Directors have decided to conduct an Extra Ordinary General Meeting on **March 01, 2017** at Hubli for obtaining the approval of members for the above said allotment.

This is for your information and record. Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,

for Murudeshwar Ceramics Ltd

Satish R Shetty  
Managing Director

**PART I**

(Rs. in Lakhs)

**Statement of Standalone Unaudited Financial Results for the Quarter and Nine months ended 31.12.2016**

| SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016    |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
|--------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|-----------------------------------|--|--|--|
| Particulars                                                                                            | 3 months ended<br>31/12/2016 | Preceding 3 months ended<br>30/09/2016 | Corresponding 3 months ended<br>(31/12/2015) in the previous year | Year to date figures for current period ended<br>31/12/2016 | Year to date figures for previous year ended<br>31/12/2015 | Previous Year ended<br>31/03/2016 |  |  |  |
|                                                                                                        | (Unaudited)                  | (Unaudited)                            | (Unaudited)                                                       | (Unaudited)                                                 | (Unaudited)                                                | (Audited)                         |  |  |  |
| 1 Income from operations                                                                               |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| (a) Sales / Income from Operations                                                                     | 2,670.69                     | 2,516.49                               | 2,833.35                                                          | 7,997.11                                                    | 8,453.14                                                   | 12,226.03                         |  |  |  |
| Less : Excise duty                                                                                     | 117.53                       | 130.86                                 | 167.65                                                            | 405.70                                                      | 548.22                                                     | 723.80                            |  |  |  |
| Net Sales                                                                                              | 2,553.16                     | 2,385.63                               | 2,665.70                                                          | 7,591.41                                                    | 7,904.92                                                   | 11,502.23                         |  |  |  |
| (b) Other Operating Income                                                                             | 13.23                        | 11.66                                  | 5.00                                                              | 35.71                                                       | 26.98                                                      | 134.05                            |  |  |  |
| Total Income from operations (net)                                                                     | 2,566.39                     | 2,397.29                               | 2,670.70                                                          | 7,627.12                                                    | 7,931.90                                                   | 11,636.28                         |  |  |  |
| 2 Expenses                                                                                             |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| (a) Cost of materials consumed                                                                         | 316.53                       | 306.63                                 | 370.10                                                            | 927.91                                                      | 1,296.64                                                   | 1,669.09                          |  |  |  |
| (b) Purchases of stock-in-trade                                                                        | 296.40                       | 316.64                                 | 269.31                                                            | 931.75                                                      | 733.45                                                     | 1,029.37                          |  |  |  |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                      | 6.88                         | (167.06)                               | 40.06                                                             | (93.61)                                                     | (451.01)                                                   | (21.98)                           |  |  |  |
| (d) Employee benefits expense                                                                          | 301.91                       | 326.20                                 | 383.31                                                            | 972.22                                                      | 1,030.97                                                   | 1,523.02                          |  |  |  |
| (e) Depreciation and amortisation expense                                                              | 174.23                       | 175.39                                 | 177.85                                                            | 525.45                                                      | 538.01                                                     | 713.63                            |  |  |  |
| (f) Other expenses                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| (i) Power and Fuel                                                                                     | 376.63                       | 362.73                                 | 412.51                                                            | 1,090.52                                                    | 1,515.94                                                   | 1,952.20                          |  |  |  |
| (ii) Production consumables                                                                            | 44.92                        | 80.25                                  | 66.66                                                             | 183.38                                                      | 233.18                                                     | 295.92                            |  |  |  |
| (iii) Repairs & Maintenance & Civil Contract                                                           | 180.28                       | 172.83                                 | 82.85                                                             | 557.14                                                      | 367.58                                                     | 890.32                            |  |  |  |
| (iv) Selling Expenses                                                                                  | 124.21                       | 124.89                                 | 145.21                                                            | 381.14                                                      | 465.01                                                     | 611.06                            |  |  |  |
| (v) Travelling Expenses                                                                                | 84.81                        | 65.22                                  | 58.73                                                             | 221.88                                                      | 198.02                                                     | 285.90                            |  |  |  |
| (vi) Rent Paid                                                                                         | 28.62                        | 40.32                                  | 30.96                                                             | 103.91                                                      | 100.35                                                     | 131.52                            |  |  |  |
| (vii) Other Expenditure                                                                                | 88.24                        | 75.90                                  | 112.83                                                            | 286.60                                                      | 331.23                                                     | 408.73                            |  |  |  |
| Total Expenses                                                                                         | 2,023.66                     | 1,879.92                               | 2,150.38                                                          | 6,088.29                                                    | 6,359.37                                                   | 9,488.78                          |  |  |  |
| 3 Profit / (Loss) from operations before other income,finance costs & exceptional Items (1-2)          | 542.73                       | 517.37                                 | 520.32                                                            | 1,538.83                                                    | 1,572.53                                                   | 2,147.50                          |  |  |  |
| 4 Other Income                                                                                         | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| 5 Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3+4)            | 542.73                       | 517.37                                 | 520.32                                                            | 1,538.83                                                    | 1,572.53                                                   | 2,147.50                          |  |  |  |
| 6 Finance costs                                                                                        | 483.90                       | 448.31                                 | 485.76                                                            | 1,374.61                                                    | 1,485.17                                                   | 1,978.22                          |  |  |  |
| 7 Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5+6)      | 68.83                        | 69.06                                  | 34.56                                                             | 164.22                                                      | 87.36                                                      | 169.28                            |  |  |  |
| 8 Exceptional Items                                                                                    | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| 9 Profit / Loss from Ordinary activities before tax (7+8)                                              | 58.83                        | 69.06                                  | 34.56                                                             | 164.22                                                      | 87.36                                                      | 169.28                            |  |  |  |
| 10 Tax expense : Income Tax                                                                            | 11.27                        | 14.45                                  | 7.25                                                              | 33.33                                                       | 18.29                                                      | 18.41                             |  |  |  |
| Less: MAT credit                                                                                       | -                            | -                                      | -                                                                 | -                                                           | -                                                          | (18.41)                           |  |  |  |
| Less: Excess Tax Provision written back                                                                | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| Net current tax expense                                                                                | 11.27                        | 14.45                                  | 7.25                                                              | 33.33                                                       | 18.29                                                      | 18.41                             |  |  |  |
| Add: Deferred Tax (Liabilities) / Assets                                                               | -                            | -                                      | -                                                                 | -                                                           | -                                                          | (12.25)                           |  |  |  |
| 11 Net Profit / (Loss) from ordinary activities after tax (9+10)                                       | 47.56                        | 54.61                                  | 27.31                                                             | 130.89                                                      | 69.07                                                      | 157.03                            |  |  |  |
| 12 Extraordinary items (net of tax expenses (Rs. Lakhs)                                                | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| 13 Net Profit / (Loss) for the period (11+12)                                                          | 47.56                        | 54.61                                  | 27.31                                                             | 130.89                                                      | 69.07                                                      | 157.03                            |  |  |  |
| 14 Share of profit / (loss) of associates*                                                             | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| 15 Minority interest*                                                                                  | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| 16 Net Profit/(Loss) after taxes, minority interest and share of profit(loss) of associates (13+14+15) | 47.56                        | 54.61                                  | 27.31                                                             | 130.89                                                      | 69.07                                                      | 157.03                            |  |  |  |

| SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016 |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
|-----------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|-----------------------------------|--|--|--|
| Particulars                                                                                         | 3 months ended<br>31/12/2016 | Preceding 3 months ended<br>30/09/2016 | Corresponding 3 months ended<br>(31/12/2015) in the previous year | Year to date figures for current period ended<br>31/12/2016 | Year to date figures for previous year ended<br>31/12/2015 | Previous Year ended<br>31/03/2016 |  |  |  |
|                                                                                                     | (Unaudited)                  | (Unaudited)                            | (Unaudited)                                                       | (Unaudited)                                                 | (Unaudited)                                                | (Audited)                         |  |  |  |
| 1. Segment Revenue<br>(Net Sales / Income from each segment)                                        |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| a) Ceramic                                                                                          | 0.32                         | 0.04                                   | 6.08                                                              | 0.72                                                        | 18.27                                                      | 20.38                             |  |  |  |
| b) Vitrified                                                                                        | 1,160.17                     | 1,254.37                               | 1,556.00                                                          | 3,926.65                                                    | 5,251.11                                                   | 6,869.46                          |  |  |  |
| c) Trading                                                                                          | 366.39                       | 410.89                                 | 342.88                                                            | 1,175.35                                                    | 937.32                                                     | 1,338.17                          |  |  |  |
| d) Services                                                                                         | 1,026.28                     | 720.33                                 | 760.74                                                            | 2,488.69                                                    | 1,698.22                                                   | 3,274.22                          |  |  |  |
| TOTAL                                                                                               | 2,553.16                     | 2,385.63                               | 2,665.70                                                          | 7,591.41                                                    | 7,904.92                                                   | 11,502.23                         |  |  |  |
| LESS : Inter Segment Revenue                                                                        | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| Net Sales/Income from Operations                                                                    | 2,553.16                     | 2,385.63                               | 2,665.70                                                          | 7,591.41                                                    | 7,904.92                                                   | 11,502.23                         |  |  |  |
| 2. Segment Results<br>Profit (+) / Loss (-) before tax & interest from each segment                 |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| a) Ceramic                                                                                          | (25.46)                      | (26.90)                                | (11.21)                                                           | (79.15)                                                     | (50.28)                                                    | (91.75)                           |  |  |  |
| b) Vitrified                                                                                        | 27.03                        | 45.88                                  | 14.66                                                             | 91.01                                                       | 47.62                                                      | 53.28                             |  |  |  |
| c) Trading                                                                                          | 5.18                         | 9.89                                   | 3.48                                                              | 23.23                                                       | 9.79                                                       | 12.82                             |  |  |  |
| d) Services                                                                                         | 51.38                        | 37.94                                  | 26.79                                                             | 126.19                                                      | 73.46                                                      | 109.05                            |  |  |  |
| TOTAL                                                                                               | 58.14                        | 66.81                                  | 33.72                                                             | 161.28                                                      | 80.61                                                      | 83.40                             |  |  |  |
| LESS :                                                                                              |                              |                                        |                                                                   |                                                             |                                                            |                                   |  |  |  |
| (i) Interest *                                                                                      | -                            | -                                      | -                                                                 | -                                                           | -                                                          | -                                 |  |  |  |
| (ii) Other Un-allocable expenses net off unallocable income                                         | (0.69)                       | (2.25)                                 | (0.84)                                                            | (2.94)                                                      | (6.75)                                                     | (85.88)                           |  |  |  |
| Total Profit/(Loss) before tax                                                                      | 58.83                        | 69.06                                  | 34.56                                                             | 164.22                                                      | 87.36                                                      | 169.28                            |  |  |  |



Statement of Standalone Unaudited Financial Results for the Quarter and Nine months ended 31.12.2016

| SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016 |                              |                                        |                                                                   |                                                             |                                                            |                                   |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
|-----------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|-----------------------------------|-----------------------------------------|------------------------------|----------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|-----------------------------------|
| Particulars                                                                                         | 3 months ended<br>31/12/2016 | Preceding 3 months ended<br>30/09/2016 | Corresponding 3 months ended<br>(31/12/2015) in the previous year | Year to date figures for current period ended<br>31/12/2016 | Year to date figures for previous year ended<br>31/12/2015 | Previous Year ended<br>31/03/2016 |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | Particulars                             | 3 months ended<br>31/12/2016 | Preceding 3 months ended<br>30/09/2016 | Corresponding 3 months ended<br>(31/12/2015) in the previous year | Year to date figures for current period ended<br>31/12/2016 | Year to date figures for previous year ended<br>31/12/2015 | Previous Year ended<br>31/03/2016 |
|                                                                                                     | (Unaudited)                  | (Unaudited)                            | (Unaudited)                                                       | (Unaudited)                                                 | (Unaudited)                                                | (Audited)                         |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| 17 Paid-up equity share capital<br>(Face Value of Rs.10/-)                                          | 4,082.17                     | 4,082.17                               | 4,082.17                                                          | 4,082.17                                                    | 4,082.17                                                   | 4,082.17                          |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| 18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year          | 27,408.54                    | 27,408.54                              | 26,874.43                                                         | 27,408.54                                                   | 26,874.43                                                  | 27,408.53                         |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| 19.i Earnings per share (before extraordinary items)<br>(of Rs. 10/- each) (not annualised) :       |                              |                                        |                                                                   |                                                             |                                                            |                                   |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| a) Basic                                                                                            | 0.12                         | 0.13                                   | 0.06                                                              | 0.32                                                        | 0.17                                                       | 0.38                              |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| b) Diluted                                                                                          | 0.12                         | 0.13                                   | 0.06                                                              | 0.32                                                        | 0.17                                                       | 0.38                              |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| 19.ii Earnings per share (after extraordinary items)<br>(of Rs. 10/- each) (not annualised) :       |                              |                                        |                                                                   |                                                             |                                                            |                                   |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| a) Basic                                                                                            | 0.12                         | 0.13                                   | 0.06                                                              | 0.32                                                        | 0.17                                                       | 0.38                              |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| b) Diluted                                                                                          | 0.12                         | 0.13                                   | 0.06                                                              | 0.32                                                        | 0.17                                                       | 0.38                              |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | 3. Capital Employed<br>(Segment Assets) |                              |                                        |                                                                   |                                                             |                                                            |                                   |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | a) Ceramic                              | 5,614.74                     | 5,540.00                               | 5,650.14                                                          | 5,614.74                                                    | 5,650.14                                                   | 5,550.58                          |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | b) Vitrified                            | 37,530.84                    | 37,275.99                              | 37,483.95                                                         | 37,530.84                                                   | 37,483.95                                                  | 37,640.09                         |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | c) Trading                              | 1,536.04                     | 1,552.10                               | 1,236.86                                                          | 1,536.04                                                    | 1,236.86                                                   | 907.16                            |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | d) Services                             | 2,157.25                     | 1,892.19                               | 1,677.73                                                          | 2,157.25                                                    | 1,677.73                                                   | 2,190.85                          |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | TOTAL                                   | 46,838.87                    | 46,260.28                              | 46,048.68                                                         | 46,838.87                                                   | 46,048.68                                                  | 46,288.68                         |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | (Segment Liabilities)                   |                              |                                        |                                                                   |                                                             |                                                            |                                   |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | a) Ceramic                              | 1,376.42                     | 1,376.13                               | 1,383.70                                                          | 1,376.42                                                    | 1,383.70                                                   | 1,376.47                          |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | b) Vitrified                            | 11,291.30                    | 10,967.82                              | 12,539.21                                                         | 11,291.30                                                   | 12,539.21                                                  | 12,006.50                         |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | c) Trading                              | 516.93                       | 513.46                                 | 220.00                                                            | 516.93                                                      | 220.00                                                     | 186.99                            |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | d) Services                             | 1,244.31                     | 932.08                                 | 496.21                                                            | 1,244.31                                                    | 496.21                                                     | 929.44                            |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | TOTAL                                   | 14,428.96                    | 13,789.49                              | 14,639.12                                                         | 14,428.96                                                   | 14,639.12                                                  | 14,499.40                         |
|                                                                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   | *Other than segment interest            |                              |                                        |                                                                   |                                                             |                                                            |                                   |
| *Applicable in the case of consolidated results                                                     |                              |                                        |                                                                   |                                                             |                                                            |                                   |                                         |                              |                                        |                                                                   |                                                             |                                                            |                                   |

NOTES

- The above said Un-audited Financial Results have been taken on record at the Board Meeting held on 25.01.2017.
- Certain Buildings, Plant and Machinery at Hubli plant was not in operation during the first, second and third quarter for non availability of quality fuel, hence depreciation on the same has not been provided.
- Certain Buildings, Plant and Machinery at Bangalore Granite Division plant was not in operation during the first, second and third quarter for non availability of quality blocks, hence depreciation on the same has not been provided.
- The previous quarters figures and Segment Reports have been re-grouped / rearranged wherever necessary according to Regulation 33 of SEBI (LODR) Regulation - 2015.

Place : Bangalore  
Date : 25.01.2017



For MURUDESHWAR CERAMICS LIMITED  
Dr. R N SHETTY, Chairman



**M. A. NARASIMHAN & Co.**  
Chartered Accountants

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E-mail : manco@mancoa.com

No. 25 (Old-13), 1st Floor, 7th Cross, Swimming Pool Extension,  
Malleswaram, Bangalore - 560 003.

The Board of Directors,  
MURUDESHWAR CERAMICS LIMITED  
Murudeshwar Bhavan, Gokul Road,  
Hubli-580030

Dear Sir,

We have reviewed the accompanying statement of unaudited financial results of **MURUDESHWAR CERAMICS LIMITED** for the period ended 31<sup>st</sup> December 2016. 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 these financial statements based on our review.

We conducted our review in accordance with the standard on review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 financial statements are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For M A NARASIMHAN & CO.,**  
Chartered Accountants

ICAI Firm Reg No. 002347S

  
**(M A PARTHASARAYAN)**  
Partner

Membership No. 028994

Place: Bengaluru

Date: 25.01.2017