



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

28th October 2020

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

Stock Code: 513375

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

Stock Code: CARBORUNIV-EQ

Total 18 pages (including covering letter)

Dear Sir/Madam,

Sub: Intimation on the outcome of the Board Meeting held on 28th October 2020

We refer to our letter dated 14th October 2020, intimating you of the convening of the meeting of the Board of Directors of our Company. In this regard, we wish to inform that the Board of Directors of our Company met today and approved the following:

1. Unaudited Financial Results for the quarter/half year ended 30th September 2020:

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

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

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





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2. Appointment of Chief Financial Officer

Based on the recommendation of the Audit Committee and the Nomination and Remuneration Committee, the Board considered and re-designated Mr. P Padmanabhan, currently Chief Accounts Officer as the Chief Financial Officer of the Company with immediate effect.

Mr. P Padmanabhan, aged 53 years is a Chartered Accountant and a Cost Accountant and a Post Graduate Diploma in Financial Management. He has more than three decades of experience in the finance and accounts function. He has been associated with the Company since 1994.

We further wish to inform that the meeting of the Board of Directors of the Company commenced at 11.55 a.m. and concluded at 02.05 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
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Registered office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

(Rs. in Lakhs)

S.No	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Income						
	a) Sales / Income from operations	68319	44380	67755	112699	134113	256936
	b) Other Operating income	880	578	670	1458	1452	2961
	Revenue from operations	69199	44958	68425	114157	135565	259897
	Other income	996	645	628	1641	1118	4501
	Total income	70195	45603	69053	115798	136683	264398
2	Expenses						
	a) Cost of materials consumed	19749	8502	22146	28251	44509	82482
	b) Purchase of stock-in-trade	1755	1205	3078	2960	5614	9166
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	3125	4577	(824)	7702	(1888)	(2954)
	d) Employee benefits expense	8545	8237	9172	16782	17576	34483
	e) Finance costs	101	99	153	200	346	633
	f) Depreciation and amortisation expense	2410	2327	2633	4737	5273	10452
	g) Power and fuel	9038	7059	9369	16097	18919	37166
	h) Other expenses	13590	11041	15041	24631	30868	59693
	Total expenses	58313	43047	60768	101360	121217	231121
3	Profit from operations before share of profit of equity accounted investees and income tax [1]-[2]	11882	2556	8285	14438	15466	33277
4(a)	Share of profit of associate (net of tax)	112	16	200	128	343	400
4(b)	Share of profit of joint ventures (net of tax)	261	70	280	331	727	1377
5	Profit before tax [3]+[4(a)]+[4(b)]	12255	2642	8765	14897	16536	35054
6	Tax expense						
	Current tax	3569	854	1895	4423	4580	9667
	Deferred tax	(415)	(137)	39	(552)	(15)	(2112)
	Total tax	3154	717	1934	3871	4565	7555
7	Net profit after tax (5-6)	9101	1925	6831	11026	11971	27499
	Profit for the period attributable to :						
7(a)	- Owners of the Company	8640	1973	6450	10613	11727	27242
7(b)	- Non-controlling interest	461	(48)	381	413	244	257
8	Add : Other comprehensive income / (loss)						
	A.Items that will not be reclassified to profit or loss						
	(a) Remeasurements of the defined benefit plans	(179)	(21)	1	(200)	1	(1258)
	(b) Equity instruments through other comprehensive income	(168)	326	(145)	158	(323)	(511)
	(c) Share of Joint ventures/associate - Adjustments net of tax - Remeasurements of the defined benefit plans	29	3	(18)	32	(18)	(52)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Total	(318)	308	(162)	(10)	(340)	(1821)
	B.Items that may be reclassified to profit or loss						
	(a) Exchange differences in translating the financial statements of foreign operations	(5077)	4754	(45)	(323)	1330	(3837)
	(b) Valuation of cash flow hedges	(12)	22	(31)	10	(28)	(87)
	(c) Share of Joint ventures/associate - Adjustments net of tax	(43)	48	25	5	65	67
	Income tax relating to items that may be reclassified to profit or loss	3	(6)	9	(3)	8	23
	Total	(5129)	4818	(42)	(311)	1375	(3834)
8	Other comprehensive Income /(loss) - A+B	(5447)	5126	(204)	(321)	1035	(5655)
	Other comprehensive Income for the period attributable to :						
8(a)	- Owners of the Company	(5443)	5119	(195)	(324)	1043	(5617)
8(b)	- Non-controlling interest	(4)	7	(9)	3	(8)	(38)
9	Total comprehensive Income (7+8)	3654	7051	6627	10705	13006	21844
	Total comprehensive income for the period attributable to :						
9(a)	- Owners of the Company	3197	7092	6255	10289	12770	21625
9(b)	- Non-controlling interest	457	(41)	372	416	236	219
10	Paid up equity share capital (Face value - Re.1 per share)	1894	1894	1893	1894	1893	1894
11	Reserves excluding revaluation surplus						183704
12	Earnings per share (Rs.) on S.no.7(a) Net Profit after tax and non-controlling interests (not annualised)						
	- Basic	4.56	1.04	3.41	5.60	6.20	14.39
	- Diluted	4.56	1.04	3.40	5.60	6.19	14.38





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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

CONSOLIDATED UNAUDITED SEGMENTWISE REVENUE, RESULTS , ASSETS AND LIABILITIES

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Segment revenue						
	Abrasives	25946	13138	25949	39084	51886	99531
	Ceramics	16944	10759	17110	27703	33639	62895
	Electrominerals	27538	20955	26653	48493	53068	102577
	Others	1677	1177	1972	2854	3682	7083
	Total	72105	46029	71684	118134	142275	272086
	Less: Inter-segment revenue	3786	1649	3929	5435	8162	15150
	Sales / Income from operations	68319	44380	67755	112699	134113	256936
2	Segment results						
	(Profit (+) / Loss (-) before Finance costs and tax)						
	Abrasives	3706	(303)	3034	3403	5861	11295
	Ceramics	4820	1183	3641	6003	6621	13171
	Electrominerals	4045	2332	2732	6377	5174	10415
	Others	416	162	129	578	333	1002
	Total	12987	3374	9536	16361	17989	35883
	Less: (i) Finance costs	101	99	153	200	346	633
	(ii) Other unallocable expenses / (income) net	1004	719	1098	1723	2177	1973
	Profit before tax	11882	2556	8285	14438	15466	33277
	Less : Tax expense	3154	717	1934	3871	4565	7555
	Add : Share of profit from associate and joint ventures	373	86	480	459	1070	1777
	Less : Non-controlling interests	461	(48)	381	413	244	257
	Profit after tax , share of profit from associate/joint ventures and non-controlling interests	8640	1973	6450	10613	11727	27242
3a	Segmental assets						
	Abrasives	53881	56913	69179	53881	69179	59023
	Ceramics	49302	49027	47897	49302	47897	48084
	Electrominerals	68974	73430	71139	68974	71139	68184
	Others (including un-allocable)	70820	59845	42759	70820	42759	53876
	Total segmental assets	242977	239215	230974	242977	230974	229167
3b	Segmental liabilities						
	Abrasives	9869	7998	11448	9869	11448	8947
	Ceramics	7669	8693	6230	7669	6230	6480
	Electrominerals	12583	12064	10918	12583	10918	11627
	Others (including un-allocable)	12388	13433	14844	12388	14844	11724
	Total segmental liabilities	42509	42188	43440	42509	43440	38778





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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

Consolidated Balance Sheet

(Rs.in lakhs)

Particulars	As at	As at
	30.09.2020	31.03.2020
	Unaudited	Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	56792	59072
(b) Right of use assets	2054	2147
(c) Capital work-in-progress	6783	3865
(d) Goodwill	13029	13304
(e) Intangible assets	242	314
(f) Investment accounted for using the equity method		
(i) Investments in associate	5451	5489
(ii) Investments in joint ventures	6282	6128
(g) Financial assets		
(i) Investments	676	501
(ii) Other financial assets	1470	1463
(h) Deferred tax assets (net)	1236	917
(i) Other non-current assets	1635	1953
Total non-current assets	95650	95153
Current assets		
(a) Inventories	43172	50762
(b) Financial assets		
(i) Other Investments	-	6751
(ii) Trade receivables	39880	40156
(iii) Cash and Cash equivalents	56005	29206
(iv) Bank balances other than (iii) above	195	192
(v) Other Financial assets	1185	662
(c) Other Current assets	6890	6285
Total current assets	147327	134014
Total assets	242977	229167
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1894	1894
(b) Other equity	194206	183941
Equity attributable to owners of the Company	196100	185835
Non-controlling interests	4368	4554
Total equity	200468	190389
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	444	423
(ii) Lease liabilities	523	583
(b) Provisions	1241	1127
(c) Deferred tax liabilities (net)	1105	1326
Total non-current liabilities	3313	3459
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6145	5530
(ii) Lease liabilities	268	287
(iii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	207	160
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	21854	19380
(iii) Other financial liabilities	5686	5646
(b) Provisions	2126	1756
(c) Other current liabilities	2910	2560
Total current liabilities	39196	35319
Total liabilities	42509	38778
Total equity and liabilities	242977	229167





CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

Consolidated Cash flow statement

(Rs. in Lakhs)

Particulars	Six months ended				Year ended	
	30.09.2020		30.09.2019		31.03.2020	
	Unaudited		Unaudited		Audited	
Profit before tax		14897		16536		35054
Adjustment for:						
Share of profit of associate	(128)		(343)		(400)	
Share of profit of Joint ventures	(331)		(727)		(1377)	
Fair value of Investments	(17)		4		19	
Depreciation and amortisation	4737		5273		10452	
Finance costs	200		346		633	
Interest income	(696)		(235)		(707)	
Dividend income	(33)		(229)		(429)	
Expenses recognised in respect of equity-settled share-based payments	100		200		161	
Impairment loss on financial assets (net)	-		1		13	
Allowance for doubtful receivable and advances	781		138		936	
Reversal of allowance for doubtful receivables and advances	(374)		(191)		(318)	
Provision for expenses no longer required written back	(1)		(188)		(211)	
Loss/(profit) on sale of assets (net)	(244)		79		(431)	
Loss /(profit) on exchange fluctuation (net)	56	4050	297	4425	(40)	8301
Operating profit before working capital changes		18947		20961		43355
Movement in working capital						
(Increase)/decrease in trade receivables	(209)		(1093)		8572	
(Increase)/decrease in Inventories	7837		(2059)		1393	
(Increase)/decrease in Other financial asset	(526)		(353)		(92)	
(Increase)/decrease in Other assets	(634)		(912)		(1287)	
Increase/(decrease) in Trade payables	2493		(3)		(1221)	
Increase/(decrease) in Provision & other current liabilities	764		832		1160	
Increase/(decrease) in Other financial liabilities	(209)	9516	(585)	(4173)	(1271)	7254
Cash generated from Operations		28463		16788		50609
Income tax paid		(4008)		(5842)		(9921)
Net cash generated by operating activities	[A]	24455		10946		40688
Cash flow from investing activities						
Payments to acquire Property, plant and equipment	(5057)		(7297)		(12785)	
Payments for Intangible asset	(24)		(46)		(128)	
Proceeds from sale of Property, plant and equipment	325		21		654	
Dividend income from Associate	199		120		120	
Dividend income from Joint ventures	180		692		1701	
Proceeds / (Purchase) of Investments	-		-		0	
Interest income received	696		235		707	
Dividend income received	33		229		429	
Net cash (used in) investing activities	[B]	(3648)		(6046)		(9302)
Cash flow from financing activities						
Proceeds from issue of equity shares	39		169		347	
Share application money pending allotment	5		-		-	
(Repayment)/proceeds from short term borrowings (net)	561		(2296)		(3226)	
Principal portion of lease payments	(127)		(60)		(121)	
Finance costs paid	(200)		(346)		(633)	
Dividend paid to Shareholder	-		(2365)		(7573)	
Tax on Dividend	-		(303)		(1312)	
Dividend paid to Non Controlling interest and its related tax	(884)		(733)		(810)	
Tax on Dividend - Subsidiaries	-		(67)		(129)	
Net cash (used in) financing activities	[C]	(606)		(6001)		(13457)
Net increase/(decrease) in cash and cash equivalents [A]+[B]+[C]		20201		(1101)		17929
Add : Cash and Cash equivalents at the beginning of the period		35957		19206		19206
Effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies		(153)		135		(1178)
Cash and Cash equivalents at the end of the period		56005		18240		35957
Reconciliation of Cash and cash equivalents with the Balance Sheet :						
Cash and cash equivalents at the beginning of the period						
Cash and cash equivalents		29206		9594		9594
Current investment considered as Cash and Cash equivalents		6751		9612		9612
		35957		19206		19206
Cash and cash equivalents at the end of the period						
Cash and cash equivalents		56005		9180		29206
Current investment considered as Cash and Cash equivalents		-		9060		6751
		56005		18240		35957



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**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020****Notes :**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 28, 2020 and were subjected to a limited review by the Statutory Auditors of the Company.
- During the current quarter, the Company has allotted 28,682 equity shares pursuant to exercise of Employee Stock Options.

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

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited			Unaudited		Audited
Revenue from operations	43033	23809	44005	66842	87071	165119
Profit before tax	6873	1060	5355	7933	11537	23954
Net profit after tax	5021	1050	4351	6071	8859	19132
Total comprehensive income	4674	1355	4206	6029	8536	17396

- The step down subsidiary M/s.Foskor Zirconia Pty Limited, South Africa [FZL] has incurred a loss of Rs.538 Lakhs for the period ended September 30, 2020, out of this Rs.274 Lakhs has been considered in the Group consolidated financials, being share of the Parent. The Board of FZL is monitoring the business performance and will initiate suitable measures in due course. No adjustments are necessary to these financial statements in this regard.
- In July 2020, the Company's wholly owned step down subsidiary, M/s.Thukela Refractories Isithebe Pty Limited, South Africa (TRI), (subsidiary of M/s.CUMI International Limited, Cyprus) ceased its status consequent to the approval of its voluntary de-registration by the Companies and Intellectual Property Commission (CIPC), South Africa.
- Impact of COVID 19 Pandemic**
The Covid 19 pandemic is unprecedented and measures to contain it has caused significant disturbances and slow down of economic activity. The Group's operations & Consolidated financial results for the first quarter have been adversely impacted due to scaling down / suspension of operations across all plants due to supply chain constraints, shortage of workforce and various safety measures taken across all areas of operations.
The operations were resumed gradually and has started reviving at a better pace in the current quarter. The Group has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Group continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.
- The standalone and consolidated financial results are available on the website of the Company : www.cumi-murugappa.com and Stock exchanges : www.bseindia.com & www.nseindia.com.

For Carborundum Universal Limited

Chennai
October 28, 2020

 M.M. Murugappan
 Chairman


Price Waterhouse Chartered Accountants LLP

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

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

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

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

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

Subsidiaries:

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

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

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754NN500010 (ICAI registration number before conversion was 012754N)



- x. Southern Energy Development Corporation Limited
- xi. Thukela Refractories Isithebe Pty Limited - refer note 5 to the Statement
- xii. Volzhsky Abrasives Works

Joint Ventures

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

Associate

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

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review/audit reports of other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 6 to the statement, regarding management's assessment of the impact on the financial results due to lockdown and related restrictions imposed towards COVID 19 pandemic. Management continues to monitor all material changes to the Company's internal and external environment due to the Covid-19 pandemic. Our conclusion is not modified in respect of this matter.
7. We draw your attention to the following paragraph on "Material Uncertainty regarding Going concern" included in the report on review of interim reporting package of Foskor Zirconia (Pty) Limited which is a subsidiary of CUMI International Limited, a subsidiary of the Parent, issued by an independent firm of Accountants based out of South Africa vide its report dated October 9, 2020 reproduced by us as under:
- "We draw attention to the condensed income statement, which indicates that Foskor Zirconia (Pty) Ltd incurred a net loss of R 12,459,130 for the six month period ended 30 September 2020. As of that date, the liabilities of the company exceeded its total assets by R 101,265,522. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on Foskor Zirconia (Pty) Ltd's ability to continue as a going concern. Our opinion is not modified in respect of this matter."
- Our conclusion is not modified in respect of this matter.
8. We did not review the financial results/statements of ten subsidiaries considered in the preparation of the statement and which constitutes total assets of Rs.134,165 lakhs and net assets of Rs. 106,931 lakhs as at September 30, 2020 and total revenues of Rs 34,118 lakhs and Rs. 59,864 lakhs, total net profit after tax of Rs. 7,399 lakhs and Rs. 9,542 lakhs and other comprehensive income of Rs. (232) lakhs and Rs. 1,165 lakhs, for the quarter and six months ended September 30, 2020, respectively, and cash flows (net) of Rs. 6,783 lakhs for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 261 lakhs and Rs. 331 lakhs and other comprehensive income of Rs. 0.26 lakhs and Rs. 3 lakhs for the quarter ended and six months ended September 30, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of two joint ventures, whose financial results have not been reviewed by us. These financial results/statements have been reviewed/audited by other auditors who have issued an unmodified conclusion/ opinion, which have been furnished to us by the Parent's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.



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

Out of the above, seven subsidiaries are located outside India whose financial results/statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed/audited by other auditors under generally accepted auditing standards applicable in their respective countries, which constitute total assets of Rs. 115,882 lakhs and net assets of Rs. 91,668 lakhs as at September 30, 2020, total revenue of Rs. 30,000 lakhs and Rs. 53,349 lakhs, total net profit after tax of Rs. 6,734 Lakhs and Rs. 8,745 lakhs and other comprehensive income of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2020 respectively and cash flows (net) of Rs. 6,816 lakhs for the period from April 1, 2020 to September 30, 2020. The Parent's management has converted the financial results/statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

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

9. The consolidated unaudited financial results includes the financial results of two subsidiaries which have not been reviewed by their auditors, whose financial results reflect total assets of Rs. 29 lakhs and net assets of Rs. 22 lakhs as at September 30, 2020 and total revenue of Rs. Nil and Rs. Nil, total net profit after tax of Rs. Nil and Rs. Nil and other comprehensive income of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2020, respectively, and cash flows (net) of Rs. Nil for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

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



Subramanian Vivek
Partner
Membership Number: 100332
UDIN: 20100332AAAAAV7113

Place: Chennai
Date: October 28, 2020



CARBORUNDUM UNIVERSAL LIMITED
CIN : L29224TN1954PLC000318

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

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

(Rs.in Lakhs)

S.No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Income						
	a) Sales / Income from Operations	42376	23387	43392	65763	85822	162306
	b) Other Operating Income	657	422	613	1079	1249	2813
	Revenue from Operations	43033	23809	44005	66842	87071	165119
	Other income	769	1530	353	2299	2152	4733
	Total Income	43802	25339	44358	69141	89223	169852
2	Expenses						
	a) Cost of materials consumed	14247	6656	16616	20903	33566	62673
	b) Purchase of stock-in-trade	1126	1004	2154	2130	3902	6260
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	2871	3379	(727)	6250	(1478)	(2960)
	d) Employee benefits expense	4832	4615	5274	9447	10221	19589
	e) Finance costs	1	1	1	2	1	35
	f) Depreciation and amortisation expense	1535	1411	1700	2946	3424	6698
	g) Power and fuel	3898	2097	4542	5995	9237	18086
	h) Other expenses	8419	5116	9443	13535	18813	35517
	Total expenses	36929	24279	39003	61208	77686	145898
3	Profit before tax (1)-(2)	6873	1060	5355	7933	11537	23954
4	Tax expense						
	Current tax	2060	-	1036	2060	2877	5775
	Deferred tax	(208)	10	(32)	(198)	(199)	(953)
	Total tax expense	1852	10	1004	1862	2678	4822
5	Profit for the period (3)-(4)	5021	1050	4351	6071	8859	19132
6	Other comprehensive income [OCI]						
	Items that will not be reclassified to profit or loss						
	(a) Remeasurements of the defined benefit plans	(179)	(21)	-	(200)	-	(1225)
	(b) Equity instruments through other comprehensive income	(168)	326	(145)	158	(323)	(511)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income - Total	(347)	305	(145)	(42)	(323)	(1736)
7	Total Comprehensive income [5 + 6]	4674	1355	4206	6029	8536	17396
8	Paid up Equity Share Capital (Face value - Re.1 per share)	1894	1894	1893	1894	1893	1894
9	Reserves excluding revaluation reserve						134576
10	Earnings per share (Rs.) on S.no. 5 Net Profit after tax (not annualised)						
	- Basic	2.65	0.55	2.30	3.21	4.68	10.11
	- Diluted	2.65	0.55	2.30	3.20	4.67	10.10





CARBORUNDUM UNIVERSAL LIMITED

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

STANDALONE UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Segment Revenue						
	Abrasives	21100	10090	21008	31190	42382	81468
	Ceramics	13265	7882	14673	21147	28495	51200
	Electrominerals	10783	6538	10776	17321	21240	41088
	Total	45148	24510	46457	69658	92117	173756
	Less: Inter-Segment Revenue	2772	1123	3065	3895	6295	11450
	Sales / Income from operations	42376	23387	43392	65763	85822	162306
2	Segment Results						
	(Profit (+) / Loss (-) before Finance costs and tax)						
	Abrasives	3214	(188)	2820	3026	5601	10829
	Ceramics	3386	703	3017	4089	5506	10006
	Electrominerals	1046	139	585	1185	904	2169
	Total	7646	654	6422	8300	12011	23004
	Less: (i) Finance costs	1	1	1	2	1	35
	(ii) Other unallocable expenses / (income) net	772	(407)	1066	365	473	(985)
	Profit before tax	6873	1060	5355	7933	11537	23954
	Less : Tax expense	1852	10	1004	1862	2678	4822
	Net profit after tax	5021	1050	4351	6071	8859	19132
3a	Segmental assets						
	Abrasives	38116	39782	48987	38116	48987	41306
	Ceramics	37596	37398	39352	37596	39352	36383
	Electrominerals	28173	30003	31514	28173	31514	30757
	Unallocable	62928	55150	37531	62928	37531	48855
	Total	166813	162333	157384	166813	157384	157301
3b	Segmental liabilities						
	Abrasives	7743	5983	9306	7743	9306	6612
	Ceramics	5916	7523	5789	5916	5789	4798
	Electrominerals	5866	5557	4006	5866	4006	5011
	Unallocable	4407	5158	4358	4407	4358	4173
	Total	23932	24221	23459	23932	23459	20594





CARBORUNDUM UNIVERSAL LIMITED
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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

Balance sheet

Particulars	(Rs. in Lakhs)	
	As at 30.09.2020	As at 31.03.2020
	Unaudited	Audited
ASSETS		
Non-Current assets		
(a) Property, plant and equipment	38961	41215
(b) Right of use assets	782	794
(c) Capital work-in-progress	3920	1222
(d) Intangible assets	157	209
(e) Financial assets		
(i) Investments		
(a) Investment in associate	104	104
(b) Investments in joint ventures	457	457
(c) Investments in subsidiaries	23524	23524
(d) Other investments	675	500
(ii) Other financial assets	1346	1338
(f) Other non-current assets	713	1292
Total Non-Current assets	70639	70655
Current assets		
(a) Inventories	27361	32629
(b) Financial assets		
(i) Other investments	-	6160
(ii) Trade receivables	26655	25934
(iii) Cash and cash equivalents	35724	16146
(iv) Bank balances other than (iii) above	195	192
(v) Other Financial assets	924	569
(c) Other Current assets	5315	5016
Total Current assets	96174	86646
Total Assets	166813	157301
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1894	1894
(b) Other equity	140987	134813
Total equity	142881	136707
Non-Current liabilities		
(a) Financial liabilities		
Lease liabilities	19	25
(b) Provisions	849	749
(c) Deferred tax liabilities (net)	969	1167
Total Non-Current liabilities	1837	1941
Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	28	30
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	134	78
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	15562	12635
(iii) Other financial liabilities	4734	4518
(b) Provisions	611	461
(c) Other current liabilities	1026	931
Total Current liabilities	22095	18653
Total liabilities	23932	20594
Total Equity and Liabilities	166813	157301





STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

Cash flow Statement

(Rs. in Lakhs)

Particulars	Six months ended		Year ended
	30.09.2020	30.09.2019	31.03.2020
	Unaudited		Audited
A Cash flow from Operating activities			
Profit before tax	7933	11537	23954
Adjustment for:			
Depreciation and amortisation expense	2946	3424	6698
Fair valuation of investments	(17)	4	19
Finance costs	2	1	35
Interest income	(392)	(46)	(359)
Dividend income	(1519)	(1896)	(3330)
Expenses recognised in respect of equity-settled share-based payments	100	200	161
Allowance for doubtful receivable and advances	442	148	181
Reversal of allowance for doubtful receivables and advances	(54)	(191)	(196)
Provision for expenses no longer required written back	-	(3)	(14)
(Profit)/Loss on sale of assets (net)	(307)	(12)	(516)
Unrealised exchange (gain)/loss - net	293	(120)	(360)
Operating profit before working capital changes	1494	1509	2319
	9427	13046	26273
Movement in working capital			
(Increase)/decrease in trade receivables	(1496)	(2853)	7625
(Increase)/decrease in inventories	5268	621	1274
(Increase)/decrease in other financial assets	(367)	(371)	(159)
(Increase)/decrease in other assets	(372)	(1081)	(1308)
Increase/(decrease) in trade payables	2882	(1238)	(3327)
Increase/(decrease) in provision and other current liabilities	345	495	498
Increase/(decrease) in other financial liabilities	15	(497)	(1664)
Cash generated from Operations	15702	8122	29212
Income tax paid	(1750)	(4100)	(6100)
Net cash generated by Operating activities - [A]	13952	4022	23112
B Cash flow from Investing activities			
Payments to acquire property, plant and equipment	(2791)	(4225)	(7302)
Payments for intangible assets	(10)	(29)	(84)
Proceeds from sale of property, plant and equipment	323	15	613
Interest income received	391	46	359
Dividend income received	1519	1896	3330
Net cash (used in) Investing activities - [B]	(568)	(2297)	(3084)
C Cash flow from Financing activities			
Proceeds from issue of equity shares	39	169	347
Share application money pending allotment	5	-	-
Principal portion of lease payments	(8)	(16)	(73)
Finance costs paid	(2)	(1)	(35)
Dividends paid	-	(2365)	(7573)
Tax on dividend	-	(303)	(1312)
Net cash generated by/(used in) Financing activities - [C]	34	(2516)	(8646)
D Net increase/(decrease) in cash and cash equivalents [A]+[B]+[C]	13418	(791)	11382
Add: Cash and Cash equivalents at the beginning of the period	22306	10924	10924
Cash and Cash equivalents at the end of the period	35724	10133	22306
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and Cash equivalents at the beginning of the period			
Cash and cash equivalents	16146	1567	1567
Current investment considered as Cash and Cash equivalents	6160	9357	9357
	22306	10924	10924
Cash and cash equivalents at the end of the period			
Cash and cash equivalents	35724	1411	16146
Current investment considered as Cash and Cash equivalents	-	8722	6160
	35724	10133	22306





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

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

Notes :

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 28, 2020 and were subjected to a limited review by the Statutory Auditors of the Company.
- 2 During the current quarter, the Company has allotted 28,682 equity shares pursuant to exercise of Employee Stock Options.
- 3 The step down subsidiary M/s.Foskor Zirconia Pty Limited, South Africa [FZL] has incurred a loss of Rs.538 Lakhs for the period ended September 30, 2020, out of this Rs.274 Lakhs has been considered in the Group consolidated financials, being share of the Parent. The Board of FZL is monitoring the business performance and will initiate suitable measures in due course. No adjustments are necessary to these financial statements in this regard.
- 4 In July 2020, the Company's wholly owned step down subsidiary, M/s.Thukela Refractories Isithebe Pty Limited, South Africa (TRI), (subsidiary of M/s.CUMI International Limited, Cyprus) ceased its status consequent to the approval of its voluntary de-registration by the Companies and Intellectual Property Commission (CIPC), South Africa.
- 5 **Impact of COVID 19 Pandemic**
The Covid 19 pandemic is unprecedented and measures to contain it has caused significant disturbances and slow down of economic activity. The Company's operations & financial results for the first quarter have been adversely impacted due to scaling down / suspension of operations across all plants due to supply chain constraints, shortage of workforce and various safety measures taken across all areas of operations.
The operations were resumed gradually and has started reviving at a better pace in the current quarter. The Company has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.
- 6 The standalone and consolidated financial results are available on the website of the Company : www.cumi-murugappa.com and Stock exchanges : www.bseindia.com & www.nseindia.com.

For Carborundum Universal Limited

Chennai
October 28, 2020

M.M. Murugappa
M.M. Murugappa
Chairman



Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report on Review of Interim Standalone Financial Results

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

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

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



Subramanian Vivek
Partner

Membership Number: 100332
UDIN: 20100332AAAAAU3544

Place: Chennai
Date: October 28, 2020

Price Waterhouse Chartered Accountants LLP, 8th Floor, Prestige Palladium Bayan, 129 - 140, Greams Road
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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Carborundum Universal's Q2 FY 2020-21 Consolidated Sales increased by 1%, Consolidated PAT grew by 34%

Chennai, 28th October 2020 The Board of Directors met today and approved the results for the Quarter and Six months ended 30th September 2020.

Financial performance

Consolidated net sales for the quarter, increased by 1 percent to Rs.683 Cr from Rs. 678 Cr of the same quarter last year, driven by steady performance across segments. At the standalone level, sales was lower by 2 percent.

On a consolidated basis, segmental profitability for the Quarter recorded strong growth across all three segments. Profit after tax and non-controlling interest grew by 34% to Rs.86.4 Cr (LY Rs.64.5 Cr).

The capital expenditure incurred during the first half year was Rs.53 Cr. The debt equity ratio was at 0.03 as of September 2020.

Consolidated Segmental Operating Performance

Abrasives

Segment Revenue for the Quarter at a consolidated level was flat at Rs.259 Cr compared to corresponding period of last year. Standalone Abrasives also remained at the same level in comparison to the corresponding quarter of the previous year.

Profit before finance costs and tax increased to Rs.37 Cr from Rs.30 Cr as a result of better cost management.

Electro Minerals

Segment Revenue at a consolidated level was higher at Rs.275 Cr versus Rs.267 Cr from the same Quarter of last year. Subsidiaries Volzhsky Abrasives Works, Russia and Foskor Zirconia Limited, South Africa registered good growth.

Profit before finance costs and tax increased to Rs.40 Cr from Rs.27 Cr on the back of better product mix and cost management in the domestic Electro Minerals Segment as well as consistent performance in Volzhsky Abrasives Works.

Ceramics

Consolidated revenue decreased to Rs.169 Cr from Rs.170 Cr resulting in a marginal decline of 1%.



Profit before finance costs and tax grew by 32%, to Rs.48 Cr from Rs.36 Cr on the back of operational efficiencies and better product mix. Profitability grew across all entities in the Ceramics Segment.

About the Murugappa Group:

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

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

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 51,000 employees.

For more details, visit www.murugappa.com

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