15th July 2025

BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001

Stock Code: 513375

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

Stock Code: CARBORUNIV

Dear Sir/Madam,

Sub: Annual Report for the financial year ended 31st March 2025 and the Annual General Meeting updates pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Further to our intimation dated 12th May 2025 regarding the convening of the 71st Annual General Meeting ('AGM') of the Company on Thursday, 7th August 2025 at 03.00 P.M. IST through Video Conferencing (VC), in compliance with the various circulars issued by the Ministry of Corporate Affairs and SEBI and pursuant to the applicable provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we submit an electronic copy of the Annual Report of the Company comprising the audited financial statements, Directors' report and Auditors' report thereon for the financial year ended 31st March 2025 and the Notice convening the 71st AGM.

The electronic copies of the Annual Report and the AGM notice have been sent today to all the Members holding shares in dematerialised form whose e-mail addresses are available with their Depository Participants ('DP') as well as to the Members holding shares in physical form whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent ('RTA') for communication purposes. Further, in line with Regulation 36 of Listing Regulations, the letter providing the weblink for accessing the Annual Report and the AGM notice has also been sent to those shareholders who have not registered their email addresses. The documents have also been uploaded on the website of the Company at www.cumi-murugappa.com and that of the National Securities Depository Limited (NSDL), the e-voting service provider at https://www.evoting.nsdl.com/eVotingWeb/SearchDownloadsAction.do and this submission will enable the AGM related documents to be available on the website of the stock exchanges for access by any Member.

Members of the Company, who have not registered their e-mail addresses with the Company or M/s. KFin Technologies Limited ('KFIN'), (RTA) have been informed about the process for registration of their e-mail addresses to receive the Annual Report, Notice and the login credentials for participating in the AGM through VC/OAVM facility vide a publication dated 10th July 2025 as well as by a communication uploaded on the website of the Company. Detailed instructions for voting electronically and attending the meeting through VC is available in the Notice convening the AGM.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL on all Resolutions set forth in the Notice. The facility for voting will also be made available during the AGM and Members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote during the AGM.

Members (individuals holding shares in demat mode) can avail remote e-voting facility, by using a single login credential in websites of Depositories/Depository Participants. The process and manner of remote e-voting in pursuance of the SEBI circular is set out in the AGM Notice.

The remote e-voting period commences on Monday, 4th August 2025 (09.00 a.m. IST) and ends on Wednesday, 6th August 2024 (05.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Thursday, 31st July 2025 may cast their vote electronically in the manner and process set out in the AGM Notice. The voting rights of the Members shall be in proportion to their shareholding in the Company as on 31st July 2025 (cut-off date).

Members are being provided with a facility to attend the AGM through a video conferencing platform provided by NSDL.

For any further information or clarification, Members can write to investorservices@cumi.murugappa.com or evoting@nsdl.com.

Kindly take note of the above instructions.

Yours faithfully,
For Carborundum Universal Limited

SURENDHIRAN REKHA

Digitally signed by SURENDHIRAN REKHA
DN: c=IN, o=Personal, pseudonym=133376914186113972joYp98DlcLNzD9, 2.5.4.20=fd1a23ee82f6097c2c6bdcb73a57518e3cac48327a58d8bea18d7f12b56cf2ac, postalCode=600122, st=Tamil Nadu, serialNumber=09b255154679613 7c8aa47ee2a2f90f56c6a9107df203c46c5900ff3c9a322c8, cn=SURENDHIRAN REKHA
Date: 2025.07.15 21:17:57 +05'30'

Rekha Surendhiran
Company Secretary

CARBORUNDUM UNIVERSAL LIMITED

CIN: L29224TN1954PLC000318
Registered Office: Dare House, No.234, N.S.C. Bose Road, Parrys, Chennai - 600001
Tel: +91-44-30006161; Fax: +91-44-30006149;
E-mail: investorservices@cumi.murugappa.com; Website: www.cumi-murugappa.com

NOTICE TO MEMBERS

NOTICE is hereby given that the Seventy First Annual General Meeting ('AGM') of the Members of the Company will be held at 03.00 p.m. Indian Standard Time on Thursday, 7th August 2025 through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of Standalone Financial Statements

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT the Audited Standalone Financial Statements for the year ended 31st March 2025 and the Reports of the Board and Independent Auditors' thereon be and are hereby considered, approved and adopted.

Item No. 2 - Adoption of Consolidated Financial Statements

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT the Audited Consolidated Financial Statements for the year ended 31st March 2025 and the Report of the Independent Auditors' thereon be and are hereby considered, approved and adopted.

Item No. 3 - Declaration of Dividend

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT a final dividend of ₹2.50/- per equity share of ₹1/- each be declared for the financial year ended 31st March 2025 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on 31st July 2025 in case the shares are held in physical form and to the beneficial holders of the dematerialised shares as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in electronic form as on 31st July 2025.

RESOLVED FURTHER THAT the interim dividend of ₹1.50/- per equity share of ₹1/- each declared by the Board of Directors and paid for the financial year ended 31st March 2025 be and is hereby confirmed.

Item No. 4 - Re-appointment of Mr. M M Murugappan (DIN: 00170478) as a Director

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT Mr. M M Murugappan holding DIN 00170478, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.

SPECIAL BUSINESS

Item No. 5 - To appoint M/s. Sridharan & Sridharan Associates as Secretarial Auditor of the Company and to fix their remuneration

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT as recommended by the Audit Committee and the Board of Directors of the Company pursuant to provisions of Sections 179(3) and 204 of the Companies Act, 2013 read with the rules made thereunder, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Sridharan & Sridharan Associates (Firm Regn. No. P2022TN093500) as the Secretarial Auditor of the Company to hold office for five financial years from the financial year 2025-26 to the financial year 2029-30 at a remuneration of ₹2,00,000/- (excluding out of pocket expenses incurred by them in connection with the Audit and applicable taxes) to be paid for the FY 2025-26, be and is hereby approved and the Board of Directors are hereby granted powers to decide the remuneration payable to the Secretarial Auditor for the subsequent years based on the recommendation of the Audit Committee.

Item No. 6 - Approval for payment of commission to Mr. M M Murugappan

To consider and if deemed fit, to pass the following as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Regulation 17(6)(ca) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 197,198 and other applicable provisions of the Companies Act, 2013 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] and Article 17.16 of the Articles of Association of the Company, approval be and is hereby granted for the remuneration payable to Mr. M M Murugappan, Non-Executive Chairman for the FY 2025-26 including by way of commission for the financial year ended 31st March 2025 aggregating to a sum not exceeding ₹1,00,00,000/- (Rupees One crore Only) excluding the sitting fees payable in respect of the meetings of the Board/Committees in which he would be participating during the financial year 2025-26.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.

Item No. 7 - Ratification of Cost Auditor's Remuneration

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the remuneration of ₹5,00,000/- payable to M/s. S Mahadevan & Co. (Firm registration no. 000007) Cost Accountants, Chennai, appointed by the Board of Directors to conduct the audit of the cost accounting records of the Company for the financial year 2025-26, excluding applicable taxes and out of pocket expenses incurred by them in connection with the Cost Audit be and is hereby ratified and confirmed.

By Order of the Board

Chennai
May 12, 2025

Rekha Surendhiran
Company Secretary

Notes:

1. The Ministry of Corporate Affairs (MCA) vide its General Circular No. 09/2024 dated 19th September 2024 in furtherance to its earlier circulars issued in this regard has permitted companies, whose Annual General Meetings (AGM) are due to be conducted on or before 30th September 2025, to hold their AGMs through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') not requiring the physical presence of the Members at a common venue. Hence, the 71st AGM of the Company is being conducted through VC/OVAM in compliance with the provisions of the Companies Act, 2013 (Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable circulars issued in this regard. Members are requested to attend and participate in the ensuing AGM through VC/OAVM facility being provided by the Company through National Securities Depository Limited ("NSDL"). Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under section 103 of the Act.

2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC/OAVM, physical attendance of Members is dispensed with. Accordingly, the facility for the appointment of proxies by the Members will not be available for the AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise in line with MCA and SEBI circulars issued in this regard.

3. The statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of business item no. 4 which is an Ordinary business and business item nos. 5 to 7 of the Notice which are Special businesses to be transacted at the AGM are annexed hereto for the information of Members.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 31st July 2025 to 7th August 2025 (both days inclusive) for the purpose of this AGM. The Record date for the purpose of payment of final dividend for the financial year ended 31st March 2025 shall be Thursday, 31st July 2025. Subject to the provisions of the Act, the dividend as recommended by the Board, if declared at the meeting, will be paid by Tuesday, 26th August 2025.

5. Dividends remaining unclaimed/unpaid for a period of seven (7) consecutive years are required to be transferred to the Investor Education Protection Fund ('IEPF') Authority. The Company has transferred unclaimed/unencashed dividends upto the interim dividend for FY 2017-18 to the IEPF Authority till the date of this notice.

   The Company has uploaded the details of unpaid and unclaimed amounts lying with it as on 31st March 2024 on the website www.cumi-murugappa.com and also on the website of the Ministry of Corporate Affairs in line with the amendments made to the IEPF Rules during the year. Members can ascertain the status of their unclaimed dividend amounts from these websites.

   Members who have not encashed their warrants in respect of the final dividend declared for the financial year 2017-18 and subsequent dividends thereon may write to the Company Secretary or RTA immediately for claiming their dividends.

   As per Section 124(6) of the Companies Act, 2013 and extant Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the IEPF Authority. As at 31st March 2025, the Company has transferred 891,325 shares to the IEPF Authority. Further, the Company has uploaded the details of the above on its website for the information of Members.

   Members are entitled to claim the shares from the IEPF Authority by making an application online along with the requisite documents in Form IEPF-5 available on the website https://www.mca.gov.in/content/mca/global/en/mca/iepf-related-services/IEPF-5.html. Shareholders are requested to contact the Company's RTA or the Company in this regard.

Members are requested to note that dividends declared and paid by the Company with effect from 1st April 2020 are taxed in the hands of the recipient of dividend i.e. shareholders. Hence, effective 1st April 2020 all dividends paid/to be paid by the Company are subject to deducting tax at the applicable rate prescribed under the Income Tax Act, 1961. Members may note that in the absence of the details of the PAN, the Company would be required to deduct tax at a higher rate prescribed under the Income Tax Act, 1961. In view of this requirement, Members who have not furnished their PAN to the Company are requested to immediately submit a copy of the same. Members seeking non-deduction of tax on their dividends may submit Form 15G/15H as applicable to the Company on a yearly basis in the link https://ris.kfintech.com/form15/. The detailed information with respect to tax deduction at source on dividend payments including the formats of Form 15G / Form 15H for seeking exemption is available in the links https://ris.kfintech.com/form15/ and https://www.cumi-murugappa.com/investor-services/. Members may contact the Company Secretary or any executive in the investor relations team in case of any clarification in this regard.

6. The Securities and Exchange Board of India (SEBI) vide its master circular dated 7th May 2024 has made it mandatory for holders of physical securities to furnish their PAN, email address, mobile number, bank account details and also to either register or to opt out of nomination facility against the shares held in the Company. Also, the forms introduced with respect to investor servicing are available on the website of the Company at https://www.cumi-murugappa.com/part-4-investor-services/.

7. SEBI has mandated the submission of PAN by every participant in securities market for any updation in the folio and any Investor requests. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant with whom they maintain their demat accounts.

8. Members, who hold shares in physical form and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Contact Details (iii) Mobile Number (iv) Bank Account Details and (v) Signature] shall be eligible to get dividend only in electronic mode after updating the KYC. Accordingly, final dividend for the FY 2024-25, subject to approval by the Members in the AGM, shall be paid to physical holders only after the above details have been updated in their respective folios. Members are requested to update their KYC details to enable payment of dividends electronically.

   Members may follow the process detailed below for updation of their KYC details:

Mode of holding	Process for updating KYC details
Physical	Members can send a request by way of 'In Person Verification' (IPV) or by post to the RTA's office or in electronic mode with e-sign to einward.ris@kfintech.com or investorservices@cumi.murugappa.com by providing the following: • Forms ISR-1, ISR-2 and SH-13 / ISR-3 mentioning the Folio No., and name of the Member; • Self-attested copy of PAN; • Self-attested copy of any address proof including Aadhar, Passport etc.; • Copy of share certificate(s); • Original cancelled cheque bearing the name of the first named shareholder, name and branch of the bank in which Members wish to receive the dividend, the bank account type, MICR Code Number and IFSC number.
Demat	Members to contact their respective DPs and register their PAN, e-mail address and bank account details in their demat account, as per the process recommended by the DP.

9. Members are requested to note that in terms of the Listing Regulations, with effect from 1st April 2019, shares of the Company can be transferred only in dematerialised form. In view of the above, Members are advised to dematerialise the shares held by them in physical form. This will also eliminate all risks associated with holding securities in physical form and provide ease in portfolio management. For further information, please contact us at investorservices@cumi.murugappa.com or the RTA at einward.ris@kfintech.com.

   SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the issuance of securities only in dematerialised form by listed entities. As an ongoing measure to enhance ease of dealing in securities markets by investors while processing the service requests such as issue of duplicate securities certificate, claims from Unclaimed Suspense Account, renewal/exchange of securities certificates, endorsement sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission, transposition etc., the listed entities have been directed to adhere to processes and practices to convert the physical mode of holding securities into electronic mode. Securities holder/claimants are also required to submit duly filled up Form ISR-4 while making the service requests, which is available at https://www.cumi-murugappa.com/part-5-formats/.

10. **Intimation of details of Agreement(s), if any under the Listing Regulations**

    Shareholders are informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate the Stock Exchanges the details of the agreements entered into by the shareholders, promoter(s), members of the promoter(s) group, related parties, directors, key managerial personnel, employees of the company or of its holding, subsidiary or associate company, among themselves or with the company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the company or impose any restriction or create any liability upon the company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the company is a party to such agreements.

    Accordingly, Shareholders are hereby advised to inform the Company about any such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchanges upon it becoming aware of the same within the prescribed timelines.

    [Explanation: For the purpose of this clause, the term 'directly or indirectly' includes agreements creating an obligation on the parties to such agreements to ensure that the listed entity shall or shall not act in a particular manner.]

11. **Registration of e-mail address by Members and details for obtaining/downloading the electronic copy of the Annual Report and Notice convening the AGM**

    In view of the exemptions provided by MCA and SEBI, companies can now send Annual Reports in electronic mode. Accordingly, an electronic copy of the Annual Report is being sent to all the Members holding shares in dematerialised form and whose e-mail addresses are available with the DPs as well as to all the Members holding shares in physical mode whose e-mail addresses are registered with the Company/RTA for communication purposes. Procedure for obtaining the Annual Report, AGM notice as well as electronic voting (e-voting) instructions for Members whose e-mail addresses are not registered with the DPs or with RTA is provided herein and is also available on the website of the Company. The Annual Report is also available on the Company's website at https://www.cumi-murugappa.com/annual-reports/, websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively as well as on the website of NSDL at https://www.evoting.nsdl.com/.

    In view of the exemptions provided, no physical or hard copies of the Notice and Annual Report will be sent to Members who have not registered their e-mail addresses with the Company/RTA. However, hard copy of Annual Report will be sent to the shareholders who specifically requests for the same. A request in this regard, can be made by sending an email to einward.ris@kfintech.com or investorservices@cumi.murugappa.com.

Members may follow the process detailed below for registration of e-mail addresses to obtain the Annual Report and Notice:

Mode of holding	Process to be followed for registration of e-mail address
Physical	Members can send a request by way of 'In Person Verification' (IPV) or by post to the RTA's office or in electronic mode with e-sign to einward.ris@kfintech.com or investorservices@cumi.murugappa.com by providing the following: - Form ISR-1 duly filled up; - The signed request letter mentioning the Folio No., name of the Member, e-mail address and mobile number; - Self-attested copy of PAN; - Self-attested copy of any address proof including Aadhar, Passport etc.;
Demat	Members may contact their DPs and register or update their respective e-mail addresses in the demat account, as per the process recommended by the DP.

As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including Annual Reports from time to time in electronic form to the e-mail address provided by you. In case of any queries, Members may write to einward.ris@kfintech.com or investorservices@cumi.murugappa.com by quoting their Folio number or DP and Client ID.

12. Additional information pursuant to Listing Regulations and Secretarial Standards on General Meetings in respect of the Director seeking re-appointment at the AGM is furnished and forms part of the Notice. The Director seeking re-appointment has furnished the requisite consent/ declaration in this regard.

13. The business set out in the Notice would be transacted through electronic voting. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and amendments thereof, the Company e-voting facility will be made available to Members to cast their votes electronically on all resolutions set forth in the Notice convening the 71st AGM.

14. The Company has engaged the services of NSDL to provide remote e-voting facility and voting facility during the AGM to enable Members to exercise their votes in a secured manner. The instructions for remote e-voting as well as voting at the AGM is provided in this Notice. The Board of Directors have appointed Mr. R. Sridharan of M/s. R. Sridharan and Associates, Practising Company Secretaries or failing him Ms. Srinidhi Sridharan of M/s. Srinidhi Sridharan and Associates, Practising Company Secretaries as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. The Notice and the instructions for attending the AGM and exercising the voting are being sent in electronic form to all the Members whose e-mail addresses are registered with the Company/ their DPs for communication purposes. For others who have not registered their e-mail addresses, please refer the instructions in Note 11 above.

15. All documents referred to in the accompanying Notice and the statement under Section 102 of the Act, shall be open for inspection during normal business hours (09.30 a.m. to 05.30 p.m.) on all working days up to the date of the AGM. The Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the meeting. Members seeking to inspect such documents can send an e-mail to investorservices@cumi.murugappa.com.

16. Members holding shares in physical form are requested to address all correspondence relating to their shareholding to the Company's RTA or to the Company. Members holding shares in dematerialised form may send such correspondence to their respective DPs.

17. Instructions for members for remote e-voting and joining general meeting:

17.1. E-voting using NSDL e-voting system

The manner to cast the vote electronically on NSDL e-voting system comprises of "Two Steps" as mentioned below which need to be followed:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN, Verification code and generate OTP. Enter the OTP received on registered email ID/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on **"Access to e-voting"** under e-voting services and you will be able to see e-voting page. Click on Company name or **e-voting service provider i.e. NSDL** and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

	5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: *Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.*

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

i. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

iii. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 129216 then user ID is 129216001***

v. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

(a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

(b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, PAN, name and registered address etc.

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

(i) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

(ii) Select "EVEN" of Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

(iii) Now you are ready for e-voting as the Voting page opens.

(iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

(v) Upon confirmation, the message "Vote cast successfully" will be displayed.

(vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(vii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to rsaevoting@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.

b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section

of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice:

a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self attested scanned copy of PAN, self attested scanned copy of Aadhar by email to investorservices@cumi.murugappa.com.

b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self attested scanned copy of PAN, self attested scanned copy of Aadhar card to investorservices@cumi.murugappa.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

c) Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.

d) In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed companies Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

17.2. The instructions for Members for e-voting on the day of the AGM:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

17.3. Instructions for Members for attending the AGM through VC/OAVM:

a) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

b) Members are encouraged to join the Meeting through Laptop devices for better experience.

c) Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches or disturbance during the meeting. The Company will not be responsible for any disruption in the proceedings caused due to the technical issues including inadequate bandwidth or internet at the end of the shareholder.

e) **AGM queries to be sent in prior to the AGM** - As the AGM is being conducted through VC/OVAM, Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number to investorservices@cumi.murugappa.com. Questions/ queries received by the Company till 5.00 p.m. (IST) on 4th August 2025 shall only be considered and responded during the AGM.

f) **Registration as a Speaker at the AGM** - Members who would like to express their views or ask questions during the AGM may register themselves as a Speaker by sending an email to investorservices@cumi.murugappa.com any time before 5.00 p.m. (IST) on 4th August 2025, mentioning their name, demat account number/folio number, email ID and mobile number. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and

number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM. Please note that Members are entitled to attend the AGM and ask questions only if the Member continues to hold the shares as of the cut-off date. A person who is not a member as of the cut-off date should treat this Notice for information purposes only.

The instructions for joining the AGM through video conferencing will also be made available on the website of the Company at www.cumi-murugappa.com.

18. The remote e-voting period commences on Monday, 4th August 2025 (09.00 a.m.) and ends on 6th August 2025 (05.00 p.m.). The voting rights of Members shall be in proportion to their shareholding as on the cut-off date 31st July 2025. The Scrutiniser shall immediately after the conclusion of voting at the AGM first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the digital presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutiniser's Report of the votes cast to the Chairman of the Company. For the purpose of ensuring that Members who have cast their votes through remote e-voting do not vote again at the Meeting, the Scrutiniser will have access, after closure of the period for remote e-voting for details relating to Members as the Scrutiniser may require except the manner in which the Members have cast their votes.

19. The results will be declared not later than two working days from the conclusion of the meeting. The results declared along with the Scrutiniser's Report will be placed on the Company's website https://www.cumi-murugappa.com/, as well as the website of NSDL immediately after declaration of results by the Chairman/Authorised person and the Company shall simultaneously forward the results to NSE/BSE for placing it on their respective websites.

20. Resolutions passed through e-voting would be deemed to have been passed as on the date of the AGM i.e., 7th August 2025.

21. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

22. For easy and quick reference, key details required for reference by Members is annexed to this Notice.

By order of the Board

Chennai
May 12, 2025

Rekha Surendhiran
Company Secretary

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 ('Act'), the following statement sets out all material facts relating to the businesses mentioned under item no. 4 and item nos. 5 to 7 of the accompanying Notice:

Item No. 4

Mr. M M Murugappan, is currently the Non-Independent Non-Executive Chairman of the Company. Mr. M M Murugappan is liable to retire by rotation at this AGM pursuant to Section 152(6) of the Companies Act, 2013 and being eligible has offered himself for re-appointment.

Mr. Murugappan's profile is provided in the Annual Report and the information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings is provided in the annexure. The Company has received the requisite consent and disclosure forms from him in respect of his proposed re-appointment.

Mr. M M Murugappan, aged 69 years holds a Master of Science degree in Chemical Engineering from the University of Michigan, USA. He has held the position of Managing Director of the Company in the past. Besides serving as the Chairman of the Company, Cholamandalam MS General Insurance Company Limited, Cyient Limited, Cholamandalam Financial Holdings Limited and Murugappa Water Technology and Solutions Private Limited, he also serves on the Boards of Rane Holdings Limited, Carsons Cumberbatch Srilanka, Ambadi Investments Limited, M M Muthiah Research Foundation, IIT Madras Research Park, Chennai Willingdon Corporate Foundation. Mr. Murugappan is also the Chairman of the Advisory Board of Rhodius Abrasives GmbH. Mr. Murugappan is a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers, Plastics & Rubber Institute, and a fellow of the Indian Ceramic Society. He is a trustee of the Murugappa Group's CSR arm - AMM Foundation. He is also a Chairman of the Governing Body for Indian Institute of Management, Indore.

Mr. M M Murugappan, Chairman of the Board has been associated with the Company as a Director for close to three decades. Given the size and nature of the Company's businesses and also the rich experience that Mr. Murugappan possesses in the field of engineering, a considerable amount of time is spent by him in connection with the operations of the Company. Apart from playing an active role in guiding and advising on matters connected with strategy and management, he spends considerable time on developing/managing relationships with the Company's business partners both in India and overseas. The Chairman also plays an active role in matters connected with the organisation culture which is critical for the Company to deliver superior performance besides devoting time for technology related issues impacting the Company. Further, the Chairman spends a lot of time participating in various events, conclaves and functions of Industry bodies, Academic Institutions and interactions with high level State Authorities representing the Company. Under his Chairmanship, the Company has grown globally from ₹406 crores to over ₹4800 crores. Mr. Murugappan has played a pivotal role in transforming the Company into an international Company. His strategic approach towards business partnerships with global leaders has been one of the key factors contributing to the Company's consistent growth, domestically and internationally.

Mr. Murugappan is paid sitting fees and commission as a Non-Executive Director. He was paid ₹1,00,00,000/- (Rupees One Crore only) remuneration by way of Commission during the FY 2024-25, the details of which are available in the Corporate Governance section of the Annual Report.

The Board considers that the continued association of Mr. Murugappan including as a Chairman would be of immense benefit to the Company and hence it is desirable to continue to avail his services as a Director. Further, the Board believes that the remuneration payable to him is commensurate with the efforts and the time taken by him on behalf of the Company. Accordingly, the Board recommends his re-appointment as a Director.

Memorandum of Interest

Except Mr. M M Murugappan, being the appointee and Mr. Muthiah Murugappan, son of Mr. M M Murugappan, none of the other Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise in the aforesaid Ordinary Resolution.

Item No. 5

In terms of amended provisions of Regulation 24A of the Listing Regulations, the Board of Directors at their meeting held on 12th May 2025 after considering the recommendations of the Audit Committee, has recommended the appointment of M/s. Sridharan & Sridharan Associates (Firm registration number: P2022TN093500), for a tenure of five (5) consecutive financial years as the Secretarial Auditor of the Company for the approval of Members.

The Auditor shall hold office for the term of five (5) consecutive financial years from FY 2025-26 to FY 2029-30. M/s. Sridharan & Sridharan Associates has consented to the aforesaid appointment and confirmed that the appointment, if made, will be within the limits specified under Regulation 24A (1A) of the Listing Regulations and the circulars issued thereunder. M/s. Sridharan and Sridharan Associates has further confirmed

that they are not disqualified to be appointed as the Secretarial Auditor in terms of the Listing Regulations.

Pursuant to Regulation 24A of Listing Regulations, the appointment of Secretarial Auditor requires the approval of the shareholders vide an ordinary resolution. As per Section 177(4) of the Companies Act, 2013, Regulation 18(3) read with Part C of Schedule II of Listing Regulations, in line with the requirements of the amended Regulation 24A of Listing Regulations and based on the recommendation of the Audit Committee, the Board at its meeting held on 12th May 2025 had approved the appointment and remuneration of M/s. Sridharan & Sridharan Associates, Secretarial Auditor. The Company will not avail any services which are prohibited under the Listing Regulations read along with SEBI circular dated 31st December 2024 from the Secretarial Auditor. Besides the secretarial audit services, the Company may obtain certifications and other permissible non-secretarial audit services from the Secretarial Auditor as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors basis the recommendation of the Audit Committee.

M/s. Sridharan & Sridharan Associates is a professional firm offering specialised services in Corporate Law, Corporate Restructuring, Securities Law, FEMA and Advisory services. The partnership firm of Company Secretaries is driven by three partners who bring extensive knowledge and a unique holistic approach to various areas of expertise. The firm is a peer reviewed firm holding a valid certificate of peer review issued by the Institute of Company Secretaries of India.

Considering the experience and expertise of M/s. Sridharan & Sridharan Associates, the Audit Committee has recommended the candidature for appointment as Secretarial Auditor for a term of five consecutive financial years from FY 2025-26 till FY 2029-30 at a remuneration of Rs. 2,00,000/- (excluding out of pocket expenses incurred by them in connection with the audit and applicable taxes) to be paid for the FY 2025-26, which is subject to the approval of the Shareholders at the 71st AGM. The remuneration payable for subsequent years will be based on the recommendation of the Audit Committee and approval of the Board.

M/s. R Sridharan & Associates, Practising Company Secretaries were the Secretarial Auditor of the Company for the FY 2024-25 and was paid a remuneration of ₹1,52,400/- excluding fee on non-audit services rendered, out of pocket expenses incurred by them in connection with audit and other applicable taxes. No material change is proposed in the remuneration payable to the proposed Secretarial Auditor as compared to FY 2024-25.

The Board recommends the resolution set forth in item no. 5 for the approval of Members.

Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

Item No. 6

The Shareholders at the 69th Annual General Meeting held on 2nd August 2023 had approved the payment of remuneration to Non-Executive Directors of the Company not exceeding one per cent of the net profits of the Company subject to a cap of ₹3.5 crores per annum.

In line with the Remuneration Policy of the Company, the compensation to the Non-Executive Directors takes the form of commission on profit. Though shareholders have approved the payment of commission up to one per cent of net profits of the Company for each year subject to the overall cap of ₹3.5 crores, the actual commission paid to every Director is restricted to a fixed sum within the above limit. This sum is reviewed periodically, taking into consideration various factors such as the performance of the Company, time spent by the Directors for attending to the affairs and business of the Company and extent of responsibilities cast on Directors under general law and other relevant factors. In keeping with evolving trends in industry and considering the increased time spent by Mr. M M Murugappan, he is paid a differential commission.

Mr. M M Murugappan, Chairman has been associated with the Company as a Director for close to three decades now. Given the size and nature of its operations and also the rich experience that Mr. Murugappan possesses in the field of engineering, a considerable amount of time is spent by him in connection with the Company. Apart from playing an active role in guiding and advising on matters connected with strategy and management, he spends considerable time on developing / managing relationships with the Company's business partners both in India and overseas. The Chairman also plays an active role in matters connected with CUMI's organisation culture which is critical for the Company to deliver superior performance besides devoting time for technology related issues impacting the Company. Further, the Chairman spends a lot of time participating in various events, conclaves and functions of Industry bodies, Academic Institutions and interactions with high level State Authorities representing the Company. Under his able leadership and guidance, the Company has been able to grow organically as well as inorganically amidst volatile and challenging business conditions worldwide.

Mr. Murugappan in his role as the Chairman of the Company has been instrumental in concluding domestic and international acquisitions which are expected to augur well for the Company in the coming years. He continues to play a significant role in the integration of the newly acquired subsidiaries and has led the transition management. Under his leadership and guidance, the Management has set an aspirational LTS 2030 comprising focused programmes/projects for driving a transformational growth across the Company and its subsidiaries/associates in the years to come.

The programmes aim to propel the Company to a high performing organisation with an ambitious growth in current business, reinventing material science and innovation, foraying into new growth frontiers and leveraging synergies by cross organisation initiatives to build competitiveness.

Pursuant to Regulation 17(6)(ca) of Listing Regulations, approval of Shareholders by special resolution is required to be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors.

During the FY 2024-25 with the approval of the Shareholders vide special resolution passed at the 70th AGM held on 30th July 2024, Mr. M M Murugappan was paid a commission of ₹1 crore (commission for the FY 2023-24) and a sitting fee of ₹6.4 crores. Since the total remuneration payable to Mr. M M Murugappan during the FY 2025-26 including the commission payable for the FY 2024-25 is likely to exceed fifty per cent of the total remuneration payable to all Non-Executive Directors, approval of the Shareholders is sought vide a Special Resolution.

The Board is of the opinion that for the services being rendered by Mr. M M Murugappan as the Chairman, the remuneration being paid to him is reasonable and commensurate with the efforts taken and time spent by him, on the matters concerning the Company. The Company which is on a transformational growth path will immensely benefit from his services and hence, basis the recommendation of the Nomination and Remuneration Committee, the Board recommends the remuneration payable to Mr. M M Murugappan during the FY 2025-26 in excess of fifty per cent of the total annual remuneration payable to all Non-Executive Directors of the Company for approval by the Members of the Company.

Memorandum of Interest

Except Mr. M M Murugappan and Mr. Muthiah Murugappan, son of Mr. M M Murugappan, none of the other Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise in the aforesaid resolution proposed to be passed as a Special Resolution.

Item No.7

Pursuant to the Companies (Cost Records and Audit) Rules, 2014 and any amendments thereof, the Company is required to maintain cost accounting records in respect of products of the Company covered under CETA categories like organic and inorganic chemicals, electrical or electronic machinery, steel, plastic and polymers, ores and mineral products, other machinery, base metals etc. Further, the cost accounting records maintained by the Company is required to be audited. The Board at its meeting held on 12th May 2025 based on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. S Mahadevan & Co. (Firm registration no.000007), Cost Accountants, as the Cost Auditor to conduct the audit of the cost accounting records of the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the financial year 2025-26 at a remuneration of ₹5,00,000 excluding applicable taxes and out of pocket expenses incurred by them in connection with the audit. The Cost audit fee is commensurate with the work involved and the size of teams due to advancements in software and ERP system.

As per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders of the Company. Hence, the Ordinary Resolution at item no.7 is placed before the Members for ratification and the Board recommends the same.

Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

By Order of the Board

Chennai
May 12, 2025

Rekha Surendhiran
Company Secretary

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings (Items 4 & 7)

Name of Director	Mr. M M Murugappan
DIN	00170478
Date of Birth & Age	12.11.1955 (69 years)
Date of Appointment (Initial)	17.10.1996
Qualification	Bachelor of Technology in Chemical Engineering from the University of Madras, Masters' degree in Chemical Engineering from the University of Michigan, USA.
Expertise in specific functional areas	Has over 45 years of experience in diverse areas of Technology, Research & Development, Strategy & Business Development and Human Resources.
Directorships in other companies (including foreign companies)	• Cholamandalam Financial Holdings Limited • Rane Holdings Limited • Cholamandalam MS General Insurance Company Limited • M M Muthiah Research Foundation • Ambadi Investments Limited • Murugappa Water Technology and Solutions Private Limited • Idea Lab (India) Private Limited • Cyient Limited • IIT Madras Research Park • Chennai Willingdon Corporate Foundation • Carsons Cumberbatch PLC, Srilanka • RHODIUS Abrasives GmbH - Advisory Board
Memberships in Board Committees of other Companies (includes membership details of all Committees excluding the Company)	1. Cyient Limited a. Audit Committee - Member b. Leadership, Nomination and Remuneration Committee - Member c. Risk Management Committee - Member 2. Cholamandalam Financial Holdings Limited a. Stakeholders Relationship Committee - Chairman b. Nomination and Remuneration Committee - Member c. Risk Management Committee - Chairman 3. Ambadi Investments Limited a. Borrowing Committee - Member b. Share Transfer Committee - Member c. Group Risk Management Committee - Member 4. Cholamandalam MS General Insurance Company Limited a. Management Committee - Chairman b. Corporate Social Responsibility and Environmental, Social & Governance Committee - Chairman c. Investment Committee - Chairman d. Business Committee - Chairman e. Risk Management Committee - Member f. Nomination and Remuneration Committee - Member 5. Rane Holdings Limited a. Chairman - Nomination and Remuneration Committee
No. of shares in the Company	691,340
Inter-se relationship with any other Directors or KMP of the Company	Mr. Muthiah Murugappan, Non-Independent Non-Executive Director is related to Mr. M M Murugappan (Father - Son relationship)

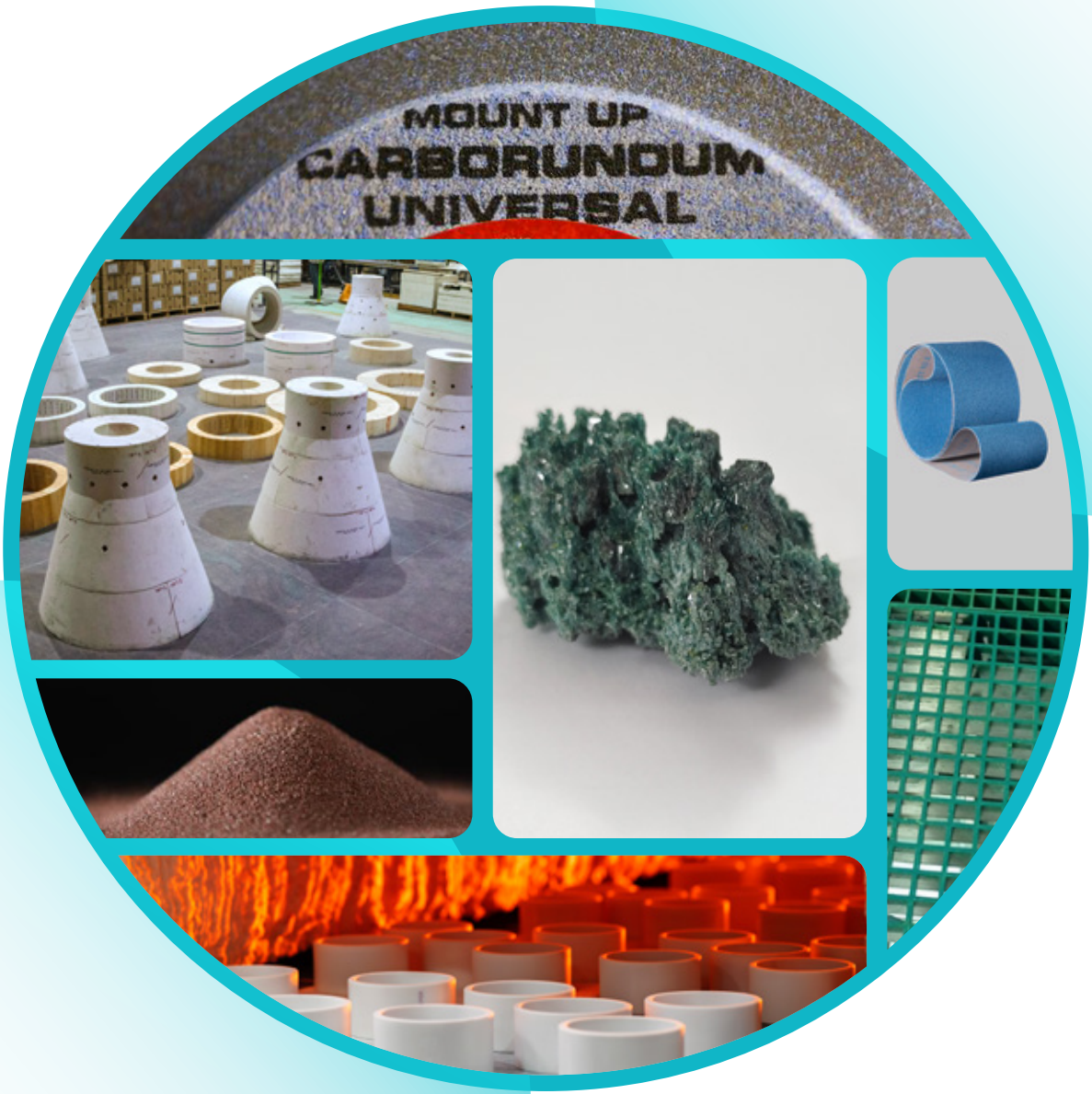
1. Shares held in individual capacity including as karta of a HUF but excluding shares held as a Trustee.
2. For further details, please refer the Corporate Governance Report section of the Annual Report.

In order to enable ease of participation of the Members, key details regarding the 71st AGM is provided for reference:

Sl. No.	Particulars	Details	
1.	Date and Time of AGM	Thursday, 7th August 2025 at 03.00 p.m. IST	
2.	Link for participation through Video Conferencing (VC)	Please refer the instructions in Note 17 of this Notice	
3.	Remote e-voting	Please refer instructions in Note 17.1 of this Notice	
4.	Cut-off date for e-voting	Thursday, 31st July 2024	
5.	E-voting period	Commences at 09.00 a.m. IST on Monday, 4th August 2025 and ends at 05.00 p.m. IST on Wednesday 6th August 2025	
6.	Registrar and Share Transfer Agent contact details	Mr. S R Ramesh, Deputy Vice President M/s. KFin Technologies Limited E-mail: einward.ris@kfintech.com Contact No: 040-67162222; Toll Free No.: 1800-21-09911	
7.	Help line number for e-voting	**Login type**	**Help desk details**
		Securities held with NSDL	Please contact NSDL help desk by sending a request at evoting@nsdl.com or contact at 022-4886 7000
		Securities held with CDSL	Please contact CDSL help desk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911
8.	Help line number for VC participation	Contact: Ms. Pallavi Mhatre, Senior Manager, NSDL at 022 - 4886 7000 or write them at evoting@nsdl.com	
9.	Contact details of the Company	E-mail: investorservices@cumi.murugappa.com Contact: 044-30006166	

Note:

Note:



Strengthening our Core. Steering Strategic Growth.

CREATING A LAUNCHPAD FOR THE FUTURE

Carborundum Universal Limited

Annual Report 2024-25

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To access detailed investor information, visit our website.

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically, 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects' believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

At CUMI, we are building on our cumulative experience and expertise of over 7 decades by clearly defining the **'where to play'** and **'how to win'** approaches as part of our **long-term strategy (LTS)** across all our businesses. Our focus is on Strengthening Our Core while Steering Strategic Growth.

This direction builds on our foundation while preparing us for a dynamic and resilient growth. FY 2024-25 marks a decisive moment in Creating a Launchpad for the Future, a phase where our focus sharpens, execution accelerates, and ambitions take flight.

Strengthening Our Core.

Steering Strategic Growth.

Our growth aspirations rest on key strategic pillars: an organisation designed for high performance, innovation-led product development, manufacturing excellence, operational and digital transformations, adjacencies and step-outs.

As a fully integrated business, our strength lies in our expertise across the value chain - from raw materials to delivering advanced solutions for our customers. This synergy fuels the innovation that is making a material difference and shaping the future of a cross-section of industries that we serve.

It gives us the confidence to expand our offerings to emerging sectors like E-mobility, Clean Energy, Aerospace & Defence, and Semiconductors.

In March 2025, more than 150 CUMI Leaders and Directors met to define the path ahead through LTS 2030, ready to deliver the next decade of impact

Company Profile

Delivering excellence in materials engineering

Built on legacy. Driven by science. Delivering the future of materials engineering with CUMI

At Carborundum Universal Limited (CUMI), we synergise deep scientific expertise with decades of industrial lineage to shape the future of materials engineering. Founded in 1954 as a pioneering tripartite joint venture and proudly rooted in the 125-year legacy of the Murugappa Group, we have transcended borders to become a globally integrated player.

CUMI has manufacturing operations across 7 countries and serves customers in over 60 geographies. We bring together 3 core businesses, comprising Abrasives, Electrominerals, and Ceramics, forming the backbone of critical sectors across the globe. Our expertise spans mining, power generation, fusion, manufacturing, marketing, and distribution, enabling us to deliver high-performance, customised solutions with speed and scale.

Thus, we are well-positioned to lead the industry with agility and foresight in an increasingly complex global marketplace.

Industry Prominence

70+
Years of global experience

60+
Countries where our products are sold

Major
Global producer of a wide range of Electrominerals

Leading
Market player in Abrasives

Among the
Largest
Global producers of Silicon Carbide grains

Second
Largest global producer of Metallised Cylinders

Leader
In thermal and corrosion protection for critical applications

Company Profile

Our global team of over 6,200 passionate employees continues to drive economies of scale, enhance our competitiveness, and co-create bespoke solutions for our customers. Together, we are shaping a smarter, stronger, and more sustainable future for industries across Engineering, Auto Components, Infrastructure, Steel, Aerospace and Beyond.

Our Purpose

Making a material difference

Our Vision

We will be a globally admired Company driving innovations in materials science towards sustained value creation for people and our planet.

Our Mission

We design, co-create and deliver sustainable solutions to make a significant positive difference to all our stakeholders.

The Spirit of the Murugappa Group

These five lights guide us as we navigate through professional and personal decisions.

Our Commitment to Quality

Our operations adhere to the highest global benchmarks in quality, safety, and sustainability. CUMI's facilities are certified under ISO 9001, ISO 14001, ISO 45001, ISO 50001 and ISO 3834-2. We also comply with specialised standards such as EN12413, EN13743, oSa for Abrasive products Exports, IATF 16949 for automotive components, AS9100 and EN9100 for aerospace, and ISO 13485 for medical devices. Our plants are TPM-certified as well.

Our Growth Story

Shaping progress through pioneering breakthroughs

With decades of expertise in materials science and an entrepreneurial spirit, we have consistently pioneered breakthrough solutions that redefine industry standards and unlock transformative applications for our customers. Our innovation-led approach spans critical sectors, empowering customers with advanced, reliable, and efficient materials. As we continue to drive the evolution of materials technology, our focus remains on shaping a more sustainable, high-performing and resilient future - enabling industries to overcome complex challenges and seize new opportunities with confidence and agility.

1954-1963

Foundation and Early Advancements

Founded in 1954, laid the groundwork with a Coated Abrasives facility in Tiruvottiyur, and secured raw material access through Bauxite mining in Gujarat.

1964-1973

Diversification and Expansion

Diversified into Super Refractories in Chennai, set up a Brown Fused Alumina plant in Edapally, and began Bauxite calcination in Okha, expanding product portfolio and raw material base.

1974-1983

Strategic Growth through Acquisitions and Partnerships

Acquired Eastern Abrasives in Kolkata, launched a Bonded Abrasives plant in Hosur, and entered into a JV with Morgan Crucible for Ceramic Fibre production, fortifying technical capabilities.

1984-1993

Manufacturing Scale-Up and Portfolio Expansion

Undertook a major scale-up with a Silicon Carbide facility in Koratty, a modern Refractories plant in Ranipet, and an Industrial Ceramics plant in Hosur. In addition, we acquired a 40% stake in Wendt (India), strengthening our precision Abrasives portfolio.

1994-2003

Internationalisation and Sustainable Development

Went global with entities in the USA and Australia, invested in clean energy through hydel and gas-based power plants, acquired Sterling Abrasives and Prodorite Anti-Corrosives, and completed Cutfast Abrasives merger, bolstering international and domestic capabilities.

2004-2013

Technology Upgrades and Global Integration

Amplified innovation edge through investments in advanced material technologies such as Sol-Gel and Zirconia, along with new Coated and Refractory plants. Internationally marked key milestones with the acquisitions in South Africa and Russia.

2014-Present

Innovation-Led Growth and Global Expansion

Accelerated innovation with Maker 2.0, METZ 2.0/2.5 (Metallised Cylinder), and Graphene production, while scaling capacities in India and Russia. Solidified global leadership through acquisitions of PLUSS, AWUKO, RHODIUS, and SCP.

Our Portfolio

Redefining industries with diversified solutions

We started our journey with Coated Abrasives - simple in form, yet integral to industrial progress. Over time, we broadened our capabilities into vitrified and resin-bonded grinding wheels as well as advanced Refractories. This progression eventually led us to synthesise core materials, like Fused Alumina and Silicon Carbide - substances that help redefine the very potential of industries.

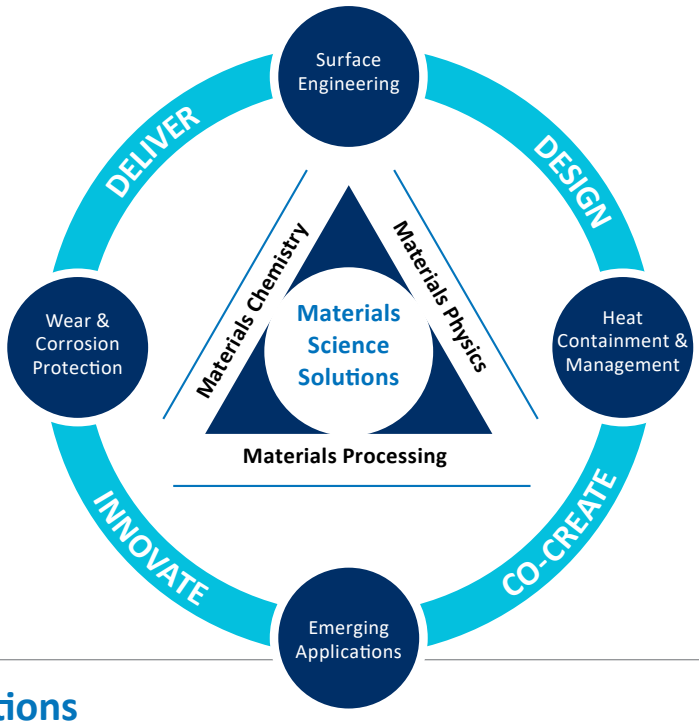
CUMI entered the Industrial Ceramics sector, focusing on wear resistance and electrical insulation. Our Company further ventured into anti-corrosive solutions and Glass Fibre Reinforced Polymer (FRP). With this evolution, we fortified our drive to build deeper capabilities and enable long-term value creation across sectors.

Every surface tells our story. From state-of-the-art Coated Abrasives plant in Sriperumbudur, we shape excellence with scale, precision, and purpose

What sets us apart is our mastery of materials science - an expertise that goes beyond the chemistry and physics of materials, and spans the ability to shape, process, and apply them with precision where performance matters most. This capability fuels everything we do, from strengthening surfaces and protecting against wear, to insulating from heat and electricity.

Driven by research, guided by real world insights, and shaped by close collaboration with our customers, we continue to engineer solutions that endure, perform, and lead.

Core Disciplines that Define our Expertise



Our Materials Science Solutions

Materials Chemistry

Oxide family
- Alumina
- Silica
- Zirconia

Carbides and Nitrides family
- Diamond
- Silicon Carbide

Organics
- Alkyds
- Epoxies
- Phenolics
- Rubber

Materials Physics

- Corrosion resistance
- Dielectric
- Electrical resistance
- Hardness or scratch ability
- High melting point
- Impact resistance
- Lubricity
- Non-wetting nature
- Phase change nature
- Refractoriness
- Semiconducting
- Thermal Conductivity
- Toughness
- Wear resistance

Materials Processing

- 3D printing
- Brazing
- Calcination
- Chemical processing
- Cloth processing
- Coatings
- Communition
- Conversion of fabrics to shapes
- Drying
- Electrical Fusion
- Electroplating
- Extrusion
- Finishing and shaping of ceramic bodies
- Firing of ceramics
- Glazing
- Hand lay-ups
- Heat treatment
- Hot and Iso-Static pressing
- Mixing
- Moulding
- Needling - Non-woven
- Pressing
- Pultrusion
- Resin curing
- Resin processing
- Sintering
- Slip casting
- Thixotropic casting
- Winding

Our Portfolio

CUMI Group

CUMI India

Where legacy meets precision, CUMI's Bonded Abrasives from our iconic Tiruvottiyur plant deliver unmatched cutting and grinding performance, one revolution at a time

CUMI India stands as the foundation of our operations, driving innovation and excellence across Abrasives, Super Refractories, Electrominerals, and Industrial Ceramics. With 20 manufacturing facilities across India, it brings to life our vision of 'Making a Material Difference' by delivering high-performance, application-driven solutions for customers across Automotive, Construction, Aerospace, Steel, Power Generation and other sectors of the economy.

CUMI India's strong focus on R&D enables it to lead in technological advancements and product quality. Committed to sustainability and operational excellence, it plays a vital role in expanding CUMI's global footprint.

Key Highlights of FY 2024-25

- Achieved a standalone revenue of ₹27,837 Million in FY 2024-25
- Invested ₹1,955 Million as standalone capital expenditure during the year

RHODIUS Abrasives GmbH

From Chennai to Burgbrohl - RHODIUS leads the way with the development of world's thinnest cutting disc

RHODIUS Abrasives GmbH (RHODIUS), CUMI's German subsidiary is known for its precision in cutting and grinding solutions. With a strong legacy of engineering excellence and innovation, including the development of the world's thinnest cutting disc, RHODIUS strengthens the metal and stone working portfolio and reinforces CUMI's commitment to deliver superior performance across global markets.

Key Highlights of FY 2024-25

- Achieved a revenue of €67 Million
- Strengthened the private label business
- Implemented the 5S methodology to improve workplace organisation, boost efficiency, safety, and promote a culture of continuous improvement
- Streamlined flap disc production by improving material flow and consolidating all production equipment at a single location, thereby enhancing operational efficiency

Our Portfolio

CUMI AWUKO Abrasives GmbH

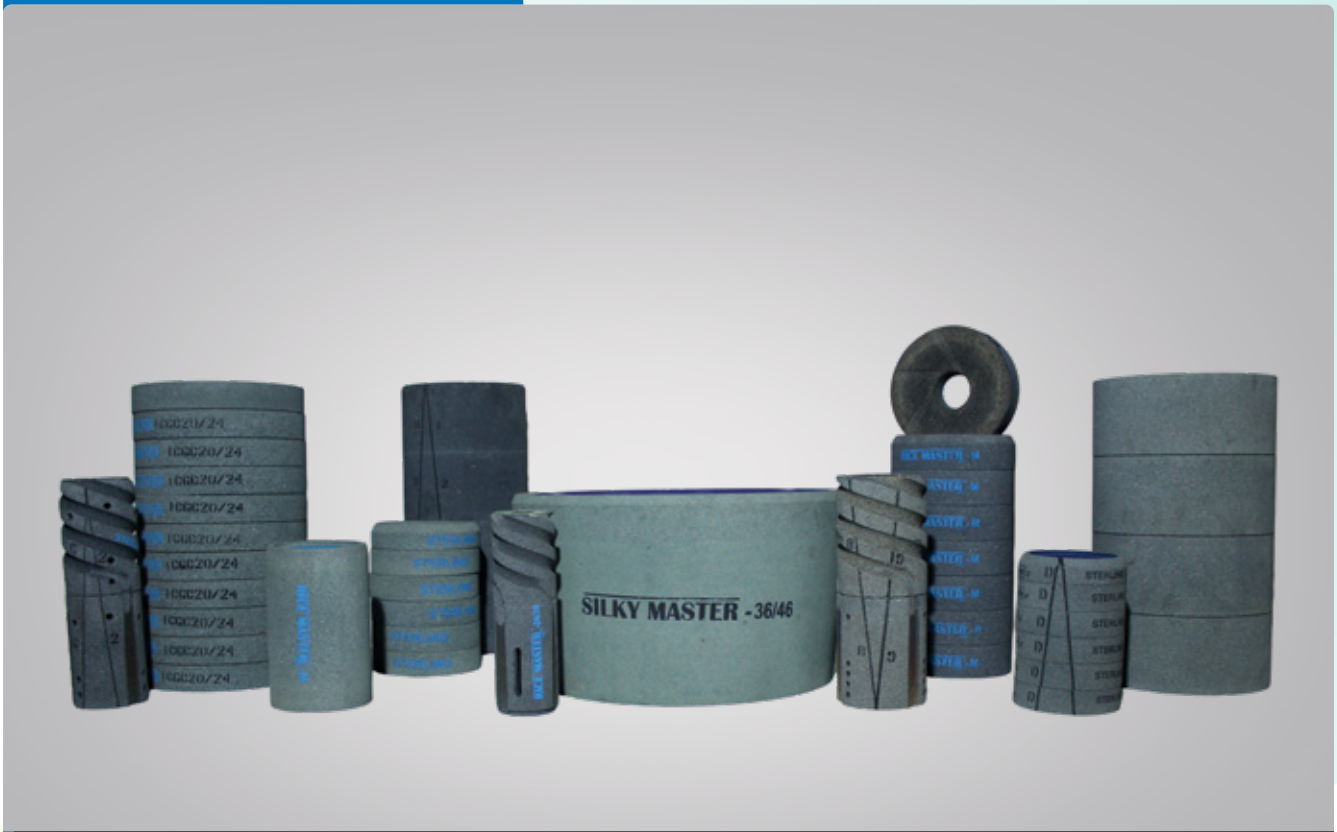
More than 120 years ago, AWUKO began its journey in Germany — today, as part of the CUMI family, the legacy lives on — in every roll, every sheet, every perfect finish

CUMI AWUKO Abrasives GmbH (AWUKO), with a heritage of over 120 years, is a specialist in high-performance Coated Abrasives tailored for wood, leather, and other material finishing applications. Its deep domain expertise and product excellence strengthens CUMI's position in the global Abrasives market.

Key Highlights of FY 2024-25

- Achieved a revenue of €10.1 Million
- Made significant progress in developing and testing advanced solutions for board and panel sanding
- Experienced a rebound in the metal segment, specifically with stainless steel service centres; Initiated continued development of metal-focused products to support future growth
- Adopted a multi-sourcing strategy to strengthen supply chain resilience, ensure on-time deliveries, and maintain product quality

Sterling Abrasives Limited



Crafted in Gujarat and trusted across agricultural processing units, Sterling Abrasives plays a silent yet critical role in India's food chain with the help of its Agri Product Range

Sterling Abrasives Limited (SAL), a well-regarded manufacturer of Bonded Abrasives, caters to a wide range of industries including agriculture, automotive, steel and engineering. With manufacturing facilities in Gujarat, SAL is India's largest supplier of Rice Whitening Stones. With a strong focus on in-house innovation, application expertise, and customer-centric operations, it continues to expand its capabilities and market footprint through sustained product development and operational excellence.

Key Highlights of FY 2024-25

- Reported a revenue of ₹1,338 Million
- Expanded agro product portfolio with strong growth in Rice Rollers, Dal Rollers, Spiral Rollers, and Wheat Milling Stones
- Gained traction in international markets including the USA, Indonesia, Turkey, Brazil, and Nepal, reflecting growing global competitiveness and customer alignment
- Stabilised operations at the new Prantij facility, improving process efficiency, supply chain responsiveness, and delivery reliability

Our Portfolio

CUMI America Inc

From this facility in Oakdale, CUMI America continues to advance its presence with customised solutions in Wear Ceramics

CUMI America Inc (CAI) continues to serve customers in the North American market, providing customised solutions for Abrasives and Wear Ceramics. The CUMI America - Ceramics sustained YoY revenue for FY 2024-25 where as CUMI America - Abrasives experienced a softer demand. The Ceramics division expanded its production capacity and iso-pressed Ceramics capability facilitating timely deliveries and superior customer service.

Key Highlights of FY 2024-25

- Revenue remained flat at USD 19 Million
- Ceramics division expanded its warehouse capacity

Wendt (India) Limited

Crafted for precision and built for performance, Wendt India's Super Abrasives are trusted by industries to grind through the toughest materials

Wendt (India) Limited, incorporated in 1980, specialises in manufacturing, sales, and servicing of Super Abrasives. It offers a comprehensive range of high-quality Diamond and CBN products for precision grinding of hard materials, including steel, ceramics, and carbide.

In addition, it designs and supplies advanced CNC grinders, equipped with built-in gauging and probing systems to deliver greater efficiency and precision. With a strong emphasis on application-based engineering and continuous innovation, it is recognised as a leading provider of customised solutions and high-precision components in the precision grinding and tooling industry.

Key Highlights of FY 2024-25

- Reported a revenue of ₹2,311 Million (on a consolidated basis)
- Acquired the Wendt brand from Wendt GmbH, fortifying global brand equity and boosting the marketability of tooling and machine solutions
- Acquired the license to technology for insert grinding machine

Our Portfolio

Volzhsky Abrasive Works

Volzhsky Abrasive Works (VAW) head office— the world's largest single-location Silicon Carbide producer, with a capacity of 90,000 tonnes annually

Volzhsky Abrasive Works (VAW) in Russia is the world's largest single-location Silicon Carbide producer, with a capacity of 90,000 tonnes per annum. It's inclusion in OFAC's Specially Designated and Blocked Persons' list for operating in Russia's manufacturing sector impacted its performance towards the end of the year.

Key Highlights of FY 2024-25

- Recorded a revenue of 9,403 Million Rouble
- Focused on domestic business
- Export business adversely affected owing to US sanctions

Foskor Zirconia (Pty) Limited

Foskor Zirconia's manufacturing unit, a vital production base for premium quality Zirconia, where every particle meets the performance demands of ceramics, glass, steel, and more

Foskor Zirconia (Pty) Limited (FZL), based in Phalaborwa, South Africa, serves as a critical anchor in CUMI's global materials ecosystem, producing premium-quality Zirconia essential for Ceramics, Refractories, and Abrasives. It is renowned for its production of precision-engineered Fused Monoclinic and Fused Calcia Stabilised Zirconia, along with Fumed Silica as a valuable by-product.

These materials support a wide spectrum of industries, including pigments, catalysts, and specialised linings for glass and steel manufacturing. With integrated capabilities in crushing, sieving, and milling, it facilitates precise particle size control to meet stringent customer specifications.

Key Highlights of FY 2024-25

- Recorded a revenue of ZAR 415 Million
- Commissioned the baghouse project, increasing the plant's operational efficiency
- Received the first official Sustainability Rating by Eco-Vadis in the Bronze category

Our Portfolio

CUMI (Australia) Pty Limited

This modern facility represents the next chapter for CUMI (Australia) Pty Ltd, specialising in high performance Wear Ceramics, as it celebrates 25 years of trusted service in Australasia

CUMI (Australia) Pty Limited (CAPL) specialises in high-performance Wear ceramics including Alumina, Silicon Carbide, and Basalt products. CAPL marked its 25th anniversary in March '25, a significant milestone in the company's journey. It serves a diverse range of industries, including Mining, Thermal Power, Recycling and Bulk Material handling across Australasia. Recognised for its strong focus on application engineering and customised solutions, it leverages advanced technology, consistent quality, and continuous innovation to deliver precision solutions.

Key Highlights of FY 2024-25

- Recorded a revenue of AUD 33 Million
- Successfully relocated to significantly larger and strategically located facility (workshop & warehouse) strengthening service delivery and operational efficiency
- Achieved key breakthroughs in the regional Refractory market
- Faced a challenging year due to Tier 1 mine closures, thermal power plant shutdowns, and the exit of a major turnkey builder from coal-based power. Mitigated these headwinds by driving robust growth in Indonesia and leveraging rising demand from the Bauxite and Lithium mining sectors in Australia

Silicon Carbide Products LLC

Featured here is the mining product range from Silicon Carbide Products LLC, engineered using Nitride Bonded Silicon Carbide to withstand extreme wear and thermal shock

The strategic acquisition of Silicon Carbide Products LLC (SCP) in FY 2024-25 strengthens CUMI's technological capabilities and expands its North America footprint.

SCP specialises in producing high-quality Nitride Bonded Silicon Carbide (NBSiC) products, known for superior wear and thermal shock resistance. Its product range serves diverse industries including Power Generation, Mining, Material Handling and Processing, Non-Ferrous Molten Metal Transfer, and Petrochemical refineries.

The inclusion of SCP within the CUMI group will enable product co-development, raw material synergies, and expanded market access for both companies. SCP recorded revenue of USD 1.8 Million from the acquisition date.

Our Portfolio

Murugappa Morgan Thermal Ceramics Limited

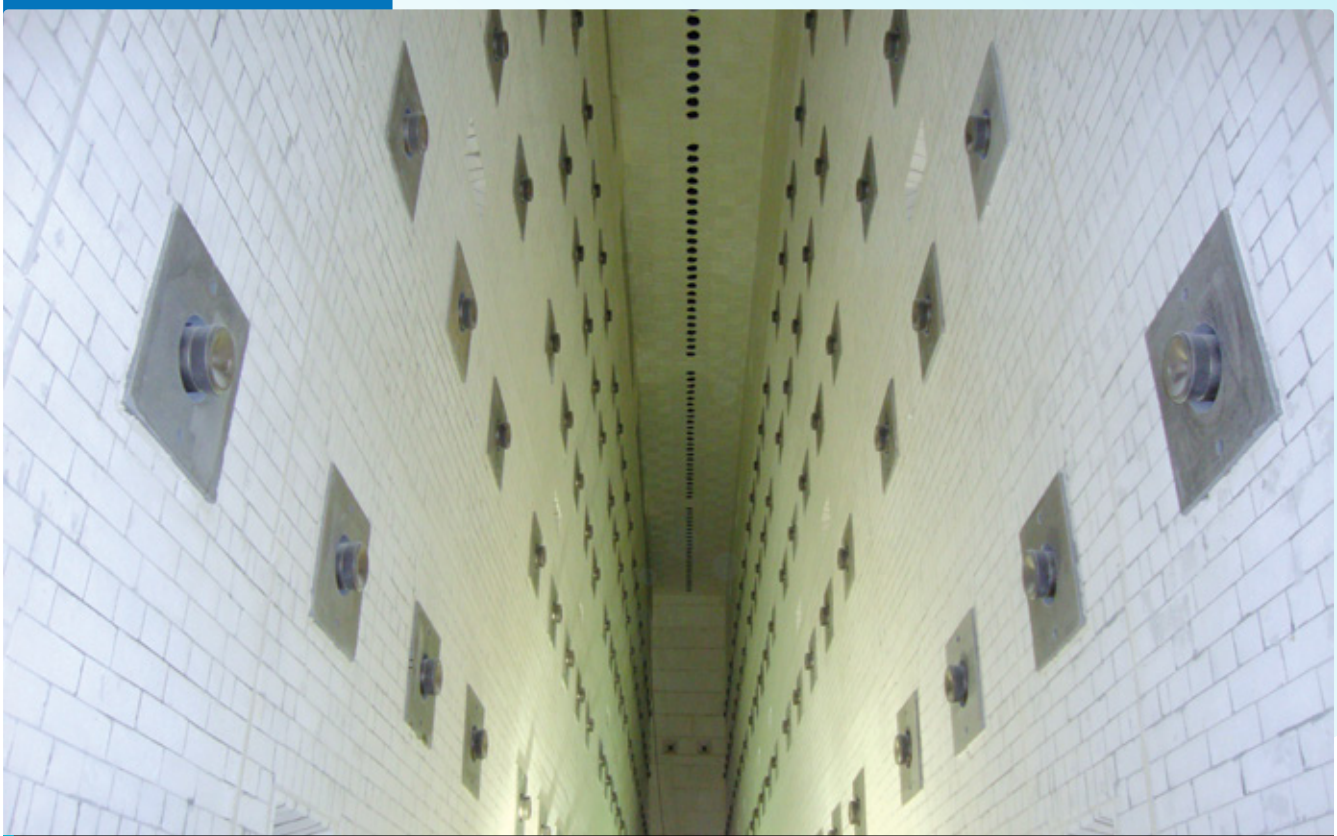
FIREMASTER protects lives and assets through fire protection from cars to tunnels, Building & Construction to Infra and ships to oil platforms

Murugappa Morgan Thermal Ceramics Limited (MMTCL), a joint venture with Morgan Advanced Materials (UK), focuses on high-temperature insulation products. This business adds significant strength to CUMI's thermal management and refractory segment, serving a wide range of industries with advanced, high-performance materials.

Key Highlights of FY 2024-25

- Recorded a revenue of ₹2,523 Million
- MMTCL achieved 13% overall revenue growth, solidifying market position and boosting customer confidence
- MMTCL launched Vacuum Formed (VF) Board varieties during the year
- Commissioned the new AIRA production line at Moti Bhoyan, Gujarat, boosting Ceramic fibre capacity by 30%

CIRIA India Limited



CIRIA's precision insulation solutions — enhancing thermal efficiency and reliability in primary reformers of fertilizer plants

CIRIA India Limited (CIRIA) specialises in high-temperature insulation, engineered Refractory systems, and turnkey thermal solutions, especially for the Chemical Processing Industry (CPI). These solutions support critical industrial processes where thermal reliability, safety, and performance are essential.

Key Highlights of FY 2024-25

- Recorded a revenue of ₹1,309 Million
- Celebrated 7 consecutive years without any Lost Time Injury (LTI)
- Secured multiple new projects across India involving hydrogen reformers and cracker unit relining at leading CPI plants
- CIRIA established a Global Drafting Centre (GDC) at its India office, providing Morgan global teams with detailed engineering, 3D modeling, and CAD support

Our Portfolio

PLUSS Advanced Technologies Limited

PLUSS Specialty Additives, the invisible force behind stronger, smarter polymers — are enabling industries to transition toward a smarter, more sustainable tomorrow

PLUSS Advanced Technologies Limited (PLUSS), founded in 1994, is a global frontrunner in thermal energy storage and advanced polymer solutions. Headquartered in Gurugram, India, the company has led breakthroughs in Phase Change Materials (PCMs) and Specialty Polymers, promoting sustainability across diverse sectors, including; automotive, healthcare, pharmaceuticals, food cold chains, HVAC, and infrastructure.

With a strong focus on materials science and energy efficiency, PLUSS remains at the forefront of delivering sustainable, future-ready solutions that align with the shifting preferences of industries worldwide.

Key Highlights of FY 2024-25

- Reported a revenue of ₹806 Million
- Undertook strategic investments in Europe to strengthen local teams, drive pharma segment growth, and expand into sustainable building applications
- Launched India's first coupling agent for PC/ABS alloys in the automotive sector through the Polymer division

Other Businesses

Net Access India Limited

Net Access is a Chennai-headquartered IT Services company, specialising in Network, Cloud, and Cybersecurity solutions. With a strong domain focus, Net Access delivers comprehensive IT Infrastructure Services, including onsite and remote end-user support, cybersecurity services, and application support across key verticals such as manufacturing, financial services, and retail.

Leveraging its strategic association with IITM Research Park, Net Access is actively working in automation and artificial intelligence (AI) initiatives, driving innovation and value for its customers.

Key Highlights of FY 2024-25

- Revenue for the financial year ended 31st March 2025 was at ₹597 Million
- Secured CERT-In empanelment and completed its first IRDA compliance audit, strengthening regulatory audit service credentials

Southern Energy Development Corporation Limited

Southern Energy Development Corporation Limited (SEDCO) offers a broad portfolio of clean energy solutions used across various applications. These solutions are complemented by advanced energy management offerings, aimed at improving efficiency and reducing environmental impact. Through this transition, SEDCO is contributing to India's clean energy goals, while addressing the evolving needs of industrial and infrastructure ecosystems.

Key Highlights of FY 2024-25

- Reported revenue of ₹297 Million in FY 2024-25
- The company decided not to renew the gas supply contract as rising gas prices rendered the business commercially non-viable
- Realigned strategic priorities to focus on scaling up the solar energy business, with emphasis on expanding captive power generation through renewable and green energy solutions

Our Portfolio

Our business segments

Abrasives

The Abrasives business is the oldest in CUMI. The business leverages high-hardness materials like Aluminium Oxide, Zirconium Oxide and Silicon Carbide, creating a product range to shape surfaces. This includes Bonded Abrasives, Coated Abrasives, Metal Working Fluids, Super Abrasives and allied products. A local business with a global presence offers high productivity and value across various substrate materials and shape almost everything we see around us in our daily lives. Abrasive materials and products are used in several end user industries such as Automobiles, Auto Components, Agro processing, Metalworking, Building and Construction, Woodworking, Leather, Railways, Aerospace and General Engineering. The strengths of this business comprise strong Research & Development backed by application engineering and generations of channel partners in India and Europe. The business' competitive advantage comes from its raw materials sourced from CUMI's Electrominerals business and from the best suppliers worldwide. CUMI's skilled application engineers across the globe help translate end user requirement into product designs that exceed customer expectations. CUMI's Abrasives business has a manufacturing presence in the fast-growing markets in India, Germany and Russia.

Bonded Abrasives for Precision	**Bonded Abrasives for Cutting & Grinding**
Coated Abrasives Machines	**Metal Working Fluids**
Super Abrasives in CBN & Diamond	**Power Tools**

CUMI INDIA · CUMI AMERICA · AWUKO · RHODIUS · STERLING ABRASIVES LTD. · WENDT

Precision in Every Grit- CUMI's advanced Coated Abrasives engineered for performance, crafted to shape the surfaces of tomorrow, and trusted across industries

Strategic Initiatives

- Refined the go-to-market strategy to strengthen customer engagement across both B2B and retail channels
- Invested in expanding production capacity for the rapidly growing Thin Wheels segment
- Successfully expanded the product range with the development and launch of Thin Wheels, Flaps & Mops, and Zircon Belts, aligned with the go-to-market approach to better meet diverse customer needs
- Undertook strategic investments in manufacturing infrastructure to boost operational flexibility, enhance cost competitiveness, and improve responsiveness to customer demands

Performance in FY 2024-25

- Reported standalone revenue of ₹11,954 Million in FY 2024-25, registering a YoY growth of 4%
- Recorded consolidated revenue of ₹21,594 Million in FY 2024-25, with a YoY growth of 3%

Electrominerals

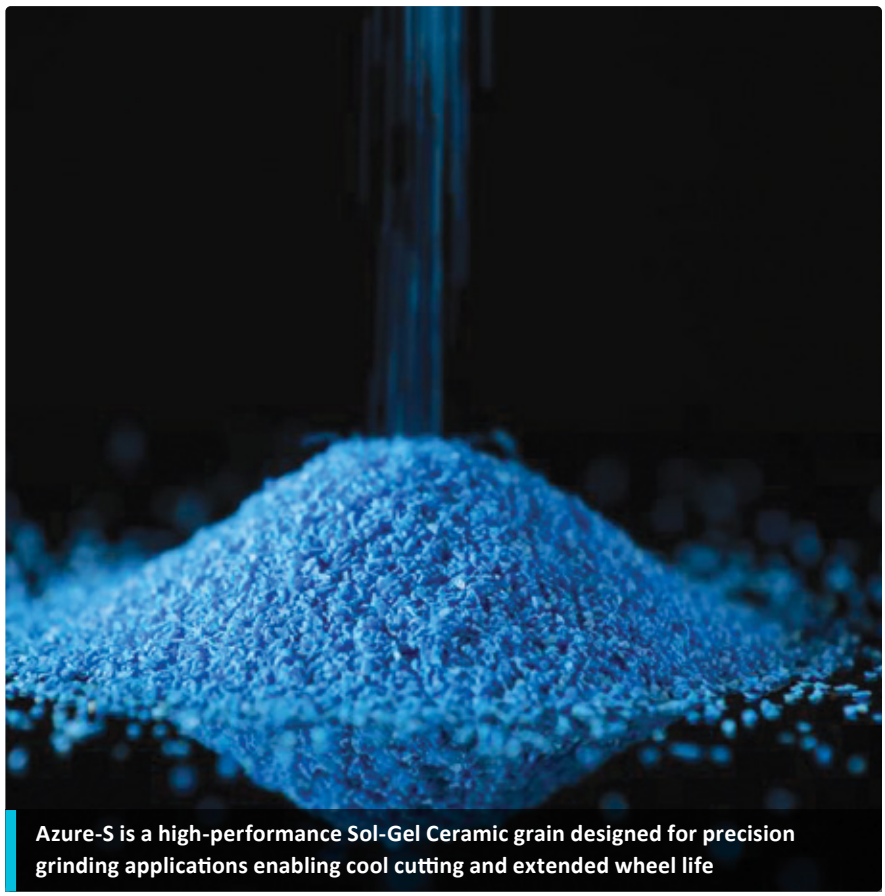
The Electrominerals business, with operations in India, South Africa, and Russia, supplies a wide range of high quality aluminas, carbides and micro grits which are critical raw materials for industries like Abrasives, Refractories, Auto Components, Electronics, and Semiconductors. Driving innovation, the business also offers specialty products such as Thermal Spray Powders, Alumina Zirconia, Stabilised Zirconia, and Monocrystalline Alumina, along with advanced surface and heat-treated materials. It is expanding into next-gen materials with a dedicated high-purity Silicon Carbide facility and exploring emerging applications of Graphene.

Brown Fused Alumina	**White Fused Alumina**
Alumina Zirconia	**Thermal Spray Powders**
Fine Ceramic Powders	**Fused Zirconia**
Silicon Carbide	**Monocrystalline Alumina**
Graphene	**High-Purity Silicon Carbide**

INDIA

Strategic Initiatives

- Introduced next-generation materials, including high-purity Silicon Carbide and Graphene variants, while accelerating advanced development of Monocrystalline Alumina, Zirconia



Azure-S is a high-performance Sol-Gel Ceramic grain designed for precision grinding applications enabling cool cutting and extended wheel life

Mullite, and Stabilised Zirconia to cater to high-value applications

- Invested in White Fused Alumina (WFA) fine material production and grain treatment facilities at Edapally to enhance quality and optimise cost efficiency
- Finalised procurement of 10 MW green energy through the Inter-State Transmission System (ISTS), advancing the transition to green manufacturing
- Amplified innovation capabilities and leveraged collaborations with leading national and international research institutions to fast-track new product development

Performance in FY 2024-25

- Reported standalone revenue of ₹8,155 Million in FY 2024-25, reflecting a YoY growth of 10%
- Recorded consolidated revenue of ₹15,736 Million in FY 2024-25, with a YoY growth of 2%

Our Portfolio

Ceramics

The Ceramics segment is sub-divided into 2 focused verticals — Industrial Ceramics and Super Refractories, each catering to distinct high-performance applications across critical industries.

Industrial Ceramics

The Industrial Ceramics business blends deep technology expertise with precision engineering to deliver mission critical ceramic solutions to a range of customers. Backed by advanced manufacturing and a portfolio of over 30 unique formulations, the business addresses the challenges of demanding, next-generation applications. These solutions serve a diverse set of industries, including Mining & Mineral Processing, Power & Energy Systems, Mobility (both Electric and ICE platforms), Semiconductors & Electronics, and Aerospace & Defence. This broad sectoral engagement and strong emphasis on design and application engineering demonstrate its commitment to innovation, precision, and industry-specific performance.

Wear Resistant Tiles	**SOFC Ceramics**
Lined Equipment	**Metallised Ceramics**
Rubber Backed Ceramics	

CUMI INDIA CUMI AMERICA CUMI AUSTRALIA

CUMI's portfolio of Advanced Ceramics are designed & manufactured to meet the demanding challenges across diverse Industries ranging from Power & Energy Systems, Mining & Mineral Processing, Mobility, Semiconductors & Electronics

Strategic Initiatives

- Commissioned a state-of-the-art Tunnel Kiln to meet growing demand for Engineered Ceramics. Operated Metallised Cylinder manufacturing lines at high utilisation levels to cater to growing requirements from strategic sectors
- Initiated a dedicated manufacturing facility with precision machining capabilities for semiconductor equipment components
- Additionally, established a standalone unit for Silicon Carbide Ceramics to serve emerging high-performance applications
- Activated high-temperature shuttle kiln and electric screw press projects, further expanding production capacity

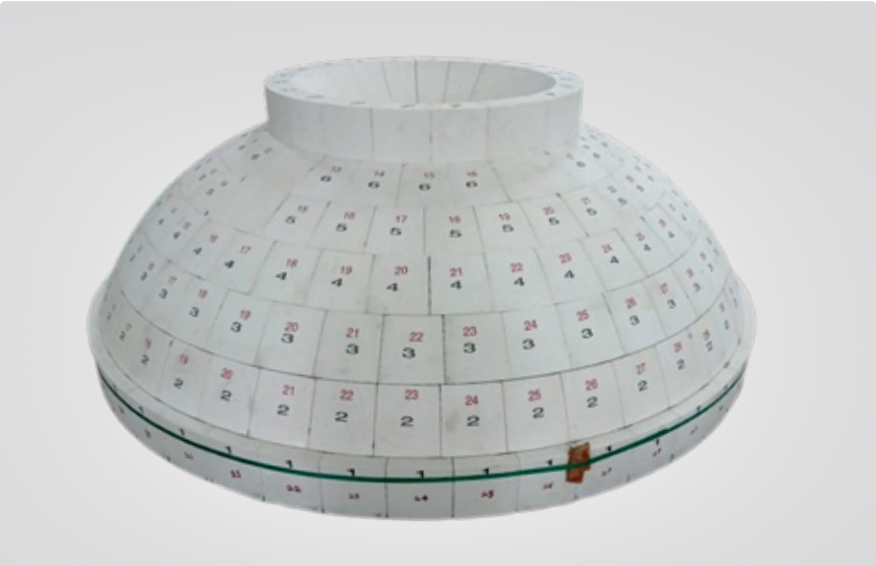
Performance in FY 2024-25

- Reported standalone revenue of ₹9,387 Million in FY 2024-25, registering a YoY growth of 7%
- Reported consolidated revenue of ₹11,601 Million in FY 2024-25 with a YoY increase of 8%

Super Refractories

The business operates across 3 verticals—Thermal Protection (Super Refractories), Corrosion Protection (Prodorite), and Composites. Super Refractories are used as lining material for process vessels and as kiln lining and kiln furniture applications, among others. The business is a leading player in specialised Fired Refractory, both dense and insulation bricks, intricate shaped items, monolithics and pre-cast pre-fired Refractories. The key user industries for the Refractory business include Iron and Steel, Glass, Carbon Black, Cement, Ceramics, Petrochemicals, Thermal Power Plants, Non-Ferrous Metallurgy, Foundry and Heat Treatment Furnaces. Prodorite branded anti-corrosive material is used in highly acidic or basic environments. CUMI is a major player in this industry, serving a range of chemical process and effluent treatment industries. The business' Poly Concrete Cells (Tanks) are also used in copper and zinc extraction units worldwide. Composites are primarily Glass or Carbon Fibre Reinforced Polymer (CFRP) products manufactured through vacuum infusion, pultrusion, filament winding, grating and hand lay-up methods. The new growth areas addressed by CUMI include CFRP drone parts and defence applications.

Dense Bonded Refractories (Bricks and Engineered Shapes)	**Insulating Bonded Refractories (Bricks and Engineered Shapes)**
Monolithics	**Pre-cast pre-Fired Components**
Acid-Resistant Liners including Carbon Bricks	**Advanced Composites**
Specialty Screeding and Coatings	**Polymer Concrete Cells**
Structural Composites, including Piping for Abrasion resistance	



CUMI'S High Alumina Refractory in catalytic bed support, a testimony of intricate shapes and chemical inertness

Strategic Initiatives

- Expanded production capacity with the aid of high-temperature shuttle kiln for High Alumina Refractories, alongside the full operationalisation of the electric screw press project
- Initiated the setting up of a top-of-the-line auto-batching and mixing system at the Jabalpur facility to support monolithics expansion
- Developed and implemented customised monolithic products, including various gunning materials, self-flow castables, and pre-cast shapes for rotary kilns in the Grate Kiln process, specifically tailored for the Iron & Steel industry's project and maintenance needs
- Acquired Silicon Carbide Products LLC, in USA
- Captured resilient demand across Carbon Black, Non-Ferrous, and Cement sectors, reaffirming leadership in core refractory applications
- Strengthened presence in the Iron & Steel industry, propelled by robust offtake from pellet plants
- Executed large-scale refractory projects across domestic and international markets, expanding footprint in the Middle East, Europe, and the USA

Performance in FY 2024-25

- Reported standalone revenue of ₹9,387 Million in FY 2024-25, registering a YoY growth of 7%
- Recorded consolidated revenue of ₹11,601 Million in FY 2024-25 with a YoY increase of 8%

Our Portfolio

Advanced Materials

CUMI's expertise in materials science began with mastering the fundamentals—hardness, durability, and the high melting points of oxides and carbides.

As the world transitions to cleaner energy, electric mobility, and advanced storage systems, the Company is now shaping the future with high-impact, sustainable materials. Its innovation focus spans Advanced Ceramics for hydrogen electrolysers, high-purity Silicon Carbide for semiconductors, lightweight carbon fibre composites, and next-generation materials such as Graphene and Synthetic Graphite. Equally transformative are Phase Change Materials that enable efficient thermal energy management across cold chains, infrastructure, and healthcare.

By developing these cutting-edge solutions, CUMI is not only addressing evolving industry needs but also strengthening India's technological resilience and contributing meaningfully to a more sustainable world.

Graphene	**High-Purity Silicon Carbide**
Phase Change Materials	**Specialty Polymers**

CUMI Grafino Car Care is a revolutionary auto detailing solution, delivering advanced paint protection with a flawless glossy finish and superior scratch resistance — keeping your vehicle looking showroom new

Graphene

Pioneering the use of Graphene for next-generation material solutions, leveraging its unmatched strength, electrical and thermal conductivity. Its unique nano-barrier properties are enabling high-performance applications across industries.

Automotive Excellence

The Grafino® Car Care range uses Graphene to deliver superior surface protection, enhanced durability, and a high-gloss finish, setting new benchmarks in automotive detailing.

Sustainable Biopolymers

Graphene enhances tensile strength, thermal stability, and barrier properties in biopolymers, making it ideal for eco-friendly packaging.

Breakthrough Coatings

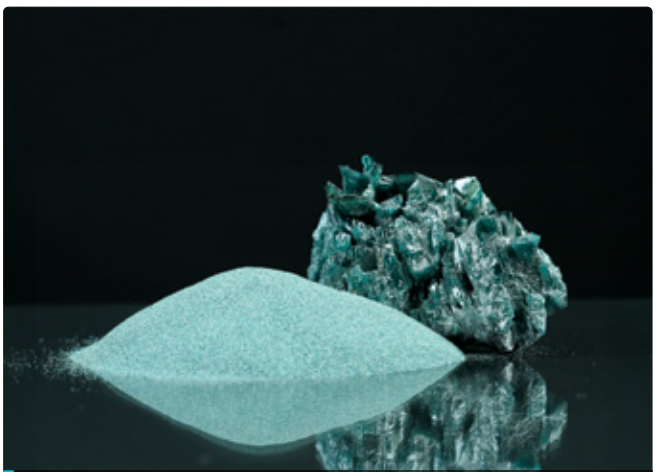
In paints and coatings, Graphene's impermeability and 2D structure provide outstanding corrosion resistance, anti-fouling properties, and mechanical reinforcement, critical for marine, infrastructure, and industrial sectors.

Advanced Composites

Graphene integration in elastomers, plastics, and concrete improves flexural strength, wear resistance, and conductivity, paving the way for lightweight, high-performance construction materials.

Aerospace and Mobility

Graphene's high strength-to-weight ratio supports the development of lighter, more efficient components for drones and unmanned systems, enhancing range and performance.



CUMI Krysta High Purity Silicon Carbide, specifically engineered for demanding environments, delivers outstanding performance and reliability in semiconductor and advanced technical ceramics applications

High-Purity Silicon Carbide

Silicon carbide is emerging as a key enabler in the semiconductor industry, offering significant advantages over traditional silicon in high-power, high-frequency, and high-temperature applications. With its wider bandgap, higher electric breakdown strength, and superior thermal conductivity, Silicon Carbide enables devices to handle higher voltages and power loads while ensuring efficient heat dissipation, making it ideal for next-generation power electronics.

CUMI has set up a specialised facility to produce ultra-high-purity Silicon Carbide powder, essential for single-crystal Silicon Carbide growth. The powders are being qualified with semiconductor customers across Asia-Pacific and Europe.

Celsure® is an advanced temperature-controlled packaging solution engineered with Phase Change Materials (PCMs), meeting the rigorous thermal stability demands of the pharmaceutical and life sciences industries

Phase Change Materials (PCMs)

Phase Change Materials (PCMs) are among the most efficient solutions for Thermal Energy Storage (TES), offering a cost-effective, stable, and environmentally friendly alternative. They find wide applications across sectors such as building construction, cold-chain logistics, solar energy storage, and temperature-controlled packaging for food and pharmaceuticals. TES technology reduces reliance on real-time electricity for heating and cooling, enabling greater control over energy use without depending on the grid, batteries, or diesel generators.

In FY 2024-25, PLUSS achieved a significant milestone by securing an order from a globally recognised German pharmaceutical company, marking a major endorsement of Celsure® XL Pallet Shippers. The customer will be utilising these pallet-sized shippers for the temperature-controlled transportation of their pharmaceutical products, reinforcing PLUSS's position as a trusted partner in the life sciences logistics sector.

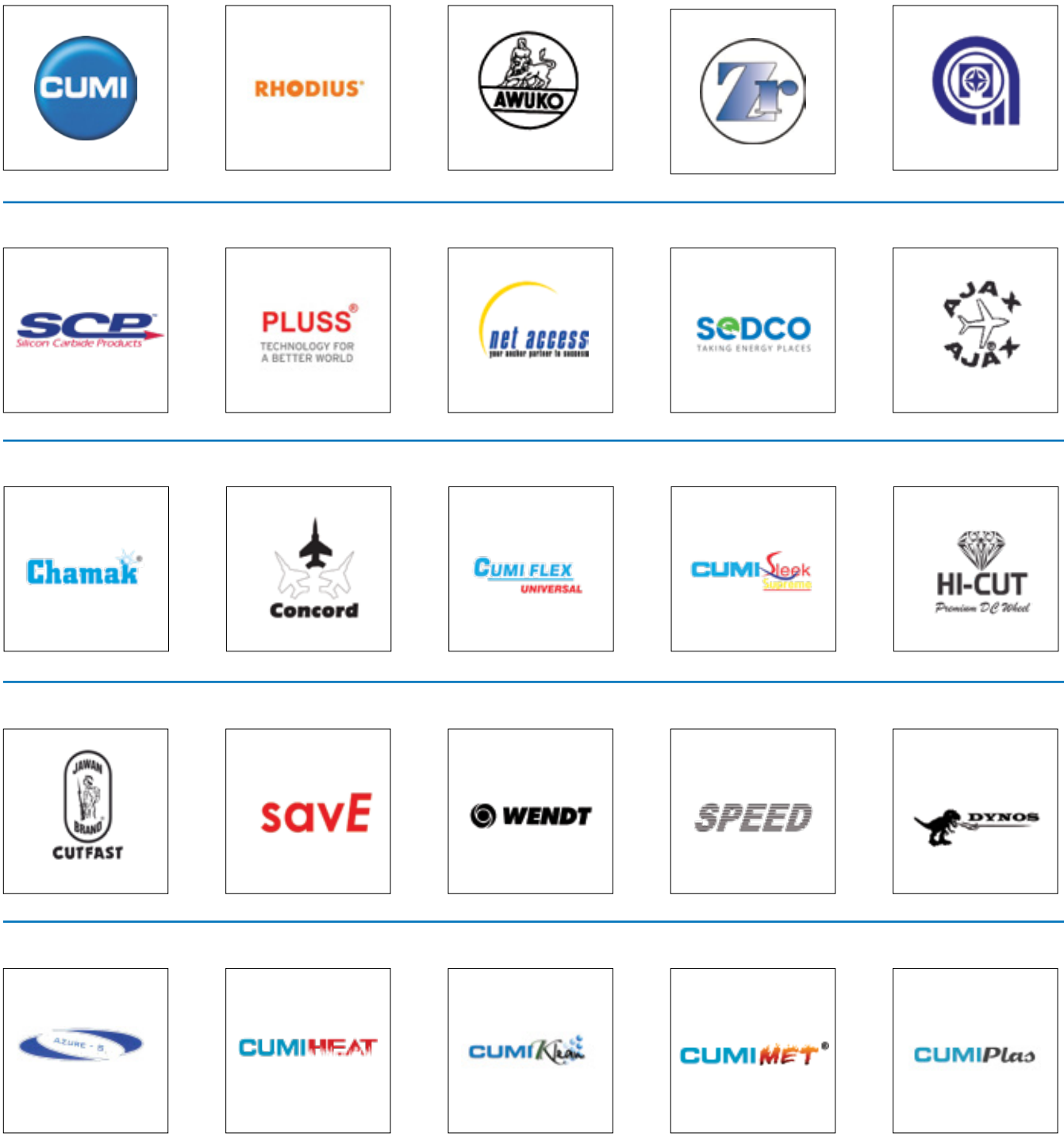
Our Portfolio

Our business-wise revenue chart

Our key downstream industries

Our Portfolio

Our brands



CUMI SHARP

CUMIsheen

CUMI
GREATWHITE

CUMIMonk

CUMIKalBo

WARRIOR
BRAND

Odoblastae

GRAFINO

MARLIN

CUMI LICORNE

AAGUN

celsure

HIMACOOL

PRONGO

Samurai

CUMI Zing

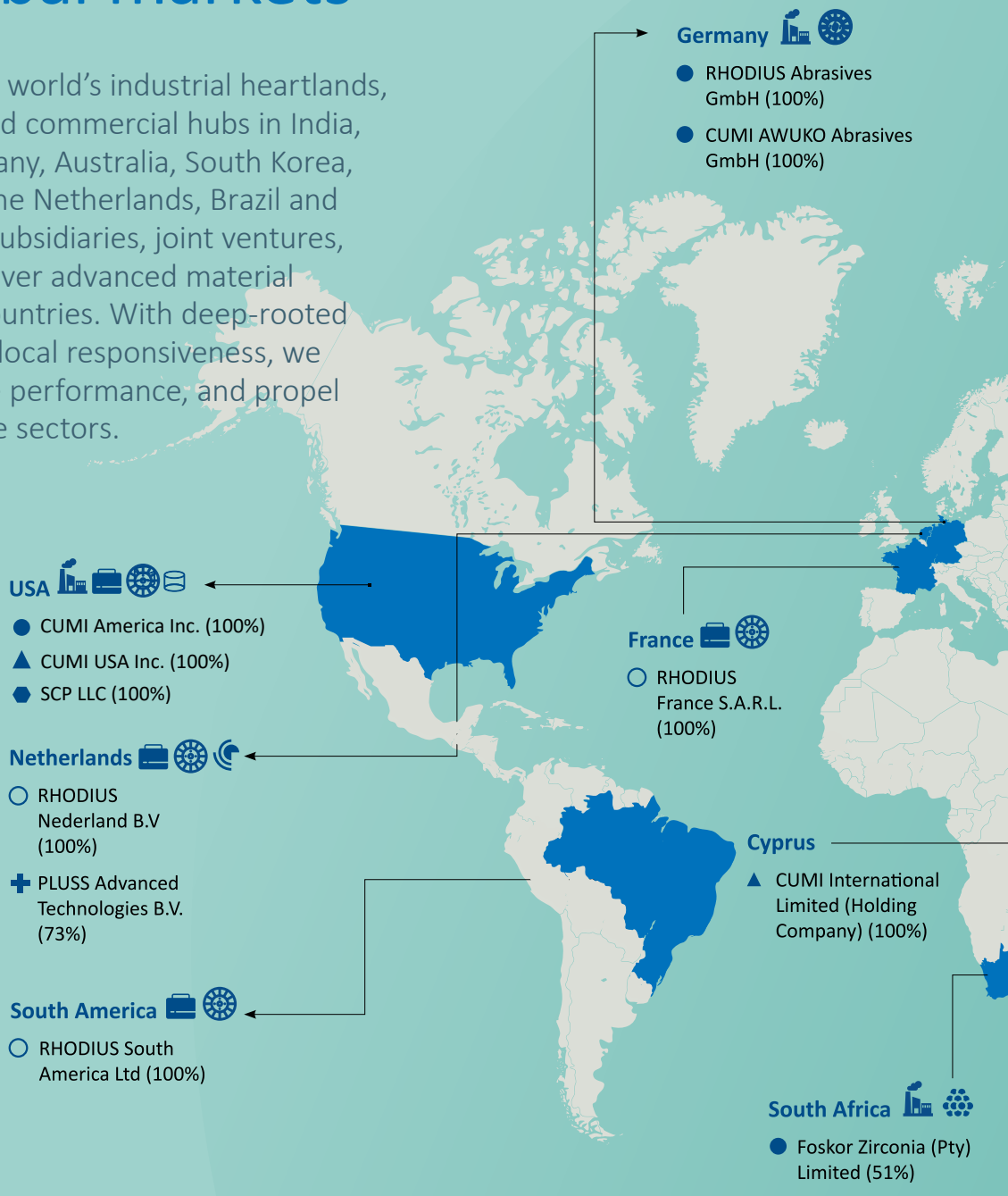
CUMI JET

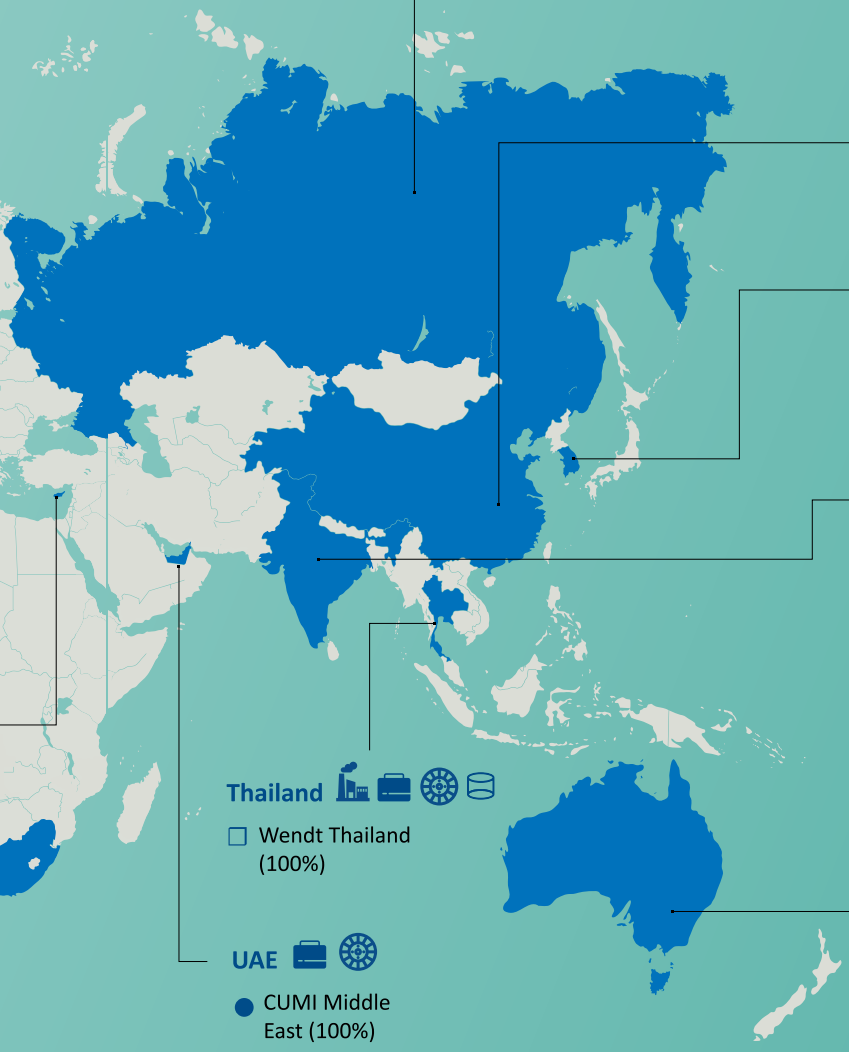
STERLING
ABRASIVES LTD.

Our Presence

Engineering strengths across global markets

We operate across the world's industrial heartlands, with manufacturing and commercial hubs in India, Russia, the USA, Germany, Australia, South Korea, South Africa, France, the Netherlands, Brazil and beyond. Through our subsidiaries, joint ventures, and associates, we deliver advanced material solutions to over 60 countries. With deep-rooted global integration and local responsiveness, we embed precision, drive performance, and propel progress across diverse sectors.





Russia

- Volzhsky Abrasive Works (98.07%)

China

- CUMI Abrasives and Ceramics China Limited (100%) (under de-registration)

South Korea

- RHODIUS South Korea (100%)

India

- Standalone Operations
- Sterling Abrasives Limited (60%)
- SEDCO (84.7%)
- Net Access India Limited (100%)
- PLUSS Advanced Technologies Limited (73%)
- Wendt (India) Limited (37.5%)
- MMTCL (49%)
- CIRIA (30%)

Thailand

- Wendt Thailand (100%)

UAE

- CUMI Middle East (100%)

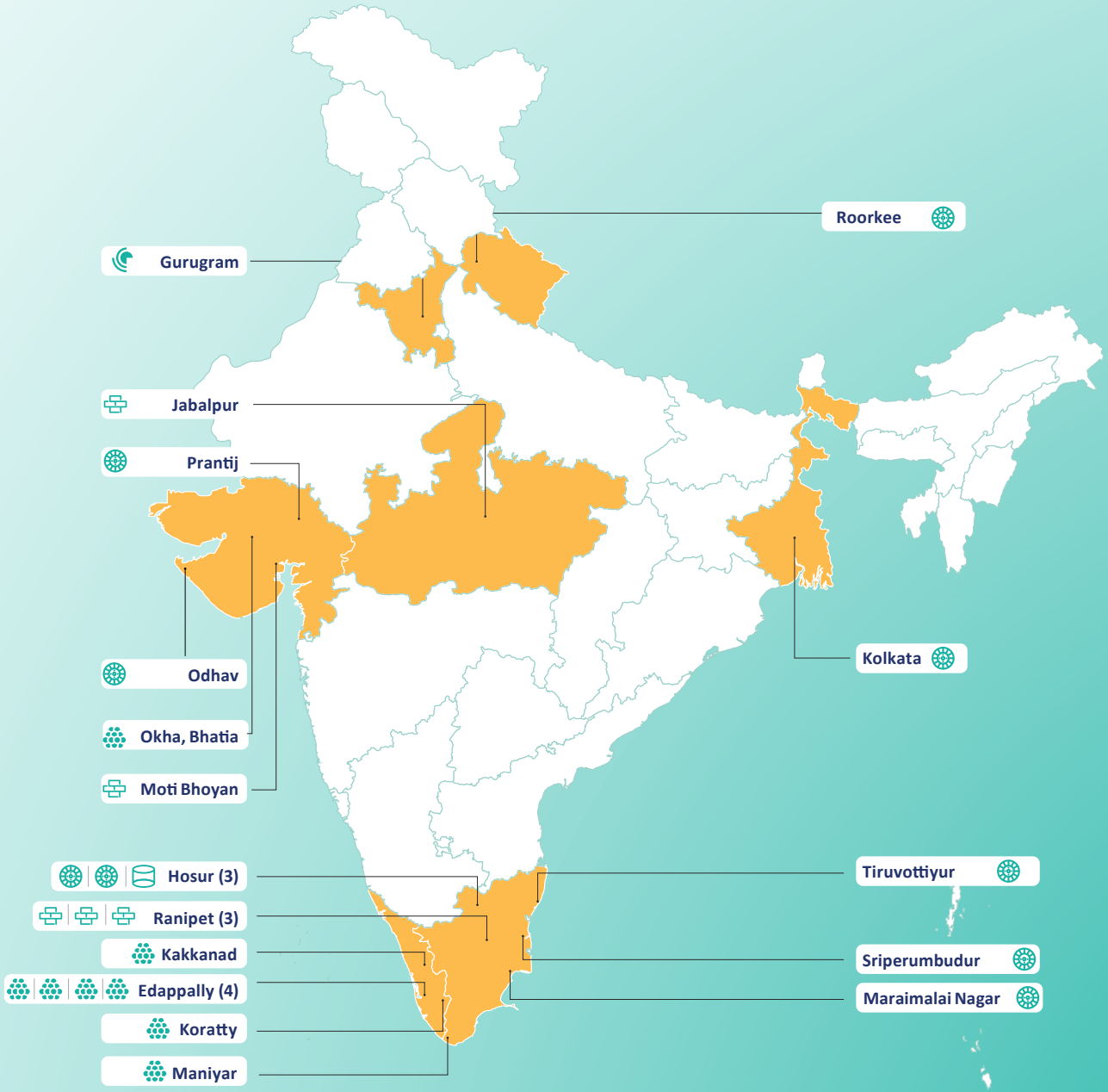
Australia

- CUMI (Australia) Pty Limited (51.2%)

- Standalone operations
- Subsidiaries via CUMI International Limited
- Direct subsidiaries
- Joint Ventures
- Associates
- RHODIUS Abrasives GmbH (subsidiaries via RAG)
- PLUSS (subsidiaries via PLUSS)
- Wendt (subsidiaries via Wendt Technologies Limited)
- SCP (subsidiary via CUMI USA)

Our Presence

Indian manufacturing locations and operations



Abrasives

- **Hosur, Tamil Nadu:** Tool room grinding wheels and large-diameter rail cut-off wheels
- **Hosur, Tamil Nadu (Wendt India):** Diamond and CBN Super Abrasives & design and building of a range of grinding and honing machines
- **Kolkata, West Bengal:** Ajax and Concord, CUMI's most popular emery and flint sandpapers for woodworking and rust removal
- **Maraimalai Nagar, Tamil Nadu:** Speciality backing cloth for Coated Abrasives and resin making
- **Odhav, Gujarat (Sterling Abrasives):** Bond manufacturing
- **Prantij, Gujarat (Sterling Abrasives):** Industrial Grinding and Agricultural Grinding wheels
- **Roorkee, Uttarakhand:** Cutting and grinding wheels
- **Sriperumbudur, Tamil Nadu:** Largest Coated Abrasives manufacturing capacity in India
- **Tiruvottiyur, Tamil Nadu:** First manufacturing location of CUMI and the home of precision Abrasives

Electrominerals

- **Edappally, Kerala:** Fusion complex for workhorse minerals - White Fused Alumina and Brown Fused Alumina
- **Kakkanad, Kerala:** Facility for fine ceramic powder processing & Graphene and its derivatives
- **Koratty, Kerala:** Silicon Carbide and fine ceramic powders
- **Maniyar, Kerala:** Mini hydel power plant
- **Okha, Gujarat:** Bauxite mines and Calcination facility

Industrial Ceramics

Hosur, Tamil Nadu: Technical, Specialty and Engineered Ceramics

Super Refractories

- **Jabalpur, Madhya Pradesh:** Refractory cement and castables
- **Moti Bhoyan, Gujarat (MMTCL):** Bio-soluble ceramic fibre and paper products
- **Ranipet, Tamil Nadu:** Complex shaped Silicon Carbide and Nitride Bonded Silicon Carbide products
- **Ranipet, Tamil Nadu:** High Alumina products for the glass, carbon black and petrochemical industry
- **Ranipet, Tamil Nadu (MMTCL):** Refractory Ceramic Fibre Blanket, Vacuum-Formed Boards and shapes from Refractory Ceramic Fibres

Others

- **Gurugram, Haryana (PLUSS):** Design, formulation and application development of Specialty Polymers and Phase Change Materials

Research and Development

Powering growth through material innovation

We continue to propel our progress through a strong commitment to research and development, which remains integral to our long-term growth trajectory. We have steadily strengthened our R&D ecosystem over the years, blending scientific thinking into our processes to drive innovation, operational agility, and sustainable value creation.

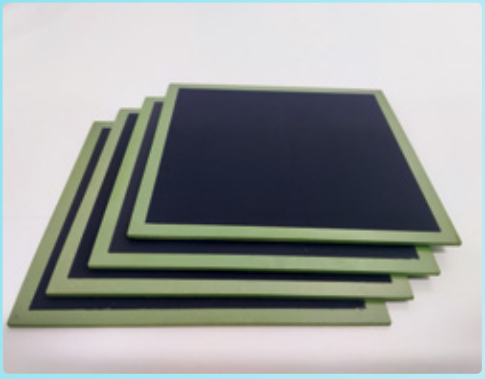
Through intense collaborations with leading academic and research institutions, we have cultivated a vibrant culture of innovation, one that drives breakthrough solutions, enhances product performance, and solidifies our leadership in materials science. This spirit of continuous exploration and learning is what powers our ability to engineer the future.

525
Trademarks

100
Patents

62
Designs

*Consolidated excluding CIRIA & MMTCL



Powering the Hydrogen Economy

Developed 1.5 mm Solid Oxide Electrolyser (SOE) Cells & supplied to CSIR - CG&CRI to develop the stack; 0.5 kw stack using 1.5 mm SOE developed and tested successfully.

Monolithic Refractories: Smarter, Stronger

Developed and supplied high performance dense and insulating gunning material (Monolithics) for Pellet plant (Iron Making) application.

FY 2024-25 was a significant year for us, as we made impactful strides across multiple high-impact domains

High-Performance Thermal Spray Powders

Expanded the CUMIPLAS range of specialty materials, characterised by narrow particle size distributions, optimised grain morphology, and precise chemical composition, ensuring excellent coating quality and high deposition efficiency.

ESD Flooring: Safe for Sensitive Zones

Dissipating static electricity is vital in electronic assembly lines to protect the devices. CUMI's Technology team developed a conductive floor coating solution that meets stringent industry standards, unlike conventional insulated coatings, ensuring reliability.

Glass Tank Bottom Block

Developed Glass Tank Bottom Block in Fired Shape with larger dimension and improved hot strength properties.

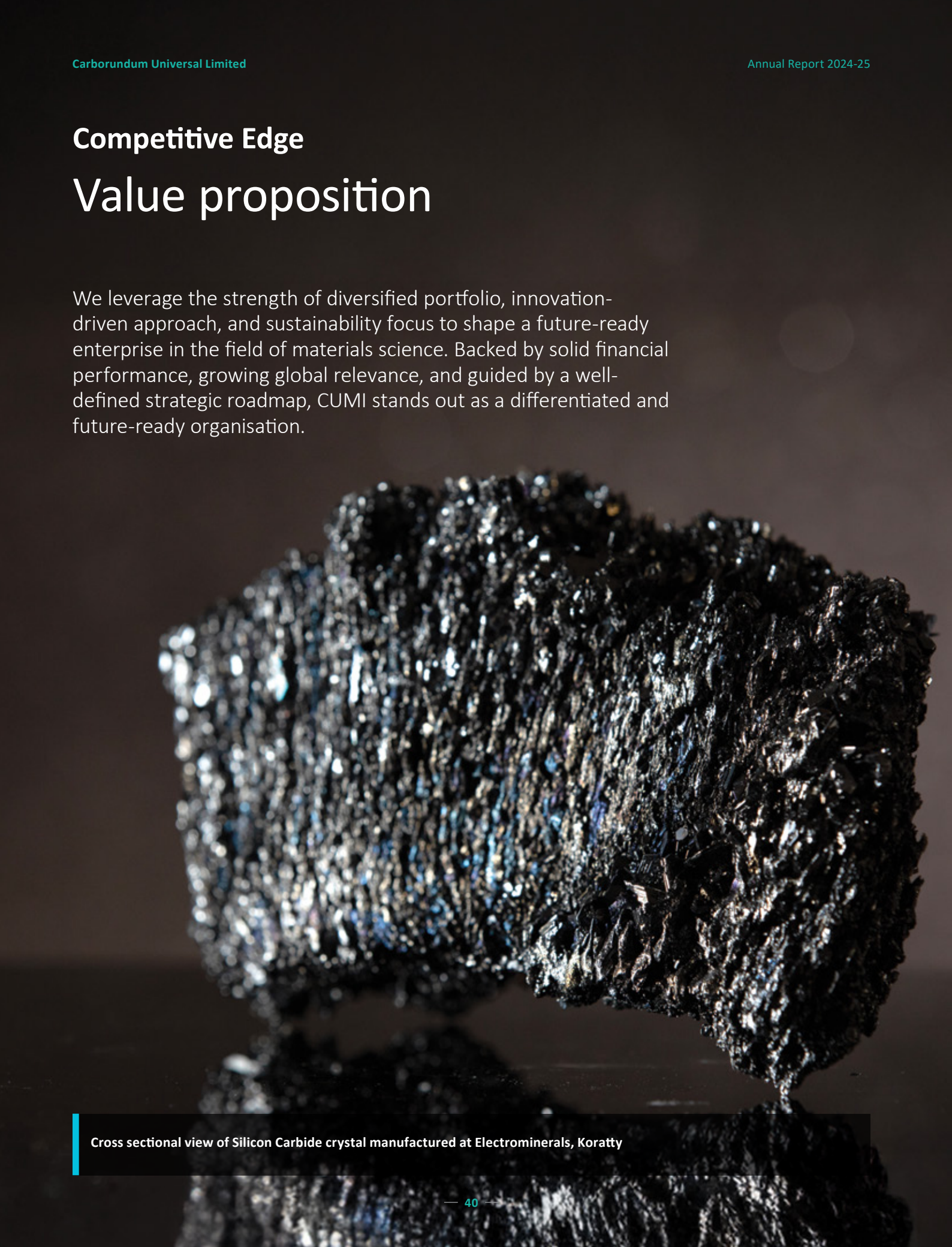
Advanced Protection for Armoured Vehicles

In collaboration with DRDO-DMRL through a Transfer of Technology (ToT), CUMI has designed and manufactured add-on armour panels using advanced ceramics for wheeled vehicles. These panels have been certified by IABG in accordance with STANAG 4569 Level 2 and Level 3 protection standards.

Competitive Edge

Value proposition

We leverage the strength of diversified portfolio, innovation-driven approach, and sustainability focus to shape a future-ready enterprise in the field of materials science. Backed by solid financial performance, growing global relevance, and guided by a well-defined strategic roadmap, CUMI stands out as a differentiated and future-ready organisation.



Cross sectional view of Silicon Carbide crystal manufactured at Electrominerals, Koratty

Growth focused

- Maintained a strong focus on stable and sustainable expansion, achieving a 17% compound annual sales growth rate (CAGR) over the past 5 years (FY 2020-21 - FY 2024-25)
- Emphasised disciplined quality of growth, delivering average profit before tax margins of 14%*
- Established a diversified international footprint across 60 countries and 39 industries through a network of subsidiaries and strategic partnerships, ensuring balanced global growth and customer proximity

*Before expectional items

Consistent value creation

- Delivered with discipline, our reinvestment strategy focuses on high-ROCE opportunities, with an average ROCE of 19%, well above the cost of capital, consistently channeling capital into profitable growth areas
- Grew shareholders' net worth by 66% over 5 years, reflecting a 13% annualised growth rate through consistent execution of high-quality investments
- Doubled our Net Block from ₹6.4 Billion to ₹14.6 Billion using internal accruals
- Demonstrated financial prudence by expanding net worth and fixed assets while holding debt-to-equity at 0.05x
- Maintained an uninterrupted dividend payout record since 1957, with average dividend payout rate of 28%* over the past 10 years

*To standalone profits

Responsible journey

- Demonstrated financial prudence with CRISIL ratings of AA+/Stable and A1+
- Received the Golden Peacock Award 5 times and recognised as Deloitte's Best Managed Company 2 times over the last decade
- Embedded the Murugappa Group's "5 lights" into our management philosophy
- Reduced the energy, GHG emission, and water intensity by 25%, 31% and 25%, respectively

Chairman's Message

Building for the long term

Dear Shareholders,

I am delighted to present the 71st Annual Report of Carborundum Universal Limited (CUMI) for the financial year ended 31st March 2025, a year characterised by evolving external business dynamics and one in which the Company continued to demonstrate inherent agility, resilience, and enduring strength. I extend my heartfelt appreciation to every member of the CUMI family, for their support and perseverance. In the face of a constantly shifting landscape, the team has consistently upheld our values and built upon robust institutional foundations to deliver sustained performance.

Economic Landscape

The year 2025 unfolded with heightened uncertainty and complexity, as the global economy navigated a phase of moderating growth, shifting policy priorities, and escalating geopolitical tensions. Growth across advanced and emerging economies remained uneven, challenged by inflationary pressures, trade disruptions, and capital volatility. The recent introduction of extensive tariffs by the United States, and the retaliatory measures that followed, further complicated an already fragile ecosystem, weighing heavily on global trade flows.

In contrast to the global scenario, India continued to chart a stable growth path; as one of the fastest-growing major economies, driven by sustained infrastructure investment, robust activity in construction and financial services, and a steady revival in rural demand. The Reserve Bank of India's measured and forward-looking monetary policy stance, coupled with the Government's strategic fiscal and sectoral interventions, created a stable macroeconomic environment that fostered confidence and enabled broad-based growth.

Amidst persistent global headwinds, India's structural strengths, including a favourable demographic profile, rapidly advancing digital infrastructure, and a stable policy ecosystem, aided positioning the country as a dynamic leader in an evolving global order. CUMI is firmly aligned with India's long-term trajectory and is committed to the country's transformative progress.

Performance During the Year

In this complex environment, CUMI delivered a resilient performance, marked by steady revenue growth and disciplined operational execution. Consolidated revenue grew by 4.4% to ₹48,335 Million, while standalone revenue rose by 7.3% to reach ₹27,837 Million. These outcomes reflect the inherent strength of our diversified business portfolio and our ability to adapt swiftly to dynamic market conditions. Profitability, however, was impacted by a range of

challenges. Standalone profit before tax declined by 8% to ₹4,253 Million, while consolidated profit before tax before exceptional items decreased to ₹5,720 Million. Notwithstanding various market pressures, our balance sheet remained robust throughout the year. The Company concluded the year debt-free on a standalone basis and significantly reduced consolidated debt, bringing the debt-equity ratio down to a minimal 0.03. Strong operational cash flows enabled us to fund the majority of our Capital Expenditure through internal accruals, underscoring our commitment to fiscal discipline, long-term value creation, and strategic self-reliance. With a consolidated Capital Expenditure of ₹2,815 Million in FY 2024-25 - one of the highest since inception, this milestone underscores our strategic commitment to long-term growth.

Our step down subsidiary in Russia, VAW, closed the year with a profit before exceptional item and tax of 1,777 Million Rouble after registering a revenue of 9,403 Million Rouble reflecting strong operations despite growing challenges. VAW's inclusion in Specially Designated and Blocked persons' list administered by OFAC, US for operating in Russia's manufacturing sector significantly impacted its performance towards the end of the FY 2024-25. VAW is actively managing risks, optimising capacity, and focusing on domestic demand to sustain resilience amid these uncertainties. At CUMI International Limited (VAW's parent company) and CUMI, requisite steps have been taken to ensure compliance of the OFAC sanction in relation to our dealings with VAW.

In another significant move aligned with our advanced Ceramics strategy, CUMI signed a definitive agreement in September 2024 to acquire 100% equity in Silicon Carbide Products LLC (SCP), USA. With over 3 decades of experience in Nitride Bonded Silicon Carbide (NBSiC) solutions, SCP brings differentiated forming, firing, and tooling capabilities. This acquisition not only enhances our technological depth but also provides access to a strong customer base across North America. It opens up opportunities to leverage synergies across our value chain, from supplying proprietary raw materials to co-developing advanced Ceramics for critical applications in power, steel, mining, glass, and petrochemicals. This acquisition has led to CUMI expanding its presence in the USA and entities CUMI USA & SCP LLC are now a part of the CUMI group.

During the year, CUMI amended the terms of the Shareholders Agreement between Wendt GmbH, Germany in connection with Wendt GmbH's intention to divest its entire holding in Wendt (India), which was consummated by Wendt GmbH in May 2025, resulting in the termination of the joint venture with them in Wendt (India). As part of this strategy, Wendt (India) has acquired the global ownership of the "Wendt" brand and also secured long term bond supply arrangements with Wendt GmbH besides acquiring from them the technology license for its machine building business. This technology will help Wendt (India) tap into the global market for peripheral insert grinding machines with a strategic focus on the sale of new machines, service revenue and also to upgrade the installed machines worldwide.

I believe that the acquisition of SCP and strengthening of Wendt (India), aligns with our strategic priorities, furthering our ability to create sustainable long-term value for all our stakeholders.

Business Segment Highlights

Abrasives

In FY 2024-25, the Abrasives business navigated a complex operating environment, shaped by sectoral slowdown, elevated input costs, and changing global trade dynamics. Against this backdrop, the business posted a consolidated revenue of ₹21,594 Million, registering a growth of 3.3%. Consolidated profit before interest and tax declined by 17% to ₹1,514 Million. While short-term profitability came under pressure, the focus remained on driving operational efficiency, advancing R&D, and executing strategic investments, thus positioning the business for sustainable value creation.

On a standalone basis, Abrasives business recorded a revenue of ₹11,954 Million, with a growth of 4%, led by volume expansion across industrial and retail segments. The business segment emphasised on discipline execution, product differentiation, and distribution depth helping absorb external shocks.

Our international subsidiaries exhibited differentiated performance, shaped by region-specific opportunities and challenges. RHODIUS in Germany reported a revenue growth of 5.5% and made considerable strides in narrowing its losses. While AWUKO (Germany) grew by 10%, it faced significant margin pressure. Both RHODIUS and AWUKO play an important role as part of the global Abrasives strategy. Sterling Abrasives maintained stable performance, while our operations in the United States remained responsive to local dynamics.

Looking ahead, our strategic focus is to solidify our market leadership in India, bolster our footprint in high-potential global markets, and grow substantially over the next 5 years. With planned investments in R&D, thin wheel capacity, and customer-centric initiatives, the Abrasives business is well-placed to deliver sustained and profitable growth.

Electrominerals

In FY 2024-25, the Electrominerals business delivered mixed results. Consolidated revenue grew by 1.9% to ₹15,736 Million on the back of sound performance in India as well as at Foskor Zirconia in South Africa. However, consolidated profit before interest and tax witnessed a decline by 25% to ₹1,774 Million primarily due to a sharp reduction in earnings contribution from the Russian operations. Foskor Zirconia posted a 9% growth in local currency, demonstrating resilience amidst market pressures with improved capacity utilisation and a growing product portfolio, reflecting its long-term strategic potential.

On a standalone basis, the Indian Electrominerals business registered a healthy 10% growth in revenue to reach ₹8,155 Million. This was driven by volume

Chairman's Message

> Our ambition is to lead the industry in sustainable and responsible manufacturing practices, while building advanced, differentiated solutions across Abrasives, Electrominerals, and Ceramics.

growth in India, domestic as well as export. However, rising input costs and intensifying competition from low-cost imports, particularly in Alumina impacted the margins. In response, the business focussed on value-accretive offerings, particularly treated grains, a strategic move that is expected to gain traction in the coming year. To further strengthen its position, the business is investing in capacity expansion across stabilised Zirconia, Alumina-Zirconia, and Thermal Spray Powders - advancing the transition to a differentiated specialty materials platform. Aligned with this direction, our strategic ambition is to evolve from a volume-driven minerals business to a value-led specialty materials player.

Ceramics

In FY 2024-25, the Ceramics business, comprising Industrial Ceramics and Super Refractories, reported consolidated revenue of ₹11,601 Million, an increase of 7.7% over the previous year. Robust performance in our standalone operations and escalating global demand across high-performance segments contributed to this growth. Despite input cost pressures, consolidated profit before interest and tax held steady at ₹2,865 Million, showcasing executional prudence and operational efficiency.

The standalone Ceramics business registered a growth of 6.5%, supported by higher volumes and improved price realisation. Engineered Ceramics, Metallised Cylinders, and Fired Refractories - all growing above 18% - added strong tailwinds to this momentum. Meanwhile, corrosion protection and composites business saw a temporary dip, linked to project delays within fertiliser and non-ferrous sectors.

The Ceramics business continued to invest in future-ready capacity and capability. During the year, the business commissioned a Tunnel Kiln for Engineered Ceramics, enabled high utilisation levels across Metallised Cylinder lines, and activated full-scale ramp up of new kilns and screw presses for high-alumina Refractories. Simultaneously, the business is building dedicated infrastructure to support emerging applications in Semiconductors, Fuel Cells, Defence, and E-mobility - positioning the business for long-term strategic relevance. Looking ahead to FY 2025-26, the consolidated Ceramics revenue is anticipated to grow due to rising demand from key sectors leading the energy and digital transitions, including Clean Energy, Power Distribution, AI Data Centres, and Semiconductors. Our aim is to scale specialised Ceramics and fortify our core Refractory offerings in India and overseas.

Super Refractories is focused on building a scalable, globally competitive platform out of India. Leveraging our proven expertise in monolithics and fired products, coupled with strategic relevance of segments, such as carbon black, cement, and petrochemicals, the business is well-placed to address domestic demand and capitalise on burgeoning export opportunities.

Performance of other businesses

Our portfolio of other businesses, while accounting for a smaller share of consolidated revenue, play a vital role in driving diversification, innovation, and long-term growth. Southern Energy Development Corporation Limited (SEDCO) reported revenue of ₹297 Million in FY 2024-25, recording a fall of 9% as opposed to the previous year. However, loss after tax narrowed significantly to ₹11 Million. The business made the strategic decision not to renew the gas supply agreement from ONGC in December 2024 due to the non-viability of the business owing to rising gas price. SEDCO will continue to focus on solar energy solutions, aligned with our broader sustainability agenda.

Net Access India Limited, our IT facility management subsidiary, achieved revenue of ₹597 Million, with a growth of 4.2%. Profit after tax moderated to ₹23 Million compared to ₹34 Million the previous year, reflecting planned investments in capability development and scale. These efforts are intended to enhance long-term resilience and value creation.

PLUSS Advanced Technologies Limited recorded a revenue of ₹806 Million, with a strong revenue growth of 31%. The business continues to be a front-runner in thermal management and specialty materials innovation. Loss after tax stood at ₹36 Million, slightly higher than the previous year, however consistent with its ongoing investment-led growth strategy. Joint ventures with Morgan Advanced Materials; Murugappa Morgan Thermal Ceramics Limited & CIRIA India Limited performed well during the last financial year.

Collectively, these businesses serve as catalysts for the Group's innovation agenda, sustainability aspirations, and long-term diversification strategy. By supporting their progress through targeted investments and disciplined execution, CUMI remains committed to amplifying value and strengthening resilience.

Key Accolades

CUMI's commitment to excellence was celebrated through several prestigious accolades during FY 2024-25. CUMI received the esteemed Golden Peacock Award for Risk Management from the Institute of Directors - a sound endorsement of our governance maturity. Our Abrasives division was recognised with the Silver Medal at the National Award for Manufacturing Competitiveness, while the Electrominerals division earned the distinguished IEI Industry Excellence Platinum Award.

Multiple business units earned safety and manufacturing excellence awards, reaffirming our culture of safety, operational discipline and accountability. The Company celebrated excellence through the SHINE Awards, which recognised employees who embody the Murugappa Group's Five Lights which are Integrity, Passion, Quality, Respect, and Responsibility. These recognitions reaffirm our pursuit of quality, consistency, innovation, and responsible business practices.

People Power

CUMI's enduring strength lies in the calibre, commitment, and creativity of our people. Our learning and development agenda focused on enhancing leadership, aligning performance, and strengthening functional capabilities. By fostering open communication, inclusivity, and a culture of recognition, the Company continues to build trust and unity across the organisation. I extend my heartfelt gratitude to all employees for their unwavering dedication towards the continued growth of CUMI.

Corporate Social Responsibility

At CUMI, our CSR philosophy is centred on the belief that 'prosperity in harmony with people and planet' is the path to collective and sustainable progress. In FY 2024-25, this guiding principle continued to shape our initiatives across 4 core areas, healthcare, education, skill development, and environment. Our CSR programmes are thoughtfully designed and implemented to drive a long term impact, going beyond one-time contribution.

Commitment to Sustainability

At CUMI, sustainability is a core business imperative, reflected in the formation of a new function - Environment, Health and Safety (EHS). Our efforts are guided by measurable goals, a long term vision, and responsible resource management. The Company is set to achieve the 2030 Sustainability targets with 2025 as new baseline. Our ambition is to lead the industry in sustainable and responsible manufacturing practices, while building advanced, differentiated solutions across Abrasives, Electrominerals, and Ceramics.

Strategic Leadership Transition

In FY 2024-25, the Company undertook pivotal leadership transitions, reaffirming our commitment to future-readiness. The Senior Leadership Team was strengthened with the on boarding of new functional heads for IT, Finance, and HR, along with the creation of critical roles, including Head of EHS and Head of the Manufacturing Centre of Excellence. This organisation strengthening, is in line with strategic focus on building a high performance organisation to achieve our long term aspirations. Towards the end of the year, Trevor Allen, who has been leading our Australian subsidiary - CUMI (Australia) Pty Limited (CAPL), for over 25 years, retired from service. We thank Trevor for his long association with CAPL as its Managing Director and for being instrumental in the growth of the Industrial Ceramics business of CUMI not only in Australia but globally. We also extend a warm welcome to the new leadership in CAPL comprising of Scott Hemmings and Susil Kumar as the subsidiary's joint Managing Directors and Craig Allen who has taken up the directorship role. We wish them great success.

The Board composition also underwent changes last year with Mr. Sanjay Jayavarthanavelu, Mr. Aroon Raman, and Mrs. Soundara Kumar retiring after completing their tenure of office. I thank them for their time and involvement in the Company. Their guidance and commitment were instrumental in shaping CUMI's journey. I welcome Mr. Sriram Viji and Ms. Usha Rajeev as Independent Non-Executive Directors and Mr. Muthu Murugappan as a Non-Executive Director. We are pleased to share that Ms. Usha Rajeev now chairs the Audit Committee, following Mr. Jayavarthanavelu's retirement. Their association will be a valuable asset to the Company, and I look forward to working together and drawing from their collective experience to steer the Company toward continued growth and transformation.

The CUMI team, ably led by Mr. Sridharan Rangarajan and colleagues in India and worldwide have worked tirelessly in the face of many challenges. I thank them for their dedication, diligence, and sincerity of purpose towards building a robust institution while embracing and spearheading change. These changes bring renewed depth, agility, and perspective to our governance and strategic direction. With a strong Board and leadership team in place, I am confident that CUMI is well-poised to navigate the growth trajectory with greater resilience and sharper focus.

Closing Remarks

The journey of FY 2024-25 stands as a reflection of our shared purpose and collective strength. At this crucial juncture, I express sincere appreciation to all our stakeholders - employees, customers, suppliers, dealers and channel partners, authorities, bankers, investors, and communities. As shareholders, your trust, collaborative spirit, and proactive engagement inspires us to reach higher and strive harder. The year, just gone by, reinforced the values of resilience and adaptability, while it reaffirmed our belief in long-term thinking, responsible action, and innovation-led transformation. As we move ahead, let us come together with renewed focus - **Strengthening Our Core, Steering Strategic Growth**.

Best regards,

M M Murugappan
Chairman

Key Performance Indicators

Sustaining momentum with financial discipline

We continue to exhibit financial resilience through consistent growth, cost efficiencies, prudent capital allocation, and strong balance sheet. Our disciplined execution and evolving business model have enabled us to generate healthy returns, while maintaining a sharp focus on long-term value creation. This solid financial footing empowers us to invest strategically in innovation, capacity expansion, and emerging opportunities across global markets.

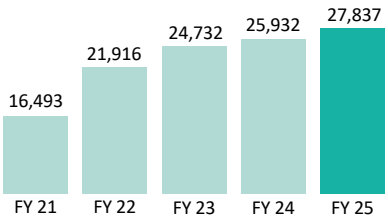
Powering industry with Brown Fused Alumina grains manufactured in Edapally

Standalone Highlights

Revenue from Sales

(₹ in Million)

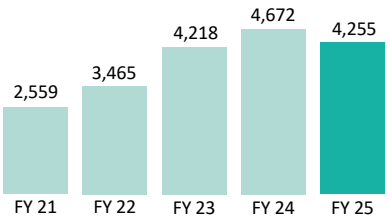
27,837



PBIT

(₹ in Million)*

4,255

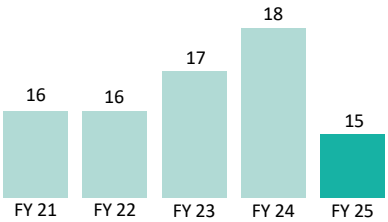


*before exceptional

PBIT% of Sales

(%)

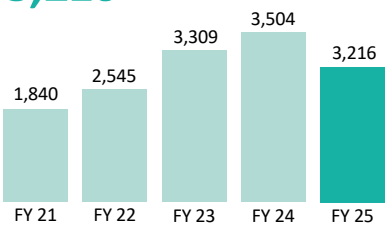
15



Profit after Tax

(₹ in Million)

3,216

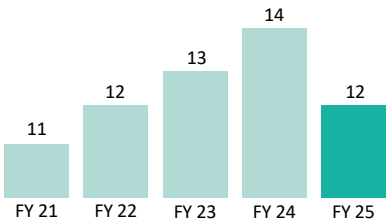


Consolidated Highlights

PAT% of Sales

(%)

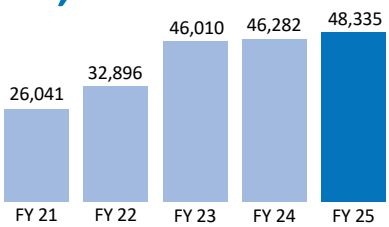
12



Revenue from Sales

(₹ in Million)

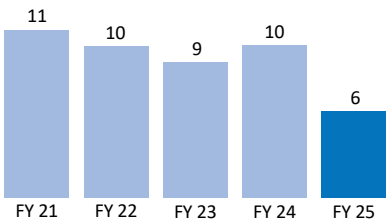
48,335



PAT% of Sales

(%)

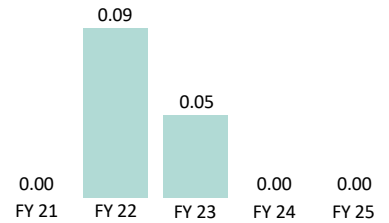
6



Debt-Equity Ratio

(x)

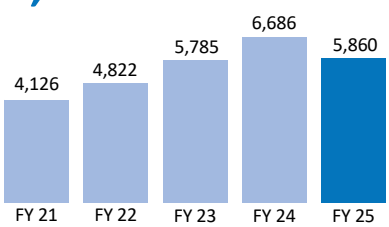
0.00



PBIT

(₹ in Million)*

5,860

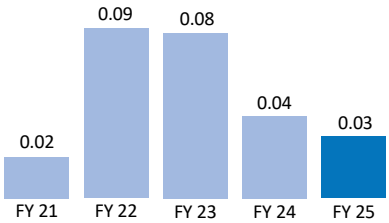


*before exceptional

Debt-Equity Ratio

(x)

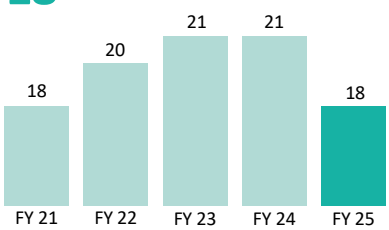
0.03



ROCE

(%)

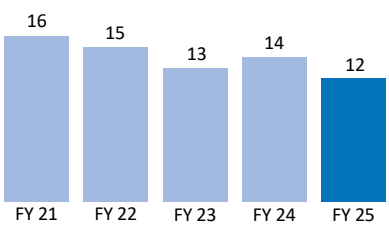
18



PBIT% of Sales

(%)

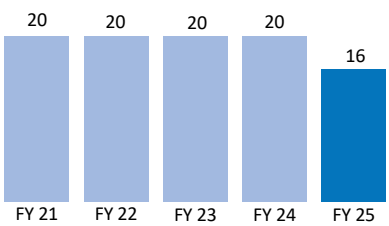
12



ROCE

(%)

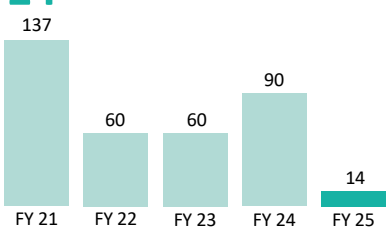
16



Free Cash Flow/PAT

(%)

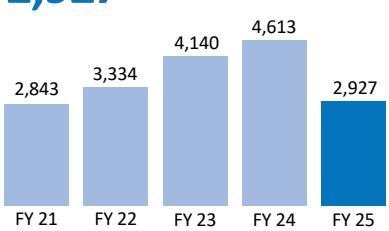
14



Profit after Tax

(₹ in Million)

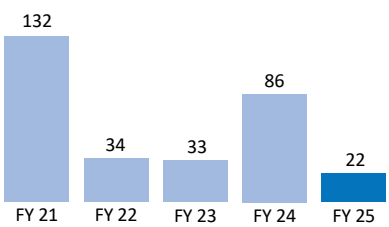
2,927



Free Cash Flow/PAT

(%)

22



Environment

Emphasising sustainability through responsible actions

We integrate environmental stewardship into our broader commitment to responsible growth. Aware of the environmental implications of materials science and manufacturing, we remain focused on safeguarding the ecological balance. Our approach goes beyond compliance; we are committed to creating a positive environmental impact across every aspect of our value chain.

CUMI has signed a Power Purchase Agreement (PPA) with Grian Energy Private Limited (GEPL) to procure 10 MW of solar power for its captive consumption from GEPL's 360 MWp Inter-State Transmission System (ISTS) - connected solar project

With the formation of a dedicated Environment, Health & Safety (EHS) function, we have institutionalised our commitment to sustainability, workplace safety, and environmental responsibility. By embracing cleaner technologies, optimising resource consumption, and aligning our processes with global environmental best practices, we stay on course to achieve our long-term sustainability vision. CUMI has been making continuous efforts to reduce the intensity in terms of GHG emissions, energy, water and waste. In FY 2021-22, the Company had set a target of 25% intensity reduction across energy, water, emission, and waste by 2025. We have met the target for 3 parameters.

With respect to waste, we recaliberated the parameter owing to adjustment of baseline data. The intensity indicates an upward trend which will now be measured against the updated baseline with respect to the new targets.

Our Sustainability Goals for 2030

	Target by 2025 (FY 2021-22 as baseline)	Achieved by 2025 (FY 2021-22 as baseline)	Target for 2030 (FY 2024-25 as baseline)
Energy intensity reduction	25%	25%	20%
Water intensity reduction	25%	25%	20%
GHG intensity reduction	25%	31%	25%
Waste intensity reduction	25%	(16)%*	25%
Renewable Energy	-	-	50%

*Data recalibrated and streamlined

People

Inspiring excellence through a culture of empowerment

We are guided by the conviction that a truly great workplace is founded on trust, mutual respect, and a unifying sense of purpose. Our aspiration to be recognised as an employer of choice is backed by a conscious focus on nurturing human potential. We foster a culture where individuals feel intellectually engaged, genuinely valued, and inspired to excel as part of a shared organisational vision.

At the Leadership Connect 2024, our young talents Graduate Engineering Trainees/ Post Graduate Trainees/ Management Trainees take the stage while interacting with the Leadership team. The newly joined Graduate Engineer Trainees (GETs) brought their induction journey to life through skits, while the confirmed GETs mark a proud moment of transition

We believe that meaningful connections across people, priorities, and performance create a stronger and more agile organisation. By fostering alignment, recognition, and open communication, we enable our teams to thrive together.

Our performance management and reward system is closely integrated with organisational priorities, ensuring every individual's contribution is recognised and celebrated. A structured cycle of objective setting and continuous feedback fosters clarity, accountability, and growth. Quarterly recognitions spotlight excellence across cost optimisation, innovation, sales, and operations. Flagship initiatives like CUFEST and the Muthiah Memorial Business Excellence Award honour individuals and teams that drive transformative impact through innovation and quality.

Strong internal communication keeps our teams informed, engaged, and aligned. Through platforms such as CUMI Samachar, our quarterly newsletter, and a vibrant LinkedIn presence, we share key milestones and highlight employee achievements. Half-yearly Town Halls, led by the Managing Director, create space for open dialogue and collective alignment, reinforcing our shared purpose and strengthening the connection across teams.

Creating the Leaders of Tomorrow

37 high-potential employees stepped into a transformative learning journey — building the mindset, skills, and presence of a true leader through the Emerging Leaders Programme

A hands-on learning experience at Design for Manufacturing training session where teams dived deep into principles that turn good designs into manufacturable solutions

Empowering employees to make thoughtful decisions with the aid of training on Decision Making

From shop floor insights to strategic breakthroughs, Manufacturing Meet 2024 sparked progress, tackled challenges, and shaped solutions for tomorrow

Honoured individuals (who truly live our core values) at SHINE Awards, in the presence of their families, reminding us that behind every achievement stands a circle of unwavering support

Corporate Social Responsibility

Enriching lives through meaningful interventions

'Responsibility' is one of the Five Lights, the values and beliefs that guide us in all that we do. We are committed to being responsible corporate citizens, help make a difference to the environment and change lives for the better. We channel our CSR endeavours towards creating measurable, long-term impact. Our focus is on the critical areas of Healthcare, Education, and Skill Development, thus empowering individuals and amplifying access for a better living. We continue to cultivate inclusive growth extending beyond the statutory mandate to reflect our values in action.

Our Commitment in Numbers

₹78 Million
CSR spend in FY 2024-25

4,141
Total lives impacted

Empowering minds to spread inspiration

Empowering through Education & Beyond

CUMI recognises the importance of education in the socio-economic development. The **CUMI Centre for Skill Development (CCSD)** enables the Company to fulfil its commitment by offering free technical training and skill development to rural youth from marginalised backgrounds. Established in 2012 at Hosur and expanded to Edapally, CCSD offers 2-year programme following the curriculum prescribed by the National Council for Vocational Education and Training (NCVET).

Among the graduates, few have joined CUMI, Wendt, and other Murugappa Group companies, while majority are employed in private and government sectors or working abroad. Some have opted for higher studies, and a few have ventured into starting their own businesses.

CUMI extended support to **AMOLED Research Centre (ARC - IITM)** towards the development of next-generation AMOLED displays using a novel fast patterning technique that will enable the growth of modular display factories.

Nurturing talent through practical skill development at CCSD lab and empowering underprivileged youth

CUMI's partnership with AMM Foundation emphasises its commitment to educational empowerment. Contributions to **Vellayan Chettiar Higher Secondary School, Tiruvottiyur**, aim to provide quality education to marginalised communities.

This year, CUMI contributed to **Murugappa Raising Talent Sports Scholarship** aimed at nurturing young athletes and empowering coaches from South India in sports such as badminton, tennis, and para-athletics.

With CUMI's support, these classrooms become launch pads for young minds from marginalised communities

Impact

528
Students empowered since inception

419
Students graduated since 2015

109
Students currently pursuing course

Corporate Social Responsibility

Committed to Health

CUMI partners with **Sri Sathya Sai Sanjeevani Hospitals** to support paediatric cardio surgeries, helping treat congenital heart diseases among economically disadvantaged children - 21 such surgeries were performed last year. Through the **G. Kuppuswamy Naidu Memorial Hospital Trust**, the Company enables access to paediatric oncology treatment for children from economically weaker backgrounds.

In Kochi, CUMI contributed to the **Dr. A K Cherian Memorial Charitable Society** by funding the purchase of a dialysis unit for their centre, which provides free treatment to patients in need. Recognising the urgent need for reliable emergency care, CUMI donated an ambulance to **Kalamassery Municipality**, Kerala, improving medical access in remote areas. Further, by supporting **Cachar Cancer Hospital Society** with a 4K laparoscopic camera, the Company enabled 200+ cancer patients to benefit from minimally invasive surgeries.

Supporting cancer care at Cachar Cancer Hospital with the aid of 4K laparoscopic camera

Community Development through CUMI-ASK Centre

At CUMI ASK Centre, children pick up a read and the joy of reading slowly takes root, uplifting lives through shared learning, support, and opportunity, one story at a time

The Company set up the CUMI-ASK (Attitude, Skill & Knowledge) Centre in Kerala, guided by our 'For the People, By the People' approach to community upliftment. By engaging local government representatives, residents, partners, and beneficiaries, the Centre drives inclusive development across key focus areas including child development, youth empowerment, women's advancement, and elder-care.

This collaborative approach positions CUMI-ASK as a scalable and sustainable model to social responsibility. By empowering communities to act as both drivers and beneficiaries of progress, the initiative fosters lasting and inclusive impact.

Championing Environmental Sustainability

Biochar used for enriching soil health, boost crop yields, and champion sustainable farming — nurturing both the earth and the communities that depend on it

CUMI provides active support to the programmes of the **Shri AMM Murugappa Chettiar Research Centre (MCRC)**, a pioneering institution that focuses on nutrition through sustainable agriculture, renewable energy, environment protection and rural community development. MCRC's projects address a range of critical challenges including climate change and biodiversity loss. Some of the programmes CUMI supports include addressing malnutrition through bio-fortified crops, enhancing agricultural productivity through soil nutrient analysis and crop advisory services in remote areas and conserving soil through optimising use of chemical fertilisers.

Awards and Recognitions

Golden Peacock Award in Risk Management (GPARM)

Conferred with the prestigious Golden Peacock Award for excellence in risk management practices

National Award for Manufacturing Competitiveness

Secured the Silver Medal for outstanding performance in manufacturing competitiveness at the national level for the Abrasives business

IEI Industry Excellence Award 2024

Received the Platinum Award in the Institution of Engineers (India) Awards for the Electrominerals business under the Engineering, Manufacturing, and Processing category

Kerala Safety Council Award 2024

Electrominerals was awarded the Safety Award for most of the plants, acknowledging its exemplary standards in workplace safety and compliance

Energy Management

Electrominerals won Platinum Award at SEEM (Society of Energy Engineers and Managers) National Energy Management Awards 2023

CII EHS Excellence Award

Earned a Bronze category award for the Ceramics business in the CII Environmental, Health, and Safety (EHS) Excellence Competition

Strategic Road Ahead

Transforming capabilities for global leadership

Over the years, CUMI has demonstrated a consistent ability to evolve with market dynamics, leveraging its strong foundation in material science to build future-ready businesses. Our long-term strategy (LTS), progressively guided the Company's transformation from a product-oriented entity to a solution-driven partner for global industries. This approach has enabled us to sharpen our value proposition, invest in differentiated capabilities, and unlock synergies across business segments.

Framed against the Chennai skyline, Dare House is the registered office of CUMI India — a place where tradition meets transformation, and where our mission to make a material difference continues to take shape every day

In March 2025, CUMI's global and domestic leadership converged for LTS 2030 — a defining moment that set the tone for bold strategies, deeper collaboration, and future-ready growth

As part of our commitment to sustainable growth, we have articulated a 5-year transformation strategy aligned with the organisation's overarching vision. Our long-term strategy, shaped through an 18-month, ground-up process led by 150 senior leaders, is designed along 3 vectors - scaling core businesses, entering relevant adjacencies, and exploring strategic step outs.

Abrasives will bolster its position as domestic market leader, by reshaping its go-to-market models, enhancing customer engagement through data-driven, granular marketing, revamping NPD and R&D, deploying scale-based sourcing strategies, and expanding its Thin Wheels capacity by leveraging synergies with RHODIUS and Dronco's assets. Electrominerals will shift towards high-value treated grains such as, heat-treated, silane-treated, solgel-treated, blue-heated, and Zirconia-coated grains. Electrominerals will also focus on expanding its Zirconia product portfolio through products such as Stabilized Zirconia, Monoclinic Zirconia, and Thermal Spray Powders, by tapping synergies with Foskor Zirconia. Finally, the business will enhance its product development capabilities to serve high-growth sectors such as Semiconductors, Aviation and Clean Energy by venturing into advanced materials such as Thermal Spray Powders, Oxides for Solid Oxide Fuel Cells, HPSiC, Graphene, Silicon Nitrides and Aluminum Nitride.

The Ceramics business will scale high-margin Advanced Ceramics with new-age applications such as energy-storage and semiconductors, while simultaneously strengthening core segments such as Metallised Cylinders, and Refractories. Growth in this segment will be powered by innovation for specialised sectors such as Semiconductors, Aerospace & Defense, and E-mobility, through products for wafer-fabrication equipment, vehicle and body armor, tubes, substrates, and brazed assemblies.

The Super Refractories business will continue to push the borders of its addressable market by adding newer products in Monolithics, and gain share in both domestic and exports markets, by leveraging its competence in Glass, CPI, Carbon Black, and Cement.

Our ambitious 5-year strategy is supported by centrally run enabling programs, which include, leadership development, a Manufacturing Centre of Excellence, cross-functional digital analytics, and M&As. Additionally, to effect the cultural changes needed to reinforce our position as a high-performance organisation, 5 behavioural changes have been identified through extensive company-wide surveys. These '**BE FAST**' behaviours - **B**old and timely decision making, **E**mbracing change with a solutions driven mindset, **F**airness to all stakeholders, **A**ccountability in decision making and execution, **St**anding up for each other - are anchored in the Five Lights of the Murugappa Group, which are, Integrity, Passion, Quality, Respect, and Responsibility.

The LTS initiatives have been translated into actionable programs that are being monitored through a robust governance framework to ensure disciplined execution and accountability. The entire organisation is energised by the vision for long-term growth. While our immediate focus is on delivering outcomes for FY 2025-26, we are equally committed to laying a strong foundation for our 5-year journey.

Board of Directors

Defining direction with resolute stewardship

Our Board of Directors bring together a wealth of experience, diverse perspectives and unique insights. Their guidance plays a vital role in helping us deliver the current while building for the future. Upholding the highest standards of governance and accountability, the Board ensures a thoughtful balance between our growth aspirations and prudent risk management.

Mr. M M Murugappan

Chairman (69 years)

Mr. Murugappan holds a Master of Science degree in Chemical Engineering from the University of Michigan, USA. Besides serving as the Chairman of Carborundum Universal Limited, Cholamandalam MS General Insurance Company Limited, Cholamandalam Financial Holdings Limited, Cyient Limited, Murugappa Water Technology and Solutions Private Limited and Chairman of the Board of Governors of The Indian Institute of Management Indore, he serves on the Boards of Rane Holdings Limited, Carsons Cumberbatch, Srilanka, Ambadi Investments Limited and IIT Madras Research Park.

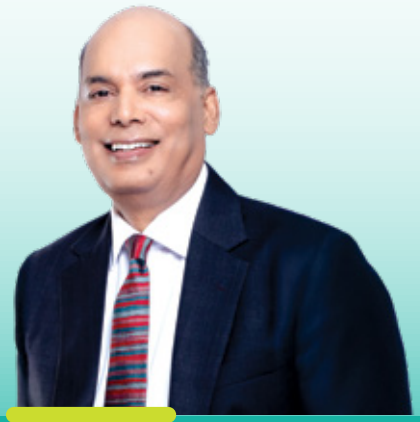
Mr. Murugappan is a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers, Plastics & Rubber Institute, and a fellow of the Indian Ceramic Society. He is a trustee of the Murugappa Group's CSR arm - AMM Foundation.

Mr. P S Raghavan

Non-Executive Independent Director (69 years)

Mr. P S Raghavan holds a Bachelor's degree in Physics from St. Stephen's College, Delhi as well as in Electronics & Communications Engineering from the Indian Institute of Science, Bangalore. After joining the Indian Foreign Service in 1979, he held various diplomatic assignments in Moscow (Russia), Warsaw (Poland), London (UK), Ho Chi Minh City (Vietnam) and Pretoria (South Africa). He has also served as India's Ambassador to Russia, Czechia and Ireland.

In the Government of India, he has been Joint Secretary in the Prime Minister's Office dealing with Foreign Affairs, Nuclear Energy, Space, Defence & National Security and Secretary in the Ministry of External Affairs, overseeing (inter alia) India's external economic relations. He recently completed his term as the Chairman of the National Security Advisory Board of India. He is a Distinguished Fellow of the Vivekananda International Foundation. Besides CUMI, he is an Independent Director on the Board of Indian Terrain Fashions Limited.



Mr. Sujjain S Talwar

Non-Executive Independent Director (61 years)

Mr. Sujjain Talwar is a qualified solicitor in India and England & Wales. He has close to 3 decades of experience as a corporate and infrastructure solicitor in India and abroad. He is the co-founding partner of Economics Law Practice, a law firm that has consistently been ranked as a top 10 law firm, with over 250 lawyers and offices in 6 cities.

Mr. Talwar has in the past worked with reputed law firms such as Crawford Bayley, and Pinsent Masons, among others. He has been named as a leading individual for his 'depth of knowledge', 'innovative approach' and 'timely deliverables' by the Legal 500.

Board of Directors

Mr. Sriram Viji

Non-Executive Independent Director (46 years)

Mr. Sriram Viji is the Managing Director of Brakes India. Before joining Brakes India, Mr. Sriram spent a decade in the USA, gaining diverse industry experience. He worked at McKinsey & Company in New York, serving clients in the banking, media, and pharmaceutical industries.

Prior to that, he was a Programme Manager at Microsoft Corporation. Mr. Sriram holds a Master's degree in Business Administration from the University of Michigan, and also a Master's degree in Computer Science and Aeronautics from the Stanford University. He is a Bachelor of Technology in Aerospace Engineering from the Indian Institute of Technology Madras.

Mrs. Usha Rajeev

Non-Executive Independent Director (61 years)

Mrs. Usha Rajeev is a Fellow Member of the Institute of Chartered Accountants of India, graduate of the Institute of Cost Accountants of India, and holds a Bachelor's (Hons) degree in Commerce from Shri Ram College of Commerce, University of Delhi.

Mrs. Rajeev has over 30 years of experience in Audit/Assurance across various sectors. She has served as a Partner with Price Waterhouse India for over 19 years. Her significant leadership roles at Price Waterhouse included Risk & Quality Leader for the India network member firms, Audit & Assurance Leader for North & East India practices, and Telecom Sector India Leader.

Mr. Muthiah Murugappan

Non-Executive Non-Independent Director (41 years)

Mr. Muthiah Murugappan (known as Mr. Muthu Murugappan) is a fifth-generation member of the Murugappa family. Mr. Muthu is currently the Chief Executive Officer of EID Parry (India) Limited. Mr. Muthu started his career in August 2004 with CavinKare Private Limited, an Indian FMCG major. Initially as an Area Sales Manager his portfolio included Western and Southern regions covering Maharashtra, Madhya Pradesh, Chhattisgarh and Andhra Pradesh. Mr. Muthu subsequently became a Product Manager handling Brand Management for the International Business Unit covering the GCC and ASEAN regions. In July 2007, he joined CUMI's exports function and then moved to the USA to handle the trading operations in North America.

Mr. Muthu returned to India and headed the Wear Ceramics business between 2010 and 2013. In 2013, he took a sabbatical to pursue an MBA at the London Business School. He returned to The Murugappa Group in September 2015 to head the Nutraceuticals business of EID Parry (India) Limited. In November 2018, he took charge as Head of Strategy for EID Parry Ltd, in addition to his role as the head of the Nutraceuticals business. Mr. Muthu was appointed CEO of EID Parry in May 2022. He is currently on the Board of various companies including Mahindra & Mahindra Ltd, Murugappa Chettiar Research Centre, and member of the Board of the Governor, among others.

Mr. Sridharan Rangarajan

Managing Director (59 years)

Mr. Sridharan Rangarajan is a member of the Institute of Chartered Accountants of India, a graduate member of the Institute of Cost Accountants of India and he also holds a Bachelor's degree in Commerce from Madurai University. He has over 36 years of overall experience in various fields like banking, finance, manufacturing, contracting, service and distribution businesses.

He is associated with the Murugappa Group since June 2011 as the Chief Financial Officer of CUMI till January 2018, thereafter taking over as the President and Group CFO of the Murugappa Group. Mr. Sridharan has rich multinational and cross-cultural work experience from having worked in companies like ABB, IDBI, LG Electronics, METITO, Trane Inc., USA and Timken. He is currently on the Boards of Murugappa Group including EID Parry (India) Limited, Wendt (India) Limited, Cholamandalam MS General Insurance Company Limited, Parry Agro Industries Limited, Murugappa Morgan Thermal Ceramics Limited, CFHL.

Leadership Team

Steering excellence with purpose

From left to right - row wise

Rekha Surendhiran
Company Secretary

Koshy Abraham
Head - Manufacturing Centre of Excellence

Sushil Bendale
Chief Financial Officer

Rammohan R
Head - EHS

P Padmanabhan
Chief Risk Officer & Head - Global Taxation

C Srikanth
Business Head - Abrasives

Sridharan Rangarajan
Managing Director

MV Sivakumaran
Business Head - Electrominerals

Shyam C Raman
Chief Human Resource Officer

Ajit Kolhe
Head - Information Technology

Prathap Kumar
Business Head - Industrial Ceramics

Raghavendra Pai
Business Head - Super Refractories

Financial Track Record

(₹ Million, unless otherwise stated)

Summary information		Consolidated performance					Standalone performance				
		2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
a	Net Sales	48335	46282	46010	32896	26041	27837	25932	24732	21916	16493
b	EBITDA *	7980	8593	7659	5968	5121	5061	5399	4963	4115	3174
c	PBIT *	5860	6686	5785	4822	4126	4255	4672	4218	3465	2559
d	PBT	4679	6502	5799	4765	3946	4253	4631	4316	3455	2445
e	PAT	2927	4613	4140	3334	2843	3216	3504	3309	2545	1840
f	Net Fixed Assets	15669	13917	13698	9057	6754	6646	5741	5322	4527	4293
g	Net Working Capital	16830	14970	12879	8751	12433	7572	6760	4169	3178	8503
h	Non Current Investments	2014	1716	1612	1378	1271	10996	10394	10475	9685	2507
i	Shareholders Networth	35286	31257	28206	23638	21315	25583	22975	20065	17407	15348
j	Loan Funds	1202	1127	2301	2122	430	-	-	1040	1630	-
	Ratio Analysis										
A	**Performance Ratios**										
1	EBITDA / Net Sales %	17	19	17	18	20	18	21	20	19	19
2	PBIT / Net Sales %	12	14	13	15	16	15	18	17	16	16
3	Asset Turnover times	1.15	1.20	1.32	1.14	1.12	1.68	1.76	1.84	1.51	1.15
4	Return on Capital Employed %	16	20	20	20	20	18	21	21	20	18
5	Return on Equity	9	16	16	15	14	13	16	18	16	13
6	International Revenue (net) share %	54	54	56	45	49	27	24	26	23	25
B	**Leverage Ratios**										
1	Interest Cover times	42	36	25	85	115	2548	113	28	356	944
2	Debt Equity Ratio	0.03	0.04	0.08	0.09	0.02	-	-	0.05	0.09	-
3	Debt / Total Assets	0.03	0.03	0.06	0.06	0.02	-	-	0.04	0.07	-
C	**Liquidity Ratio**										
1	Current Ratio	3.35	3.23	2.74	2.13	3.67	3.64	3.48	2.01	1.62	3.90
D	**Activity Ratio**										
1	Inventory Turnover days	72	69	63	64	68	53	52	58	58	69
2	Receivable Turnover days	55	52	44	53	62	54	54	53	54	64
3	Creditors No. of days	51	50	49	57	51	38	41	48	53	53
4	Cash Cycle days	76	71	58	60	79	69	65	63	59	80
E	**Investor related Ratios**										
1	Earning Per Share (Rs.)	15.58	24.27	21.80	17.57	15.01	16.90	18.44	17.43	13.41	9.71
2	Dividend Per Share (Rs.)	NA	NA	NA	NA	NA	4.00	4.00	3.50	3.50	3.00
	- Interim	NA	NA	NA	NA	NA	1.50	1.50	1.50	1.50	1.50
	- Final (proposed and paid in subsequent year)	NA	NA	NA	NA	NA	2.50	2.50	2.00	2.00	1.50
3	Dividend Payout %	NA	NA	NA	NA	NA	23.7	21.7	20.1	26.1	30.9
4	Price to Earnings Ratio	90	47	39	44	21	-	-	-	-	-
5	Enterprise Value / EBITDA	33	25	21	24	11	NA	NA	NA	NA	NA
6	Enterprise Value / Net Sales	5.52	4.66	3.49	4.41	2.18	NA	NA	NA	NA	NA

* excluding exceptional income/expenses (Net)

Glossary

A Performance Ratios

EBITDA/Net Sales %	EBITDA = PBT + Interest + Depreciation - Exceptional items Net Sales = Gross Sales - Excise duty on Sales
PBIT/Net Sales %	PBT + Interest - Exceptional items
Asset Turnover times (excluding Investments)	Net sales/ Average of Total assets excluding Investments
Return on Capital Employed %	PBIT/Average Capital Employed
Return on Equity	PAT/Average of Shareholder's Funds

B Leverage Ratios

Interest Cover times	PBIT/Interest cost
Debt Equity Ratio	Total Debt/Shareholders Funds
Debt/Total Assets	Total Debt/Total Assets
Total debt	Long term borrowings, Short term borrowings & Current maturities of Long term borrowings

C Liquidity Ratio

Current Ratio	Current Assets/Current Liabilities

D Activity Ratio *

Inventory Turnover days	Average Inventory / (Turnover/365)
Receivable Turnover days	Average Receivables / (Turnover/365)
Creditors No of days	Average Trade Creditors / (Turnover/365)
Cash Cycle days	Inventory Turnover + Receivables Turnover - Creditors No of days

* - based on Turnover and average of opening/closing parameters

E Investor related Ratios

Price to Earnings Ratio	Average share of monthly high low/EPS
Enterprise Value/EBITDA	Total Enterprise Value^/EBITDA
Enterprise Value/Net Sales	Total Enterprise Value^/Net Sales
^ Enterprise Value	Market Capitalisation + Loan funds + Non controlling interest - Cash & Cash equivalents

Corporate Information

BOARD AND COMMITTEES

Board of Directors

M M Murugappan, Chairman (DIN 00170478)

P S Raghavan (DIN 07812320)

Sujjain S Talwar (DIN 01756539)

Sriram Viji (DIN 03630636)

Usha Rajeev (DIN 05018645)

Muthiah Murugappan Muthiah (DIN 07858587)

Sridharan Rangarajan, Managing Director (DIN 01814413)

Committees of the Board

Audit Committee

Usha Rajeev, Chairperson

Sujjain S Talwar

P S Raghavan

Nomination and Remuneration Committee

P S Raghavan, Chairman

Sujjain S Talwar

M M Murugappan

Corporate Social Responsibility Committee

Sujjain S Talwar, Chairman

P S Raghavan

Muthiah Murugappan Muthiah

Sridharan Rangarajan

Risk Management Committee

P S Raghavan, Chairman

Usha Rajeev

Sridharan Rangarajan

Stakeholders Relationship Committee

M M Murugappan, Chairman

P S Raghavan

Sridharan Rangarajan

COMPANY SECRETARY

Rekha Surendhiran
Carborundum Universal Limited
'Dare House', No.234, N.S.C. Bose Road,
Parrys, Chennai 600 001
Tel: +91-44-30006141; Fax: +91-44-30006149
E-mail: rekhas@cumi.murugappa.com

BANKERS

State Bank of India

Standard Chartered Bank

The Hongkong and Shanghai Banking Corporation Ltd.

BNP Paribas

MANAGEMENT COMMITTEE

Sridharan Rangarajan, Managing Director

C Srikanth, Business Head - Abrasives

M V Sivakumaran, Business Head - Electrominerals

Prathap Kumar, Business Head - Industrial Ceramics

Raghavendra Pai, Business Head - Super Refractories and Prodorite

Shyam C Raman, Chief Human Resources Officer

Sushil Bendale, Chief Financial Officer

P Padmanabhan, Chief Risk Officer and Head - Global Taxation

Rekha Surendhiran, Company Secretary

Ajit Kolhe, Head - Information Technology

R Rammohan, Head- EHS

Koshy Abraham, Head - Manufacturing Center of Excellence

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP

REGISTRAR AND SHARE TRANSFER AGENT

M/s. KFin Technologies Limited
Unit: Carborundum Universal Limited
Selenium Building, Tower-B,
Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad, Telangana - 500 032
Tel.: +91-40-67162222, Fax: +91-40-23420814
Toll Free no.: 1800-345-4001
E-mail: einward.ris@kfintech.com;
Website: https://www.kfintech.com

Directors' Report

Your Directors have the pleasure in presenting the 71st Annual Report together with the Audited Financial Statements for the year ended 31st March 2025. The Management Discussion & Analysis Report which is required to be furnished as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the Listing Regulations) has been included in this Report to avoid duplication and overlap.

ECONOMIC OVERVIEW & COMPANY PERFORMANCE

Economic Overview

The global economy in FY 25 continued to navigate a complex macroeconomic environment shaped by geopolitical tensions, elevated interest rates, and evolving supply chain dynamics. According to the latest World Economic Outlook report by International Monetary Fund (IMF), the global GDP is expected to grow at a lower rate by 2.8% in CY2025 compared to 3.3% in CY2024, followed by a slight increase to 3.0% in CY2026. The global headline inflation is expected to decline from 5.8% in CY2024 to 4.3% in CY2025 and to 3.6% in CY2026. Despite economic stability, consumer confidence remains weak, and private consumption growth is slow in many regions. Meanwhile, global trade is showing signs of recovery. The U.S. economy is expected to grow by 1.8% in CY2025, compared to 2.8% in CY2024 followed by a slight slowdown of 1.7% in CY2026. The growth in Euro region is projected to face sluggish growth at 0.8% in CY2025 and 1.2% in CY2026 compared to 0.9% in CY2024, due to energy price volatility, weak industrial production, and subdued investor sentiment. Chinese Economic expansion is expected to slow down from 5.0% in CY2024 to 4.0% in CY2025 as well as CY2026 due to weaker consumer demand and ongoing issues in the property market. Trade tensions, particularly those involving the U.S., have added uncertainty to global economic forecasts.

India's outlook remains positive, driven by domestic demand and supportive policy measures. India continues to show strong economic growth compared to other economies, with Real GDP estimated to have grown by 6.5% in FY2025 as compared to the growth rate of 9.2% in first revised estimates of GDP for FY2024 (Press Information Bureau, Feb'25). RBI has projected India's GDP growth at 6.5% for FY 2026. This positions India as the fastest-growing major economy in the world.

Company Performance

In FY2025, the Company delivered a resilient performance amidst a challenging global economic environment. Revenues at consolidated level grew moderately, supported by reasonable demand in key domestic and international markets. While certain segments faced headwinds due to market volatility or input cost pressures, the Company maintained a healthy balance sheet and continued to invest in innovation, sustainability, and capability building. The Ceramics segment did well, however Standalone Electrominerals and Foskor Zirconia, South Africa faced market challenges because of low-cost imports, thus impacting the margins. The Company's subsidiary in Russia Volzhsky Abrasive Works's (VAW) operations faced challenges in the second half of the year due to it being placed by the U.S Department of the Treasury's Office of Foreign Assets Control (OFAC) on its Specially Designated Nationals and Blocked Persons List (SDN list). Owing to this inclusion in the SDN list, VAW faced restrictions in USD and Euro transactions, impacting its financial operations. The designation also impacted VAW's export revenues significantly.

In addition to delivering the FY 25 performance, the Company also spent significant amount of time in formulating its long-term strategy for 2030.

Revenues

During the year, the consolidated revenues were at ₹48335 million which grew by 4.4%. This growth was contributed by Ceramics by 7.7%, Abrasives by 3.3%, and Electrominerals by 1.9%. Standalone revenues were at ₹27837 million with growth of 7.3%. All three segments contributed to this growth- Electrominerals at 10.0%, Ceramics at 6.5% and Abrasives at 3.9%.

For the Abrasives segment, consolidated revenues grew by 3.3% to ₹21594 million compared to last year. Standalone Abrasives was at ₹11954 million and grew by 3.9% compared to last year. The growth was majorly driven by the Industrial and Retail segment, predominantly from volume growth. The sluggish industrial business environment affected the sales in Precision Segment. Revenues of the Russian subsidiary, Volzhsky Abrasive Works grew marginally. The domestic subsidiary, Sterling Abrasives had a marginal growth. The German subsidiaries Rhodius and Awuko were able to deliver growth over last year despite softening demand in parts of Europe and aggressive price competition in the market. The subsidiary in America (CUMI America Inc.) had marginal negative growth.

Electrominerals, on a consolidated basis for FY 25, had sales of ₹15735 million compared to ₹15447 million during last year. Standalone Electrominerals was at ₹8155 million, and it grew by 10.0% compared to last year. This was contributed by higher volumes and increased exports, especially to Europe and APAC. Sales of the Russian subsidiary, Volzhsky Abrasive Works de-grew on account of lower exports post-sanctions. Foskor Zirconia, South Africa in local currency witnessed a double-digit revenue growth compared to last year, driven by growth in volumes.

Consolidated Ceramics for FY 25 grew by 7.7% to ₹11601 million and standalone Ceramics grew by 6.5% to ₹9387 million. This growth was aided by an increase in volumes. The Fired & Mono Refractories, Metallized and Engineered Ceramics businesses at standalone combined grew well compared to last year. Sales were lower in the Wear Ceramics and Corrosion resistance business. The subsidiary in America registered a double-digit growth, whereas the subsidiary in Australia had a marginal de-growth. The recently acquired subsidiary-SCP, USA added ₹153 million additional revenues in the Ceramics segment.

The subsidiaries in other segments including PLUSS Advanced Technologies Limited (PLUSS) and Net Access India Limited grew as compared to last year, while Southern Energy Development Corporation Limited (SEDCO) de-grew because of a strategic decision to discontinue the gas-based power business on 31st December 2024, by not renewing the gas supply contract with ONGC due to rising gas prices and operational costs. However, the solar business of SEDCO, which commenced operations in FY 21 continues to expand.

The following table summarises the standalone and consolidated revenues - both segment and geography wise:

(₹ Million)

	2024-25		2023-24		Growth
	% share	Amount	% share	Amount	%
Standalone					
Abrasives	43	11954	44	11503	4
Ceramics	34	9387	34	8813	7
Electrominerals	29	8155	29	7411	10
Eliminations	(6)	(1659)	(7)	(1795)	(8)
Total	**100**	**27837**	**100**	**25932**	**7**
India	73	20456	76	19687	4
Rest of the world	27	7381	24	6245	18
Total	**100**	**27837**	**100**	**25932**	**7**

(₹ Million)

	2024-25		2023-24		Growth
	% share	Amount	% share	Amount	%
Consolidated					
Abrasives	45	21594	45	20910	3
Ceramics	24	11601	23	10767	8
Electrominerals	33	15735	33	15447	2
Power	1	297	1	327	-9
IT services	1	597	1	573	4
Others	2	806	1	617	31
Eliminations	(5)	(2295)	(5)	(2359)	(3)
Total	**100**	**48335**	**100**	**46282**	**4**
India	46	22169	46	21427	3
Rest of the world	54	26166	54	24855	5
Total	**100**	**48335**	**100**	**46282**	**4**

The Company's consolidated revenues from India grew by 3% and from rest of the world grew by 5%.

Manufacturing

The Company's manufacturing facilities have consistently optimised existing product lines while upgrading to state-of-the-art processes. Significant investments have been made in building capabilities and expanding capacity across plants and product families. The introduction of new-generation machines, including Electric Screw Press and Diamond Wire Cutting Machines, has enabled us to further enhance productivity and product reliability in some product lines while catering to a broader range of industries and applications in others.

The focus on excellence in product reliability and timely deliveries has led to achieve record production volumes across some product families. Line capacities have been maximised, Rolled Throughput Yield (RTY) has improved, productivity has increased, and equipment utilisation is at industry-leading levels in some product lines.

The Company's digitalisation journey in manufacturing is progressing, with a strong emphasis on IoT enablement to enhance productivity, improve traceability, and eliminate manual errors. Automation initiatives, such as the installation of Hydraulic Lifting Mechanisms and CNC Auto-Ramming Machines, have reduced operator fatigue, enabled deskilling, and ensured product consistency and reliability.

In addition to operational enhancements, the Company remains committed to sustainability. Efforts to lower the carbon footprint, reduce energy and water consumption have been prioritised. These initiatives have contributed to a more sustainable manufacturing environment.

The manufacturing teams at the Company have been recognised for implementing the best practices at both state and national levels. The continued focus on 5S, TPM, and optimisation methods has led to significant operational efficiency improvements. A comprehensive journey of Manufacturing Excellence has commenced during the year with the setting up of a Manufacturing Centre of Excellence led by an experienced Leader with Industry expertise. This will strengthen the Company's framework and capabilities, improve customer service, enhance quality, and reduce costs, all with the goal of achieving best-in-class manufacturing standards.

Earnings & Profitability

The Company's standalone financial results are summarised in the table below:

(₹ Million)

	As % of Sales	2024-25	As % of Sales	2023-24	Increase %
Sales		**27837**		**25932**	**7**
Other Operating Income		439		400	10
Revenue from Operations		**28276**		**26332**	**7**
Other Income		389		454	(14)
Total Income		**28665**		**26786**	**7**
Expenses					
Cost of materials consumed	42	11582	40	10299	12
Purchases of stock-in-trade	4	1104	4	911	21
Movement of Inventory	(1)	(305)	0	35	(960)

(₹ Million)

	As % of Sales	2024-25	As % of Sales	2023-24	Increase %
Employee benefits expense	10	2903	10	2584	12
Finance Cost	0	2	0	42	(96)
Depreciation and amortization	3	806	3	726	11
Power & Fuel	8	2352	9	2307	2
Other expenses	21	5968	20	5251	14
Total Expenses	**88**	**24412**	**85**	**22155**	**10**
Profit before tax	**15**	**4253**	**18**	**4631**	**(8)**
Profit after tax	**12**	**3216**	**14**	**3504**	**(8)**
Total Comprehensive Income	**12**	**3213**	**13**	**3399**	**(5)**

Standalone profit before tax stood at ₹4253 million as compared to ₹4631 million during the previous year.

The Company uses a variety of raw materials for its products - Bonds, Cotton Yarn, Grains, Calcined Alumina, Tabular Alumina, Brown fused Alumina, White fused Alumina, Silicon Carbide, Mullite, Pet Coke, Bauxite, and Zircon Sand amongst others. The sourcing is a prudent mix of indigenous and imported materials. Aided by judicious sourcing and optimising throughout in production, material consumption continued to improve during the year marginally. Significant improvement in specific material and energy consumption was recorded across businesses.

Power and fuel cost increased by 2% from ₹2307 million in the preceding year to ₹2352 million during the current year.

Employee benefits expense increased from ₹2584 million in the preceding year to ₹2903 million during the current year.

Profit before finance cost, exceptional items and tax expanded in Ceramics, and declined marginally in Abrasives. However, the Electrominerals segment saw a decline due to the pricing pressure in the markets.

Finance costs were at ₹2 million compared to ₹42 million in the previous year. Total Comprehensive Income decreased from ₹3399 million to ₹3213 million.

The consolidated profit before tax and exceptional item (before share of Associate & Joint ventures) entity-wise is represented below:

(₹ Million)

	2024-25	2023-24
CUMI Standalone	4253	4631
Subsidiaries including step down subsidiaries:		
Indian		
Net Access India Limited	30	45
Southern Energy Development Corporation Limited	(11)	(94)
Sterling Abrasives Limited	186	195
PLUSS Advanced Technologies Limited @	(171)	(187)
Foreign		
CUMI (Australia) Pty Limited	253	378
CUMI USA Inc. #	5	-
CUMI International Limited	438	256
Volzhsky Abrasive Works	1608	1965
Foskor Zirconia (Pty) Limited	(170)	(102)
CUMI America Inc.	193	247
CUMI Middle East FZE	(1)	(13)
CUMI Abrasives & Ceramics Company Limited	(10)	(18)
CUMI Europe s.r.o.	0	0
CUMI Awuko Abrasives GmbH	(603)	(298)
Rhodius Abrasives GmbH#	(32)	(155)
Total of Subsidiaries	**1714**	**2219**
Inter Company Eliminations	(700)	(786)
Consolidated profit before tax, exceptional item and share of profit from Associate and Joint Ventures	**5268**	**6064**
Consolidated profit after tax attributable to owners	**2927**	**4613**

Consolidated

@ Consolidated and after effecting acquistion accounting.

On a consolidated basis, the profit before tax and exceptional item (before share of profit from Associate and Joint Ventures) decreased to ₹5268 million from ₹6064 million. Profit after tax

and non-controlling interests has decreased to ₹2927 million from ₹4613 million. Provisions made at VAW following the sanctions imposed by the U.S. and the impact of deferred tax asset charged off at CUMI Awuko Abrasives GmbH, had an impact on the Consolidated profits after tax. The performance of subsidiaries is detailed separately in this Report.

Financial Position

An overview of the Company's financial position - on a standalone and consolidated basis is given below: (₹ Million)

Financial position	Standalone			Consolidated		
	31.03.2025	31.03.2024	% change	31.03.2025	31.03.2024	% change
Net Fixed assets (including goodwill and Right of use assets)	6646	5741	16	18344	16391	12
Investments - Non-current	10996	10393	6	2014	1716	17
Other Assets						
- Inventories	4421	3612	22	10550	8502	24
- Trade receivables	4519	3786	19	7662	6790	13
- Cash and cash equivalents	858	1726	(50)	3779	5549	-32
- Other assets	1224	662	85	4084	2571	59
Total assets	**28664**	**25920**	**11**	**46433**	**41519**	**12**
Liabilities (Other than loans)	3081	2945	5	8472	7742	9
Net assets	**25583**	**22975**	**11**	**37961**	**33777**	**12**
Sources of funding:						
Total equity attributable to owner	25583	22975	11	35286	31257	13
Non - Controlling interest	-	-		1472	1393	6
Loan outstanding:						
- Long term borrowings	-	-		249	275	-10
- Short term borrowings (including current maturities of long time borrowings)	-	-		954	852	12
Total loans	**-**	**-**		**1203**	**1127**	**7**
	25583	**22975**	**11**	**37961**	**33777**	**12**
Loans (net of cash and cash equivalents)	**(858)**	**(1726)**	**(50)**	**(2576)**	**(4422)**	**(42)**

On a consolidated basis, the total equity attributable to owners as on 31st March 2025 was ₹35286 million. There was an increase (net of dividend) to the extent of ₹4029 million. Non-controlling interest was at ₹1472 million and Liabilities (other than loans) was at ₹8472 million.

The loans outstanding increased to ₹1203 million from ₹1127 million. Net fixed assets (including goodwill and Right of use assets) increased to ₹18344 million during the current year from ₹16391 million in the previous financial year.

Cash Flow

The Company's cash flow is healthy. The following table summarises the Company's standalone and consolidated cash flows for the current and previous year:

(₹ Million)

Cash flow	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Cash flow from Operations	3031	5114	5020	8112
Taxes paid	(1127)	(1106)	(1978)	(2097)
Cash flow from operating activities	**1904**	**4008**	**3042**	**6015**
Capital Expenditure (Net of disposal)	(1835)	(1226)	(2768)	(2343)
Cash flow from other investing activities	(228)	456	(1058)	478
Cash flow from investing activities	**(2063)**	**(770)**	**(3826)**	**(1865)**
Cash flow from financing activities	(709)	**(1611)**	(1099)	**(2140)**
Net increase/(Decrease) in Cash & Cash equivalents	(868	1627	**(1883)**	2010
Net Cash and Cash equivalents at the beginning of the year	1726	**99**	5549	**3964**
Effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies		-	113	(425)
Cash and Cash equivalents at the end of the year	858	**1726**	3779	**5549**

On a standalone basis, net cash generation from operations was ₹1904 million in FY 2024-25 compared to previous year's ₹4008 million. Net cash outflow on account of investing activities was ₹2063 million majorly towards capital expenditure. Net cash outflow on account of financing activities was ₹709 million. The net decrease in cash and cash equivalents was ₹868 million against the net increase of ₹1627 million in FY 2023-24.

Key Financial Ratios (on a standalone basis)

Parameter	2024-25	2023-24	Favourable/ (Adverse) in %	Comments
R O C E (%)	16.7	20.4	(18)	Due to decrease in profit
Debt Equity (times)	-	-		Nil debt
PBT (%) to Sales	15.3	17.9	(14)	Due to decrease in profit
Asset turnover (times)	1.68	1.76	(5)	No significant variance
Receivable turnover (days)	54	54	1	No significant variance
Inventory turnover (days)	53	52	1	No significant variance
Interest Coverage Ratio (times)	2548	113	2163	Due to increase in borrowings during the year FY 23-24
Current Ratio (times)	3.6	3.5	5	Due to increase in working capital resulting from increase in inventory and trade receivables
Operating Profit Margin (%)	13.9	16.1	(14)	Due to decrease in profit
Net Profit Margin (%)	11.6	13.5	(14)	Due to decrease in profit
Return on Net Worth (%)	13.2	16.3	(19)	Due to decrease in profit

SHARE CAPITAL

The paid-up equity share capital as on 31st March 2025 was ₹190.42 million. The capital increased during the year by ₹0.16 million, consequent to allotment of shares upon exercise of Stock Options by employees under the Company's Employee Stock Option Plan 2016.

DIVIDEND

Considering the past dividend payout ratio, current year's operating profit, long term growth plans of the Company, the Board has considered it appropriate to recommend a final dividend of ₹2.50/- per equity share of ₹1/- each. It may be recalled that in February 2025, an interim dividend at the rate of ₹1.50/- per equity share of ₹1/- each was declared and paid in March 2025. This aggregates to a total dividend of ₹4.00/- per equity share of ₹1/- each for the year. The Company's Dividend Policy is available at https://www.cumi-murugappa.com/wp-content/uploads/2019/02/dividend-distribution-policy.pdf. The dividend paid as well as being recommended for the year ended 31st March 2025 is in line with the Company's dividend policy.

TRANSFER TO RESERVES

An amount of ₹500 million has been transferred to the General Reserve of the Company as on 31st March 2025.

PERFORMANCE OF BUSINESS SEGMENTS

The business profile, market developments, and the current year's performance are elaborated in the following sections:

Abrasives Business Profile

The Abrasive Business is engaged in the engineering of surfaces, delivering precision, functional, and durable surface solutions through the manufacture and distribution of rigid and flexible abrasives, along with adjacent products. The key product segments include Bonded Abrasives, Coated Abrasives, Super Abrasives, Metal Working Fluids, and allied surface finishing products.

Rigid or Bonded Abrasives products grind, clean, scour, abrade or remove solid material through a rubbing action. Bonded Abrasives-made using vitrified (glass), rubber, or resin bonds-are rigid tools designed to grind, clean, scour, or remove solid materials through a controlled rubbing action. Coated Abrasives involve hard synthetic minerals applied to backing materials like paper, cloth, or film, and are shaped into various forms tailored to specific applications. These abrasive products serve a wide range of end-use industries including automotive, auto ancillary, metalworking, construction, woodworking, railways, aerospace, and general engineering.

With over seven decades of experience, the Company's Abrasives business is built on strong R&D, application engineering expertise, and a long-standing network of multi-generation channel partners. The business operates world-class manufacturing facilities, supported by robust processes and a deep understanding of end-user needs.

A significant competitive edge comes from backward integration, with high-quality raw materials sourced from the Company's own Electrominerals division, complemented by select partnerships with top suppliers from India and abroad. These inputs are processed into Specialised products, which are distributed through a well-established retail and distribution network, as well as through direct-to-customer channels.

Cost competitiveness is the overarching strategy for the business while ensuring that the supply requirements and changing needs of the market are met in full.

The business has eleven manufacturing plants located across India, Russia, and Germany.

The global footprint is further strengthened by the inclusion of CUMI Awuko and Rhodius Abrasives.

CUMI Awuko, based in Germany, is a market leader in leather and wood applications and adds significant Coated Abrasives capacity in Europe. With a global distribution base and an experienced technical team, it enhances the Company's reach and capabilities.

Rhodius Abrasives, also headquartered in Germany, is globally recognised for its high-quality cutting and grinding discs. Known for product innovation and a proprietary production process, Rhodius Abrasives sets industry benchmarks and serves customers in over 100 countries, backed by a legacy of over 70 years.

Industry Scenario

The Indian Abrasives market continues to evolve, with a noticeable transition from manual grinding methods to mechanised processes. This shift is creating opportunities for innovation and product expansion, particularly in the Coated Abrasives segment. The Bonded Abrasives segment remains a critical consumable for the Construction and Transportation sectors, both of which have experienced strong growth over the past decade, driven by rapid urbanisation and rising disposable incomes.

Following a strong performance in the first half of the year, a slowdown was observed in several user industries during the second half. Construction and Infrastructure sectors experienced a deceleration, with infrastructure gross output growth moderating to 6.4% in FY 25, down from 7.5% in FY 24. Key indicators such as decorative paint volumes remained flat or negative during Q2 and Q3, while order flows in Agro-based industries and Railways were subdued.

In addition, continued weakness in global markets impacted export-linked sectors such as hand tools, handicrafts, steel tubes, and tractor manufacturing, resulting in lower production volumes and reduced demand for Abrasives.

Sales Overview

The Abrasives business on a standalone basis recorded revenues of ₹11954 million compared to ₹11503 million in the previous year and on a consolidated level recorded revenue of ₹21594 million as compared to ₹20910 million in FY 24.

The lower growth in Automotive Industry led to muted growth in Precision as well as Industrial Abrasives business. The Industrial Abrasives business grew faster than the market through customer share gain and high-volume growth in some select product groups like Thin Wheels and Flaps & Mops. The Retail business continued to face intense competitive pressure, which impacted volume growth in this segment. The Company has addressed the challenges by focus on New Product development in segments like Thin Wheels, Flaps & Mops, Zircon belts and reimagining Go to Market strategies, day to day operations and data-based decision culture.

The growth was majorly driven by increase in volume though the prices were flat. The trend of cost push continued throughout the year and impacted the margins. Better product mix and better operational efficiencies helped the business to reduce the impact of cost push. The cost optimisation projects which were initiated in FY 24 related to design-to-value, process efficiencies, and automation continued to deliver value in FY 25.

The business continued to make steady progress in building distribution leadership, a key strategic pillar for the Company's growth. The appointment of new channel partners and expansion of dealer network across India helped the business. Substantial ground steps were taken to reign in counterfeit sales. Industrial business has focused on tracking derived demand, customer conversion, and sub-dealer motivation programs. With the continued efforts to re-invest and reinforce, brand rationalisation activities were executed.

New products continued to be developed and introduced in the market meeting the needs of customers. Process led innovation and stage gate methodology helped to enhance the success rate of new product launches. The business has invested substantially in upskilling the team to enable the team to navigate the changes and to deliver the results.

Manufacturing

The segment maintained a strong focus on developing high-performance products in close collaboration with the Electrominerals business, enabling the introduction of a new range of competitive offerings.

In the Coated Abrasives segment, efforts were directed toward enhancing cost competitiveness amid persistent pricing pressures from the influx of low-cost imported alternatives. Rising input

costs further compounded this challenge. To address this, the business undertook investments in automation and digitalisation to improve quality consistency. Integrated Target Costing methodology with multi-functional collaboration has been adopted to promote cost excellence.

In the Bonded Abrasives segment, substantial investments were made to upgrade product-making capabilities across plants. This included the installation of new-generation molding equipment and automation technologies to ensure consistent product quality. A dedicated high-density grinding wheel facility was established to cater to the needs of primary and secondary steel industries. Automation in the Thin Wheel line and the addition of in-house testing equipment further enhanced quality assurance. The segment also expanded the adoption of Quick Response Manufacturing (QRM) for make-to-order products, reducing lead times and improving responsiveness.

Elements of Industry 4.0 were embedded into daily operations, with specific projects aimed at automating production and quality control processes, reducing human intervention in high-volume manufacturing lines.

Key Financial Summary

(₹ Million)

Particulars	Standalone			Consolidated		
	2024-25	2023-24	Change (%)	2024-25	2023-24	Change (%)
Revenue	11954	11503	4	21594	20910	3
Segment results (PBIT)	1929	1955	(1)	1514	1817	(17)
Capital employed	5326	4424	20	15216	13863	10
Share to total revenue of CUMI (%) (without eliminations)	43	44		45	45	
Share to segment results (PBIT) of CUMI (%)	45	42		28	29	

Ceramics Business Profile

The Ceramics business comprises of the Industrial Ceramics and the Super Refractories product groups.

Industrial Ceramics

The Industrial Ceramics business specialises in Advanced Ceramics and High-Performance Materials, offering over 30 unique formulations tailored for demanding, cutting-edge applications. These products deliver exceptional performance in wear resistance, electrical insulation, corrosion resistance, and ballistic protection, catering to a broad spectrum of industries including Mining & Mineral Processing, Power & Energy Systems, Mobility (Electric & ICE), Semiconductors & Electronics, and Defence & Aerospace. The business is driven by a robust foundation in technology, advanced manufacturing, design, and application engineering.

Operations are supported by manufacturing and service facilities in India, Australia, and the USA, with subsidiaries in North America, the Middle East, and China enhancing global market access.

The business has a strong international footprint, with a significant portion of its sales coming from exports. It is a leading player in India, the USA, Australia, and Europe, with strategic presence in specific product segments in Japan and China.

The product portfolio is organised into three key groups:

1. Wear Protection Materials
2. Precision Engineered Ceramics
3. Metallized Ceramics

These offerings serve a wide array of industrial applications, reinforcing the business's position as a global leader in advanced ceramic solutions.

1. Wear Resistant Ceramics:

   The business provides Wear Protection products and services designed to extend equipment life across a wide range of industries, including Mining & Mineral Processing, Steel, Power, Cement, and Bulk Material Handling. Over time, the product portfolio has expanded to include new applications across strategic sectors such as port handling and non-ferrous industries. Adopting a solutions-oriented approach, the business focuses on addressing customer challenges through on-site wear audits, advanced design and simulation capabilities, and professional installation services. These offerings collectively enhance equipment performance, productivity, and longevity. The Company holds a leadership position in the Australian market, having executed major projects in the mining and port handling sectors. It continues to expand its global footprint with strong customer growth across America, Europe, the Middle East, and Japan.

2. Precision Engineered Ceramics:

   Precision Engineered Ceramics plays a pivotal role in emerging sustainability-focused applications, including Solid Oxide Fuel Cells, Hydrogen Electrolyzers, and Electric Mobility. With a strong emphasis on agile product development and continuous process innovation, the business has successfully launched new products in collaboration with leading global customers across the USA, Japan, and India. Additionally, the business has built capabilities for manufacturing advanced components for the Semiconductor Equipment industry. An exclusive facility with advanced machining capabilities is being set up to cater the requirements of this demanding

application. Further, a separate facility is also being built to manufacture Silicon Carbide Ceramics for emerging applications.

3. Metallized Ceramics:

The Company is a pioneer in India in the field of Metallized Ceramics, serving as a strategic supplier to global OEMs in power distribution and vacuum electronics. In its pursuit of leadership in Metallized Alumina Cylinders for Vacuum Interrupters, the business continues to expand capacity through new equipment and process innovations. The vacuum devices segment has also scaled significantly catering to critical applications in healthcare equipment and electronics.

Super Refractories

The Super Refractories business offers comprehensive and exceptional thermal, corrosion protection and composite solutions across diverse industrial sectors. With deep materials expertise, application engineering capabilities and advanced diagnostic techniques such as FEA, CFD, thermal imaging, and on-site thermal and corrosion audits, the business deliver tailored, high-performance solutions for critical operating conditions-creating superior value for its customers and stakeholders.

This business operates through three focused verticals:

1. Thermal Protection - Super Refractories
2. Corrosion Protection - Prodorite
3. Composites

1. Thermal Protection - Super Refractories

Super Refractories are advanced materials designed to withstand extremely high temperatures and harsh thermal or chemical environments. They are typically made from high-purity raw materials such as alumina, zirconia, and silicon carbide. The business specialises in high performance refractory solutions, including dense and insulating bonded refractories in the form of bricks and engineered shapes, monolithics, and pre-cast pre-fired components tailored for critical applications in Iron & Steel, Glass, Ceramics, Cement, Carbon Black, Petrochemical, Thermal Power, Non-Ferrous, Foundry and Heat Treatment Industries.

2. Corrosion Protection - Prodorite

Prodorite' s Corrosion Protection offers advanced material solutions for highly acidic or alkaline environments. As a leading player in the anti-corrosive industry, the business serves chemical processing, non-ferrous, paper, material recycling, and effluent treatment sectors. The business's portfolio includes acid-resistant liners, carbon bricks, mortars, screeding, and protective coatings. It also provides engineered polymer concrete cells (tanks) for copper and zinc extraction and recycling plants. Additionally, the industrial floor coatings are used in food, pharmaceuticals, semiconductors, and data centre applications.

3. Composites

This business segment offers a range of structural composites in Glass Fibre Reinforced Polymer (FRP) and advanced composites in Carbon Fibre Reinforced Polymer (CFRP) manufactured using advanced techniques such as vacuum infusion, pultrusion, filament winding, hand-layup, and grating moulding. For Chemical Processing and Thermal Power Industries, the business offers FRP Chemical Storage tanks, Process Vessels, Flue Gas Desulphurisation Sulphurization Spray Headers, Piping for Abrasion Resistance, Gratings, Chimneys, Cable Trays, Platforms etc. It also offers Windmill Nacelle Covers, Nose Cones, Structural Panels for Transportation segments such as Railways and Automotive.

Advanced Composites in CFRP deliver exceptional strength to weight performance in critical applications like drones and other structural parts. The dust-free CFRP facility is certified to EN 9100:2018 - equivalent to JIS9100 and AS 9100 D (SAE) standards, ensuring compliance with the stringent quality and reliability requirements of the industry.

Industry Scenario

Industrial Ceramics

The market for Wear-Resistant Ceramics remained muted in FY 25, primarily due to a cyclical slowdown in project orders from Australia and India. In contrast, demand from the North American market remained strong throughout the year, providing stability and growth opportunities.

The Solid Oxide Fuel Cells (SOFC) market witnessed a robust rebound, driven by their increasing adoption in energy-intensive AI data centers. A similar surge in demand was observed for Metallized Cylinders, fueled by the growing need to expand and enhance power distribution infrastructure.

Super Refractories

The demand for the Company's range of Refractories is anticipated to grow steadily over the next five years, driven by expansion of key end-use industries such as steel, glass, carbon black, petrochemicals and emerging segments like energy storage, power generation from waste. India's steel industry, a major consumer of refractories, is projected to increase its production capacity significantly, aligning with the government's infrastructure development initiatives and the "Make in India" campaign. Additionally segments like Petrochemicals and Glass sectors are expected to grow rapidly. Technological advancements and adoption of energy-efficient and sustainable manufacturing processes will require high performance refractories.

Corrosion Protection and Composites

The business faced challenges in one of the product segments goes into the wind sector during the fiscal year. To compensate the same, business has engaged in the development of value added products as well. These efforts have started yielding in the later part of the fiscal year.

During the year, the business made good progress in the industrial floor coating segment, especially for pharma, electronics and data centres. These coatings comply with stringent regulatory standards, resisting microbial growth, chemical exposure and easy cleanability. The Company's Electrostatic Discharge (ESD) floor coatings prevent static build up that prevents sensitive equipment from damage.

The business has also developed new CFRP structural parts for drones with reduced weight for civilian applications during the year. The demand for corrosion protection is expected to be robust over the next five years, on back of significant expansion of core industries like fertilizers and petrochemicals. The focus on sustainable resource management and circular economy principles is driving significant advancements in metal recycling, particularly for Zinc, Copper and other non-ferrous metals. The Electrowinning process for metal recovery necessitates durable and corrosion resistant infrastructure leading to increased demand for the Company's Polymer Concrete Cells. Similarly, industrial floor coating consumption is anticipated to increase based on the expansion of electronics, semiconductors and pharmaceutical industries. Infrastructure development, increased demand for energy will drive greater use of composite materials.

Sales Overview

Revenues from the Ceramics business at consolidated level were at ₹11601 million as compared to ₹10767 million in FY 24. At Standalone level, it increased by 6.5% from ₹8813 million to ₹9387 million on the back of good orders from Refractory, Engineered Ceramics, and Metallized Cylinders.

Industrial Ceramics

Sales of Wear-Resistant Ceramics remained flat year-over-year, primarily due to a decline in project orders from India and Australia. However, this was partially offset by strong growth in standard and pre-engineered wear-resistant tiles for the North American market, efficiently serviced through the Company's warehouse in the US.

The Engineered Ceramics segment returned to growth, supported by the resurgence in demand from the Solid Oxide Fuel Cells (SOFC) market.

The Metallized Ceramics segment saw strong growth, driven by rising demand for Metallized Cylinders in the Power Distribution sector. Additionally, the Metallized Devices segment experienced a twofold increase in sales, fuelled by growing demand from strategic industry segments.

Super Refractories

The demand for refractories was steady throughout the year, particularly in core segments of Carbon Black, Non-Ferrous, and Cement. The demand from Iron & Steel Industry was robust, especially for pellet plants, and the business executed large projects in both domestic and export markets. It also expanded its market presence in the Middle East, Europe, and the USA. The acquisition of Silicon Carbide Products LLC, a US-based Company specialising in high-performance Nitride Bonded Silicon Carbide products, will enhance thermal protection portfolio in the Americas.

Corrosion Protection and Composites

The business experienced some sluggishness this fiscal year due to delays in projects in fertilizers and non-ferrous industries. However, the business secured several new projects, providing a positive outlook for the upcoming year.

Manufacturing

Industrial Ceramics & Refractories

A new Tunnel Kiln was commissioned during the year, aimed at supporting the rising demand for Engineered Ceramic products. In parallel, ongoing debottlenecking initiatives and process innovations contributed to enhanced production volumes. The manufacturing lines for Metallized Cylinders operated at high utilisation levels to meet surging market demand. Additionally, new manufacturing facilities are being rapidly developed to cater to the growing requirements of the semiconductor industry and other strategic sectors.

Both the high temperature shuttle kiln for high alumina specialty refractories and an electric screw press projects initiated during the previous year, are fully operational and helped meeting the additional volumes during the year. The business also initiated a project on setting up state-of-the-art auto-batching and mixing system as a part of capacity expansion for monolithics at Jabalpur.

Key Financial Summary

(₹ Million)

Particulars	Standalone			Consolidated		
	2024-25	2023-24	Change (%)	2024-25	2023-24	Change (%)
Revenue	9387	8813	7	11601	10767	8
Segment results (PBIT)	2331	2213	5	2865	2856	0
Capital employed	5319	4237	26	8061	6085	32
Share to total revenue of CUMI (%) (without eliminations)	34	34		24	23	
Share to segment results (PBIT) of CUMI (%)	55	47		53	46	

Electrominerals Business Profile

The Mineral vertical of the Company's business comprises operations in India, South Africa and Russia cater to the demands from Abrasives, Refractory, Polishing, Auto component, Car detailing, Electronics, Friction, Composites, Wooden Laminates and Semiconductor Industries. With a wide range of product basket starting from Bauxite, Fused Aluminas, Silicon Carbide, Fine powders, Zirconia and Ceramic Grains, the business has established its name and command an envious position in India as well as in the market across world.

As part of new strategic initiatives, the business has started focusing on specialty and transformational products and applications to fuel its growth aspirations. Business has developed in this line, a range of products like Monocrystalline alumina, Zirconia Mullite, Stabilized Zirconia, Surface and Heat-treated products. The business has also embarked on strengthening its range of product portfolios by venturing into transformational products like High Purity Silicon Carbide, Graphene etc. These products in the initial stages of establishment are expected to trigger the growth momentum of Mineral business in the days to come and would transform the Company's Mineral business from a conventional mineral business to Specialty Material business.

Business has given a special focus on sustainable development and controlling environmental impacts on its operations. As part of this, business has installed a 1.8 MW captive solar plant and is in the final stage for sourcing a 10MW green energy through ISTS mechanism. Apart from the above, the business has also advanced considerably in its target for Carbon Footprint reductions in areas like emission controls, installation of energy efficient motors and pumps, replacing fossil fuel with natural gas etc. As a part of its sustainability initiative during the year, the business installed a gas collection and neutralisation chamber in its silicon carbide plant. Business is now focusing on initiatives for compliance with Scope III emissions and has engaged the Confederation of Indian Industry as its partner for assessment of its business activities.

The business also spearheads its Research and Development through a Department of Scientific and Industrial Research (DSIR) approved research facility located at Kochi apart from tying up well acclaimed national and international institutes and personalities for its new product development programs.

Volzhsky Abrasive Works (VAW), Russia, is the single largest silicon carbide producer at one location globally with capacity of 90,000 tonnes per annum. VAW also invests in process improvements regularly resulting in a clean environment.

Foskor-Zirconia in South Africa has portfolio of fused minerals into Zirconia for Ceramics and Refractories. This also provides feedstock to manufacture the high-performance Alumina-Zirconia Abrasive grains in the future.

Key user industries for this business are Abrasives, Refractories, Steel, Brake Linings, Nuclear Energy, Wooden Laminates, Friction composites, Diesel Particulate Filter, Semi-Conductor and others.

Industry Scenario

There was significant volatility in its principal raw material for the Electrominerals Business. From October 2024 to March 2025, the business has seen the calcined alumina price moving from $400 to $800 per ton and falling to $400 at the end of Mar'25. While the demand from user industries (domestic Auto and Steel sector) were stable for mineral products, the low cost imports has dampened the opportunity for scaling up of products.

Sales Overview

The Electrominerals business on a consolidated basis recorded a revenue of ₹15736 million as compared to ₹15447 million in FY 24. At standalone level, business recorded revenue of ₹8155 million compared to ₹7411 million in the previous year.

The Standalone Electrominerals business registered growth of 10% over last year on account of higher volumes and increased sales to overseas customers. The unprecedented price volatility experienced in calcined alumina prices and the low cost imports are the main reasons for the moderate performance of the business during the year. Business is, however, confident that with the new focus on specialty products, initiatives for ensuring the environmental compliance norms and reduction in carbon footprint would augment the opportunities with external and domestic customers, which in turn would help the business to regain its growth momentum in the coming years.

The Russian subsidiary, VAW, ran at near full capacity until Q3 FY 25. However, the imposition of the sanction impacted its overall sales revenue in the last quarter of the year.

The volume growth in the business resulted in higher sales for Foskor Zirconia compared to the previous year.

Manufacturing

Mineral business is committed to serving the customers with a range of products and solutions, and has taken up the new initiative to enhance customer comfort by developing and supplying surface and heat-treated products, speciality materials, while ensuring the product quality and performance. With a view to improving its cost position, business has adopted various measures for improving throughput by efficient operations supported by waste reduction through TPM initiatives. The focused Joint Development Programs in selected areas with customers brought faster scaling up.

During the year, the Business received the Society of Energy Engineers and Managers (SEEM) platinum award for Energy Efficiency and improvement actions. Several plants of the Business has won safety awards which are detailed in the awards section.

The new investments made for White Fused Alumina(WFA) fine material production and grain treatment facility at Edappally. The establishment of alternate material and sources would make the fused alumina business more competitive and partially insulate the business from open to external contingencies.

The commencement of commercial sales of Graphene variant and High Purity Silicon Carbide has evinced interest from customers in the new range of transformational products and is in line with the Company's aspiration to be a specialty product manufacturing Company.

Foskor Zirconia, which is into the production of Monoclinic Zirconia and Calcia Stabilised Zirconia, had higher sales compared to last year, which led to better utilisation.

The Silicon Carbide operations at VAW were at their full capacity until Q3. Sales volumes from all 3 segments - Silicon Carbide, Abrasives and Refractories - grew compared to last year.

Key Financial Summary

(₹ Million)

Particulars	Standalone			Consolidated		
	2023-24	2022-23	Change (%)	2023-24	2022-23	Change (%)
Revenue	8155	7411	10	15736	15447	2
Segment results (PBIT)	626	703	(11)	1774	2374	(25)
Capital employed	3472	2677	30	9847	8900	11
Share to total revenue of CUMI (%) (without eliminations)	29	29		33	33	
Share to segment results (PBIT) of CUMI (%)	15	15		33	38	

FINANCE

During the year, the Company generated ₹1904 million cash surplus from its operations on a standalone basis. All debts have been serviced on time. The Company was a debt free Company as on 31st March 2025. The capital expenditure program were financed from internal accruals.

The Company continued to have a reasonable cash generation during the year, due to prudent capital expenditure and efficient working capital management. The debt at the consolidated level increased to ₹1203 million.

The debt-equity ratio for the Company was nil at standalone and 0.03 at consolidated level. The Company's Balance Sheet remains robust and it augurs well for the growth in the prevailing conditions.

The credit ratings of the Company, 'A1+' for short-term borrowings and 'AA+ Stable' for long-term borrowings were re-affirmed by CRISIL. Over the years, the Company has been resorting to a prudent mix of rupee and foreign currency borrowings to finance its operations and achieve a reduction in financing costs. The finance cost at a standalone level is at ₹2 million compared to ₹42 million last year. The Company earned ₹39 million by investing surplus cash available for short term.

At a consolidated level, the finance cost reduced to ₹140 million from ₹183 million. The capital expenditure program of ₹2776 million was financed majorly out of internal accruals.

With the Indian entity enjoying a significant natural hedge, a cautious approach was adopted to hedge the remaining exposures. The Company adopts prudent tax management policies.

There are no material changes and commitments, affecting the financial position of the Company which have occurred between 31st March 2025 and the date of this Report.

INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS

The Company, its Subsidiaries, Joint Ventures and its Associates in India adopted Ind AS with effect from 1st April 2016 pursuant to the Companies (Indian Accounting Standard) Rules, 2015 notified by the Ministry of Corporate Affairs on 16th February 2015.

INTERNAL CONTROL

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. The controls have been designed and categorised based on the nature, type and risk rating so as to effectively ensure the reliability of operations with adequate checks and balances. The Internal Audit team - external as well as internal evaluates the effectiveness and adequacy of internal controls, compliance with operating systems, policies and procedures of the Company and recommends improvements, if any. Significant audit observations and the corrective/preventive action taken or proposed to be taken by the process owners are presented to the Audit Committee. A periodic review of adherence to the agreed action plan is carried out. The scope of Internal Audit is annually determined by the Audit Committee considering the inputs from the Statutory Auditor and the Management.

Capital and revenue expenditures are monitored and controlled with reference to approved budgets. Investment decisions are subject to detailed evaluation and formal approval according to schedule of authority in place. A periodical review of capital expenditure with reference to benefits forecasted is done. Physical verification of assets is also periodically undertaken.

The Audit Committee reviews the overall functioning of Internal Audit on a periodical basis. The Committee also discusses with the Auditors periodically their views on the financial statements including the financial reporting system, compliance with

accounting policies & procedures, adequacy and effectiveness of the Internal Control Systems in the Company.

During the year, the Board basis the recommendation of the Audit Committee had appointed M/s. R.G.N. Price & Co as Internal Auditors of the Company.

INTERNAL FINANCIAL CONTROLS

Internal Control is a process, effected by an entity's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance - as defined by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission (appointed by SEC, USA).

As per Section 134(5)(e) of the Companies Act, 2013, the term 'Internal Financial Controls' (IFC) means the policies and procedures adopted by the Company for ensuring:

(a) orderly and efficient conduct of its business including adherence to Company's policies;

(b) safeguarding of its assets;

(c) prevention and detection of frauds and errors;

(d) accuracy and completeness of the accounting records; and

(e) timely preparation of reliable financial information.

The three key components of IFC followed by the Company are:

i. **Entity Level Controls (ELC)** that the Management relies on to establish the appropriate "tone at top" relative to financial reporting are - Code of Conduct, Enforcement of Delegation of Authority, Hiring and Retention practices, Whistle blower mechanism and other approved policies and procedures.

ii. **Process Level Controls (PLC),** to ensure that processes are predictable, stable and consistently operating at the targeted level of performance, with only a normal variation are classified into Manual or IT - Dependent or Automated Controls. They are also classified as Preventive or Detective.

iii. **Preventive Controls** are designed to prevent errors or irregularities from occurring in the first place. Examples includes segregation of duties, access controls, and authorisation requirements

iv. **Detective Controls** are intended to detect errors or irregularities that have already occurred. Examples include reconciliations, reviews, and audits

v. **Transaction-Level Controls** are focused on individual transactions to ensure their accuracy, completeness, and authorisation. They include activities such as approvals, verifications, and reconciliations

vi. **General IT Controls** to ensure appropriate functioning of IT applications and systems built by the Company to enable accurate and timely processing of financial data are - User Access rights management and Logical access; Change management controls; Password policies and practices; Patch management and License management; Backup and Recovery of data.

The adequacy of Internal Financial Controls is ensured by:

- Identification and Documentation of the risks and controls associated with the major processes;
- Validation and classification of existing controls to mitigate risks;
- Identification of improvements and upgrades to the controls;
- Improving the effectiveness of controls on residuary risks through data analytics and continuous monitoring;
- Performing testing of controls by the independent Internal Audit;
- Implementation of sustainable solutions to Audit observations.
- The Audit Committee periodically reviews Internal Financial Controls to ensure that they are adequate and are operating effectively.

Human Resources

The Human Resources function of the Company continues to serve as a trusted partner to the business, driving initiatives with effectiveness, impact, and influence. The HR team remains committed to building individual and organisational capabilities, while embedding robust, scalable people practices and processes.

Continuous Reinforcement of Values and Beliefs

While the Company aspires to scale new heights, the spirit of the Murugappa Group as articulated in the Values and Beliefs-The Five Lights - continues to guide the Company's behaviors and decisions.

The programs for reinforcement of values amongst employees which commenced during the previous financial year continued across Strategic Business Units. Through interactive workshops, employees were encouraged to reflect on their personal values, understand the Five Lights more deeply, and translate them into everyday workplace actions. This effort demonstrates continued commitment to nurturing a cohesive, value-led culture across the organisation.

To further recognise and celebrate those who embody these values, the Company continued the conferment of SHINE Awards under categories of Integrity, Passion, Quality, Respect and Responsibility - a values-based recognition platform. Open to all, the process empowers every employee to nominate someone across the system who exemplifies what it means to truly live the Five Lights at work. The winners are celebrated at an exclusive event annually.

Senior Leadership Team Strengthened

As a first step to strengthening the organisation capabilities required to embark on an ambitious growth journey, the senior leadership team was strengthened with fresh talent. This included the on-boarding of the CFO, the Head of IT and the Head of HR. Two new leadership positions - the Head of Safety and the Head of Manufacturing Centre of Excellence - were created and filled with seasoned professionals.

Leadership Building across the organisation

During the year, the Company launched a leadership development initiative for entry-level professionals - the Emerging Leaders Programme (ELP). The program aims to build a strong pipeline of future-ready leaders through a holistic curriculum.

Participants were selected based on their consistent performance, potential, and aspirations using inputs from talent identification exercises, individual development plans, feedback from reporting managers. The curriculum includes functional learning, behavioral development, and a capstone project focused on real-time business challenges. To reinforce a culture of coaching and growth, a dedicated intervention titled "Manager as a Coach" is also being introduced for the participants' reporting managers.

Through a blended learning journey, ELP focuses on enhancing self-awareness, building business acumen, and preparing leaders to take on larger responsibilities - positioning them to drive the Company's next phase of growth.

Nurturing Young Talent from Campuses

The Company continued its Campus To Corporate Program to on-board fresh talent from campuses. Christened YOLO (Your Own Learning Opportunities), the year-long development journey is designed to support this transition through role grooming, capability building, function orientation, and preparation for future roles.

This year, YOLO was extended beyond Graduate Engineering Trainees (GETs) and Post Graduate Engineer Trainees (PGETs) to also include Management Trainees (MTs), with tailored journeys to suit the unique requirements of each role.

Sustained Focus on Learning and Development

Learning & Development plays a strategic role in building a future-ready workforce. In an ever-evolving business landscape, L&D efforts this year focused on three core areas: Leadership Building, High-Impact Programs, and Need-Based Interventions aligned with business priorities.

The L&D team partnered closely with business leaders to identify critical learning needs and design contextualised, business-linked interventions. The resulting programs supported strategic themes such as productivity improvement, organisational effectiveness, people capability enhancement, and succession planning. The interventions also included functional programs such as Design of Experiments, 8D Problem Solving, Cost-Effective Automation (CEA), and Design for Manufacturing (DFM). On the behavioural front, sessions were conducted on Driving Innovation, Collaboration & Team Synergy, Influencing Skills, and Decision Making.

The Company also adopted digital platforms and tools to deliver scalable, engaging, and on-demand learning experiences. This has allowed greater flexibility, reach, and personalisation in the programs, ensuring that learning is accessible and impactful across roles and levels. By integrating business strategy with modern learning practices, the Company continues to invest in building strong leaders and skilled talent to power long-term growth.

High Performance Organisation Culture - Survey and Actions

Based on the insights from the Orgvantage survey, business teams initiated targeted action plans to strengthen leadership and culture within the organisation. Focused sessions have been conducted, with emphasis on collaboration, trustworthiness, empathy, conflict resolution, and accountability. Progress is being actively tracked through regular reflections on critical behavioural shifts.

To reinforce a performance-driven culture across the organisation, the Company has implemented a comprehensive Performance Management and Reward System aligning individual performance with strategic business goals.

The goal-setting process for FY 2024–25 and the performance appraisal process for FY 2023–24 enabled employees to operate with clear, measurable objectives aligned with business goals, and to receive timely and structured performance feedback.

Rewards & Recognition

Every quarter, the Company recognises and rewards employees across functions for completed projects in the previous quarter. These projects include Cost Saving, First Time Right, New Product Introduction establishment, Sales topper (region-wise), Best support to business, Best New Product Introduction / New Product Development Launch and Process improvement projects.

Fostering Engineering Excellence – CUFEST

CUFEST, the Company's Annual Best Practices Festival, was hosted this year by the business teams from the plants at Hosur. CUFEST continues to serve as a vibrant platform that celebrates excellence, innovation, and best practices across the businesses and geographies especially in the areas of manufacturing, quality, engineering as well as safety and sustainability. This flagship event combines spirited competition with recognition, drawing enthusiastic participation from employees across the Company, its Subsidiaries, and Associates.

The event featured a wide range of competitive categories, including Small Group Activity (SGA), Suggestions, Kaizen, Cross

Functional Teams (CFT), Safety, Sustainability, Engineering Excellence, and 5S. Each entry was evaluated by a distinguished jury comprising prominent industry experts, ensuring a rigorous and credible assessment process. Over a 100 winners were recognised across various categories, showcasing the depth of talent and innovation within the organisation.

Fostering Business Excellence - Muthiah Memorial Business Excellence Award (MMBEA):

Instituted in memory of the late Shri M.M. Muthiah, former Managing Director of the Company, this award celebrates Business Units that exemplify the consistent pursuit of business excellence. Shri Muthiah laid the foundation for many of the Company's transformative initiatives.

Employee Relations

At the Company, maintaining cordial employee relations is a key priority in fostering a positive, collaborative, and high-performing work environment. The Company focuses on building trust and engagement through open communication, consistent employee recognition and appreciation, effective conflict resolution mechanisms, work-life balance initiatives, training and development opportunities, fair and transparent treatment, employee involvement and empowerment, as well as social and recreational activities that strengthen camaraderie.

This year, the Company successfully concluded Long term settlement and Annual Wage settlement agreements in two units to further strengthen industrial harmony.

COMMUNICATIONS

A robust and effective communication function plays a pivotal role to align people to the organisation's purpose and build a collaborative culture. In the past year, there has been a clear rhythm and channels to enable connection and collaboration from the shop floor to the Board room. Each initiative has a defined frequency thus establishing a communication rhythm to engage, build trust and alignment.

CUMI Samachar: Quarterly business update which contains highlights and a quote from each Business Head worldwide.

Social Media Management - LinkedIn: The Company redefined the Company's social media strategy with a focus on people and brand-centric messaging. Through a mix of employee stories, product highlights, interviews, and brand updates, the Company successfully enhanced its digital presence and strengthened brand visibility among the target audience.

Communication Town Halls: The Managing Director's half-yearly organisation-wide communication meetings for a global audience continued during the year

ACHIEVEMENTS AND AWARDS

The Company continued to be a proud recipient of several awards and recognitions reiterating its commitment to excellence.

The Company has been conferred the distinguished Golden Peacock Award in Risk Management (GPARM). This prestigious recognition has been granted by the Institute of Directors (IOD) through a rigorous self-assessment and a multi-tier independent assessment procedure

Abrasives business being conferred - "Silver Medal" at National Award for Manufacturing Competitiveness, the Electrominerals business obtaining, IEI Industry Excellence platinum award 2024 in the category of Engineering, Manufacturing & Processing and Kakkanad plant receiving Safety Award 2024 from Kerala Safety Council, Ceramics Business Sustainability Award from Schneider Electric for significant reduction in Carbon footprint, and won "Bronze" Category in the CII EHS Excellence Competition.

The total staff on rolls of the Company (including Joint Ventures and Subsidiaries) as at 31st March 2025 was 6260 with 4004 employees in India (previous year 6191 with 3806 employees in India)

PERFORMANCE OF SUBSIDIARIES

The Russian subsidiary recorded sales of 9403 million rouble against 9716 million rouble during the previous year. Until 9 months ending December 2024, the Company's operations were slightly better compared to last year. They delivered a growth of 2.2%, in rouble terms, in the first nine months of FY 25. As per the press release of United States (US) Department of State dated 10th January 2025, a set of companies which includes Volzhsky Abrasive Works (VAW), the subsidiary company has been designated as "Specially Designated Nationals and Blocked Persons" list (SDN list), part of the US Department of the Treasury's Office of Foreign Assets Control (OFAC), for operating or having operated in the manufacturing sector of the Russian Federation economy. As a result of the designation, VAW's business in Q4 FY 25 was impacted. VAW delivered a profit before tax of 1777 million rouble in FY 25 (without exception) against 2132 million rouble in FY 24. As a result of the inclusion in SDN list, VAW has not been able to receive payment from its customers or withdraw deposits using USD and/or Euro. Hence a charge in Profit and Loss account, under the head exceptional item before tax amounting to ₹1041 million in Q3 FY 25 which relates to the value of receivable in US dollars and Euro including the deposits in US dollars in VAW's books outside of the CUMI group was made. This resulted in 100% provision on the carrying value of the foreign currency receivables and deposits in VAW's books outside of the CUMI group.

Foskor Zirconia, South Africa, recorded a sale of ZAR 415 million compared to ZAR 379 million in the previous year. This represents a growth of 9%, majorly driven by growth in volumes. The loss after tax stood at ZAR 27 million against ZAR 16.7 million in the previous year.

In CUMI Australia, the business in Lined Equipment continued to be good. The Subsidiary's revenues dropped slightly from AUD

34.7 million to AUD 33 million due to capex deferment by key customers. Profit after tax was AUD 3.2 million against AUD 4.9 million during last year.

Sterling Abrasives reported small decline in revenues at ₹1338 million, compared to last year's sales of ₹1410 million. Profit after tax increased to ₹142 million from ₹139 million. The exports segment did well, whereas domestic business was slightly impacted due to the slowdown in the Agro business.

Post the conscious call of tapering down the operations in CUMI Abrasives and Ceramics Company Limited (CACCL), the subsidiary in China, the market is being served directly from India.

CUMI America Inc. achieved sales of USD 19 million as against USD 20 million last year. The Ceramics segment performed well, while Abrasives delivered softer performance. The profit after tax decreased from USD 2.1 million to USD 1.7 million.

For CUMI Middle East, sales decreased from USD 0.4 million to USD 0.02 million. Loss for the year was at USD 0.02 million against a loss of USD 0.15 million during the previous year.

Southern Energy Development Corporation Limited (SEDCO), the gas, and solar-based power generation subsidiary, recorded a sale of ₹297 million as against ₹327 million last year. The business made a loss after tax of ₹11 million as compared to loss after tax of ₹122 million during last year. During the year, business took a conscious call of not renewing the ONGC gas supply contract which expired on 31st December, 2024, due to rising gas prices and operational costs. The focus will be more on solar business going forward.

Net Access India Limited, which provides IT facility management and other allied services grew from ₹573 million to ₹597 million, representing a growth of 4.2%. The profits de-grew from ₹33.9 million to ₹22.9 million.

CUMI International Limited, Cyprus recorded a dividend revenue of USD 4.4 million as against last year's of USD 4.9 million.

CUMI Europe s.r.o. is not in operation.

PLUSS Advanced Technologies Limited (Consolidated) recorded a revenue of ₹806 million as against ₹617 million for the previous year and loss after tax for the year was at ₹36 million as against ₹31 million.

CUMI Awuko Abrasives GmbH achieved a sale of €10.1 million in FY 25. This is a growth of 10% when compared to last year. The losses before tax on full year basis were at €6.6 million compared to €3.3 million during FY 24. The difference is majorly due to one-time gain in FY 24 and inventory provisioning in FY 25. Besides this, the company has also stopped taking the deferred tax credit for FY 25 and also reversed €3.5 million of deferred tax assets as of FY 24. So, in total, on full year basis, loss after tax is €10.2 million in FY 25 against €2.3 million in FY 24.

Rhodius Abrasives GmbH (Consolidated) achieved net sales of €67 million compared to €63 million during FY 24. This represents 5.5% growth over last year. This was mainly due to volume growth. Rhodius incurred loss after tax of €0.2 million against loss after tax of €1.5 million in last year. So, the losses have come down significantly. Excluding PPA write off of €2.8 million, Rhodius delivered profit after tax of €1.8 million.

Silicon Carbide Products LLC was acquired during the year at an enterprise valuation of USD 6.66 million with 100% stake. Silicon Carbide Products Inc. (SCP) specialises in manufacture of high-quality Nitride Bonded Silicon Carbide (NbSiC) products and are widely recognised for their advanced firing and forming processes. This acquisition aligns with the Company's strategic expansion plans, and offers synergies in market access, technology capabilities, and raw material supply opportunities. Post acquisition, SCP recorded sales of USD 1.8 million and profit after tax of USD of 0.06 million.

ENTERPRISE VALUE ADDITION

The Company has been able to continuously add value, the summary of which is given below: (₹ Million)

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
Generation of Gross Value added (excludes exceptional items(net))	**7985**	**7963**	**7201**	**6275**	**5153**
Breakup on Application of Value added					
Payment to Employees and Directors	2925	2606	2389	2169	1982
Payment to Shareholders (on payment basis)	761	665	665	569	284
Payment to Government	1063	1123	1050	899	638
Payment to Lender	-	-	-	-	-
Towards replacement and expansion	3236	3569	3097	2638	2249
	7985	7963	7201	6275	5153

- Gross value added is Revenue Less Expenditure (excluding Depreciation + Expenditure on Employees & Directors' service + Long term interest)
- Payment to Government is Current tax
- Towards replacement and expansion is Retained earnings + Depreciation + Deferred tax.

RISKS, CONCERNS AND THREATS

The Company has constituted a Risk Management Committee aligned with the requirements of the Companies Act, 2013 and Listing Regulations. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Report.

The Company has a robust Enterprise Risk Management process to identify, evaluate and mitigate risks impacting business including those which may threaten the existence of the Company. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. This also defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risk trends, exposure, and potential impact analysis at a Company level as also separately for the business segments. The Company also has developed a structured risk management policy encompassing the risk management objectives, principles, process, responsibility for implementation, maintenance of risk registers, review of risk movements, risk reporting framework etc. The Risk Management Committee continued to review the risks and mitigation plan as per the adopted Charter and Risk Management Policy. The Enterprise Risk Management (ERM) framework is completely automated. While the Committee continued to review the risks and mitigation plan as per the adopted Charter and Risk Management Policy.

During the year, the refresh of the risk framework is being taken up in order to align it with the recent developments in external environment including geo - political and the business challenges faced. This work is in progress with the involvement of external expertise. The Cyber security framework developed is aligned with the overall digital strategy and roadmap and has been identified for transformation as part of Long term strategy. This IT security framework is commensurate with size and operations of the Company and the implementation of the framework is in progress and will extend to global entities in a phased manner.

Uncertainty stemming from global developments constitutes a key risk for India's growth outlook for the coming year. The perception of prolonged uncertainty may cause sluggishness in economic growth projections, while long term growth is driven by macroeconomic stability, resilient external sector, declining fiscal deficit, easing inflation and high consumption expenditure. With this background, the Company is well aware and taking appropriate steps through scenario planning for business continuity and resilient growth while tapping potential new business opportunities.

Risk management also forms an integral part of the Company's business plan and Long Term strategy.

The Company operates across various technology platforms and product verticals built over the years. Relative advantages and disadvantages of such technologies are studied and advances are tracked. Any new technology may impact the performance of the Company in the long run. The Company seeks to address these technology gaps through continuous benchmarking of the existing manufacturing processes with developments in the industry and in this connection has made arrangements with technical research institutions and technology consultants.

The requirements of power for the Company are majorly driven by the requirements of the Electrominerals business. The power requirement is partly met out of own generation from the Maniyar Hydroelectric plant. The entire production of power from Maniyar is utilised by the Electrominerals business. The rest of the requirement for electricity is managed by purchase from respective State Electricity Boards. Utilisation of power remains one of the key factors which can impact profitability either favourably or adversely based on the changes in the power cost. Pending the extension of the tenure for the hydroelectric project in Kerala and the closure of the gas based electricity business in SEDCO, the Company continues to look for opportunities to add to its captive power generation including green power in terms of Solar. Recently, Electrominerals business has commissioned a 1.8 MWp ground mounted solar power system at its plant in Edappally. The business has also signed a power purchase agreement for uninterrupted power supply of upto 10 MW capacity through hybrid mode. In parallel, businesses are exploring to increase the share of cleaner sources of energy through similar power purchase agreement with third parties in India. The requirement of fuel is driven by the high-temperature processes in the Abrasives and Ceramics businesses and any increase in the cost of fuel impacts profitability. Hence, the Company has put in place plans and implemented energy conservation measures to improve its competitiveness. Kindly refer Annexure D of the Directors' Report for energy conservation measures undertaken.

The Company uses various raw materials such as Bauxite, Calcined Alumina, Zirconia sand, Quartz and Graphite which have high price volatility. This is addressed through annual contracts to cover volatility due to price fluctuations and also mitigated through programs to identify alternative sources. The price volatility is also addressed by moving towards index based pricing. The severe price discrimination in the markets caused by players in geographies outside India is impacting the business and there is a need for suitable policy interventions to protect the local manufacturers. The changes in geo-political situations affects the sources of supply and plant capacity utilisation. This risk is being mitigated by reducing dependency of legacy products and by accelerating product development for new and emerging applications. This risk is also addressed by developing those specialty products through existing domestic players.

The high dependency on a few large customers leading to concentration risk, with loss of one or more customers could lead to substantial drop in revenues. To address this, derisking

strategies have been formulated as part of long-term strategy by identification of multiple pathways for growth including new emerging applications thus reducing dependency on one or two segments / customers

The Company deals with multiple currencies and is thus exposed to exchange risk on account of adverse currency movements. Foreign Exchange risk in foreign currency denominated loans, imports and exports is mitigated by adopting a country-based forex policy, periodic monitoring and use of hedging instruments. Efforts are being taken to manage both exports and imports to ensure that at a Company level, there is a natural hedging mechanism.

As a risk mitigation measure to address cyber security threats, the Company does quarterly penetration assessment testing for all internal and internet-facing applications. The security threat awareness is periodically published to create awareness among employees and stakeholders for handling the risk proactively. The security process is included as an important step in the IT policy of the Company. There is a considerable amount of work undertaken on scoping of information specific to the role defined to prevent any data or information leak, through continuous monitoring on the business-critical IT assets. As a part of cyber security initiatives, data security and protection against the risk of phishing and malware attacks were given priority. Awareness mailers were disseminated across to mitigate risk of such attacks, and a requisite infrastructure upgrade to support the remote working conditions in a secured manner was initiated.

As mentioned earlier, the Company has established a cybersecurity framework as a part of its IT Strategy. The Company is partnering with external expertise to assist in deployment of this framework for both IT and OT capabilities.

The Company's input materials are not commoditised and do not warrant any specific hedging to be undertaken. With respect to output materials, adverse impact of changes in commodity prices on user industries could impact the sales which are mitigated by the development of alternate products, establishing a new range of applications etc., as detailed above. The other mitigation measures for dealing with increase in fuel costs, non-availability of raw materials etc., have been dealt with separately in above paragraphs.

The priority for the Company continues to be the safety and health of all its employees and other stakeholders with minimal disruption to operations.

The risks across operations, human resources, IT, supply-chain etc., which were identified earlier and which could potentially impact in the event of an emerging variant or any subsequent pandemic and the mitigation plans continue to be on the risk radar of the Company.

BUSINESS OUTLOOK AND OPPORTUNITIES

India's economy is expected to grow between 6.4% and 6.8% in the financial year 2025–2026, supported by strong economic indicators. The government's continued focus on infrastructure is set to drive further expansion. The Production Linked Incentive (PLI) scheme remains a key driver of growth, attracting major investments, especially in electronics manufacturing. Recent developments under the scheme are expected to help India strengthen its position in global manufacturing. Additionally, the National Logistics Policy aims to make transportation and supply chains more efficient, cutting costs and improving productivity across industries. While global uncertainties and trade challenges remain, India's strategic policies and economic reforms put it in a strong position to sustain steady growth in 2025–2026. These initiatives are well-aligned with the Company's core businesses. In the Abrasives segment, alongside strengthening distribution channels, emphasis remains on developing innovative and cost-competitive products. The Electrominerals business would focus on expanding exports coupled with building a speciality and transformational products portfolio. Business would be investing in its chosen areas to augment its capacity in fused Aluminas and Zirconia, commitment to clean energy and sustainability, infrastructure for expanding sales to US and Europe, capturing new business opportunities in Thermal spray, Semi-conductors, Defence, Digital etc., to drive its next phase of growth. The Industrial Ceramics business remains firmly focused on its core segment of Power and Energy Systems, where the outlook is strong across both generation and distribution. The rising demand from AI data centers is creating significant opportunities in areas such as Solid Oxide Fuel Cells, thermal energy systems, and power distribution infrastructure. While the mining and metals sector - a key driver for the Wear-Resistant Ceramics business - saw subdued activity in Australia and India, demand from North America remained robust. In addition, the division is making a strategic pivot toward emerging segments such as Semiconductor Wafer Fab Equipment, Healthcare Equipment, and other high-potential areas. These sectors are being actively supported by Production Linked Incentive (PLI) schemes and other government initiatives, offering new avenues for growth. The demand for the Company's range of refractories is anticipated to grow steadily over the next five years, driven by expansion of key end-use industries such as steel, glass, carbon black, petrochemicals and emerging segments like energy storage, power generation from waste. Infrastructure development, increased demand for energy, defence & aerospace will drive greater use of composite materials.

FIXED DEPOSITS

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and no amount of principal or interest was outstanding as on the Balance Sheet date.

LOANS AND INVESTMENTS

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are given below:

(₹ Million)

Description	As on 31.03.2024	Movement (Net of Deletions)	As on 31.03.2025
Loans given by the Company	-	-	-
Corporate guarantee given by the Company	298.43	102.07	400.50
Investments made by the Company *	10393.52	602.05	10995.57

**includes fair valuation effect*

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, the Company has a Policy for dealing with Related Parties. This Policy was amended during the FY 2024-25 in line with the revisions laid down in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, dated 13th December 2024 mainly pertaining to exempting the managerial remuneration from the related party transactions and provided provision for ratifying the related party transactions entered without Audit Committee's approval.

The Company reviews its Related party transactions duly factoring the processes and procedures established in line with the regulatory requirements.

The Company is also updating its reporting mechanism in line with the recently released Industry Standards dated 14th February 2025 for disclosures relating to Related Party Transactions which will come into effect from 1st July 2025. All the stakeholders including the subsidiary companies have been sensitized about this recent development and awareness sessions are being held for aligning the reporting mechanism to the revised requirement.

The Company's Policy on Related Party Transactions is available on the Company's website https://www.cumi-murugappa.com/wp-content/uploads/2025/04/Policy-on-Related-Party-Transactions.pdf

In line with its policy, all Related Party transactions both under the Companies Act, 2013 as well as the Listing Regulations are placed before the Audit Committee for its review and approval. Prior approval of the Committee is obtained on a quarterly basis for transactions that are foreseen and are repetitive in nature. Omnibus approvals in respect of transactions that cannot be foreseen are also obtained as permitted under the applicable laws and the thresholds are periodically reviewed. The list of Related Parties is reviewed and updated periodically as per the prevailing regulatory conditions. Considering the enhanced regulatory purview of monitoring the related party transactions at the subsidiary level, compliance awareness sessions continue to be conducted across the organisation including the subsidiaries as well as establishment of a reporting framework by the subsidiary companies, both overseas and domestic.

The details of transactions proposed to be entered into with Related Parties are placed before the Audit Committee for approval on an annual basis before the commencement of the financial year. Thereafter, a statement containing the nature and value of the transactions entered into by the Company with Related Parties is presented for quarterly review by the Committee. Further, revised estimates or changes, if any to the proposed transactions for the remaining period are also placed for approval by the Committee on a quarterly basis. Besides, the Related Party transactions entered during the year are also reviewed by the Board on an annual basis.

At the Audit Committee meeting held on 19th March 2025, the estimated transactions of the subsidiary companies with their Related Parties as well as those envisaged with the Related parties of the Company were placed before the Audit Committee of the Company. The approval of estimates and revisions to this list of transactions is conducted in the subsidiary companies in the same manner as done for the parent Company (detailed above). The details in the new format as specified under the Industry standards will be provided for the transactions to be approved by the Audit Committee after 1st July 2025.

All transactions with Related Parties under the Companies Act, 2013, entered during the financial year were in the ordinary course of business at arm's length and hence, no particulars are required to be entered in the Form AOC-2. Further, all transactions entered into with Related Parties during the year even at arm's length basis in the ordinary course did not exceed the thresholds prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 or Listing Regulations or the Company's Policy in this regard and hence, no disclosure was required to be made in Form AOC-2. Accordingly, there are no contracts or arrangements entered into with Related Parties during the year to be disclosed under Sections 188(1) and 134(3) of the Companies Act, 2013 in Form AOC- 2. The form is enclosed as Annexure E to this report.

There are no materially significant Related Party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or their relatives which may have a potential conflict with the interest of the Company at large.

The Company's policy on dealing with Related Parties as approved by the Board is available on the Company's website at the following link https://www.cumi-murugappa.com/wp-content/uploads/2025/04/Policy-on-Related-Party-Transactions.pdf None of the Directors and KMPs had any pecuniary relationship or transaction with the Company other than those relating to remuneration in their capacity as Directors/Executives and

corporate action entitlements in their capacity as shareholders of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) activities undertaken by the Company emanate from the principle, "towards prosperity in harmony with people and planet". The Company believes that social responsibility is not just a corporate obligation that has to be carried out, but rather an opportunity to make a difference. All the CSR programmes are aimed at inclusive growth and sustainable development of the community. The Company's core CSR activities continue to be focused on Healthcare, Education and Skill development.

The Company continues to engage in Corporate Social Responsibility activities directly as well as through implementation agencies registered with the Central Government, in line with its stated CSR policy.

The economic growth of India has gained considerable momentum in the last two decades and the manufacturing sectors have shown a great deal of buoyancy. However, despite the vast young population, there is a huge mismatch between the skill requirement for the industries and available skilled manpower. The huge number of people entering industrial employment every year and their low preparedness vis-a-vis the growing demand for skill is a concern to be addressed and in this area, the Company has much earlier than the mandated CSR established direct CSR programme(s) for skill development of the youth from underprivileged sections of the community.

The CUMI Centre for Skill Development (CCSD) was initially set up during the year 2012 in Hosur, to build a skill bank of a technically competent and industry-ready workforce from the less privileged sections of the society. During the FY 2015-16, the Company replicated this model in Edapally, Kochin. CCSD provides specialised training based on the National Council on Vocational Training syllabus for rural youth drawn from socially and underprivileged sections of society.Three-year training is imparted with a stipendiary payment and free boarding facilities, thus enabling the enrolled students to earn while they learn. The job-oriented skill training enhances their employability and aids in uplifting their socio-economic status. The technically trained students can be employed by any industrial entity once they complete the training programme. The Company takes pride in informing that some of the students of CCSD have earned accolades at national/regional level for their par excellence performance in academic and technical areas.

In addition to CCSD, the Company has also been contributing to the cause of health and education by making grants to AMM Foundation. Further, during the year, grants were also made to Shri AMM Murugappa Chettiar Research Centre (MCRC) for research in environmental studies.

During the year, the CSR activities through agencies in the healthcare sector, Education and Environment study which involved grants for:

Health

Support to Sri Sathya Sai Sanjeevani Hospitals: The Company continued its support in conducting pediatric cardio surgeries at Sri Sathya Sai Sanjeevani Hospitals established by Sri Sathya Sai Health Education Trust primarily to address pediatric congenital heart diseases by providing free medical support including surgery to the needy children from economically weaker sections. The support of the Company benefitted 21 children last year.

Support to G.Kuppuswamy Naidu Memorial Hospital Trust, Coimbatore: The Trust had been set up in 1948 and in the year 1952 established a not for profit hospital. The Oncology department of the hospital is well established and caters to the needs of treating nearly 60-70 children under the pediatric oncology department. This is provided free of cost for children between the ages of 0 to 18 years from less privileged sections of society. The support of the Company was used for the benefit of 27 children.

Support to Dr. A.K. Cherian Memorial Charitable Society, Kochi: The society promotes and establishes cleft surgery of the highest standard in Kerala at St. Thomas Hospital, Malakkara as a dedicated service to the public with free of charge treatment. During the year the Company supported in purchasing a dialysis unit for the Kochi centre.

Support to The Cachar Cancer Hospital Society: The society runs the Cachar Cancer Hospital and Research Centre which is a Scientific and Industrial Research Organisations (SIRO) recognised by Department of Scientific and Industrial Research (DSIR) (Government of India) a non-profit, comprehensive cancer centre situated on the outskirts of Silchar in the Barak valley of Assam on land provided by the Government of Assam. It was established in 1996 and is administered by a non-profit society registered in 1992 under the Societies Registration Act - The Cachar Cancer Hospital Society. The hospital today treats over 5000 new and 25,000 patients on follow up basis every year. 80% of the patients are daily wage earners (often the only earning member), agricultural or tea garden workers and have large families to support. During the year, the Company supported in purchasing a 4K camera for use in laparoscopic procedures, to perform minimally invasive surgeries for cancer patients.

Support to IITM AMOLED Research Center: The AMOLED Research Center-IIT Madras aims to develop next generation AMOLED displays for smartphones, tablets, watches and wearables. The centre is a National Centre of Excellence. The centre has researchers from various fields working on developing the displays. The centre consists of a state-of-the-art cleanroom which houses fabrication and characterisation equipment. Under Schedule VII ix(a) any contribution to Indian Institute of Technology (IITs)-engaged in conducting research in science,

technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs) are considered as CSR. During the year, the Company has supported the centre to meet its operational expenses.

Education (AMM Foundation)

The grant to AMM Foundation towards Education sector was through contributions to Vellayan Chettiar Higher Secondary School, Tiruvottiyur (VCHSS) - which has been making a difference in the field of education for over 50 years. The school runs with the vision - to provide Quality Education with good virtues, for the underprivileged and marginalised communities around Tiruvottiyur.As part of skill development, a CSR Spend was made towards, Murugappa Rising Talent Scholarships. This initiative aims to nurture young athletes and empower coaches from Southern India, focusing on sports like badminton, tennis, and para-athletics.

Environment

Shri AMM Murugappa Chettiar Research Centre (MCRC), Chennai is a non-Governmental voluntary, non-profit research organisation, established in 1973 and registered under the Societies Registration Act of 1860. MCRC is recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, as an independent Scientific and Industrial Research Organisation (SIRO). MCRC was a Technology Resource Centre for Council for Advancement of People's Action and Rural Technology (CAPART), Government of India and continues to strive for Excellence in Rural Development under Department of Science and Technology (DST) Core Support Programme.

MCRC strives to develop sustainable solutions using appropriate science and technology interventions with key focus areas of Food, Energy and Environment for the Development (FEED) of rural India. To realise this goal, the Centre has been working on research programmes that focus on minimisation of chemicals and water use in agriculture, effective utilisation of bioresources including microbials and creating wealth from waste for development of eco-friendly products.

During the year, the Company supported MCRC for Research and Development on Soil Health Management for sustainable agricultural practices in Soil Testing and Crop Advisory services.

Apart from the above, the Company undertook local community assistance programmes that various plant locations which included Education & Child development, Health care, Youth empowerment, Women empowerment, Educational sponsorships of underprivileged children, livelihood programs for women, sports, recreation, and support for basic infrastructure for the public utility and schools, etc.

The Company's CSR policy is available on the Company's website at the following link https://www.cumi-murugappa.com/wp-content/uploads/2024/02/CSR-Policy-2021.pdf The report on the CSR activities in the prescribed format is annexed hereto as Annexure B and forms part of this Report.

The Company in line with the Companies Act, 2013, formulated an annual action plan, which was approved by the Board of Directors, in pursuance of the CSR Policy of the Company, based on which spending on CSR activities were undertaken for FY 2024-25. The Company spent ₹77.70 million along with the set-off of ₹0.68 million meeting the CSR spend for the year i.e., ₹78.38 million towards CSR activities and no amounts remain unspent at the end of the year. The Company has an excess spend of ₹0.15 million which could be carried forward for next three financial years.

As at 31st March 2025, the CSR spend made directly and through implementing agencies has been utilised in full and hence, the Company is in compliance with the provisions of Section 135 of the Act and the rules referred therein.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

BRSR reporting typically highlights the Company's commitment to responsible business practices, environmental sustainability, social impact, and governance (ESG) practices.

SEBI, vide its circular dated 10th May 2021, made BRSR mandatory for the top 1000 listed companies (by market capitalisation) from fiscal 2023, while disclosure was voluntary for fiscal year 2022. SEBI has mandated an assessment or assurance of the specified parameters on this Report to be sought by the top 250 companies. As on 31st December 2024, the Company does not fall within the top 250 companies and hence the assessment or assurance of the specified parameters for FY 2024-25 is not applicable.

The Business Responsibility and Sustainability Report for the year ended 31st March 2025 in terms of Regulation 34(2) of the Listing Regulations is annexed to this Report as Annexure C and is also available on the Company's website.

GOVERNANCE

Board of Directors and Key Managerial Personnel

As at 31st March 2025, the Board of the Company comprised 7 (Seven) Directors of which majority 4 (Four) are independent.

Mr. M M Murugappan, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment. A proposal for his re-appointment is included in the Notice convening the 71st Annual General Meeting for consideration and approval by the shareholders.

Further, during the year, Mr. Sanjay Jayavarthanavelu, Mr. Aroon Raman on 31st July 2024 and Mrs. Soundara Kumar on 2nd August 2024 retired from the Board after serving their respective terms of office as Independent Directors. Mr. Sriram Viji and Ms. Usha Rajeev were appointed as Independent Non-Executive Directors and Mr. Muthiah Murugappan Muthiah was appointed as a Non-Executive Director effective 1st August 2024. The Board places on record its sincere and deep appreciation for the services rendered by Mr. Sanjay Jayavarthanavelu, Mr. Aroon Raman and Mrs. Soundara Kumar during their term as Directors of the Company.

The Company has received declarations from all its Independent Directors as at 31st March 2025, confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. In the opinion of the Board, all the Directors appointed/re-appointed during the year are persons with integrity, expertise and possess relevant experience in their respective fields. The skill matrix of the Board is detailed in the Corporate Governance Report forming part of this Report.

All the Independent Directors of the Company have registered their names in the Independent Director Databank as required under the Companies Act, 2013 and the Rules referred therein. The Independent Directors are also required to take up an online proficiency self-assessment test within two years from the date of inclusion of their name in the Independent Directors' databank with an exemption provided to Directors fulfilling the criteria prescribed under the Act and the Rules referred therein. The completion of the online proficiency self-assessment test is exempted for most of the Directors. Mr. P S Raghavan has completed his proficiency self- assessment within the timelines.

As on the date of this Report, Mr. Sridharan Rangarajan, Managing Director, Mr. Sushil Kishor Bendale, Chief Financial Officer and Ms. Rekha Surendhiran, Company Secretary are the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013.

Board Meetings

During the year, 8 (Eight) Board Meetings were held, the details of which are given in the Corporate Governance Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees as per the evaluation framework adopted by the Board on the recommendation of the Nomination and Remuneration Committee. Structured assessment forms were used in the overall Board evaluation comprising key aspects of the Board's functioning including its structure, composition, effectiveness, meeting cadence and quality of discussions, strategic oversights, governance practices, financial reporting, integrity, internal control mechanisms, and risk management practices. The evaluation of the Committees was based on their terms of reference fixed by the Board besides parameters such as the frequency of meetings, quality of deliberations, and effectiveness in discharging responsibilities and making meaningful contribution etc.

Separate questionnaires were used to evaluate the performance of individual Directors on parameters such as their level of engagement and contribution, objective judgement etc. The Managing Director's evaluation was based on leadership qualities, strategic planning, communication, engagement with the Board etc.

The Chairman was also evaluated based on the key aspects of his role which included leadership, ability to facilitate effective Board discussions, and overall governance contribution. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman, the Board as a whole and the Non- Independent Directors was carried out by the Independent Directors at their separate meeting held during the year.

The Board evaluation is secured, paperless process conducted in a confidential manner, in line with the Company's digital governance practices.

Policy on Appointment and Remuneration of Directors

Pursuant to Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board has formulated the criteria for Board nominations as well as the policy on remuneration for Directors and employees of the Company.

The criteria for Board nominations lays down the qualification norms in terms of personal traits, experience, background and standards for independence besides the positive attributes required for a person to be inducted into the Board of the Company. These criteria are aligned with the Company's commitment to having a diverse, competent, and effective Board.

Criteria for induction into Senior Management positions have also been laid down- ensuring a consistent leadership selection approach across levels.

The Remuneration policy provides the framework for remunerating the members of the Board, Key Managerial Personnel and other employees of the Company. This Policy is guided by the principles and objectives enumerated in Section 178(4) of the Companies Act, 2013 and reflects the remuneration philosophy and principles of the Murugappa Group to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The policy lays down broad guidelines for payment of remuneration to Executive and Non-Executive Directors within the limits approved by the shareholders. Further details are available in the Corporate Governance Report. During the year, the Board Nomination Criteria and Remuneration Policy was reviewed and amended in line with the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated 12th December 2024.

The Board Nomination criteria and the Remuneration policy are available on the website of the Company at https://www.cumi-murugappa.com/policies-disclosure/.

Composition of Audit Committee

The Audit Committee of the Board comprises 3 (Three) members and all the members are Independent Directors. Ms. Usha Rajeev is the Chairperson and other members are Mr. P S Raghavan, and Mr. Sujjain S Talwar. During the year, 5 (five) Audit Committee

meetings were held, the details of which are provided in the Corporate Governance Report. Mr. Sanjay Jayavarthanavelu (Chairman of the Committee) and Mr. Aroon Raman stepped down owing to their retirement.

Statutory Auditors

In line with the requirements of the Companies Act, 2013, the Company, with the approval of the shareholders at the Annual General Meeting held on 1st August 2022, re-appointed M/s. Price Waterhouse Chartered Accountants LLP (Reg. No. FRN 012754N/N500016) (PW) as the Statutory Auditors of the Company to hold office from the conclusion of 68th Annual General Meeting until the conclusion of the 73rd Annual General Meeting (AGM) on a remuneration of ₹62,50,000/- (excluding out of pocket expenses incurred by them in connection with the Audit and applicable taxes) for the FY 2022-23 and the remuneration decided by the Board for the subsequent years based on the recommendation of the Audit Committee.

As required under Regulation 33 of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by M/s. Price Waterhouse Chartered Accountants LLP on the Financial Statements of the Company for the year ended 31st March 2025 is provided in the financial section of the Annual Report.

There are no qualifications, reservations, adverse remarks or disclaimers given by the Auditors in their report. The Auditors have in their Report commented on instances of audit trail not available in the Company to which the explanation is given below:

S.No.	Auditors' Comment	Explanation
1.	In respect to an accounting software of a third party service provider used for maintaining certain records, where in the absence of the service organisation's auditor's report, they are unable to comment on the audit trail feature (edit log) in the software.	The Company uses this specific payroll accounting software for the Senior Management employees. At the application level, user log is available with an action along with the date and timestamp. Database access is restricted only to authorised administrative users for preventing any tampering. To further strengthen data security at the application and database level, the software will be upgraded with additional features including recording of specific data changes made and capturing additional context such as the IP address, session details and audit trail to log activities (new and old values) including administrative actions. These features will be available in upgraded version, the release of which is planned in FY 2025-26.

During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, and hence there are no details to be disclosed under Section 134(3)(ca) of the Act.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Company is required to maintain cost accounting records in respect of products of the Company covered under CETA categories like Organic and Inorganic chemicals, Electrical or Electronic machinery, Steel, Plastic and Polymers, Ores and Mineral products, other Machinery, Base Metals etc. Further, the cost accounting records maintained by the Company are required to be audited.

The Board, on the recommendation of the Audit Committee, had appointed M/s. S Mahadevan & Co. (Firm No. 000007), Cost Accountants, Chennai to audit the cost accounting records maintained by the Company under the said Rules for the FY 2024-25 on a remuneration of ₹5,00,000/-. Further, M/s. S Mahadevan & Co have been re-appointed by the Board to conduct the cost audit for the FY 2025-26 at a remuneration of ₹5,00,000/- excluding out of pocket expenses incurred in connection with the audit & applicable taxes.

The Companies Act, 2013, mandates that the remuneration payable to the Cost Auditor is to be ratified by the shareholders. Accordingly, a resolution seeking the shareholders' ratification of the remuneration payable to the Cost Auditor for the FY 2025-26 is included in the Notice convening the 71st Annual General Meeting.

Secretarial Audit

M/s. R Sridharan & Associates, Practising Company Secretaries, Chennai was appointed as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2024-25. The report of the Secretarial Auditor is annexed to and forms part of this Report as Annexure F. There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditor in the Report except the observation on compliance with Reg.24(1) of the Listing Regulations regarding the appointment of an Independent Director on the Board of M/s Volszkhy Abrasives Works, Russia, a material subsidiary of the Company as at 31st March 2025.

M/s. Volzhsky Abrasive Works (VAW), a material subsidiary of the Company has been designated in the Specially Designated Nationals and Blocked Persons list from 10th January 2025 by the OFAC. Consequent to this, as a part of the changes to the Board composition in VAW, Mr. P S Raghavan, Independent Director who was nominated to the VAW Board on 28th November 2018, stepped down from the Board of VAW on 4th February 2025. To mitigate the risk of a potential secondary sanction on the

Company, its Directors and or associates/entities, the Board of the Company decided not to nominate any Director to the VAW Board as it could be perceived to be seen as providing Board services to a sanctioned entity which is not permissible under the US sanctions regime. Hence, in line with the decision of the Board of Directors, the Company has vide an application dated 14th March 2025 made on 19th March 2025 to SEBI, sought an exemption under Regulation 102(1) (e) of the Listing Regulations from meeting this requirement only with respect to VAW, as long as VAW continues to be in the SDN list of OFAC. The inability to nominate a Director on the Board of a sanctioned entity poses potential risks for the Company and the inability to meet the requirement of Regulation 24(1) with respect to only VAW is due to geo-political factors beyond the control of the Company. The application made to the Authority is under consideration as on date of the Report.

In line with the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated 12th December 2024, the Board of Directors at their meeting held on 12th May 2025, based on the recommendation of the Audit Committee, proposed the appointment of M/s. Sridharan & Sridharan Associates as the Secretarial Auditor to hold office for a term of five (5) consecutive years from FY 2025-26 to FY 2029-30. The Proposal is placed for approval by the members at the ensuing Annual General Meeting.

In terms of Regulation 24A of the Listing Regulations, there is no material unlisted subsidiary incorporated in India. Material unlisted subsidiary for the purpose of this Regulation is a subsidiary whose turnover/net worth exceeds 10% of the consolidated turnover/net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year. Hence, there is no requirement for a Secretarial audit to be conducted for any of the Company's subsidiaries in India.

Compliance Management

The Compliance Management system, tracks compliances across the various factories and offices of the Company. The cloud based system has a comprehensive coverage of the various applicable laws including auto updation based on the regulatory changes from time to time.

Corporate Governance

In terms of Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on Corporate Governance including the certificate from a Practising Company Secretary confirming compliance is annexed to and forms an integral part of this Report.

CEO/CFO Certificate

Mr. Sridharan Rangarajan, Managing Director and Mr. Sushil Bendale, Chief Financial Officer have submitted a certificate to the Board on the integrity of the Financial Statements and other matters as required under Regulation 17(8) of the Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134(3)(c) of the Companies Act, 2013, the Board to the best of its knowledge and belief and according to the information and explanations obtained by it confirms that:

- in the preparation of the annual accounts, for the financial year ended 31st March 2025, applicable accounting standards have been followed and no material departures have been made from the same;
- the accounting policies mentioned in Note 3 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- that internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ANNUAL RETURN

The Annual Return in Form MGT-7 is available at https://www.cumi-murugappa.com/annual-return/.

SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2).

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information on Energy Conservation, Technology Absorption, Expenditure incurred on Research & Development and forex earnings/outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to and forms part of this Report as Annexure D.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

PARTICULARS OF EMPLOYEES

The information on employees and other details required to be disclosed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this Report as Annexure A.

Under the Company's Employee Stock Option Scheme 2007 (ESOP Scheme 2007), no Option grants have been made since February 2012 and all Options granted under the Scheme have been vested and accordingly exercised or lapsed. The Employee Stock Option Plan 2016 (ESOP Plan 2016) was implemented in February 2017 with the approval of the shareholders and currently governs the grant of options to employees. During the year, eligible employees were granted in aggregate 5,46,070 options under the ESOP Plan 2016. The disclosures with respect to options granted under the ESOP Scheme 2007 and ESOP Plan 2016 are contained in the Corporate Governance Report. Further, the disclosures relating to Stock Options as per Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 as repealed at present and superseded by Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with the circular issued by SEBI on 16th June 2015 have been provided on the Company's website and is available in the link https://www.cumi-murugappa.com/policies-disclosure/. Both ESOP Scheme 2007 and ESOP Plan 2016 are in compliance with the Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 as repealed at present and superseded by Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

OTHER CONFIRMATIONS

No application under the Insolvency and Bankruptcy Code, 2016 (IBC) was made on the Company during the year. Further, no proceeding under the IBC was initiated or is pending as at 31st March 2025. There was no instance of one-time settlement with any Bank or Financial Institution.

The Company has complied with provisions relating to the constitution of the Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure in relation to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the FY 2024-25 is as below:

Number of complaints filed during the financial year: 1

Number of complaints disposed off during the financial year: 1

Number of complaints pending as on end of the financial year: Nil

ACKNOWLEDGEMENT

The Board gratefully acknowledges the co-operation received from various stakeholders of the Company viz., customers, investors, channel partners, advisors, suppliers, government authorities, banks and other business associates during the year. The Board also places on record its sincere appreciation of all the employees of the Company for their commitment and continued contribution to the Company.

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Annexure A

Statement of Employees' Remuneration

A. The details of top ten employees (employed throughout the year) in terms of remuneration drawn during the financial year 2024-25 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows (listed in alphabetical order):

Name and Age (years) 1	Designation/ Nature of duties 2	Gross remuneration paid (₹) 3	Qualification & experience (years) 4	Date of commencement of employment 5	Previous employment 6
Ajit Kolhe (50)	Head-IT	1,18,60,537	BE, M Tech (24)	12.02.2024	VIP Industries Limited
Narayanan R (59)	Vice President-Finance -Abrasives	88,29,916	ACWA, ACS (34)	19.03.1998	Cutfast Abrasives Limited
Padmanabhan P (57)	Chief Risk Officer and Head-Global taxation	1,07,97,888	B.Com, Grad CWA, ACA, (37)	01.07.1994[(d)]	-
Prathap Kumar (44)	Head- Industrial Ceramics	91,78,414	Mechanical Engineering (23)	01.07.2001[(d)]	-
Raghavendra Pai (57)	Head- Refractories and Prodorite	97,68,853	M-Tech, Chemical Engineering (28)	27.06.2005	Schunk Carbon Technology Private Limited
Rajeev Singhal (57)	Head Retail & FG Sourcing Abrasives	88,13,166	PGDBA (34)	25.07.1991[(d)]	-
Rekha Surendhiran (47)	Company Secretary	99,26,391	B.Com, ACS,PGDFM,MBL (25)	23.08.2013	Cholamandalam MS General Insurance Co. Ltd.
Sivakumaran M V (53)	Head-Electrominerals	1,17,87,049	M.Sc, MBA & M.Tech (28)	01.07.1996[(d)]	-
Sridharan Rangarajan (59)	Managing Director	3,82,43,655	B Com, ACA, Grad CWA (39)	22.06.2011	CFO, Indian Operations - TIMKEN
Sushil Kishor Bendale (49)	Chief Financial Officer	1,68,48,141	B.Sc, MBA, CMA (25)	25.03.2024	Cummins Generator Technologies Pvt. Limited

B. Details of employees who were employed for part of the year and earning eight lakh and fifty thousand rupees per month apart from the top ten employees:

Name and Age (years) 1	Designation/ Nature of duties 2	Gross remuneration paid (₹) 3	Qualification & experience (years) 4	Date of commencement of employment 5	Previous employment 6
Bhaskharan Kannun (59)*	Head- Human Resources	1,05,49,033	MSW (Personnel Management) (36)	29-10-2020	Tube Investments of India Limited
Ninad Gadgil (54)**	Head - Abrasives	15,98,843	BE (Electronics) & PGDBM (Marketing) (30)	04.11.2019	3M India Limited
Srikanth C (59)**	Head - Abrasives	1,12,07,403	MBA, Marketing (39)	06.05.2024	Wendt (India) Limited
Shyam C Raman (62)**	Chief Human Resource Officer	1,41,74,425	PGDM, IIM Kolkata (40)	01.07.2024	Cholamandalam MS General Insurance Co. Ltd.
Rammohan R (55)**	Head- EHS	88,01,337	ME Mechanical (27)	05.04.2024	Renault Nissan Automotive Pvt. Ltd.

* Retired on 31st August 2024 and the gross remuneration includes full and final settlement, including the retiral/post-retiral benefits.

** Changes in senior management as detailed below:

- Mr. Rammohan R was appointed as Head-EHS with effect from 5th April 2024.
- Mr. Ninad Gadgil, Business Head-Abrasives, stepped down from the services of the Company effective the closing hours of 5th May 2024 owing to transfer to Wendt (India) Limited.
- Mr. C. Srikanth was appointed as the Business Head - Abrasives with effect from 6th May 2024.
- Mr. Shyam C Raman was appointed as President & Chief Human Resources Officer - Designate with effect from 1st July 2024 and took over as the Chief Human Resources Officer of the Company from 1st September 2024.

Notes:

a) Remuneration as shown above includes salary, allowances, Company's contribution to provident, superannuation and gratuity funds, medical facilities and perquisites valued as per income-tax rules and excludes any perquisites arising from exercise of stock options as there is no payout by the Company. During the year, no Options were granted under the Employees Stock Option Scheme, 2007. During the year, eligible employees were granted in aggregate 5,46,070 Options under the Employee Stock Option Plan 2016. The employee-wise grant details are available in the disclosure under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 uploaded on the website of the Company. The Employee Stock Options granted to employees in the earlier period are accounted based on fair value as per Indian Accounting Standards.

b) The employment of the above persons is whole time in nature and terminable with 3 months' notice on either side.

c) The above-mentioned employees are not relatives (in terms of the Companies Act, 2013) of any Director of the Company. Further, no employee of the Company is covered by the Rule 5(2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (employee holding by himself or with his family shares of 2% or more in the Company and drawing remuneration in excess of the Managing Director). Hence, the details required under Rule 5(3) (viii) is not applicable.

d) Date of joining as graduate engineer trainee / management trainee.

e) The remuneration details are for the period 1st April 2024 to 31st March 2025 and all other particulars are as on 31st March 2025.

f) None of the employees of the Company other than those listed above were in receipt of remuneration for the FY 2024- 25 in excess of one crore and two lakh rupees per year or eight lakh and fifty thousand rupees per month.

C. The details of remuneration during the financial year 2024-25 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:

i. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name	Designation	Ratio
Mr. M M Murugappan	Chairman	15.18
Mr. P S Raghavan	Independent Director	4.32
Mr. Sujjain S Talwar	Independent Director	3.32
Ms. Usha Rajeev*	Independent Director	2.08
Mr. Sriram Viji*	Independent Director	1.78
Mr. Muthiah Murugappan*	Non-Independent, Non-Executive Director	1.8
Mr. Sridharan Rangarajan	Managing Director	54.57

ii. Percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Name	Designation	% Increase
Mr. M M Murugappan	Chairman	1.14
Mr. P S Raghavan	Independent Director	6.32
Mr. Sujjain S Talwar	Independent Director	8.37
Ms. Usha Rajeev*	Independent Director	-
Mr. Sriram Viji*	Independent Director	-
Mr. Muthiah Murugappan*	Non-Independent, Non-Executive Director	-
Mr. Sridharan Rangarajan	Managing Director	29.46
Mr. Sushil Kishor Bendale**	Chief Financial Officer	-
Mrs. Rekha Surendhiran	Company Secretary	13.97

*Joined the Board during 2024-25, hence not comparable
** Joined the Company during 2023-24, hence not comparable

- The Directors' remuneration comprises commission and sitting fees for attending the meetings of the Board. The increase in the remuneration of the Non-Executive Directors reflected in the table above is proportionate to the increase in the no. of meetings held during FY 2024-25. There is no change in the remuneration structure of the Non-Executive Directors.
- Executives Remuneration for the FY 2023-24 and FY 2024-25 have been adjusted duly factoring the LTA availed status and the one-time cash award.

iii. Percentage increase in the median remuneration of employees in the financial year: 1.55% (employees who were in employment for the whole of FY 2024-25 & whole of FY 2023-24 considered for this purpose in the respective financial years).

iv. Number of permanent employees on the rolls of the Company as on 31st March 2025: 2380

v. The average annual increase in salaries of employees was 10.14% compared to an increase in managerial remuneration of 12.94%. The increase in managerial remuneration is also attributed by changes in the Board composition during the year leading to committee composition changes. However, there is no significant increase in managerial remuneration vis-à-vis the increase in employees' remuneration.

vi. The Company affirms that the remuneration is in compliance with its Remuneration policy.

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR policy of the Company

The Company recognises the significance of its sustainable growth benefiting all stakeholders including the society in which it operates. CSR is imbibed into Company's values and beliefs and thereby into all business activities several decades even before the compulsory spend was mandated in the Companies Act, 2013. The Company continues to perform its CSR obligations directly through its skill development centre as well as indirectly through contributions to recognised implementing agencies in the field of Education and Healthcare, in addition to pursuing activities for the benefit of community around its local areas of operations.

In line with its objectives and practices, the CSR policy focuses on Health, Education and Skill Development. The policy is uploaded on the website of the Company.

2. Composition of CSR Committee*

Sl. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Aroon Raman	Chairman / Independent & Non-Executive Director	1	1
2.	Mr. Sujjain S Talwar	Chairman / Independent & Non-Executive Director	2	2
3.	Mr. P S Raghavan	Member / Independent & Non-Executive Director	3	3
4.	Mr. Muthiah Murugappan Muthiah	Member / Non-Independent & Non-Executive Director	2	2
5.	Mr. Sridharan Rangarajan	Member / Managing Director	3	3

**Mr. Aroon Raman retired from the Board as Non-Executive Independent Director from the closing hours of 31st July 2024. He also stepped down from the Committee as its Chairperson simultaneously.*

Mr. Sujjain Talwar was inducted into the Committee and effective 1st August 2024 and was elected as its Chairman.

Mr. Muthiah Murugappan Muthiah who was appointed as a Non- Executive Non-Independent Director from 1st August 2024 was also inducted as a Member of the CSR Committee effective the same day.

3. Provide the web-link where Composition of CSR committee, CSR Policy and projects approved by the board are disclosed on the website of the company:

(i) Composition of the CSR Committee: https://www.cumi-murugappa.com/wp-content/uploads/2024/08/committee-composition.pdf

(ii) CSR Policy: https://www.cumi-murugappa.com/wp-content/uploads/2024/02/CSR-Policy-2021.pdf

(iii) CSR Projects: https://www.cumi-murugappa.com/wp-content/uploads/2025/07/CSR-projects-for-the-FY-2024-25.pdf

4.		Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Though the Company is not required to conduct a formal impact assessment of its CSR projects, the activities which are on an ongoing project continue to be part of its overall CSR programmes only after due assessment is undertaken. The expansion of the skill development centre from Hosur to other areas such as Kochi/ Ranipet is a testimony to this effect. The discontinuance of the centre in Ranipet in the last few years is also a result of this need based assessment. The Company recognises growth to be inclusive and undertakes a lot of community initiatives in and around its plant activities which necessarily does not form part of this report. Initiatives through implementing agencies are also undertaken only basis an assessment of the local requirements.
5.	(a)	Average net profit of the Company as per Section 135(5)	₹3911.47 million
	(b)	Two percent of average net profit of the Company as per section 135(5)	₹78.23 million
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
	(d)	Amount required to be set off for the financial year	₹0.68 million (The Committee and the Board considered setting off during the FY 2024-25 ₹0.68 million out of the surplus spends made by the Company in FY 2021-22)
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	₹77.55 million
6.	(a)	Amount spent on CSR Projects (both ongoing Project and other than ongoing Project*):	₹ 7,77,04,308
		Details of CSR amount spent against ongoing projects for the financial year:	Nil
		*The details of the projects other than ongoing Project are given as annexure	
	(b)	Amount spent in Administrative Overheads:	Nil
	(c)	Amount spent on Impact Assessment, if applicable:	Nil
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹77.70 million

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7,77,04,308			Nil		

(f) Excess amount for set off, if any

Sl. No	Particular	Amount (in ₹)
(i)	Two per cent of average net profit of the company as per section 135(5)	7,82,29,492
(ii)	Total amount spent for the Financial Year*	7,83,88,308
(iii)	Excess amount spent for the financial year [(ii)-(i)]**	1,58,816
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,58,816

* Includes ₹0.68 million(set-off) from the previous year excess spend made by the Company

** Excess spend set off available from 2021-22 adjusted during 2024-25 is ₹0.68 million

7. Details of Unspent Corporate Social responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1- 2023-24	-	-	-	-	-	-	-
2	FY-2- 2022-23	-	-	-	-	-	-	-
3	FY-3- 2021-22	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No If yes, enter the number of Capital assets created/acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Office
Nil							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

On behalf of the Board

Sridharan Rangarajan
Managing Director
(DIN: 01814413)

Sujjain Talwar
Chairman-CSR Committee
(DIN: 00201205)

Chennai
May 12, 2025

Annexure to CSR Report

Details of CSR amount spent against other than ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes / No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes / No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number*
1.	CUMI Centre for Skill Development - Hosur and Kochi	Technical skill training	Yes	Krishnagiri District, Tamil Nadu, Ernakulam District, Kerala,		1,96,12,324	Yes		-
2.	AMM Foundation - AMM Vellayan Chettiyar Higher Secondary School	School education	Yes	Chennai, Tamil Nadu		2,40,61,000	No	AMM Foundation	CSR00000050
3.	Sponsorship for pediatric cardio surgery in Sri Sathya Sai Sanjeevani Hospitals	HealthCare	No	Bangalore, Karnataka		36,00,000	No	Sri Sathya Sai Health and Education Trust/	CSR00001048
4.	Research & Development on soil nutrient analysis and Enhance Nitrogen Use Efficiency (NUE) and to reduce reliance on chemical fertilizers	Rural Development	No	Tamil Nadu		1,40,00,000	No	Shri A.M.M. Murugappa Chettiar Research Centre (MCRC)	CSR00000057
5.	GKNM Trust Hospital Coimbatore for Cancer care	Healthcare	No	Coimbatore, Tamil Nadu		35,00,000	No	Kuppuswamy Naidu Charity Trust for Education and Medical Relief	CSR00007900
6.	Dr. A K Cherian Memorial Charitable Society, Kochi for purchasing a dialysis unit for the dialysis centre	Healthcare	Yes	Ernakulam District, Kerala		9,24,490	No	Dr. A K Cherian Memorial Charitable Society	CSR00059962
7.	Purchase of an Ambulance for Kalamassery Municipality	Healthcare	Yes	Ernakulam District, Kerala		22,39,063	Yes		-
8.	Purchase of Medical equipment for the Cachar Cancer Hospital Society	Healthcare	No	Silchar, Assam		58,00,000	No	Cachar Cancer Hospital & Research center	CSR00003079
9.	Donation to Indian Institute of Technology Madras Amoled Research Centre	Contribution to Publicly Funded Universities	Yes	Chennai, Tamil Nadu		6,00,000	Yes		-
10.	AMM Foundation - Murugappa Raising Talent Sports Scholarship	Skill Development	Yes	Chennai, Tamil Nadu		13,04,000	No	AMM Foundation	CSR00000050
11.	ASK (Attitude, Skill, Knowledge) centre	Women Empowerment	Yes	Ernakulum & Trichur Kerala		20,63,431	No	Rajagiri Outreach Society	CSR00011814
		Total				**7,77,04,308**			

Annexure C

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L29224TN1954PLC000318
2.	Name of the Listed Entity	Carborundum Universal Limited
3.	Year of incorporation	1954
4.	Registered office address	'Dare House', No.234, N.S.C.Bose Road, Parrys, Chennai - 600001
5.	Corporate address	'Dare House', No.234, N.S.C.Bose Road, Parrys, Chennai - 600001
6.	E-mail	investorservices@cumi.murugappa.com
7.	Telephone	044-30006161
8.	Website	https://www.cumi-murugappa.com/
9.	Financial year for which reporting is being done	2024-2025
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	₹190,422,718
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Rekha Surendhiran, Company Secretary, 044-30006141, rekhas@cumi.murugappa.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosure in this report is made on a Standalone basis.
14.	Name of assurance provider	Not Applicable (NA)
15.	Type of assurance obtained	

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture of other non-metallic mineral products - Abrasives	Manufacture, Sale, and Marketing of abrasives for various applications including Bonded, Coated & Super Abrasives	42.86%
2.	Electrominerals - Abrasives Grains	Manufacture, Sale, and Marketing of abrasives for various applications including Bonded, Coated & Super Abrasives	23.50%
3.	Refractories & Ceramics	Design and Manufacturing of Refractories, Ceramics, Anti Corrosives and Polymers	33.64%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Abrasives	23993	42.86%
2.	Electrominerals	0729	23.50%
3.	Refractories & Ceramics	23939	33.64%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	20	10	30
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24 States and 6 Union territories
International (No. of Countries)	60 countries

b. What is the contribution of Exports as a percentage of the total turnover of the entity?

26.5%

c. A brief on types of customers

Carborundum Universal Limited (CUMI) is a diversified materials science Company that operates as a fully integrated enterprise. Diverse range of customers include Aerospace, Automotive Original Equipment Manufacturer (OEM) & Auto Components, Construction, Cement, Food Processing, General Engineering, Iron & Steel, Mining, Mineral Processing, Pharmaceuticals, and Railways. The Company serves both retail and industrial customers through multiple channels across India. The multiple channels include distributors, direct sales, and digital marketing.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1088	990	91%	98	9%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	1088	990	91%	98	9%
WORKERS						
4.	Permanent (F)	1292	1269	98%	23	2%
5.	Other than Permanent (G)	3711	3267	88%	444	12%
6.	**Total workers (F + G)**	5003	4536	91%	467	9%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	3	75%	1	25%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	4	3	75%	1	25%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	**Total differently abled workers (F + G)**	1	1	100%	0	0%

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14
Key Management Personnel	2	1	50

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.4	12.2	10.6	11.34	7.64	11.04	10.47	12.41	10.62
Permanent Workers	5.4	4.7	5.4	4.18	6.25	4.21	4.81	0.00	4.76

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Net Access India Limited	Subsidiary	100	No
2	Southern Energy Development Corporation Limited	Subsidiary	84.76	No
3	Pluss Advanced Technologies Limited	Subsidiary	74.06	No
4	Sterling Abrasives Limited	Subsidiary	60	No
5	CUMI (Australia) Pty Limited	Subsidiary	51.22	No
6	CUMI International Limited	Subsidiary	100	No
7	Volzhsky Abrasive Works	Subsidiary	98.07	No
8	Foskor Zirconia (Pty) Limited	Subsidiary	51	No
9	CUMI America Inc.	Subsidiary	100	No
10	CUMI Middle East FZE	Subsidiary	100	No
11	CUMI Abrasives & Ceramics Company Limited	Subsidiary	100	No
12	CUMI Europe s.r.o	Subsidiary	100	No
13	CUMI Awuko Abrasives GmbH	Subsidiary	100	No
14	Rhodius Abrasives GmbH	Subsidiary	100	No
15	Pluss Advanced Technologies B.V., Netherlands	Subsidiary	74.06	No
16	Rhodius Nederland B.V	Subsidiary	100	No
17	Rhodius France S.A.R.L.	Subsidiary	100	No
18	Rhodius Korea Inc.	Subsidiary	100	No
19	Rhodius South America Ltd	Subsidiary	100	No
20	CUMI USA Inc.	Subsidiary	100	No
21	Silicon Carbide Products LLC	Subsidiary	100	No
22	Ciria India Limited	Associate/JV	30	No
23	Wendt (India) Limited	Associate/JV	37.5	No
24	Murugappa Morgan Thermal Ceramics Limited	Associate/JV	49	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, CSR applies to the entity.

(ii) Turnover (in ₹) - 28,276 Million

(iii) Net worth (in ₹) - 25,582.56 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-		-	-	
Investors (other than shareholders)	Yes	-	-		-	-	
Shareholders**	Yes	5	-		52	1	
Employees and workers	Yes	1	-		2	-	
Customers	Yes	1,117	4*		1,109	16*	
Value Chain Partners	Yes	-	-		-	-	
Other (please specify)							

Prior year data is recalibrated for consistency with the current year's presentation

** Complaints are pending due to ongoing discussions with the customer(s) for additional information.*

*** Refer Corporate Governance report for nature of the shareholder complaints*

The stakeholders can use the grievance redressal policy to raise complaints. All the complaints shall be addressed in line with the grievance redressal mechanism. Refer to the grievance redressal policy using the link below.

https://www.cumi-murugappa.com/wp-content/uploads/2024/04/Stakeholder-Grievance-Redressal-Policy-.pdf

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate change and Climate action obligation	Risk & Opportunity	Climate change is resulting in extreme weather events, which can disrupt operations, damage infrastructure and equipment. The Indian Government is taking steps to address climate change and can expect more regulations to be introduced in the future. The risk could potentially increase the operating costs including carbon taxes or emissions caps.	To mitigate exposure to these risks, the Company is taking proactive measures such as reducing greenhouse gas emissions, energy-efficient technologies, increasing water efficiency, constructing rainwater storage ponds, increasing usage of renewable energy and developing contingency plans for extreme weather events.	Negative/ Positive
2.	Environmental risks	Risk	Environmental risks, such as air and water pollution, waste generation and disposal have the potential to affect operations, reputation, and financial performance. Failure to comply with environmental regulations and standards could result in fines, legal action, and reputational damage.	The Company is making continuous efforts to reduce its exposure to environmental risks. To monitor compliance with environmental regulations, the Company uses a compliance management tool, which enables monthly tracking and reporting of environmental compliance.	Negative
3	Value Chain Sustainability	Risk	The Company sources its raw materials from many global & local suppliers. The Regulatory requirements expect the Company to do audits and assurance on the BRSR core elements. Any failure on the part of value chain partners to comply with dynamically changing regulations can disrupt the Company's operations, and impact business.	The Company has onboarded an online tool to collate the data for disclosure requirements and planned to do audit the value chain partners aligning to the requirements. Supplier assessment prior to onboarding is also being practiced with ESG metrices.	Negative
4	Employee turnover and skills	Risk	High turnover rates can lead to increased recruitment and training costs, loss of knowledge and expertise, reduced productivity, and lower employee morale. Moreover, the Company operates in a highly competitive industry, where access to skilled talent is essential for success. The ability to attract, retain, and develop skilled employees is critical to the ability to innovate, meet customer demands, and achieve business objectives. Failure to do so could result in a shortage of skilled labour, which could limit growth potential and put the Company at a competitive disadvantage.	The Company provides training and development programs to allow employees to enhance and refine their skills. By doing so, employees can pursue career advancement while simultaneously contributing towards the organisation's objectives. Various HR practices/processes/initiatives are part of the employment cycle, which also includes performance-based rewards and recognition mechanisms. Job rotation and training are deployed to develop employee capability besides conducting regular employee engagement initiatives. The Company also sponsors for higher education programs for the employees.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Data Security & Privacy	Risk	The Company understands that data security breaches can lead to significant reputational damage, financial losses, and legal penalties.	The Company has implemented various measures, such as periodic cybersecurity assessments, data security policies and procedures, and employee awareness to mitigate this risk. Regular Training and Awareness: Conduct regular training and awareness programs for employees to educate them on data privacy best practices, including how to handle sensitive information, how to spot phishing attempts, and how to report suspicious activity.	Negative
6	Occupational Health and Safety	Risk & Opportunity	Strong safety culture leads to high employee morale and motivation. Lack of it can lead to accidents and injuries.	The Company strives to mitigate the risks arising from health and safety. The Company has incorporated many strategic initiatives for driving safety culture, such as: • Implementation of Behaviour Based Safety at manufacturing sites. • Improving Machinery Safety through 360-degree guarding initiative. • Introducing EHS requirements for installation of new equipment/ facilities. • Process Risk Assessment to identify risks associated with existing process equipment and facilities. • Introduction of guidance for high-risk operations through permit-to-work, LOTO. • Work Environment Monitoring for assessing health impact.	Negative / Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management process											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies, if available	https://www.cumi-murugappa.com/policies-disclosure/								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Y*	Y	Y	Y	Y	Y	Y	Y	Y
4.		Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.			ISO 45001			ISO 14001 & ISO 50001			
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is aiming to achieve net zero emissions by 2050. The Company also has set its intermediate targets for 2030 as below,								
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company's performance against its 2025 targets are as below,								

Parameter	2030 Target (FY 24-25 as baseline)
Energy intensity reduction	20%
GHG emission intensity reduction	25%
Water intensity reduction	20%
Waste intensity reduction	25%
Renewable energy	50%

Parameter	2025 Target (FY21-22 as baseline)	FY 24-25
Energy intensity reduction	25%	25%
GHG emission intensity reduction	25%	31%
Water intensity reduction	25%	25%
Waste intensity reduction	25%	-16%#

Data re-calibrated and has been streamlined.

Governance, leadership and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company remains committed to integrating sustainable practices across its operations. As market dynamics evolve and stakeholder expectations continue to increase, the Company is focused on aligning its long-term strategy with responsible business conduct. Beyond business performance in financial parameters, the Company is deeply committed to making a positive and lasting impact on the communities in which it operates. Through a range of Corporate Social Responsibility (CSR) initiatives in and around its manufacturing plants and other locations, value driven actions are being undertaken in the core areas of education, healthcare, and skill development which have had a positive impact. These efforts reflect the belief that sustainable growth is best achieved by uplifting the communities that support and surround the business. The Company always has and will continue to prioritise decisions and actions that safeguard the environment. While the Compliance management system ensures all the regulatory aspects are met, the newly established dedicated EHS function is driving the sustainability goals of the Company along with the business and other functional teams. The Company's ESG 2030 targets consider significant reduction in energy intensity, GHG emission intensity, water intensity, waste intensity. The Company also focusses on increasing the share of renewable energy in its total electrical energy. In the field of education, the Company has positively influenced the lives of 2,330 students by enhancing access to quality learning opportunities. In healthcare, support has been extended to over 48 beneficiaries through the facilitation of critical surgeries and the provision of essential medical equipment, thereby strengthening healthcare delivery systems. Additionally, the Company's skill development initiatives have included 106 beneficiaries receiving technical training programs and skill development. Furthermore, 1,057 women have been empowered through targeted programs aimed at fostering self-reliance and improving livelihood opportunities. The conscious focused improvement in the employee engagement initiatives will ensure the Company being a preferred place to work for the employees whom we consider to be one of the most important stakeholders. The consistent recognitions the Company has been achieving for its Governance framework and practices is a testimony to the significance the organisation places on this important pillar of the ESG. However, we remain committed to enhancing this benchmark with and beyond the evolving standards.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Sridharan Rangarajan Designation: Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	While the Company does not have a dedicated committee of the Board for sustainability related matters or issues, Mr. Sridharan Rangarajan, Managing Director continues to be the designated Director spearheading the sustainability objectives within the EHS framework for the Company. Though not a Board committee, the Company has established an internal ESG committee responsible for institutionalising the processes and ensuring the EHS deliverables as per the set objectives/strategy. This Committee has representatives from all business and functions and is committed to delivering the ESG goals of the Company. Additionally, during the year, the Company set up an Environment, Health, and Safety (EHS) function, which plays a key role in driving EHS/ ESG initiatives at a Company level across the organisation.								

Y* - The Company encourages the value chain partners also to embrace all the principles and incorporate sustainable business practices. The Company's Environmental, Health and Safety practices, Labour and Human Rights, Ethical Business Practices, and Transparency policies apply to the value chain partners.

#Certain policies of the Company are only available to internal stakeholders, employees and workers.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q

Note: As part of a regular process, the department heads, business leaders, functional heads and senior management staff review the Company's policies to ensure their continued relevance and effectiveness. Any necessary adjustments to the policies and processes are made during this assessment, and the policies are presented to the Board of Directors as needed. The Company ensure adherence to applicable regulations and have established a compliance management system to this effect.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, Environment, Health and Safety Policy, is externally evaluated by certification body across all its manufacturing facilities. Also, the energy policy in its two verticals of businesses. Manufacturing facilities has also obtained certifications under various international standards, including ISO 14001, ISO 45001 and ISO 50001. The Company has established a robust internal mechanism to ensure compliance with standards and laws. This mechanism includes site-level audits by internal and external persons. Policies are periodically reviewed and updated by concerned departments and is approved by the Management / Committees of the Board or the Board itself, as applicable.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	8	Business plan, Code of Conduct, Governance and Regulatory compliance, Risk Management, Industry Outlook, Code of Conduct, Conflict of Interest, Long term strategy etc.	100%
Key Managerial Personnel	9	Anti-Corruption Practices, Business Plan and Long-term Strategy, Code of Conduct, Conflict of Interest, , Prevention of Sexual Harassment (POSH) Policy, Data Protection and Data Privacy Act, Regulatory changes, and Risk Assessment.	100%
Employees	59	Anti-Corruption Practices, Code of Conduct, Diversity Policy, Environment Health and Safety Policy, Ethics and Integrity, Equal Opportunity Policy, Prevention of Sexual Harassment (POSH) Policy, Safe Workplace Practices and Whistle-blower Policy. Value workshops on Personal Values, Social Responsibility, Environment Conservation Practices.	74%
Workers	58	Anti-Corruption Practices, Code of Conduct, Diversity Policy, Environment Health and Safety Policy, Ethics and Integrity, Equal Opportunity Policy, Prevention of Sexual Harassment (POSH) Policy, Safe Workplace Practices, and Whistle-blower Policy.	38%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil				
Settlement					
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil			
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policies.**

Yes, the Company has an anti-corruption / anti-bribery policy. The Company strictly prohibits its employees from engaging in any form of bribery and corruption in any business dealings. The anti-corruption and anti-bribery policy, prohibit employees from making any payments, directly or indirectly to any employees or individuals or entity in exchange for business or any other favourable action. The policy is also incorporated as part of contractual agreements with its vendors and suppliers etc. In addition, all the employees of the Company are required to adhere to the Company's code of conduct and confirm the same annually.

https://www.cumi-murugappa.com/wp-content/uploads/2024/04/Anti-Bribery-and-Anti-Corruption-Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

No corrective actions was taken since no issues related to fines/penalties/actions were taken by the regulators/law enforcement agencies/judicial institutions in case of corruption and conflict of interest during the financial year.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	28 days	33 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	14%	14.2%
	b. Number of trading houses where purchases are made from	105	110
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	65.8%	69.4%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	39.7%	39.4%
	b. Number of dealers / distributors to whom sales are made	874	936
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	22.2%	21.5%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	8.2%	8.2%
	b. Sales (Sales to related parties / Total Sales)	8.9%	9.3%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

#The Company has considered the following definition for a Trading house. A trading house (trader) is an entity that specialises in facilitating trade between manufacturers and customers across different regions and countries. The Company has considered raw materials purchased from traders within India and globally for completing the details of the above table. Also, the raw materials purchased from related parties are used for quantification in the RPT Section of the above table.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

The Company did not conduct any direct awareness or training program for value chain partners on 9 principles of NGRBC.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a code of conduct for its Board of Directors and Senior Management, which contains clear provisions governing actual or potential conflicts of interest, that may arise in connection with the Company's business operations. The Company mandates an annual disclosure from its Board of Directors and Senior Management, disclosing any interests that they may hold in any other entities. Additionally, the Company undertakes necessary measures to get requisite approvals, in compliance with the relevant laws and regulations, before entering into any transactions with such entities.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	3.02 %	2.5%	-
Capex	24.9%	8.9%	- Exhaust stack at one of its manufacturing facilities for improving air dispersion - Sludge dewatering system for wastewater treatment plant - Retrofit emission control - Fuel conversion kits for low carbon emitting fuels

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company focusses on Sustainable Procurement while there is no specific laid down procedure. The Company's engagement with all suppliers is aligned to the "CUMI's Right path" intending to protect the human rights, environmental responsibility and ethical business practices. The supplier sourcing guidelines are being developed.

b. If yes, what percentage of inputs were sourced sustainably?

NA

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

(a) Plastics (including packaging)

The Company's product profile is majorly attributed to Abrasives, Electrominerals, Refractories and Ceramics in which there is usage of plastics majorly for its packing material. The Company being a responsible entity complies the recycling and end-of-life requirements via EPR obligations set by the Central Pollution Control board.

(b) E-waste

There is a business vertical which manufactures power tools which would generate E-waste at the end of its life. The Company being a responsible entity complies the end-of-life requirements via EPR obligations set by the Central Pollution Control board.

(c) Hazardous waste

Most of the Company's products before and after use do not contribute to the Hazardous waste. However, the usage of Prodorite leads to the generation of hazardous chemicals. The customers are informed about safety aspects related to its handling and management by providing the Material Safety Data Sheet (MSDS) along with the product.

(d) Other waste

NA

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR for plastic as a brand owner and e-waste as a producer applies to the Company. Yes, the waste collection plan is in line with the EPR plan submitted to the Pollution Control Board. Refer to the leadership indicator Question 4, on the EPR plan and the Company's progress toward achieving the target.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Nil					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:**

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

   No, the organisation did not conduct Life Cycle Assessments (LCA) for any of its products.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Abrasive grains waste	0.24%	0.28%
Ceramics scrap	0.89%	0.82%
Ceramics sludge	0.28%	0.13%
Reclaimed in-house materials	0.24%	0.45%
Refractory waste	0.10%	0.09%

   The above table was quantified based on recycled input material and total material used in production based on the quantity of materials used in production in tonnes. Since the majority of recycled inputs are generated in-house from various divisions and reused within the Company, a financial value has not been attributed.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25			FY 2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	288 MT	589 MT	Nil	563 MT	Nil
E-waste	Nil	42 MT	Nil	Nil	65 MT	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

   The Company has achieved its E-waste EPR target and is aligned with achieving the EPR target for plastic waste based on its commitment to the Central Pollution Control Board (CPCB), India for the financial year 2024-25.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

PRINCIPLE 3 : Businesses should respect and promote the well-being of all employees, including those in their value chain

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	990	990	100%	990	100%	NA	-	990	100%	990	100%
Female	98	98	100%	98	100%	98	100%	NA	-	98	100%
Total	1088	1088	100%	1088	100%	98	9%	990	91%	1088	100%
Other than Permanent Employees											
Male	NA										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1269	1269	100%	1269	100%	NA	-	1269	100%	1269	100%
Female	23	23	100%	23	100%	23	100%	NA	-	23	100%
Total	1292	1292	100%	1292	100%	23	2%	1269	98%	1292	100%
Other than Permanent Workers											
Male	3267	3267	100%	3267	100%	NA	-	-	-	-	-
Female	444	444	100%	444	100%	444	100%	NA	-	444	100%
Total	3711	3711	100%	3711	100%	444	12%	-	-	444	12%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.44%	0.42%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI#	100% (eligible employees)	100%	Y	100% (eligible employees)	100%	Y
Others – please specify	NA					

As per ESI Act,100% eligible employees has been covered for the benefits.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company's establishments are accessible to the differently abled people, and the Company continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Company is committed to an equal opportunity policy that strictly prohibits discrimination in any form. This policy is applied across all areas, including recruitment, training, compensation, working conditions, transfers, benefits, and career advancement.

Employment decisions are based solely on merit, without regard to gender, caste, community, religion, age, disability, sexual orientation, or any other personal characteristic. The Company promotes inclusive growth and is dedicated to providing equal employment opportunities to all qualified candidates.

Furthermore, the Company expects its employees, contractors, subcontractors, vendors, suppliers, and partners to uphold these principles and refrain from engaging in any discriminatory practices.

Please access to the equal opportunity policy through the below link.

https://www.cumi-murugappa.com/wp-content/uploads/2024/04/Equal-Employment-Opportunity-Policy.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes
Other than Permanent Workers	Yes

All the complaints are addressed as per the Grievance Handling Mechanism mentioned in the Grievance Redressal Policy.

7. **Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1088	-	-	1007	-	-
- Male	990	-	-	924	-	-
- Female	98	-	-	83	-	-
Total Permanent Workers	1292	570	44%	1231	592	48%
- Male	1269	570	45%	1211	592	49%
- Female	23	-	-	20	-	-

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	990	476	48%	537	54%	924	331	36%	434	47%
Female	98	64	65%	87	89%	83	60	72%	52	63%
Total	1088	540	50%	624	57%	1007	391	39%	486	48%
Workers										
Male	4536	2487	55%	2158	48%	4527	2047	45%	951	21%
Female	467	364	78%	115	25%	362	269	74%	154	43%
Total	5003	2851	57%	2273	45%	4889	2316	47%	1105	23%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	990	809	82%	924	798	86%
Female	98	68	69%	83	67	81%
Total	1088	877	81%	1007	865	86%
Workers						
Male	1269	527	42%	1211	455	38%
Female	23	18	78%	20	19	95%
Total	1292	545	42%	1231	474	39%

#While performance and career development reviews and discussions are held every year for permanent employees and permanent workers, the above table depicts the actual number of employees and workers eligible for annual appraisal reviews.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Occupation health and safety management system has been implemented across the manufacturing facilities. Almost all of the plants are also certified for ISO45001: 2018.

Apart from that, to reinforce the implementation of Health and Safety Management system, a structured EHS function has been established at the Corporate and Business level driving strategic EHS initiatives.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

CUMI has a comprehensive approach to workplace safety that clearly outlines processes for identifying and mitigating hazards in both routine and non-routine activities:

- Hazard Identification and Risk Assessment (HIRA) process to proactively identify hazards.
- Process Risk Assessment for Process equipment.
- Focused safety inspections for identifying Machinery hazard, Fall Hazard, Electrical Hazard and Material handling hazards.
- Health and Safety Inspections / assessments
- Behaviour Based Observations through Behaviour Based Safety program
- Work Environment Monitoring for identifying Health hazards

- Ergonomic Assessment for identifying ergonomic hazards.
- Employee hazard reporting through CUMI connect App

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)

Yes, we have promoted a transparent culture of reporting hazards by employees / workers, who can report their safety concerns such as unsafe acts, unsafe conditions and near-misses through CUMI connect app. They can also report the concerns to their supervisors.

Apart from that, there are various committees and forums such as safety committees and worker committees to report the hazards.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.10	0
	Workers	0.88	2.29
Total recordable work-related injuries	Employees	3	0
	Workers	11	27
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	1

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has launched a comprehensive safety culture-building initiative. As part of this effort, a Safety Perception Survey was conducted among employees and workers. Based on the feedback received, an action plan and strategy has been developed focusing on 10 key elements to strengthen safety practices across the organisation.

Some of the activities include:

- Implementation of Behaviour-Based Safety (BBS) programs
- Introduction of 360-degree machine guarding
- EHS Change management process strengthened for introduction of new equipment and facilities
- Revised Work Permit System implemented for better control of high-risk activities
- Contractor EHS pre-assessments and periodic evaluations implemented towards Contractor Safety Management.
- Development of safety standards and guidance notes such as LOTO (Lockout Tagout), EHS Requirements for New Equipment, Material Lifts and Warehouse storage.
- Third-party external process risk assessments to identify process hazards
- Periodical reviews on EHS performance by Corp EHS Head, Business Unit Head, Plant Head, and Managing Director
- Inspections of critical equipment and machinery to ensure operational safety
- Initiated Installation of roof lifeline for fall protection in SPR (ABR) plant.
- Digitalisation of incident management and Behaviour Based safety process.
- Periodic safety audits conducted by the Safety Team and shop floor teams

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	No complaints reported	-	-	No complaints reported
Health & Safety	-	-	No complaints reported	-	-	No complaints reported

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has taken several corrective actions to address safety-related risks identified through assessments of health and safety practices and working conditions. Key initiatives include:

- Introduction of Roof Lifeline System and Safe Access for facilities: To enhance safety during work in roof, lifeline systems have been installed in one of the facility, and existing facilities have been improved across the plants to provide safer access.
- Improving of Electrical LOTO System: A Lockout-Tagout (LOTO) procedure has been developed to prevent accidental energisation during maintenance work, thereby reducing risk of electrical hazards.
- Improvement in Machinery Guarding: Safety has been reinforced by upgrading and increasing the number of machinery guards across operational areas.
- Introduction of Behaviour Based safety process.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/ No) (B) Workers (Yes/ No).

In the unfortunate event of a permanent employee's or permanent worker's demise, the Company provides comprehensive compensatory benefits to the bereaved family members.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Business agreements, as applicable, are entered with the value chain partners covering clauses relating to deduction, deposit, and payment of statutory dues.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	-	-	-	-
Workers	1	2	1	1

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

An initiative to support employees approaching retirement, a pre-retirement counselling program titled "Endrendum Punnagai" was conducted in collaboration with external experts.

The program focussed on holistically preparing the participants for their post-retirement life by focusing on three key pillars: comprehensive financial planning, mental and emotional well-being, and the adoption of a healthy lifestyle. These elements were designed to help employees transition smoothly into retirement with confidence and clarity. A total of 18 employees, accompanied by their spouses, actively participated in the session.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil, However Company has shared “Supplier assessment form” to 1.6% suppliers of one of its large business segment in FY 24-25 on the parameters of health and safety practices & working conditions.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No serious risks or concerns were observed during the financial year.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has been in existence for over seven decades, continuously evolving with changing times. Through a structured process involving peer assessments and comprehensive reviews of various stakeholder groups those who influence or are impacted by its business activities the Company has identified its key stakeholders. Any individual or entity that contributes to the Company’s operations is regarded as a core stakeholder. This group includes employees, shareholders and investors, customers, channel partners, strategic partners, regulators, lenders, research analysts, communities, NGOs, suppliers, and others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	• Annual General Meeting • Shareholder/Investor meets • Email • In person communication at office • RTA mechanism • Stock Exchange (SE) intimations Investor/analysts meet/conference calls, annual report, quarterly results, Publications, media releases, Company/SE website etc.	Ongoing	Share price appreciation, dividends, Profitability and financial stability, Robust governance growth prospects and shareholder value creation besides servicing them for their shareholding related requirements.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Senior leader's communication • periodic communication meetings, goal setting, and performance appraisal meetings • exit interviews • arbitration/union meetings • wellness initiatives • engagement surveys • email, intranet, flat screens, websites • poster campaigns, in-house magazines, circulars, quarterly publications and newsletters etc. • dedicated trainings, workshops, conferences.	Ongoing	Operational efficiencies, improvement areas, long-term strategy plans, training and awareness, responsible marketing, brand communication, health, safety and engagement initiatives, women empowerment and leadership programmes.
Customers	No	• Website • Distributor/retailer/direct customer/ achievers meet • Senior leader customer meets/visits, customer plant visits, customer audits, • Key account management, trade body membership • Exhibitions, complaints management, help desk, plans, customer surveys etc.	Ongoing	Product quality and availability, responsiveness to needs, after sales service, responsible guidelines/ manufacturing, customisation, alignment with the mission/vision/ goals of the Company.
Suppliers/ Partners	No	• Prequalification/vetting/introduction/ communication and the partnership meets and plant visits • MoU and framework agreements • trade association meets/ seminars, professional networks • contract management/review, product workshops/on-site presentations, and satisfaction surveys.	Ongoing	Quality, timely delivery and payments, (Sustainability, safety checks, compliances, ethical behaviour), ISO and OHSAS standards, collaboration and opportunities and effective supply chain management.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government (MCA, SEBI, PCB, Ministry of Labour and Employment)	No	• Representative meetings / advocacy meetings with local state/national government and ministries, seminars, media releases, conferences, and membership with industry bodies (CII, SICCI etc).	Ongoing	Changes in regulatory frameworks, skill and capacity building, employment, environmental measures, policy advocacy, timely contribution to exchequer/local infrastructure and proactive engagement.
Communities	No	• Meets (of community/local authority and town council/committee/location head), community visits and project partnerships with local charities, volunteerism, seminars/conferences.	Ongoing	The Company has consulted with the community to establish various CSR programs such as Social welfare activities, Waste management, integrated water management, clean water, climate change impacts, community development, self-sustainability, livelihood support, and disaster relief.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Various organisational functions in the Company are responsible for different stakeholders, and they facilitate the consultation process with the Board regarding key stakeholder concerns. This process involves periodic Board reviews that are held at least once every quarter, during which the Board engages in discussions with the Managing Director and other senior leaders who represent these functions. This approach ensures that the Board is informed about important stakeholder issues and can provide input and guidance on how the Company can best address them. A brief of items that are being discussed in the meetings are listed below.

   - **Investors:** Earnings calls are organised every quarter once the financial results of the Company is published. Periodic investor calls/meetings are also conducted. This provides a platform for the investor community to engage with the Management matters concerning the business. The Company also in its Annual report provides a detailed overview of each business and the external topics that are concerning the business and the ESG goals set by the Company. Feedback to the Board is provided during the BRSR report consideration.
   - **Leadership team and employees:** Consultation revolves around ESG/Sustainability implementation aspects and ongoing activities to keep the team informed and involved in the Company's efforts to improve its ESG performance.
   - **Contractors:** Company has a pre-assessment and periodical assessment based on CUMI EHS requirements. Further, Consultation and awareness of contractors are enhanced with contractor safety meetings.
   - **Channel partners:** Consultation on product delivery standards and requirements, market requirements, and other relevant inputs to ensure that the channel partners are aware of the Company's ESG expectations.
   - **Community:** The Company has implemented various CSR initiatives in consultation with the local communities. The Company has installed display boards at the entrance gate to ensure transparent communication of environmental information to the community.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. Strategy has been developed with vision of "Sustainable future" as part of the CUMI strategy plan. The performance parameters have been arrived with clear roadmap and year on year targets with responsibilities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   While there are no identified vulnerable/ marginalised stakeholder groups, the Company engages with the community through its NGO partners to access the needs of the community. The insights from the engagement help in shaping the Corporate Social Responsibility (CSR) programs of the Company.

PRINCIPLE 5 : Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1088	1088	100%	1007	1007	100%
Other than permanent	-	-	-	-	-	-
Total Employees	1088	1088	100%	1007	1007	100%
Workers						
Permanent	1292	1292	100%	1231	1231	100%
Other than permanent	3711	3711	100%	3658	3658	100%
Total Workers	5003	5003	100%	4889	4889	100%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1088	-	-	1088	100%	1007	-	-	1007	100%
Male	990	-	-	990	100%	924	-	-	924	100%
Female	98	-	-	98	100%	83	-	-	83	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1292	-	-	1292	100%	1231	-	-	1231	100%
Male	1269	-	-	1269	100%	1211	-	-	1211	100%
Female	23	-	-	23	100%	20	-	-	20	100%
Other than Permanent	3711	1060	29%	2651	71%	3658	1128	31%	2530	69%
Male	3267	933	29%	2334	71%	3316	1027	31%	2289	69%
Female	444	127	29%	317	71%	342	101	30%	241	70%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in ₹)	Number	Median remuneration/ salary/ wages of respective category (in ₹)
Board of Directors (BoD)	6	26,80,000	1	14,58,630
Key Managerial Personnel	1	1,68,48,141	1	96,76,391
Employees other than BoD and KMP	798	10,49,817	72	843,816
Workers	1133	490,813	13	315,640

#The permanent employees and workers employed for the entire FY 2024-25, were only considered for median remuneration calculation.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	4.49%	5.03%

#The gross wages paid to females as % of total wages paid by the entity calculation included all on-roll permanent employees and permanent workers. The Company did not include other than permanent workers in the calculation, since the other than permanent workers are hired and the wages are paid by third party contractors.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has appointed a Human Resources Single Point of Contact (HRSPOCs) at each site. Employees can reach out to the HRSPOCs for any complaints related to human rights, discrimination, etc. The Company has dedicated policies to address the same. The Corporate HR shall conduct a thorough fact-finding investigation and take appropriate action based on the findings. The complainant will be informed of any actions taken as a result of the investigation.

- For any sexual Harassment grievance, the Internal Complaints Committee (ICC) under POSH exists for redressal.
- A dedicated email ID: cumiposhcomplaints@cumi.murugappa.com is available to receive and resolve grievances.
- Workers can raise their grievances through the contractor. If not resolved, can be escalated to the Unit HR.
- Unit-level grievance committees exist at each location.
- Workers can also reach out to the Ombudsman for any whistle-blower matters at ombudsperson@corp.murugappa.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees can reach out to the Ombudsman for any complaints related to human rights, discrimination, etc., under whistleblower mechanism or even to the Corporate HR/Unit HR. Absolute confidentiality shall be maintained for all complaints. Ombudsman can set up an enquiry to find out the facts and violations, if any. Based on the enquiry report, appropriate action will be taken by the Company.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	-		2	-	Complaint addressed as per POSH policy
Discrimination at Workplace	-	-		-	-	
Child Labour	-	-		-	-	
Forced Labour/ Involuntary Labour	-	-		-	-	
Wages	-	-		-	-	
Other human rights related issues	-	-		-	-	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	2
Complaints on POSH as a % of female employees / workers	0.18%	0.45%
Complaints on POSH upheld	1	2

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has several mechanisms to prevent discrimination and harassment in the workplace. The Code of Conduct policy defines the Company's commitment to providing a safe and inclusive workplace for all employees. The HR policies also aim to eliminate discrimination and harassment in the workplace. Regular training and awareness programs on topics such as the Prevention of Sexual Harassment (POSH) and work-related HR policies are conducted. In case any employees face any discrimination, they can approach HR or the ombudsman for assistance. The Company has a POSH policy and an Internal Complaints Committee (ICC) to address any such issues and will conduct a detailed investigation of any such issues.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company being a constituent of 'The Murugappa group' adheres to the five lights principles i.e. Integrity, Quality, Passion, Respect, and Responsibility. The Company's business agreements and contacts contain clauses related to compliance concerning human rights.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No serious risks or concerns were observed during the financial year.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   The Company has adopted the various measures and processes over the years to address human rights grievances and complaints. During the previous financial year 2023-24, the Company adopted the Policy against Human trafficking and Child labour with an objective to protect and advance human dignity and human rights in business practices.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

   No, the Company did not conduct any human rights due diligence during the financial year, however assessment of the facilities has been carried out.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, most of the premises/offices of the entity are accessible to differently abled visitors, and efforts are being taken to make all plants/offices accessible.

4. **Details on assessment of value chain partners**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil, However the Company has shared "Supplier assessment form" to 1.6% suppliers of one of its large business segment in FY 24-25 and were assessed on almost all the mentioned parameters.
Discrimination at Workplace	
Child Labour	
Forced/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   No serious risks or concerns were observed during the financial year.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A) (Tera Joules or TJ)	105	114
Total fuel consumption (B) (TJ)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) (TJ)	105	114
From non-renewable sources		
Total electricity consumption (D) (TJ)	688	696
Total fuel consumption (E) (TJ)	628	588
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F) (TJ)	1,316	1,284
Total energy consumed (A+B+C+D+E+F) (TJ)	1,421	1,398
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (TJ/ Rupees in million)	0.051	0.054
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	1.05	1.11
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Prior year data is recalibrated for consistency with the current year's presentation.

The Company used the globally accepted conversions, calorific values and density values based on GHG (Green House Gas) Protocol 2024 and IPCC (Intergovernmental Panel on Climate Change) - 2006 Guidelines.

Source of PPP rates taken from The International Monetary Fund (IMF) website

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its energy consumption.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   No, the Company does not have any sites or facilities that have been identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	92,632	88,363
(ii) Groundwater	1,37,661	1,37,758
(iii) Third-party water	1,58,669	1,45,537
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,88,962	3,71,658
Total volume of water consumption (in kilolitres)	3,88,962	3,71,658
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (Kilolitres/ Rupees in million)	13.97	14.33
Water intensity per **Rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total water consumption / Revenue from operations adjusted for PPP)	288.68	296.10
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Source of PPP rates taken from The International Monetary Fund (IMF) website

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its water consumption.

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2024-25	FY 2023-24
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – Tertiary Treatment	-	-
Total water discharged* (in kilolitres)	-	-

*The Company does not discharge any water outside its facility. The treated wastewater is reused for manufacturing process and gardening purposes within the facilities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its water discharge.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented Zero liquid discharge to all its applicable facilities. Effluent Treatment Plants (ETP) and Sewage Treatment Plant (STP) are installed within its premises for management of effluent wastewater and domestic wastewater respectively. The treated wastewater is recycled and reused within the respective plants for process and gardening purposes adhering to the regulatory norms. The Company does not discharge untreated/treated wastewater outside the facility.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	tonnes/year	258.6	251.4
SOx	tonnes/year	76.0	79.8
Particulate Matter (PM)	tonnes/year	200.5	206.2
Persistent Organic Pollutants (POP)	tonnes/year	-	-
Volatile Organic Compounds (VOC)	tonnes/year	-	-
Hazardous Air Pollutants (HAP)	tonnes/year	-	-
Others – please specify	tonnes/year	-	-

Prior year data is recalibrated for consistency with the current year's presentation.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the Company did not carry out any external assurance for its air emissions.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	54,519	55,715
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	1,33,529	1,33,790
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent/Rupees in Million	6.76	7.31

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 and Scope 2 emission Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO_2 equivalent/Rupees in Million USD	139.57	150.98
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Prior year data is recalibrated for consistency with the current year's presentation.

The Company uses the globally accepted methods based on the GHG protocol to calculate its emission under its Scope 1 and Scope 2. Emission factors have been taken for Electricity from CEA (Central Electricity Authority) – December 2024, for Fuels from GHG (Green House Gas) Protocol March 2024, and IPCC (Intergovernmental Panel on Climate Change) - 2006 Guidelines and Refrigerants from GHG Protocol August 2024 and Assessment Report 6 of IPCC).

Source of PPP rates taken from The International Monetary Fund (IMF) website.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its Scope 1 and Scope 2 emissions.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, various initiatives have been taken. Few key highlighted projects are as follows

1) Furnace oil elimination in platen heating press by implementing thermic fluid heating system.

2) R22 usage elimination for Module-4 (Resinoid) area cooling system by upgrading the chiller system to R134a refrigerant and also improving energy efficiency due to upgradation of motors.

3) Secondary heat exchanger introduction in Kiln for Refractory manufacturing process there by reducing the fuel consumption.

4) The Company has 3.3 MW installed in-house rooftop and ground mount solar power generation plant.

5) 12 MW Hydro power plant is being operated in Kerala wheeling power to its facilities in Kerala.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	695	597
E-waste **(B)**	24	19
Bio-medical waste **(C)**	0.02	0.01
Construction and demolition waste **(D)**	578	13
Battery waste **(E)**	16	5
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)** (Category 5.1, 5.2, 21.1, 33.1, 35.3)	144	143
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	13,289	12,657
Total (A+B + C + D + E + F + G + H)	**14,746**	**13,434**
Waste intensity per rupee of turnover (Total waste Generated / Revenue from operations) (MT/ Rupees in Million)	0.53	0.52

Parameter	FY 2024-25	FY 2023-24
Waste intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/Rupees in Million USD)	10.94	10.70
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – The relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2,582	1,858
(ii) Re-used	461	291
(iii) Other recovery operations	22	-
Total	**3,065**	**2,149**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	16	50
(ii) Landfilling	622	24
(iii) Other disposal operations	11,043	11,211
Total	**11,681**	**11,285**

Prior year data is calibrated for consistency with the current year's presentation.

The Company has initiated measures to seek the category of non-hazardous waste from its handling waste handling vendors. Currently the ferrous and non-ferrous metals, paper and cardboards have been categorised as recycled.

Source of PPP rates taken from 'The International Monetary Fund' (IMF) website.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its waste management.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

CUMI being a materials Company has been constantly striving on resource conservation aspects and improving its process efficiency there by reducing its waste generation. The waste management strategy focuses on classifying all the waste generated by the Company in line with various Indian Waste Management Rules and ensures compliance. The strategy involves collecting, handling, storing, and disposing of waste.

- **Battery Waste:** Battery waste is segregated separately and disposed of through authorised vendors using the buyback options with the vendors. This helps in adherence to Battery Waste Management Rules, 2022 and its amendments to prevent any potential harm from battery waste generated.
- **Bio-Medical Waste:** Most facilities are equipped with an occupational health centre. Bio-medical waste generated at these facilities are segregated and provided to authorised vendors for safe disposal.
- **Construction and Demolition Waste:** The C&D waste generated from the demolition activities is utilised for raising the low-lying areas.
- **E-Waste:** Electronic waste (e-waste) is segregated and disposed of through authorised vendors/dismantlers specialising in e-waste recycling and proper disposal methods.
- **Hazardous Waste:** Hazardous waste is segregated, stored, and disposed of effectively as per the guidelines outlined in the Hazardous Waste Management (HWM) 2016. This ensures that hazardous waste is properly isolated and handled to prevent any adverse environmental impact. A dedicated covered shed having impervious flooring for storage of hazardous is established within the facilities.

- **Municipal Solid Waste:** Solid waste generated is collected and categorised into two parts: Wet waste and Dry waste. Wet waste, such as canteen waste, is sent for composting, while other solid waste is disposed of through authorised recycling vendors to ensure proper waste management practices. This helps in adherence to Solid Waste Management Rules (SWM) 2016 and can contribute towards a circular economy.
- **Plastic Waste Management:** To manage plastic waste, the Company follows the guidelines provided by the Central Pollution Control Board (CPCB) in the Plastic Waste Management Rules (PWM) 2022, and the Extended Producer Responsibility (EPR) framework. This includes proper collection, segregation, and disposal of plastic waste through authorised recycling channels.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If no, the reasons thereof and corrective action taken, if any.
1.	Tiruvottiyur, Chennai	Bonded abrasives manufacturing	The facility is located near to coastal regulation zone (CRZ), however, it was established before the CRZ Notification. Hence it does not require any approval / clearance.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

Yes, the organisation complies with the applicable environmental laws /regulators /guidelines in India. The business units operate under the purview of the Environmental Protection Act and hold valid consent to establish and consent to operate issued by the Pollution Control Boards (PCBs). The certificates are regularly renewed as per the PCB's directives and the conditions stipulated in the consent orders are complied. All environmental monitoring reports are submitted within the timelines and reported to the Board of Directors on a quarterly basis.

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area :

   (ii) Nature of operations :

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)	-	
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / Turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment	-	
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its water consumption and discharge.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity Adjusted for PPP		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No, the organisation did not carry out any external assurance for its GHG emissions.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

The Bonded Abrasives Unit in Tiruvottiyur, Chennai is located near to coastal zone however, the facility was established before the CRZ Notification. Also, the existing facility was accorded with renewal of consent by the Tamil Nadu Pollution Control Board (TNPCB).

As a responsible Company, it has maintained its vast green cover for over 7 decades. Also, the Company is committed to monitoring the quality of the air and water in and around the plant. Necessary steps are undertaken to ensure that there is no discharge of any untreated water into the coastal zone, which helps to minimise any potential impact on the biodiversity of marine habitats.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Emission Reduction and Energy Management	Thermic fluid heater for platen heater press (ABR)	Energy conservation
	Fuel conversion kit to move to low carbon emitting fuel (ABR)	Reduction of Scope 1 emissions
	Stack chimney 60m installation (EMD)	Effective air pollutant dispersion
	VFD for grain processing facility (EMD)	Reduction of Scope 2 emissions
	Upgradation of 11 kV to 33kV incomer (IC)	Indirect emission avoided due to less Transmission loss
	Retrofit emission control (SR)	Air pollutant reduction
Water and Wastewater Management	New-generation screw compressor-based AC system (ABR)	Reduce water consumption for process
	Water monitoring system installation (EMD)	Effective monitoring and control of water usage
	Online water quality monitoring system (IC)	Effective waste water treatment
Waste Management	Sludge dewatering system for wastewater treatment plant (IC)	Reduced waste generation
	E waste EPR fulfilment for power tools manufacturing (ABR)	Improving circular economy

Additionally, the corporate office of CUMI : ''Dare House" is a IGBC Gold certified building. This shows the commitment of the Company towards the sustainable future.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Most of the manufacturing facilities has emergency management plan for its operations. The facilities have developed detailed Standard Operating Procedures (SOPs) and guidelines for various scenarios, including natural disasters, fires, chemical spills, and other emergencies. Critical business functions have been identified, and backup plans have been established to minimise downtime and ensure continuity of operations, in case of any disruption.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impact was identified in the recent supplier assessment undertaken. Further the Company has initiated value chain assessment program for the financial year 2025-26.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

1.6% suppliers of one of its large business segments was undertaken in FY 24-25.

8. **How many Green Credits have been generated or procured:**

a. **By the listed entity**

The Company has not generated or procured Green credits. However, the organisation has sourced renewable energy from its onsite solar and hydro power plant, engaged in multiple afforestation drives, taken measures to reduce its air emissions, water conservation efforts to reduce its water intensity.

b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners**

Green credits has not been assessed for value chain partners.

PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is an active member of twenty trade and industry chambers and associations in India and globally.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Kerala Management Association	State
2	Madras Management Association	State
3	National Safety Council – Kerala Chapter	State
4	Confederation of Indian Industry	National
5	Indian Ceramic Society	National
6	Indian Carbon Society	National
7	Indo-Australian Chamber of Commerce	National
8	Indo-German Chamber of Commerce	National
9	South India Chamber of Commerce	National
10	SICMA – Europe	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of Authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

The Company did not engage in public policy advocacy during the financial year. However, it is an active member of several national and international trade and industry chambers and associations. As part of these groups, it provides recommendations and representations to regulators and associations to advance and improve the industrial climate in India. Additionally, the Company regularly participates in forums and discussions related to energy security and management, water and food security, and sustainable business practices to share its views and opinions.

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has a grievance redressal policy that addresses any community grievances. The policy provides the mechanism by which grievances can be reported and redressed by the Company.

https://www.cumi-murugappa.com/wp-content/uploads/2025/04/Stakeholder-Grievance-Redressal-Policy.pdf

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	12.4%	13%
Directly from within India	51%	55%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

Location	FY 2024-25	FY 2023-24
Rural	6.6%	7.2%
Semi-urban	16.2%	16.8%
Urban	43.2%	43.8%
Metropolitan	34.1%	32.2%

(Place categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
NA	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S.No.	State	Aspirational District	Amount Spent (in INR)
NA			

No, the Company did not undertake any CSR projects in designated aspirational districts identified by government bodies.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, the organisation does not have a preferential procurement policy to purchase from suppliers comprising marginalised or vulnerable groups.

(b) From which marginalised /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
None				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	CUMI Centre for Skill Development – Hosur and Kochi	96	100%
2	AMM Foundation – AMM Vellayan Chettiyar Higher Secondary School	2330	100%
3	Sponsorship for pediatric cardio surgery in Sri Sathya Sai Sanjeevani Hospitals	21	100%
4	Research & Development on soil nutrients	NA	NA
5	GKNM Trust Hospital Coimbatore for Cancer care	27	100%
6	Dr. A K Cherian Memorial Charitable Society, Kochi A unit for dialysis centre	100	100%
7	Purchase of Ambulance for Kalamassery Municipality	300	100%
8	Medical equipment to the Cachar Cancer Hospital Society	200	100%
9	IITM's Amoled Research Centre	NA	NA
10	AMM Foundation - Murugappa Raising Talent Sports Scholarship	10	100%
11	ASK (Attitude, Skill, Knowledge) centre	1057	100%

PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company believes that commitment to transparency is vital to building trust and credibility with the customers, by demonstrating honesty and openness in handling complaints. The customers can communicate their complaints via email or phone calls to the regional salesperson. The regional salesperson upon receipt of a complaint provides an immediate acknowledgement email to the customer. All the complaints are registered in the Enterprise Resource Planning (ERP) system.

The complaints are addressed based on the grievance-handling mechanism. Based on the nature of the complaint, the quality control team takes the technical complaints and commercial complaints by the marketing teams. The Company has set a target to resolve all the complaints within 30 days.

The whistle blower mechanism is another avenue for customers to lodge their grievances for their satisfactory redressal.

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	100%
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential services	1117#	4*		1109#	16*	
Restrictive Trade Practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Other	NA	NA		NA	NA	

*Pending as further details are awaited from customers at the end of the financial year.
Prior year data is recalibrated for consistency with the current year's presentation.
#The consumer complaints data are tracked and addressed through the ERP tool/ other systematic tracking and all the customer complaints are dealt by the respective business functions separately.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has developed a Cyber security framework as a risk mitigation for cyber security and risks related to data privacy. The cyber security risk is considered a material risk. The Company regularly conducts penetration assessments on all the applications as mitigation measures to counter cyber security risks.

The initiatives for the cyber security forms part of the IT strategy of the Company. Also, the Company has placed sufficient mechanisms to protect from cyber-attacks through the following mechanisms;

1. Full-fledged Data Center Disaster Recovery setup
2. Security Information and Event Management (SIEM) log monitoring
3. Fire Wall/Management Switches
4. Online/Offline BackUp

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Nil

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches**

      Nil

   b. **Percentage of data breaches involving personally identifiable information of customers**

      Nil

   c. **Impact, if any, of the data breaches**

      Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on the products and services of the entity can be accessed at

   https://www.cumi-murugappa.com/abrasives/

   https://www.cumi-murugappa.com/emd/

   https://www.cumi-murugappa.com/ceramics/ic/

   https://www.cumi-murugappa.com/super-refractories/

   CUMIConnect mobile APP

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company prioritises customer safety and responsible usage of its products by ensuring that it provides clear instructions on the handling, storage, use, and disposal of products as per local laws. The Company is compliant with the regulations of the European Union i.e., RoHS (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) that applies to exporters of products to the EU. Also, the Company provides Material Safety Data Sheets (MSDS) that contain detailed information about the potential hazards associated with the products and guides on how to handle, store, and safely dispose after use of the products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company through its channel partners and Portal / APP / email informs consumers of any risk of disruption/discontinuation of essential services.

   The Company through its channel partners and email informs consumers of any risk of disruption/discontinuation of essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes, the Company displays product information on the product over and above the mandated statutory requirement as per the local laws. The Company provides Material Safety Data Sheets (MSDS) that contain detailed information about the potential hazards associated with the products and guides on how to handle, store, and safely dispose of the products. The MSDS is provided along with the products to the customers for safe and responsible usage. The Company conducts surveys and monitors customer satisfaction trends periodically relating to its products.

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Annexure D

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

1. ENERGY CONSERVATION

The Company is committed to conserve energy in its operation process, which leads to optimised energy utilisation and GHG emission reduction.

The Company is making efforts to increase the amount of renewable energy generated in-house and procurement via power purchase agreements (PPAs).

Various efforts in the renewable energy have resulted in offsetting 21,182 tCO2e of Scope 2 emissions for FY 24-25. The contributors are onsite solar power plant capacity of 3.17 MW is installed across the Company's facilities and 12 MW Hydel power plant, at Maniyar, Kerala. Electromineral division has ground mount solar contributing to 1.8 MW at Edapally facility. Abrasive division has roof top solar installed capacity of 0.96 MW spread across its 4 manufacturing facilities in Tamil Nadu. Further the Super Refractories division & Industrial Ceramics division added 240 kWp and 170 kWp respectively to the roof top solar capacity. The gas-based turbine operated by SEDCO, one of the subsidiary of the Company, has wheeled 17.78 million units of electrical energy in FY 24-25 which has also contributed to offset 5,459 tCO2e Scope 2 emissions.

The Company had set a 25% energy intensity reduction target from its baseline of FY21. This has been achieved by the energy conservation & efficiency improvement efforts that have been taken across all businesses.

Few significant efforts taken in FY 2024-25 are as follows:

1) Energy utilisation improvement by installation of thermic fluid heaters for its platen heating press processes at one of the Abrasives facilities. This has resulted in a reduction of energy requirement by 7,352 GJ on an annual basis and contributed to the net GHG emission reduction by 262 tCO2e emissions. It has also helped in eliminating the use of furnace oil as fuel in this facility.

2) Introduction of secondary heat exchanger in the Kiln common exhaust of Super Refractory division to reuse the exhaust air temperature to preheat the inlet air of tunnel drier has resulted in a reduction of 642 GJ and 46 tCO2e emissions in FY 24-25.

3) New-generation screw compressor-based AC system upgradation in Tiruvottiyur Plant (Abrasives division) for maintaining controlled environment in mixing and moulding process has enabled energy saving of 4.68 Lakh kWh electrical energy (340 tCO2e reduction of Scope 2 emissions) and 576 KL water consumption. This has also enabled the process of phasing out R22 gas usage in Tiruvottiyur facility.

4) Electromineral division has entered into a Power Purchase Agreement (PPA) with a solar power producer to source 10 MW energy through ISTS (Inter-State Transmission System) model.

Other projects at Abrasives division includes fuel savings through kiln load reduction enabled by thin tile production, and electrical energy savings achieved through the installation of solar-powered streetlights and the replacement of old air conditioners with energy-efficient star-rated units. Efforts from Electrominerals division includes pursuing its focus on energy conservation efforts during the year with special attention on improving furnace yield, replacing liquid fuel with natural gas and replacing old pumps and motors with energy efficient motors and pumps. The refractories business undertook batch kiln power efficiency projects, Energy efficient lighting, and compressor VF optimisation to reduce its carbon footprint.

During the year, the Electrominerals division has received the "National Energy Management Award" from the Bureau of Energy Efficiency, Delhi.

The year ended 31st March 2025 with a capital investment of about ₹104 million was made on energy conservation & efficiency improvement of equipment across various businesses.

2. TECHNOLOGY ABSORPTION

Efforts made towards technology absorption, adaptation and innovation.

Aligning with the overall strategy under the technology pillar, the development of high-performance, innovative and exciting products continued to be the main focus. Also, being a material science Company, select user industries were identified to offer end-to-end surface solutions by using design thinking and systems thinking approach.

The Abrasives business continued to focus on developing high performance products with cost effectiveness, to remain competitive in the market. The technology for Hi-end Polyester cloth for Ceramic belt applications, and medium weight Polycotton cloth for metal sanding were developed. These technological developments create a range of new products for metal working and wood-working applications. In thin cutting and grinding wheels, improved grain adhesion technology helped to create significant performance improvements. In Snagging wheels, technology was developed for multi-layer platen pressing that offers significant productivity over conventional processes. Hi-performance resin bond systems for high-speed grinding of steel were developed for improved grinding ration and material removals. In Vitrified wheels, double compaction technology combined with engineered grain spacing was developed that offered consistency in product performance across the wheel life. The technology for making aggregated mix was developed that offers improved product homogeneity and consistency was developed which will result in improved product performance in Diamond wheels.

Electrominerals business has scaled up the thermal Spray Products Range by tying up with an external consultant for expanding the range of products and improving the performance of existing products. Business could establish a robust process for manufacturing Monocrystalline alumina and has established the product with select customers. During the year business has also established graphene for auto detailing applications and consistently produced High purity SiC with 4N purity and commenced setting up of plant scale operations.

In FY 25, Industrial Ceramics business signed major Transfer of Technology (ToT) agreement with CSIR–CGCRI for Solid Oxide Electrolyzer Cell Technology this partnership is aligned with the Industrial Ceramics business unit's strategy to deepen its involvement in emerging technologies. Additionally, product, process, and material development initiatives were actively pursued across all key product groups, in line with the broader business strategy.

In the Refractories and Composites, the business has developed and implemented customised monolithic products, including various gunning materials, self-flow Castables, and precast shapes for rotary kilns in the Grate Kiln process, specifically tailored for the Iron & Steel industry's project and maintenance needs. This strategic focus has resulted in significant growth in the Iron & Steel segment. The business also made major strides in new product development, such as enhancing fired refractory and castable materials for the Glass industry and producing large blocks for glass tank bottoms through pressing.

Benefits derived as a result of the above efforts

In Bonded Abrasives, the above efforts resulted in the establishment of new products like high performance Creep feed wheels for Aerospace applications for Leap 1A and Leap 1B turbine engines, resin centerless wheels for Brite bar applications, Hi-stock removal rate single rib gear grinding wheels for Hi contact area metal parts.

In Thin Wheels, Hi-performance Zirconia based grinding wheels for grinding and Solgel based flexible grinding discs for Stainless Steel finishing were developed. Specialised wheels for Iron based material were established.

In Coated Abrasives, the entire range of high-performance products for Metal grinding and Wood sanding were developed in Zirconia and Ceramic range for various applications. Film and Paper based discs for multiple applications were developed. Sheets and rolls for decorative and auto after range were launched in the market at various price points.

Electrominerals business expects to boost its range of new products under its portfolio by scaling up of Monocrystalline Alumina and Thermal Spray Product Range, which would partially insulate the business from external contingencies like volatility input material and power cost. The development of these products would also increase the export market opportunities of the business. The development of Graphene variants and high purity SiC will enable the business to improve its presence in the value-added and transformational product portfolio.

In the Industrial Ceramics business, the newly developed products across Wear, Engineered, and Metallized Ceramics contributed significantly to revenues in FY 25. Furthermore, the division is poised to introduce a new suite of products tailored for emerging applications in Semiconductors, Solid Oxide Fuel Cells, Electronics, and other high-growth sectors.

In the Refractories and Composites businesses, the new products developed will help address opportunities in Iron & Steel, Glass, Non-ferrous, Chemical Processing, Aerospace, and Defence segments. These will not only strengthen the product portfolio but also open up possibilities to address emerging opportunities and meet the growing demands of the industry.

During the year, the Company at a standalone level was granted 2 patents, 54 Trademarks and 2 designs.

Imported technology

No new technology has been imported during the last three years.

3. EXPENDITURE ON RESEARCH AND DEVELOPMENT

There is a continuous focus on technology innovations including creation of several IPs in form of patent/design/trademark registrations, peer review, paper presentations in international forums and journals. The Company continued to invest in pilot plants and extended Surface Testing Center (final product testing) to improve 'First time right' product tests and launches.

EXPENDITURE ON R & D (₹ Million)

Description	2024-25
Capital including CWIP	27.57
Recurring	256.01
Total - A	283.58
Sales - B	27836.77
Total expenditure as a Percentage of Sales (A/B)	1.02%

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ Million)

Description	2024-25	2023-24
Foreign Exchange Earnings	7,691	6,154
Foreign Exchange Outgo		
- Revenue	7,628	6,155
- Capital	354	243

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Annexure E

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

Particulars		
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis: Nil

Particulars		
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Corporate Governance Report

[Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Corporate Governance serves as the cornerstone of a successful and sustainable organisation. It generally refers to a system of rules, processes and practices by which a company is directed, managed or controlled. Essentially it is the framework encompassing rules, relationships, systems, and processes that guides how a company operates and interacts with its stakeholders. Corporate Governance also provides the structure through which a company sets its objectives and the framework within which these objectives are pursued in the context of the social, regulatory and market environment.

Governance essentially involves aligning the interests of various stakeholders in a company and encompasses practically every sphere of management, from action plans, internal controls to performance measurement and corporate disclosures. The purpose is to facilitate effective and prudent management essential for the long-term success of a company on a sustainable basis.

As per the Organisation for Economic Cooperation and Development (OECD), a good Corporate Governance helps to build an environment of trust, transparency, and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies. The OECD Principles encompasses six key areas of Corporate Governance viz., ensuring the basis for an effective Corporate Governance framework; the rights of shareholders; the equitable treatment of shareholders; the role of stakeholders in Corporate Governance; disclosure and transparency; and the responsibilities of the Board.

1. CUMI'S CORPORATE GOVERNANCE PHILOSOPHY

Carborundum Universal Limited ("CUMI/Company"), a constituent of the Murugappa Group, is committed to the highest standards of Corporate Governance in all its activities and processes. Key elements in Corporate Governance are transparency, internal controls, risk management, internal/external communications and good standards of safety, health, environment and quality. The Board recognises that governance expectations are constantly evolving and is committed to keeping its governance standards under continuous review to meet both letter and spirit of the law and its own demanding levels of business ethics. The Company considers Corporate Governance as the cornerstone for its sustained superior performance and for serving all its stakeholders, thus reinforcing its long-term value creation and corporate responsibility. The Company's continuing contribution to society through meaningful Corporate Social Responsibility initiatives, be it direct initiatives through the CUMI Centre for Skill Development, local plant activities for neighbouring communities or indirect initiatives through contributions to eligible implementing agencies in the core sectors of health & education, plays a significant role in its governance initiatives. The entire process begins with the functioning of the Board of Directors, with leading professionals and experts serving as Independent Directors and representing in various Board Committees. Over the past few years, the business environment has been very dynamic and volatile owing to various factors beyond control such as pandemic conditions, geo-political crisis etc. The resilient performance in such uncertain and volatile conditions reinforces CUMI's commitment to core values, sustainability, and governance principles. Over the past seven (7) decades of operations, the Company's continuing driving force has been to create value for its stakeholders and the Company believes that establishment and adherence to sound governance practices will ensure this objective is sustainably met.

The Company has always believed in and practices the highest standards of Corporate Governance since its inception and considers that sound governance practices are crucial for its smooth and efficient operations as well as its ability to attract investments, balancing the interests of all its stakeholders and providing shareholder value. The behaviour and ethics of an organisation are considered to be two defining characteristics of any Company, which are critical to not only successful leadership but also in ensuring long term sustainability. Even during challenging times such as the current situation affected by ongoing global crisis, the Management continuously adheres to simple principles of behavioural ethics with its conviction of purpose for its sustainable growth. The Company's ethical and responsible behaviour complements its corporate culture which is guided by the following norm:

"The fundamental principle of economic activity is that no man you transact with will lose; then you shall not."

The Corporate Governance philosophy of the Company is driven by the fundamental principles of:

- Adhering to the governance standards beyond the letter of law;
- Maintaining transparency and high degree of disclosure levels;
- Maintaining a clear distinction between personal and corporate interest;
- Having a transparent corporate structure driven by business needs; and
- Ensuring compliance with applicable laws.

The above principles not only enables the Management in leading from the front in uncertain volatile business conditions but also provides the leadership with cautious optimism and confidence to not only survive in a tough phase but emerge stronger.

The Company's constant endeavour for corporate excellence has been well recognised through incessant awards and accolades reiterating its commitment to governance standards.

While in the past the Company's Governance standards have been appreciated consistently with coveted awards including the "Best Managed Company" by Deloitte, during the year 2024-25, the Company has been conferred the distinguished Golden Peacock Award in Risk Management (GPARM). This prestigious recognition has been granted by the Institute of Directors (IOD) through a rigorous self-assessment and a multi-tier independent assessment procedure. This achievement signifies our commitment for excellence in Risk Management, which is crucial to navigate today's complex business environment.

Besides, the above, the businesses of the Company have also been conferred with reputed awards such as the Abrasives business being conferred – "Silver Medal" at National Award for Manufacturing Competitiveness, the Electrominerals business obtaining, IEI Industry Excellence Platinum award 2024 in the category of Engineering, Manufacturing & Processing etc. Kindly refer the Boards' report for more details on the awards conferred on the Company during the FY 2024-25.

All these recognition emphasises that the Company is adaptive in the evolving governance environment and distinguishes itself through exceptional leadership, strategic vision, and operational efficiency. These awards are a testimony to the Company's commitment for growing efficiently and responsible in a sustainable manner.

2. BOARD OF DIRECTORS

The Board being aware of its fiduciary role, recognises its responsibilities towards all stakeholders and upholds highest standards of governance in all matters concerning the Company. It has empowered responsible persons to implement its broad policies and guidelines besides setting up adequate review processes.

The Board provides strategic guidance on affairs of the Company in addition to reviewing the performance and monitoring the implementation of plans periodically. The Board also spends a substantial portion of its time in the development of the long term strategies for the Company. The Independent Directors provide an objective judgment on matters placed before them.

The Company's day-to-day affairs are managed by the Managing Director assisted by a competent management team under the overall supervision of the Board. The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board, Senior Management and all its Employees.

Consistent with its Values and Beliefs represented by the Five Lights - Spirit of the Murugappa Group, the Company has formulated a Code of Conduct applicable to the Board and Senior Management which is posted on the website of the Company at https://www.cumi-murugappa.com/wp-content/uploads/2025/04/Code-of-Conduct.pdf. An annual declaration is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Managing Director is annexed to this Report. The Board is committed to representing the long-term interests of the stakeholders, providing effective governance over the Company's affairs and exercising reasonable business judgement on the affairs of the Company.

2.1 Composition

The Board has been constituted in an appropriate manner, to preserve its independence and to separate the Board functions of governance and management. The Board members are eminent persons and have collective experience in diverse fields of technology, engineering, banking, foreign affairs, management, legal and compliance. The Directors are nominated based on their qualification and experience in varied fields. The Board has formulated a Board Diversity policy to ensure an optimum composition such that the talent of all members of the Board blends together to be as effective as possible. The Board has an appropriate mix of Executive/Non-Executive as well as Independent Directors including a Woman Director to ensure a balanced management and high governance.

As at 31st March 2025, the Board comprises seven (7) members with a majority of them being Independent Directors.

Name	Category	No. of Directorships / (Chairmanships) in companies including CUMI [a]	No. of other Directorships	No. of Committee Memberships / (Chairmanships) in companies including CUMI[b]	No. of Board meetings attended (Total meetings held)	Attendance at last AGM	Shares held in CUMI
M M Murugappan DIN - 00170478	Promoter & Non-Executive Director	6(4)	7	3(2)	8(8)	Yes	6,91,340
P S Raghavan DIN - 07812320	Non-Executive & Independent Director	2	0	3(0)	8(8)	Yes	Nil
Sujjain S Talwar DIN - 01756539	Non-Executive & Independent Director	3	4	4(2)	8(8)	Yes	Nil
Usha Rajeev[$] DIN –05018645	Non-Executive & Independent Director	3	1	3(3)	5(5)	NA	Nil
Sriram Viji[$] DIN – 03630636	Non-Executive & Independent Director	3	5	0	5(5)	NA	Nil
Muthiah Murugappan[$] DIN - 07858587	Non-Executive & Non-Independent Director	3	4	3(1)	4(5)	NA	Nil
Sridharan Rangarajan DIN – 01814413	Managing Director	10(1)	4	6(1)	8(8)	Yes	2,60,428

[$] - Ms. Usha Rajeev, Mr. Sriram Viji and Mr. Muthiah Murugappan were appointed as Directors on the Board of the Company effective 1st August, 2024.

(a) Excluding Alternate Directorships and Directorships in Foreign companies, Private companies (which are not subsidiary or holding Company of a Public Company) and Section 8 companies; the other Directorships also includes positions held in Advisory Boards.

(b) Only Audit & Stakeholders Relationship Committee of Public companies;

(c) Inter-se relationship between Directors – Mr. Muthiah Murugappan is the son of Mr. M M Murugappan, Chairman and is one of the promoters of the Company;

(d) Shareholding of Directors represents the shares held by them in individual capacity including as karta of a HUF and excluding shares held as Trustees.

The names of listed entities where the Directors hold Directorship (excluding the Company) as on 31st March 2025 is given below:

Name of the Director	Company Name	Category
M M Murugappan (MMM)	Cholamandalam Financial Holdings Limited	Non-Executive and Non-Independent Chairman
	Cholamandalam MS General Insurance Company Limited (Debt Listed)	
	Cyient Limited	
	Rane Holdings Limited	Non-Executive and Independent Director
P S Raghavan (PSR)	Indian Terrain Fashions Limited	Non-Executive and Independent Director
Sujjain S Talwar (SST)	Elantas Beck India Limited	Non-Executive and Independent Director
	Alkem Laboratories Limited	
Usha Rajeev (UR)	Elantas Beck India Limited	Non-Executive and Independent Director
Sriram Viji (SV)	Sundaram Finance Holdings Limited	Non-Executive Director
Muthiah Murugappan (MM)	E.I.D Parry (India) Limited	Whole time Director and CEO
	Mahindra and Mahindra Limited	Non-Executive Independent Director
Sridharan Rangarajan (SR)	Cholamandalam Financial Holdings Limited	Non-Executive and Non-Independent Director
	E.I.D Parry (India) Limited	
	Cholamandalam MS General Insurance Company Limited (Debt Listed)	
	Wendt (India) Limited	

Changes in Board composition during the financial year 2024-25

The Board composition of the Company underwent the following changes during the year ended 31st March 2025:

Name	Category	Nature of change
Sanjay Jayavarthanavelu	Independent Director	Stepped down as Independent Director due to completion of term of office with effect from 31st July 2024.
Aroon Raman	Independent Director	
Soundara Kumar	Independent Director	Stepped down as Independent Director due to completion of term of office with effect from 2nd August 2024.
Usha Rajeev	Independent Director	Appointed as Directors with effect from 1st August 2024.
Sriram Viji	Independent Director	
Muthiah Murugappan	Non-executive and Non-independent Director	

The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. The Board at its meeting held on 12th May 2025 has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the Management.

The Company is a material science technology company and hence the presence of technical experts in engineering and technology in the Board to guide the Company in its operations and strategy assumes significance. Considering the nature of the business the Company operates in and its global presence, the Board is required to possess various other skills/expertise in the field of foreign affairs, finance, banking, legal, compliance and management. The Directors are nominated based on their qualification and experience in order to maintain a healthy balance of diversified experts on the Board.

The matrix setting out the skills/expertise / competence of the Board of Directors identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those available with the Board is given below:

Sl. No	Key Skills & competencies	Description	MMM	PSR	SST	UR	SV	MM	SR
1	Technology	Understanding and appreciation of technology either through qualification or experience resulting in understanding the products manufactured by the Company/solutions provided by the Company, anticipating technological trends, ability to articulate on disruptive innovations, understand and guide in creation of new business models etc.	✓	✓			✓	✓	✓
2	Financial	Leadership or Management positions or qualifications enabling proficiency in understanding financial management, capital allocation, financial reporting process, audit processes, internal controls, understanding of treasury management, debt management, advising on leveraging banking relationships etc.	✓	✓	✓	✓	✓	✓	✓
3	Global business / Foreign affairs	Experience in cross border business environment, understanding of foreign policies and external affairs, sanctions regime, diverse business environment / cultures / regulatory framework and having a perspective of global opportunities etc.	✓	✓			✓	✓	✓
4	Board positions / Governance	Directorship positions or experience with Regulatory interfaces and having an insight into Board processes, structures, committee constitutions, protecting stakeholder interests, aligning with appropriate governance practices etc.	✓	✓	✓	✓	✓	✓	✓
5	Management	Leadership positions in enterprises by virtue of which has requisite experience in management skills or functional expertise across various management functions, guiding strategies for sustainable growth enhancing enterprise reputation etc.	✓	✓	✓		✓	✓	✓
6	Strategic advisory	Ability to advise on organic / inorganic growth opportunities through acquisitions / combinations, assess, build or purchase proposals, appreciative of and understanding of the regulatory and legal requirements of the sector/industry in which the Company operates.	✓		✓	✓	✓	✓	✓

2.2 Board Meetings

The Board meets at regular intervals and has a formal schedule of matters reserved for its consideration and decision to ensure that it exercises full control over significant, strategic, financial, operational and compliance matters. These include setting performance targets, reviewing operational and financial performance against set targets, evolving strategy, approving investments, ensuring adequate availability of financial resources, overseeing risk management and reporting to the shareholders.

The Board is regularly briefed and updated on key business activities and is provided with presentations and information on the operations, financial performance and other matters concerning the Company. Besides, information on statutory compliance of applicable laws, minutes of meetings of the Committees of the Board, summary of decisions taken at the Board meetings of the subsidiary Companies and information required under the Listing Regulations are provided to the Board on a quarterly basis. The Board periodically reviews the compliance of applicable laws and gives appropriate directions, wherever necessary. Timely and relevant information is provided by the Company to the Directors to facilitate effective participation and contribution during the meetings. The Board is also periodically updated on the progress being made in respect of the inorganic growth opportunities pursued by it. The Board is also involved in setting the Long - Term Strategy (LTS) and reviewing the initiatives and programmes undertaken by the Company for achieving the LTS.

The Company has laid down procedures to inform the Board members about the risk assessment and minimisation procedures. The Board reviews the significant business risks identified by the Management and the mitigation process being undertaken annually in addition to a periodical review by the Risk Management Committee of the Board.

The Board periodically reviews the matters required to be placed before it, monitors the overall performance of the Company and inter alia reviews and approves the quarterly financial statements, business plan, capital expenditure etc. The dates of the Board meetings are fixed in advance for the full calendar year to enable maximum attendance from the Board members. During the year ended 31st March 2025, eight (8) Board meetings were held on 3rd May 2024, 24th June 2024, 30th July 2024, 30th October 2024, 14th January 2025, 21st January 2025, 13th February 2025 and 19th March 2025. As required under the Companies Act, 2013, the Company facilitates participation of Directors who are unable to attend the Board / Committee meetings physically, through video conference or other audio visual means in the manner prescribed under the relevant regulations. During the year, the Board meetings were held in the hybrid mode – both physical as well as through video conferencing mode.

In line with the Regulation 24 of the Listing Regulations requiring at least one (1) Independent Director of the Company to be a Director on the Board of a unlisted material subsidiary, whether incorporated in India or not, Mr. P S Raghavan, Independent Director was on the Board of material subsidiaries viz., CUMI International Limited, Cyprus (CIL) and Volzhsky Abrasive Works, Russia (VAW) until 4th February 2025. For the purpose of this requirement, a material subsidiary means any subsidiary whose net worth exceeds 20% of the consolidated net worth of the Company or which has generated more than 20% of the consolidated income of the Company in the preceding financial year. CUMI International Limited, Cyprus, and its subsidiary Volzhsky Abrasive Works, Russia are the only subsidiaries of the Company meeting the criteria mandating a Board representation.

The United States department of State vide a press release dated 10th January 2025, with an aim to degrade the energy sector of Russia sanctioned major targets in Russia's energy sector. The Department of State designated nearly 80 individuals and entities by including them in "Specially Designated Nationals and Blocked Persons list" (SDN list). As a part of this order, the Department of State also included entities in Russia's manufacturing sector in the SDN list. VAW, Russia, the step-down Subsidiary of the Company has been designated in the SDN list by the US for operating or having operated in the manufacturing sector of the Russian Federation economy vide this order.

As a result of the designation, all property and interests in property of the designated entities that are in the United States or in possession or control of U.S. persons are blocked and must be reported to the Department of Treasury's Office of Foreign Assets Control (OFAC). Additionally, all individuals or entities that have ownership, either directly or indirectly, 50% or more by one or more blocked persons are also blocked. All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons are prohibited unless authorised by a general or specific license issued by OFAC or exempt.

Consequent to the designation of VAW in the US SDN list as a cautionary measure Mr. M M Murugappan, Mr. P S Raghavan and Mr. Sridharan Rangarajan who were on the Board of VAW stepped down with effect from 4th February 2025.

Mr. P S Raghavan also stepped down from the Board of CUMI International Limited, Cyprus subsidiary (CIL). Mr. Sujjain Talwar was immediately appointed on the Board of CIL with effect from 4th February 2025 to meet the requirement of regulation 24(1) of the Listing Regulations.

Considering the severities associated with the sanctions regime and to mitigate any risk of secondary sanctions, the above Board composition changes were effected. The restrictions under the US sanctions regime, both direct as well as indirect, poses high risk on individuals since materially assisting a sanctioned entity including through Board services could possibly adversely affect them and their other interests. In view of such high risks associated, the

Company has for reasons beyond its control, solely emanating from geo-political factors has been unable to nominate any of its Independent Directors to the Board of VAW, a material subsidiary of the Company.

M/s. RHODIUS Abrasives GmbH (formerly CUMI Abrasives GmbH (RAG)) which was incorporated in 2022 is a material subsidiary as per Regulation 16 (1) (c) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 but not meeting the threshold as prescribed under Regulation 24 of the Listing Regulations. The Board continues to review the significant transactions and arrangements of the unlisted subsidiary companies besides being apprised of their business plan and performance.

In line with the Companies Act, 2013, Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place Policies for determining 'Materiality' for Disclosure of Events/Information to Stock Exchanges, Policy for Preservation and Archival of Documents, Dividend Distribution Policy, Business Responsibility Policy, Whistle Blower Policy, Corporate Social Responsibility Policy, Policy against Human Trafficking and Child Labour Policy, Antitrust and Fair-Trade Policy, Policy for Anti-Bribery and Corruption, Policy for Equal Employment Opportunities and Policy for Prevention of Sexual Harassment at workplace. The above policies are periodically reviewed by the Board. In addition, there are guidance manuals for making disclosures of events or information under the policy for Determination of Materiality for Disclosure of Information/Events to Stock Exchange, Policy for dealing with Related Parties and Risk Management policy which are also periodically reviewed.

During the year, the Board has reviewed and approved revisions to the following policies of the Company:

i. Policy on dealing with Related Parties.
ii. Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges.
iii. Guidance Manual for making Disclosures of Events or Information under the Policy for Determination of Materiality for Disclosure of Information/Events to Stock Exchanges.
iv. Policy on determination of Material Subsidiaries.
v. Code of Conduct to regulate, monitor and report Trading by Designated Persons in Securities.
vi. Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
vii. Code of Conduct for Directors and Senior Management of Carborundum Universal Limited.
viii. Remuneration Policy
ix. Criteria for Senior Management
x. Whistle Blower Policy
xi. Stakeholder Grievance Redressal policy

The above-mentioned policies are posted on the website of the Company at the link https://www.cumi-murugappa.com/policies-disclosure/

2.3 Separate Meeting of Independent Directors

Besides the formal Board meetings, the Independent Directors hold meetings without the participation of Non-Independent Directors and members of the Management. During the year, the Independent Directors met on 19th March 2025 and reviewed the performance of Non-Independent Directors and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board. The Board as a whole, reviewed the performance of the Chairman considering views of the Executive and Non-Executive Directors at its meeting held on 19th March 2025.

2.4 Board familiarisation

The members of the Board are provided with many opportunities to familiarise themselves with the Company, its Management and operations. At the time of appointing a Director, a formal letter of appointment is given to him / her, along with a Directors' handbook which inter alia explains the role, function, duties and responsibilities expected of him / her as a Director of the Company. The handbook also enumerates the list of compliance obligations and other disclosures required from the Director under the Companies Act, Listing Regulations and other relevant regulations. Newly inducted Audit Committee members are provided with an Audit Committee manual which broadly covers the regulatory scenario in India, current practices in the Company, Indian and global best practices etc. These handbooks are updated periodically for regulatory as well as policy changes and updated copies of the handbooks are provided to all the Directors. Further, the Code of Conduct which includes the values, principles and beliefs guiding the Company as well as the duties and responsibilities of the Directors including that of an Independent Director is given to the Director at the time of induction which is affirmed annually. In addition, the Board members have an opportunity and access to interact with the Senior Management any time they wish to.

By way of an introduction to the Company, the newly inducted Director is presented with a Corporate Dossier which traces the Company's history over 70 years of its existence and gives an understanding of the value chain of its products. The Managing Director at the first Board meeting in which the new Director participates or at a mutually convenient time makes a detailed presentation on the Company, its various business segments and profile, manufacturing locations, organisation structure and other market related information. Exclusive plant visits are also organised for the new Director. Further, with a view to familiarise the existing Directors with the Company's operations on an ongoing basis, plant visits are periodically organised for the Directors. The plant visits provide the Board members an

opportunity to not only understand the business and products of the Company better but also enables them to be on the Shop floor interacting with the teams across the plants and also understand the technology initiatives planned by the Company in these plants to leverage the growth potential in coming years.

During the year, the newly inducted Independent Directors, Ms. Usha Rajeev and Mr. Sriram Viji visited the plant facilities in Hosur soon after their appointment. Mr. Sridharan Rangarajan, Managing Director provided an overview of the organisation structure, operations as well as a detailed plant visit. A briefing session was also organised for Ms. Usha Rajeev on 14th August 2024 explaining the enterprise Risk Management framework of the Company considering her induction into the risk management Committee.

The Company has during 2023-24, set its Long-Term Strategy, "Aspirations 2030" for encapsulating the commitment to become a Global Player, Innovation Leader, Digital First Company, and Best Place to Work in addition to the financial growth. The Company has since then been reviewing the progress on the initiatives undertaken by the Company. In this regard, during the FY 2024-25 a two-and-a-half-day session was conducted from 17th March 2025 to 19th March 2025 wherein all the senior executives of the organisation and the subsidiaries/joint ventures across the world participated in the LTS conference. The Board members were also invited for these detailed sessions which facilitated insightful discussions between the Board, Management and operating teams of the Company, subsidiaries and associates deliberating in detail on the transformational business opportunities for the Company.

In the backdrop of a dynamic regulatory scenario, regulatory changes impacting the Company is briefed at meetings on quarterly basis. Sometimes based on the urgency of the amendment, the updates are provided on adhoc basis too. Further, the Board is periodically updated on the inorganic growth opportunities available as well as the status of recent acquisitions by the Company. Periodically, the Directors' Responsibilities and Liabilities with respect to the subsidiaries, especially the overseas entities are also briefed. The Board is also regularly updated on the technological and safety initiatives undertaken in businesses.

The above initiatives help the Directors to understand the Company, its businesses and the regulatory framework in which the Company operates, thus enabling him / her to effectively fulfill their role as a Director of the Company. The details of the familiarisation programme is uploaded and is available on the Company's website at the following link https://www.cumi-murugappa.com/wp-content/uploads/2025/07/Familiarisation-Programme.pdf

2.5 Board evaluation

During the year, the Board conducted an evaluation of its own performance, individual Directors as well as the working of the Committees as per the Board evaluation framework adopted by it. The manner and criteria for the evaluation of the Directors including the Independent Directors of the Company is detailed in the Directors' Report.

3. BOARD COMMITTEES

The Board has constituted various Committees for support in discharging its responsibilities. There are five Committees constituted by the Board - Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Company Secretary acts as the Secretary to the Committees of the Board.

The Board at the time of constitution of each Committee determines the terms of reference and also delegates further powers from time to time. Various recommendations of the Committees are submitted to the Board for consideration & approval and the minutes of all meetings of the Committees are circulated to the Board for information.

In addition to the above, the Board from time to time constitutes committees of Directors for specific purposes. However, no meetings of the such committees were held during the year.

3.1 Audit Committee

Terms of Reference

The role of the Audit Committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements before submission to the Board, review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, scrutiny of inter-corporate loans & investments, approval and review of related party transactions, review of loans and / or advances from or to / investments made in subsidiaries, review of compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, valuation of assets / undertakings of the Company, appointment of registered valuers etc., besides recommending the appointment of Auditors and their remuneration to the Board as well as approval of payments to Statutory Auditors for non-audit services and review of effectiveness of audit process. The Audit Committee also reviews the financial statements of unlisted subsidiary companies, in particular, the investments made by them. In the amended context of approval of related party transactions at the meetings, only the Independent Directors of the Committee vote and approve such transactions. Other Directors of the Committee do not participate on voting and approval of related party transactions.

Composition & Meetings

As at 31st March 2025, the Audit Committee comprised only the Independent Directors and all members of the Committee are financially literate. The Chairman of the Board, Managing

Director, the Statutory Auditor, Internal Auditor and members of the Management Committee are invited to attend meetings of the Committee. The Cost Auditor is invited to attend meetings in which the Cost Audit Report is being considered. Further, as a good Corporate Governance practice, a separate discussion of the Committee with the Statutory Auditors and the Internal Auditors without the presence of the Management team is held periodically.

During the year, the Committee was reconstituted with the appointment of Ms. Usha Rajeev as the Chairperson of the Committee and Mr. P S Raghavan as the member of the Committee with effect from 1st August 2024. Mr. Sanjay Jayavarthanavelu & Mr. Aroon Raman and Ms. Soundara Kumar stepped down from the Committee during the year on 31st July 2024 and 2nd August 2024 respectively owing to their cessation of Directorship from the Company.

During the FY 2024-25, the Committee had five (5) meetings on 3rd May 2024, 30th July 2024, 30th October 2024, 13th February 2025 and 19th March 2025 for reviewing the financial statements, approving related party transactions, considering the internal audit reports, audit plans and other matters as per the terms of reference of the Committee. During the year, considering the enhanced monitoring and reporting of transactions with Related Parties with Minimum information to be provided for review by the Audit Committee and Shareholders for approving Related Party transactions, the Committee was informed about the proposed changes in the information requirements as well as planned sessions for creating awareness of the proposed changes for the domestic and overseas subsidiaries. The composition of the Committee and attendance of the members at the meetings held during the year are given below:

Name of Member	No. of meetings attended (No. of meetings held)
Sanjay Jayavarthanavelu, Chairman (Retired w.e.f 31st July 2024)	1 (2)
Usha Rajeev, Chairperson (Appointed w.e.f. 01st August 2024)	3 (3)
Sujjain S Talwar	5 (5)
Aroon Raman (Retired w.e.f 31st July 2024)	2 (2)
Soundara Kumar (Retired w.e.f 02nd August 2024)	2 (2)
P S Raghavan (Appointed w.e.f. 01st August 2024)	3 (3)

3.2 Nomination and Remuneration Committee

The role of the Committee is to (a) recommend to the Board the appointment of Directors (b) recommend re-election of Directors retiring by rotation (c) recommend the remuneration including pension rights and periodic increments of the Managing/ Wholetime Director(s) (d) determine the annual incentive of the Managing / Wholetime Director(s) (e) recommend to the Board, the commission payable annually to each of the Non-Wholetime Directors, within the limits fixed by shareholders (f) formulate, implement, administer and superintend the Employee Stock Option Plan / Scheme(s) of the Company (g) formulating criteria for appointment of Directors and Senior Management and identification of persons who may be qualified to be appointed in these positions (h) devise policy on Board diversity (i) formulate criteria for evaluation of Independent Directors/ Board, evaluation of the Directors' performance (j) recommend Remuneration policy to the Board (k) ensuring Board Diversity (l) recommend to the Board the appointment and remuneration payable to Senior Management etc.

The Committee has formulated the criteria for determining the qualifications, positive attributes and independence of a Director as well as the criteria for Senior Management positions in terms of Section 178(3) of the Companies Act, 2013 besides laying down the criteria for Board evaluation. The Board evaluation including that of the Independent Directors is done based on the evaluation framework detailed elsewhere in the Directors' Report. The Company also has in place a Board approved policy on the remuneration for Directors, Key Managerial Personnel and other employees which had been duly recommended by the Committee. The policy is available in the link https://www.cumi-murugappa.com/wp-content/uploads/2025/04/Remuneration-Policy.pdf

Board Diversity Policy

The Company recognises and embraces the benefits of having a diverse Board and the Board diversity policy sets out the approach in this regard. A truly diverse Board comprising of appropriately qualified people with a broad range of experience relevant to the business of the Company, is integral to its success and is also an essential element in maintaining a competitive advantage on a sustainable basis. In line with the policy, the Board is balanced by members having complementary knowledge, expertise and skills in areas such as business strategy, finance, banking, foreign affairs, legal, marketing, manufacturing, technology etc., that the Board considers desirable.

Criteria for Board Nomination

The Nomination and Remuneration Committee is responsible for identifying persons for nomination as Directors as well as evaluating incumbent Directors for their continued service. The Committee has formulated a criteria in terms of Section 178 of the Companies Act, 2013 and the Listing Regulations inter alia detailing the qualifications in terms of personal traits, experience & background, fit & proper, positive attributes and independence standards to be considered for nominating candidates for Board positions / re-appointment of Directors.

Criteria for Senior Management

The Nomination and Remuneration Committee is also responsible for identifying persons who are qualified to be appointed in

Senior Management positions. The Committee has formulated a criteria in terms of personal traits, competencies, experience & background etc., to be considered for nominating candidates to Senior Management positions.

During the year, there have been changes to the Leadership team of the Company as a part of strengthening the team in alignment with the requirements of its Long-Term Strategy to enable an effective functioning of current operations and resourcing adequately for delivering the future growth plans of the Company. The additions to the leadership team included, the Head of EHS, CHRO and the Head of Manufacturing Centre of Excellence. There was a change in the Business Head of abrasives owing to internal movements. Accordingly, the candidatures of the new incumbents to the Leadership team were identified in line with the above set criteria.

Composition & Meetings

The Committee comprises of three (3) members, majority of them being Independent Directors. The Committee met seven (7) times during the year on 3rd May 2024, 24th June 2024, 30th July 2024, 19th August 2024, 30th October 2024, 21st January 2025 and 13th February 2025. During the year, Mr. Sanjay Jayavarthanavelu and Mr. Aroon Raman retired. Mr. M M Murugappan and Mr. Sujjain Talwar were inducted as members. The composition of the Committee and attendance of members are given below:

Name of Member	No. of meetings attended (No. of meetings held)
Sanjay Jayavarthanavelu, Chairman (Retired w.e.f. 31st July 2024)	2 (3)
P S Raghavan, Chairman (Appointed as Chairman w.e.f. 1st August 2024)	7 (7)
Aroon Raman (Retired w.e.f. 31st July 2024)	3 (3)
M M Murugappan (Appointed w.e.f. 1st August 2024)	4 (4)
Sujjain S Talwar (Appointed w.e.f. 1st August 2024)	4 (4)

3.3 Risk Management Committee

Terms of Reference

The Board has constituted a Risk Management Committee for monitoring the risk management process in the Company. The role of this Committee is to review the annual risk management framework to ensure that it is comprehensive & well developed, to periodically review the process for systematic identification and assessment of the business risks, to assess the critical risk exposures by specialised analysis and quality reviews and report to the Board, the details of any significant development relating to these including the steps being taken to manage the exposures and review the risks associated with cyber security.

The Committee has formulated a risk management policy with the following key objectives:

- Strengthening the business performance by informed decision making and planning.
- Adding sustainability value to the activities of the Company.
- Enhancing risk awareness amongst employees.
- Having in place an early warning mechanism for identification of threats / opportunities.
- Enabling optimum resources allocation and efficient use.
- Promoting an innovative culture with proper understanding of risks.

The Enterprise Risk Management (ERM) framework which was reviewed, automated and upgraded last year and a further upgrade is in progress. While the Committee continued to review the risks and mitigation plan as per the adopted Charter and Risk Management Policy, during the year, the development plan for the cyber security framework for the Company was considered by the Committee which is under implementation. The Cyber security framework developed last year is under review for alignment with the overall digital strategy and roadmap identified for transformation as a part of Long-Term strategy.

The Company is in process of establishing the IT security framework commensurate with its size and operations and the next few years will be working on the implementation of the framework and its gradual extension to the global entities. Besides, this geo-political risks and high risks were reviewed by the Committee.

Composition & Meetings

The Committee comprises of two (2) Independent Directors and the Managing Director. The Management Committee members, comprising the Senior Management executives, are invited to the meetings.

During the year, the Committee was reconstituted with the appointment of Ms. Usha Rajeev in the place of the retiring Director, Mr. Aroon Raman.

The Committee met two (2) times during the year on 22nd August 2024 and 19th March 2025. The composition of the Committee and attendance of members are given below:

Name of Member	No. of meetings attended (No. of meetings held)
P S Raghavan, Chairman	2(2)
Aroon Raman (Retired w.e.f 31st July, 2024)	NA
Usha Rajeev (Appointed w.e.f 1st August, 2024)	2(2)
Sridharan Rangarajan	2(2)

3.4 Stakeholders Relationship Committee

Terms of Reference

The terms of reference of this Committee includes formulation of investor servicing policies, review of redressal of investor complaints, approval / overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of share certificates, demat / remat requests, review of service standards in respect of various services rendered by the Registrar & Share Transfer Agent, consideration and resolution of the grievances of security holders of the Company and to determine, monitor and review the standards for resolution of stakeholders grievance, review measures taken for effective exercise of voting rights by shareholders, review of various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders, review of share transfers to the Investors Education and Protection Fund finalisation of terms of issue of debt instruments including debentures, approval of their allotment, administering the unclaimed shares suspense account, authorising the terms of various borrowings & creating security in respect thereof, allotment of shares on exercise of Options by employees under the Employees Stock Option Scheme / Plan and performing other functions as delegated to it by the Board from time to time.

Composition & Meetings

The Committee comprises three (3) members with Chairman of the Committee being a Non- Executive Director, one (1) member being an Independent Director and the other being the Executive Director. The Committee met four (4) times during the year on 3rd May 2024, 30th July 2024, 30th October 2024 and 13th February 2025. The composition of the Committee and attendance of members are given below:

Name of Member	No. of meetings attended (No. of meetings held)
M M Murugappan, Chairman	4 (4)
P S Raghavan	4 (4)
Sridharan Rangarajan	4 (4)

During the year, there were five (5) investor grievances received and all have been resolved as detailed below:

Sl. No	Grievance Platform	Nature of grievance	Resolution
1	RTA's Scores portal	Delay in processing the deletion of name	After the Company's intervention, the RTA has communicated to the shareholder the complete set of documents required and after submission of the same, the deletion of name has been processed.
2	Online Dispute Resolution (ODR) portal	Query in dispatch of Letter of Confirmation for Duplicate cum transmission	The grievance pertains to delay in responding to the shareholder by RTA. After the Company's intervention the letter of confirmation was dispatched.
3	BSE Portal	Inability to submit and request to waive FIR for loss of share certificate raised by the same shareholder on three platforms	The Company informed the requirement of FIR/ online police Complaint to the shareholder, post which he had applied and submitted the online police complaint along with the other documents for the issue of duplicate shares. The Company assisted the shareholder in obtaining the online police compliant.
4	Scores Portal		
5	ODR Portal		

All the grievances have been resolved to the satisfaction of the shareholders and there were no investor service complaints pending as at 31st March 2025.

Ms. Rekha Surendhiran, Company Secretary continues to be the Compliance Officer for the purpose of compliance with the requirements of the Listing Regulations.

M/s. KFin Technologies Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent (RTA). The contact details are available in the General Shareholder Information section of this Report.

3.5 Corporate Social Responsibility Committee

Terms of Reference

The Board has constituted a Corporate Social Responsibility (CSR) Committee in line with the requirements of the Companies Act, 2013 for assisting in discharging its Corporate Social Responsibility. The Board has approved a CSR policy formulated and recommended by the Committee which is uploaded and available on the Company's website at the following link https://www.cumi-murugappa.com/policies-disclosure/. The functions of the Committee inter alia includes recommending the annual action plan and the amount of expenditure to be incurred on the CSR activities during the year and monitoring the implementation of CSR activities as per the CSR policy of the Company from time to time.

Composition & Meetings

The Committee comprises two (2) Independent Directors, one (1) Non-Executive and Non-Independent Director and the Managing Director as its members. During the year, the Committee was

reconstituted with the appointment of Mr. Muthiah Murugappan in the place of retiring Director Mr. Aroon Raman and induction of Mr. Sujjain Talwar as a member. The Management Committee members are invited to the meetings. The Committee met on three (3) occasions during the year on 3rd May 2024, 30th October 2024 and 13th February 2025. The composition of the Committee and attendance of members are as follows:

Name of Member	No. of meetings attended (No. of meetings held)
Aroon Raman, Chairman (Retired w.e.f. 31st July 2024)	1(1)
Sujjain S Talwar, Chairman (Appointed w.e.f 1st August 2024)	2(2)
P S Raghavan	3(3)
Muthiah Murugappan (Appointed w.e.f 1st August 2024)	2(2)
Sridharan Rangarajan	3(3)

4. SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous financial year

In line with the Long-Term strategy and growth plans of the Company, the Leadership team of the Company has been strengthened with the following changes in the Senior Management, the details of which have been disseminated to the shareholders in pursuance to Regulation 30 of the SEBI Listing Regulations within the timelines mandated.

The list of Senior Management as on the date of this report is given below:

Name	Designation
C Srikanth	Business Head - Abrasives
M V Sivakumaran	Business Head - Electrominerals
Prathap Kumar	Business Head - Industrial Ceramics
Raghavendra Pai	Business Head - Super Refractories and Prodorite
Shyam C Raman	Chief Human Resources Officer
Sushil Kishor Bendale	Chief Financial Officer
P Padmanabhan	Chief Risk Officer and Head - Global Taxation
Rekha Surendhiran	Company Secretary
Ajit Kolhe	Head - Information Technology
R Rammohan	Head- EHS
Koshy Abraham	Head - Manufacturing Centre of Excellence

The changes in the Senior Management since the close of the previous financial year:

Name	Date of change	Designation	Nature of change	Profile
Mr. C Srikanth	6th May 2024	Business Head - Abrasives	Appointment	Mr. C Srikanth aged 59 years holds a bachelor's degree in mechanical engineering and a master's degree in business administration in marketing. He has more than three decades of experience in sales and marketing in precision abrasives business. He was earlier associated with the Company heading the Sales and Marketing function of the Abrasives business before moving to Wendt (India) Limited. He was the Executive Director and CEO of Wendt (India) Limited before joining CUMI as Abrasives Business Head.
Mr. Shyam C Raman	1st July 2024/ 1st September 2024	Chief Human Resource Officer - Designate/ Chief Human Resource Officer	Appointment	Mr. Shyam C Raman, aged 62 holds a BE in Mechanical Engineering and a PGDM from IIM Calcutta. Mr. Shyam has served the Murugappa Group in various capacities for over twenty-five years since July 1998. After stints as Chief Marketing Officer of Cholamandalam Cazenove AMC and as the Business Head of Cholamandalam Securities, he took over as HR Head of Cholamandalam Financial Services Group in 2002. In 2007, he was transferred to Group Corporate as Head of Group HR, a role that he has held since then. He has been anchoring the careers and development of leadership talent in the Group. He has also been the driving force behind several pan-Group initiatives across the spectrum of HR - including performance management, employee engagement, compensation and benefits, etc. Since 2020, he has also led the Group Corporate Communications function.

Name	Date of change	Designation	Nature of change	Profile
Mr. Koshy Abraham	5th February 2025	Head - Manufacturing Centre of Excellence	Appointment	Mr. Koshy Abraham aged 59 years, holds a bachelor's degree in technology (B.Tech.) Specialised in Mechanical Engineering from IIT Madras. He also holds a Post graduate diploma in Management (Operations) from IGNOU. In his 34 years of experience in Bosch, India, he has played a specialist role, techno-commercial role, group leader, project manager for an enterprise-wide business excellence initiative and a lead for lean in business processes. He currently, specialises in providing guidance/coaching for business transformation/operational excellence using a consulting approach. Mr. Koshy Abraham was appointed as the Executive Vice President and Head - Manufacturing Centre of Excellence with effect from 5th February 2025 for a term of 3 years.
Mr. Ninad Gadgil	5th May 2024	Business Head- Abrasives	Stepped down	Moved to head the operations of Wendt (India) Limited, a Group Company.
Mr. Bhaskaran Kannun	31st August 2024	Head - Human Resources	Retired	-

5. DIRECTORS' REMUNERATION

5.1 Policy

The ability to attract and retain talented and quality resources is a significant characteristic of any successful organisation. The Company's Remuneration policy formulated by the Nomination and Remuneration Committee provides the framework for remuneration of the Board members as well as all employees including the Key Managerial Personnel and Senior Management. This policy is guided by the principles and objectives enumerated in Section 178 of the Companies Act, 2013 and the Listing Regulations to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, establish a clear relationship of remuneration to performance and a balance between rewarding short and long- term performance.

The compensation of an Executive Director comprises a fixed component and a performance incentive based on certain pre-agreed parameters. Mr. Sridharan Rangarajan, Managing Director is the only Executive Director of the Company. The compensation is determined based on levels of responsibility and scales prevailing in the industry. The Managing Director is not paid sitting fees for any Board/Committee meetings attended by them. He is eligible for Employee Stock Options. Equity based compensation is considered to be an integral part of employee compensation across various sectors which enables alignment of personal goals of employees with organisational objectives. The summary of the Stock Options granted to Mr. Sridharan Rangarajan, Managing Director, during the year is given in this Report. No fresh grants were made to Mr. Sridharan Rangarajan under the ESOP 2016 during the year.

The compensation to the Non-Executive Directors takes the form of commission on profit. Though shareholders have approved payment of commission up to 1% of Net Profit of the Company for each year, the actual commission paid to the Directors is restricted to a fixed sum within the above limit. This sum is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the Directors for attending to the affairs and business of the Company and extent of responsibilities cast on Directors under general laws and other relevant factors. During the previous year considering the significant enhancement of the roles, duties and responsibilities of the Non-Executive Directors under the existing regulatory regime, the Board had reviewed the compensation structure on 8th May 2023 and revised the commission payment for the Independent Directors. During the year, there was no revision in the compensation structure of Non-Executive Directors.

In keeping with the evolving trends in industry, the practice of paying differential commission to Directors based on the time and efforts spent by them has also been adopted. Given the size and nature of its operations and also the rich experience that Mr. M M Murugappan possesses in the field of engineering, a considerable amount of time is spent by him in connection with the operations of the Company. Apart from playing an active role in guiding and advising on matters connected with strategy and management, he spends considerable time on developing/managing relationships with the Company's business partners both in India and overseas. The Chairman also plays an active role in matters connected with CUMI's organisation culture which is critical for the Company to deliver superior performance besides devoting time for technology related issues impacting the Company. Further, the Chairman spends a lot of time participating in various events, conclaves and functions of Industry bodies, Academic Institutions and interactions with high level State Authorities in India and globally representing the Company. Under his Chairmanship, the Company has grown globally from ₹4060 million to over ₹48000 million. Under his Chairmanship, the Company has grown organically and inorganically with the acquisitions of PLUSS Advanced Technologies, CUMI AWUKO Abrasives GmbH and

RHODIUS Abrasives GmbH which will augur well with the future growth plans of the Company besides diversifying the presence in Indian as well as European markets. During the year, the Company acquired Silicon Carbide Products LLC, in the United States of America, a company specialising in producing high quality Nitride Bonded Silicon Carbide (NBSiC) products and in existence for more than three (3) decades. As a part of the Ceramics Business, the Company has been operating in the Refractories and Industrial Ceramics manufacturing space for over 5 decades. The products of the Company and SCP would be complementing and is expected to significantly aid expansion of market share, and a geographical footprint beyond the Americas. The acquisition of SCP aligns with the strategic expansion plans of the Company and potential value is expected to be unlocked by utilising the capabilities that reside across SCP and the Company through technology co-operation , deployment of learnings, especially on process, forming, tooling, and application knowledge.

Mr. P S Raghavan, Independent Director was on the Boards of CUMI International Limited (CIL), Cyprus and Volzhsky Abrasive Works, Russia, material subsidiaries of the Company based on the Board's nomination until 4th February 2025. Considering the increased time and efforts spent by Mr. P S Raghavan in matters pertaining to the Company's material subsidiaries, a differential commission for the FY 2024-25 is proposed to be paid to him as done in the previous years. This will be in proportion to his tenure as Director of the material subsidiaries.

Mr. Sujjain Talwar has been inducted into the Board of CIL from 4th February 2025 and owing to the increased time and efforts spent by him since then, a differential commission is proposed to be paid to him as well subject to the approval of the Board basis the recommendation of the Nomination and Remuneration Committee.

The Non-Executive Directors are also paid sitting fees within the limits prescribed under the Companies Act, 2013 for every Board/ Committee meeting attended by them.

5.2 Remuneration for FY 2024-25

Non-Executive Directors (₹ Million)

Name	Sitting Fees	Commission@
M M Murugappan, Chairman	0.64	10.00
Sanjay Jayavarthanavelu (Retired w.e.f.31st July 2024)	0.21	0.50
Aroon Raman (Retired w.e.f.31st July 2024)	0.37	0.50
P S Raghavan	1.03	1.92
Sujjain S Talwar	0.83	1.58
Soundara Kumar (Retired w.e.f.2nd August 2024)	0.25	0.51
Usha Rajeev (Appointed w.e.f. 1st August 2024)	0.46	1.00
Sriram Viji (Appointed w.e.f. 1st August 2024)	0.25	1.00
Muthiah Murugappan (Appointed w.e.f. 1st August 2024)	0.26	1.00
Total	**4.30**	**18.01**

@ will be paid after the adoption of accounts by shareholders at the 71st Annual General Meeting.

Executive Director - Mr. Sridharan Rangarajan, Managing Director

(₹ million)

Fixed Component	Salary & Allowances	24.10
	Retirement benefits*	6.69
	Perquisites	0.03
Variable Component	Incentive[(a)]	7.43

**includes contribution to National Pension System of PFRDA.*

(a) Represents incentive paid during the financial year 2024-25 in respect of the financial year 2023-24.

(b) As per the terms of his remuneration, the Executive Director is eligible for an annual incentive based on a balanced scorecard which comprises Company financials, Company scorecard and personal objectives. For the financial year 2024-25, a sum of ₹10.86 million has been provided in the accounts for this purpose payable to Mr. Sridharan Rangarajan. The actual amount will be decided by the Nomination and Remuneration Committee in August 2025.

(c) With respect to Employee Stock Options granted to the Employees under Employee Stock Option Scheme 2007 and Employee Stock Option Plan 2016, the Options are accounted based on fair value, as prescribed by the Indian Accounting Standards (IND AS).

(d) No Employee Stock Options (ESOP) were granted to Mr. Sridharan Rangarajan under the Employee Stock Option Scheme 2007 (grants discontinued since February 2012) and under the ESOP Plan 2016 during the year.

The details of Options granted to and held by Mr. Sridharan Rangarajan under the Company's Employee Stock Option Scheme 2007 and Employee Stock Option Plan 2016 are given below:

Particulars	Employee Stock Option Scheme 2007	Employee Stock Option Plan 2016		
	05-Aug-11 (i)	04-Feb-17 (ii)	14-Feb-18 (ii)	02-Aug-21 (ii)
Options granted	264,000	68,940	19,344	272,000
Options vested	200,080	68,940	19,344	190,400
Options cancelled	31,680	-	-	-
Options lapsed	32,240	-	-	-
Options exercised	200,080	48,258	12,090	-
Options outstanding	-	20,682	7,254	2,72,000
Exercise Price	146	257.55	367.2	672.95

(i) The first vesting is exercisable over a period of three years from the date of vesting. The second, third and fourth vesting are exercisable over a period of 6 years from the date of vesting.

(ii) The Options are exercisable over a period of Five years from the date of vesting.

Note: ESOP scheme 2007 is no longer in existence as the vesting and exercise schedules have lapsed.

6. GENERAL BODY MEETINGS

6.1 Last three Annual General Meetings

Financial Year	Date	Time	Venue
2021 - 2022	01.08.2022	3.00 PM	AGM conducted through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')
2022 - 2023	02.08.2023		
2023 - 2024	30.07.2024		

6.2 Special Resolutions passed during the last three Annual General Meetings

Sl.No.	Item of business	Passed on
1.	Re-appointment of Mr. P S Raghavan as an Independent Director	01.08.2022
2.	Re-appointment of Mr. Sujjain S Talwar as an Independent Director	01.08.2022
3.	Approval for payment of commission to Mr. M M Murugappan	01.08.2022
4.	Remuneration of Non-executive Directors	02.08.2023
5.	Approval for payment of commission to Mr. M M Murugappan	02.08.2023
6.	Appointment of Mr. Sriram Viji as an Independent Director	30.07.2024
7.	Appointment of Ms. Usha Rajeev as an Independent Director	30.07.2024
8.	Approval for payment of commission to Mr. M M Murugappan	30.07.2024

6.3 Postal Ballot

There were no postal ballots conducted during the year ended 31st March 2025. Currently, there are no resolutions pending for approval through postal ballot and there is no proposal to pass special resolutions through postal ballot except those requiring to be passed pursuant to the Companies Act, 2013 / Listing Regulations which will be done after providing adequate notice to the shareholders.

7. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has established a Whistle Blower Mechanism to provide an avenue to raise concerns, if any, in line with the Company's commitment to high standards of ethical, moral and legal conduct of business. The mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism and also for appointment of an Ombudsman who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. In line with the requirements of the Companies Act, 2013, the policy coverage extends to the Directors of the Company and the Ombudsman for dealing with any referrals made by Board members is the Chairman of the Audit Committee. In line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Whistle Blower policy also covers reporting of instances that may result in leakage of Unpublished Price Sensitive Information (UPSI). The Whistle Blower policy is available on the Company's website at the following link https://www.cumi-murugappa.com/policies-disclosure/. It is affirmed that during the year, no employee was denied access to the Audit Committee.

8. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Promoters and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares for all transactions by Directors, Promoters and designated employees (together called 'Designated Persons') and prohibits the purchase or sale of Company's Securities by Designated Persons while in possession of Unpublished Price Sensitive Information in relation to the Company. Further, trading in securities is also prohibited for Designated Persons during the period when the Trading Window is closed. During the year, Audit Committee reviewed the compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and also verified that the systems for internal control as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively. The Company Secretary is responsible for implementation of the Code. The Company has in place an online system for monitoring the compliance of the Code by its designated employees. The Company also has in place a Code for practices and procedures for fair disclosure of Unpublished Price Sensitive Information which is available on the website of the Company. To ensure that the Designated Persons are aware of their obligations under the Regulations, auto awareness mailers on Do's and Don'ts are sent periodically. As a part of the induction process, for any employee who qualifies to be a Designated Person, a dedicated briefing of the obligations of a Designated Person under the Code is undertaken. The Company periodically reviews its Prevention of Insider Trading system and over the last few years has transitioned to a new technology with advanced features as per the requirements of the SEBI (PIT) Regulations. During the year, the periodic reminders and awareness sessions for the Designated Persons continued to be made to sensitise the employees via email posters, audio awareness sessions, webinars etc. for the Designated Persons on the significance of the regulatory requirements. The Company also has in place a Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on the website of the Company at https://www.cumi-murugappa.com/wp-content/uploads/2025/01/code-for-practices-and-procedures-for-fair-disclosure-of-UPSI.pdf which was last reviewed and revised on 19th March 2025.

9. DISCLOSURES

During the year, there were no material transactions entered with Related Parties both under the Listing Regulations as well as the Companies Act, 2013. The Company has devised policies on dealing with Related Party Transactions and for determination of material subsidiary. The policy on dealing with Related Parties was reviewed and amended in line with the changes introduced through SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. The same is available on the website of the Company at https://www.cumi-murugappa.com/policies-disclosure/.

The requirements of Regulation 17 to Regulation 27 of the Listing Regulations and clauses (b) to (i) of Regulation 46(2) to the extent applicable to the Company have been complied with as disclosed in this Report. Further, there were no instances of non-compliance by the Company nor were there any penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital markets in the preceding three years. The disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Boards' Report.

9.1 Disclosure relating to fee paid to Statutory Auditors

During the year, the Company and its subsidiaries have made the following payments to M/s. Price Waterhouse Chartered Accountants LLP (PW), Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part. The Company has relied on the information furnished by the Statutory Auditors in respect of the firms / entities covered under network firm/network entity of which the Statutory Auditor is a part.

PW/ Network firm	Nature of service	Name of the Company	Amount ₹ million
Price Waterhouse Chartered Accountants LLP	Statutory Audit including limited review	Carborundum Universal Limited	8.25
Price Waterhouse Chartered Accountants LLP	Tax Audit		1.1
Price Waterhouse Chartered Accountants LLP	Other certification		0.90
Price Waterhouse Chartered Accountants LLP	Statutory Audit including limited review	PLUSS Advanced Technologies Limited	1.24
Price Waterhouse Chartered Accountants LLP	Tax Audit		0.22
Price Waterhouse Chartered Accountants LLP	Other certification		0.73
Price Waterhouse Coopers GmbH	Statutory Audit including limited review and other audit related services	CUMI Awuko Abrasives GmbH	10.07
Price Waterhouse Coopers GmbH	Statutory Audit including limited review and other audit related services	Rhodius Abrasives GmbH	13.38

Payment in respect of non-audit services provided by the Statutory Auditors to the Company are made only with the approval of the Audit Committee as required under Section 144 of the Companies Act, 2013.

9.2 Disclosure of Commodity Price Risks / Foreign Exchange Risks & Hedging Activities

The commodity price risks / foreign exchange risks and the risk management strategy thereof is detailed in the Board's report. The Company does not have any exposure hedged through commodities and hence in terms of Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 does not arise.

9.3 Disclosure on Credit Ratings

During the year, no credit ratings were obtained by the Company nor were there any revisions. The disclosures relating to re- affirmation of the existing ratings in respect of the borrowings of the Company forms part of the Boards' Report.

9.4 Loans and advances in the nature of loans to firms/ companies in which Directors are interested

During the year, the Company did not extend any loans or advances to firms/Companies in which Directors are interested in terms of Section 184 of the Companies Act, 2013.

9.5 Details of Material Subsidiary

CUMI International Limited
Date of Incorporation: 7th June 2007
Place of Incorporation: Limassol, Cyprus
Name of the Auditor: P. Constantinou & Co Ltd, Certified Public Accountants
Address: PO Box 57186, 3313 Limassol, Cyprus
Date of appointment:12th March 2008

JSC "Volzhsky Abrasive Works"
Date of Incorporation: 22nd April 1961
Place of Incorporation: Volzhsky city, Russia
Name of the Auditor: "ERCON"Ltd.
Address: 344068, Rostov region, Rostov-on-Don city, Klenovy lane 2/29
Date of appointment: 27th June 2023

10. MEANS OF COMMUNICATION

The Company recognises the significance of dissemination of timely and relevant information to shareholders. In order to enable the stakeholders to understand the financial results in a meaningful manner, the Company gives a press release along with the publication of quarterly / annual financial results. The quarterly unaudited financial results and the annual audited financial results are normally published in Business Standard (in English) and Makkal Kural/Dinamani (in Tamil). Press releases are given to all important dailies. The financial results, press releases and presentations made to institutional investors / analysts are posted on the Company's website https:/www.cumi-murugappa.com

11. MANAGEMENT DISCUSSION & ANALYSIS

In order to avoid duplication and overlap between the Directors' Report and a separate Management Discussion & Analysis (MD&A), the information required to be provided in the MD&A has been given in the Board's Report itself as permitted by the Listing Regulations.

12. NON-MANDATORY REQUIREMENTS

The quarterly financial results are published in leading financial newspapers, uploaded on the Company's website and any major developments are conveyed in the press releases issued by the Company and posted on the Company's website. As the communications are widely available, the Company did not send the half-yearly performance update individually to the shareholders during the year.

The expenses incurred by the Chairman in performance of his duties are reimbursed.

During the year, the Internal Auditor / Statutory Auditor have had separate discussions with the Audit Committee without the presence of the Management team.

Further, the Financial Statements have an unmodified opinion by the Company's Auditors.

The Internal Auditor reports directly to the Audit Committee for the purpose of audit conducted by him / her. Other non- mandatory requirements have not been adopted at present.

13. CEO/CFO CERTIFICATION

Mr. Sridharan Rangarajan, Managing Director and Mr. Sushil Kishor Bendale, Chief Financial Officer have given a certificate to the Board on matters relating to financial reporting, compliance with relevant statutes and adequacy of internal control systems as contemplated in Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

14. PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

A certificate from M/s. R Sridharan & Associates, Practising Company Secretaries, Chennai on compliance with Corporate Governance requirements is annexed.

15. PRACTISING COMPANY SECRETARY'S CERTIFICATE ON THE DIRECTOR'S DISQUALIFICATION

A certificate from M/s. R Sridharan & Associates, Practising Company Secretaries, Chennai confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority is annexed and forms part of this Report.

16. GENERAL SHAREHOLDER INFORMATION

A separate section in this regard is annexed and forms part of this Report.

17. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

As per the information available with the Company, there are are no agreements entered into by the shareholders, Promoters, Promoters Group entities, related parties, Directors, Key managerial personnel, employees of the Company, its subsidiaries and associates Companies which are binding the Company in terms of Clause 5A of Para A of Part A of Schedule III of SEBI (LODR) Regulations, 2015.

18. SHARE HOLDERS SATISFACTION SURVEY

An online survey is posted on the Company's website at the following link https://www.cumi-murugappa.com/survey/index.php

Shareholders who have not yet submitted the survey can go to the above link and take part in the survey. We request the shareholders who have not yet participated in the survey to use this link and provide us their valuable feedback.

19. INSTRUCTIONS TO SHAREHOLDERS

Shareholders holding shares in physical form are requested to address their communications regarding change in address / contact details by quoting their folio number to the Company's Registrar & Share Transfer Agent (RTA) or to the Company by e-mailing to investorservices@cumi.murugappa.com. Shareholders holding shares in electronic form may send the communications regarding the above to their Depository Participant.

The Ministry of Corporate Affairs vide circulars dated 5th May 2020, 13th January 2021, 13th May 2022, 28th December 2022, 25th September 2023 and 19th September 2024 has relaxed the requirement on companies to send Annual Report in physical mode. Accordingly, an electronic copy of the Annual Report will be sent to all the Members holding shares in dematerialised mode and whose e-mail IDs are available with the Depository Participant(s) and to all the Members holding shares in physical mode whose e-mail IDs are registered with the Company / RTA for communication purposes. Shareholders holding shares in physical mode are requested to furnish their e-mail addresses to the Company's Registrar and Share Transfer Agent (RTA) or to the Company by e-mailing to investorservices@cumi.murugappa.com for obtaining the Notice and the Annual Report. Alternatively, the

same will also be made available on the website of the Company at https://www.cumi-murugappa.com. Detailed information on registration of e-mail addresses with the Company / RTA is provided in the Notice convening the AGM.

Shareholders are requested to register their e-mail ID with the RTA / Depository Participant to enable the Company to send communications electronically. Members are advised to intimate the details of their PAN and bank account to enable electronic remittance of dividend or alternatively for being incorporated in the dividend warrants. This would help to avoid fraudulent encashment of dividend warrants.

As per Securities and Exchange Board of India (SEBI) master circular dated 7th May 2024 it is mandatory for holders of physical securities to furnish their PAN, email address, mobile number, bank account details and also to either register or declare opt out for nomination facility against the shares held in the Company. The forms for updation of the aforesaid details are available on the website of the Company at https://www.cumi-murugappa.com/part-4-investor-services/.

Shareholders are requested to submit Form ISR-1 for updating PAN and other KYC details with RTA of the Company. In case of mismatch in the signature of the holder in the records of RTA, the shareholders need to furnish original cancelled cheque and banker's attestation of the signature as per Form ISR-2. It is advised that the shareholders send the original cancelled cheque with name of shareholder printed on it and duly filled Form ISR-2 along with Form ISR-1 to update signature so as to avoid further correspondence in case of signature mismatch. Shareholders are requested to submit Form SH-13 duly filled to register nomination in their Folios. However, in case shareholders want to opt-out of nomination, Form ISR-3 shall be submitted to RTA. Further, with effect from 1st April 2024, the shareholder(s) whose folio(s) do not have PAN, contact details, Bank account details and specimen signature updated, shall be eligible for dividend through electronic mode only after updation of the aforementioned details.

SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 had mandated issuance of securities in dematerialised form only as an on-going measure to enhance ease of dealing in securities markets by investors while processing the service such as issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission, transposition etc.

Shareholders may send correspondences in respect of their holdings to M/s. KFin Technologies Limited at their contact details provided below:

Mr. Godavarthi Vasantha Rao Chowdari
M/s. KFin Technologies Limited
Registrar and Share Transfer Agent
Unit: Carborundum Universal Limited
Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana - 500 032, India (IN)
Toll Free No.:1800 309 4001
Email: einward.ris@kfintech.com

Freezing of Folios without PAN, KYC details and Nomination:

Members may note that pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 effective 1st April 2019, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a Depository. Members would be able to transfer their shares only after necessarily dematerialising their physical shares. Hence, Members are encouraged to dematerialise their physical holdings to demat form at the earliest. As per the mandate of SEBI, the Company is required to conduct enhanced due diligence for transactions in physical folios of shareholders.

Members are also requested to note that pursuant to an amendment in the Finance Act, 2020, with effect from 1st April 2020, dividends declared by the Company will be taxed in the hands of the recipient of dividend i.e. shareholders. Hence, all dividends declared after 1st April 2020 by the Company have been paid/will be paid to the Members after deducting tax at the applicable rate of interest prescribed under the Income Tax Act, 1961. Members may note that in the absence of PAN, the Company would be required to deduct tax at a higher rate prescribed under the Income Tax Act, 1961. Hence, Members who have not furnished their PAN to the Company are requested to immediately submit a copy of their PAN to the Company. Members seeking non-deduction of tax on their dividends may submit Form 15G / 15H as applicable to the Company on a yearly basis. The formats of Form 15G/Form 15H are available in https://www.cumi-murugappa.com/investor-services/. Members may contact the Company Secretary or any executive in the Secretarial team at contact numbers provided in the General Shareholder Information Section in case of any clarification with respect to the dividends declared by the Company.

Shareholders may contact the Investor Services team in case of any query regarding their holdings in the Company.

On behalf of the Board

M M Murugappan
Chairman

Chennai
May 12, 2025

General Shareholder Information

A. Corporate Information

1. Registered office

"Dare House", No. 234,
N.S.C Bose Road, Parrys, Chennai 600 001;
Tel No.:+91-44-30006161;
Fax:+91-44-30006149;
E-mail: cumigeneral@cumi.murugappa.com;
Website: www.cumi-murugappa.com

Note: During the year, the Company shifted its registered office from "Parry House", 43, Moore Street, Chennai 600 001 to "Dare House", No. 234, N.S.C Bose Road, Parrys, Chennai 600 001.

2. Corporate Identity Number

L29224TN1954PLC000318

3. Auditors

Statutory Auditor
Price Waterhouse Chartered Accountants LLP,
7th and 10th Floor, Menon Eternity,165, St. Mary's Road,
Alwarpet, Chennai - 600 018.

Cost Auditor (for the FY 2024-25)
S Mahadevan & Co., Chennai, Cost Accountants,
No.1, 'Lakshmi Nivas', K.V. Colony, Third Street,
West Mambalam, Chennai - 600 033.

Internal Auditor (for the FY 2024-25)
M/s. RGN Price & Co.
861, Anna Salai, Mount Road, Anna Salai,
Triplicane, Chennai – 600002.

Secretarial Auditor (for the FY 2024-25)
R Sridharan & Associates, Company Secretaries,
Thiruvarangam Apartments, Flat No.3, First Floor,
New No.44, Old No.25, Unnamalai Ammal Street,
T. Nagar, Chennai - 600 017

4. Address for correspondence

Compliance Officer
Rekha Surendhiran, Company Secretary,
Carborundum Universal Limited,
"Dare House", No. 234,
N.S.C Bose Road, Parrys, Chennai 600 001;
Tel No.:+91-44-30006161; Fax:+91-44-30006149;
E-mail: rekhas@cumi.murugappa.com

Investor Relationship Officer
Jully H Jivani,
Carborundum Universal Limited,
"Dare House", No. 234,
N.S.C Bose Road, Parrys, Chennai 600 001;
Tel: +91-44-30006166; Fax: +91-44-30006149;
E-mail: investorservices@cumi.murugappa.com

5. Registrar and Share Transfer Agent

M/s. KFin Technologies Limited
Unit: Carborundum Universal Limited,
Selenium Building, Tower B, Plot 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana - 500 032;
Whatsapp No.: +91-91000 94099;
Toll Free no.: 1800-309-4001;
E-mail: einward.ris@kfintech.com ;
Website: https://ris.kfintech.com/;
Contact Person: Mr. S.R. Ramesh, Deputy Vice President

6. Financial Year

1st April to 31st March

7. Cost Audit Report

The Cost Audit report for financial year 2023-24 had been filed on 27th August 2024 through XBRL mode as mandated by the Ministry of Corporate Affairs within the due date.

8. Plant Locations

i. **Plant locations of Carborundum Universal Limited**

a) 655, Tiruvottiyur High Road, PB No. 2272, Tiruvottiyur, Chennai - 600019, Tamil Nadu.

b) Plot No.48, SIPCOT Industrial Complex, Hosur - 635126, Krishnagiri District, Tamil Nadu.

c) Jhautala More, Gopalpur Chandigarh, P.O. Ganga Nagar, Kolkata 700132, West Bengal.

d) C-4 & C-5, Kamarajar Salai, MMDA Industrial Complex, Maraimalai Nagar - 603209, Kancheepuram District, Tamil Nadu.

e) F-1/2, F2 - F5, SIPCOT Industrial Park, Pondur "A" Village, Sriperumbudur - 602105, Kanchipuram District, Tamil Nadu.

f) K3, ASAHI Industrial Estate, Latherdeva Hoon, Mangalore Jhabrera Road, PO Jhabrera Tehsil Roorkee, Haridwar District, Uttarakhand - 247665.

g) PB No.1 Kalamassery, Development Plot P.O, Kalamassery 683104, Ernakulam District, Kerala.

h) PB No.3 Nalukettu, Koratty- 680308, Trichur District, Kerala.

i) Bhatia Mines, Bhatia Western Railway, Jamnagar District, Gujarat - 361350.

j) P.B No.2 Okha Port P.O., Devbhumi Dwarka District, Gujarat 361350.

k) Plot No.7, Cochin Special Economic Zone (CSEZ), Kakkanad 682037, Kochi, Kerala.

l) Plot No.18, Cochin Special Economic Zone (CSEZ), Kakkanad 682037, Kochi, Kerala.

m) Maniyar Hydroelectric Works, Maniyar P.O. Vadasserikara, Pathanamthitta District, Kerala 689662.

n) Plot No.8, Carborundum Universal SEZ, Kalamassery Development Plot, Kochi, Kerala-683104.

o) Plot No.2 & 3, Carborundum Universal SEZ, Kalamassery Development Plot, Kochi, Kerala-683104.

p) Plot No.4 & 5, Carborundum Universal SEZ, Kalamassery Development Plot, Kochi, Kerala-683104.

q) Plot No.47, 48 (part), SIPCOT Industrial Complex, Hosur - 635126, Krishnagiri District, Tamil Nadu.

r) Plot No.102 & 103, SIPCOT Industrial Complex (Phase II), Ranipet 632403, Tamil Nadu.

s) Serkadu village, Vinnampalli Post, Katpadi Taluk, Vellore District - 632516, Tamil Nadu.

t) Plot nos. 35, 37, 48-51, Adhartal Industrial Estate, Jabalpur - 482004, Madhya Pradesh.

ii. Plant locations of Subsidiaries/Joint Ventures

a) Sterling Abrasives Limited, Plot No.45/46, G.I.D.C. Estate, Odhav Road, Ahmedabad - 382415, Gujarat, India.

b) Sterling Abrasives Limited, Plot No. 501, Near Anup Engineering, G.I.D.C., Odhav Road, Ahmedabad - 382415, Gujarat, India.

c) Sterling Abrasives Limited, Plot No. 57, 58, 59 and 64 Opp. Umberto Ceramics, Village - Galesara, Galteshwar Road, Taluka : Prantij. Dist Sabarkantha, Gujarat, India.

d) Southern Energy Development Corporation Limited, Plot no. 29, Nallur PO, Aadichapuram, (Via) Mannargudi Taluk, Tiruvarur District - 614717, Tamil Nadu, India.

e) Murugappa Morgan Thermal Ceramics Limited, Plot No. 26 & 27, SIPCOT Industrial Complex, Ranipet - 632403, Tamil Nadu, India.

f) Murugappa Morgan Thermal Ceramics Limited, Plot No. 681, Moti Bhoyan Village, Sanand-Kalol Highway, Kalol Taluk, Gandhinagar Dist., Gujarat - 382721, India.

g) Wendt (India) Limited, 69/70, SIPCOT Industrial Complex, Hosur - 635126, Krishnagiri District, Tamil Nadu, India.

h) Wendt (India) Limited,Ground Floor, Shed No.7, Survey No.38/1, Sharda Industries ,Khedekar Industrial Estate, Narhe, Pune, Maharashtra, 411041, India.

i) JSC "Volzhsky Abrasive Works", 404119, Russian Federation, Volgograd region, city of Volzhsky, F. G. Loginova st., 169, Russia.

j) Foskor Zirconia (Pty.) Ltd., 27 Selati Road, Phalaborwa, South Africa, 1389.

k) CUMI (Australia) Pty Ltd., 29 Gipps St, Carrington, NSW, 2294, Postal Address: PO Box 142, Carrington, NSW, 2294, Australia.

l) CUMI (Australia) Pty Ltd., 1/253 Beringarra Ave, Malaga, WA 6090, Postal Address: PO Box 2538, Malaga, WA 6944, Australia.

m) CUMI (Australia) Pty Ltd., 20 Waurn St, North Rockhampton, QLD 4701, Postal address: PO Box 6494, Central QLD Mail Centre, Rockhampton, QLD 4702, Australia.

n) CUMI (Australia) Pty Ltd., 14 Corporation Avenue, Paget QLD 4740, Australia.

o) CUMI (Australia) Pty Ltd., 7 Bowden Way, Beresfield, NSW 2322, Australia.

p) Wendt Grinding Technologies Ltd., 109/21 Moo 4, Eastern Seaboard Industrial Estate (Rayong), Tambol Pluakdaeng, Amphur Pluakdaeng, Rayong 21140, Thailand.

q) PLUSS Advanced Technologies Limited, Plot No.13,14 & 35, Section-14 G C Bawal, Rewari, Haryana - 123501.

r) PLUSS Advanced Technologies Limited, Sy. No. 605, 8-122, Deveryamzal Village, Shameerpeth Mandal, Medchal - Malkajgiri, Telangana - 500078.

s) PLUSS Advanced Technologies BV, Helftheuvelweg 11 - A2.125222 AV 's-Hertogenbosch, The Netherlands.

t) CUMI AWUKO Abrasives GmbH, Hedemündener Str. 9 34346 Hann. Münden Germany.

u) Rhodius Abrasives GmbH, Brohltalstr. 2, 56659 Burgbrohl, Germany.

v) Rhodius Nederland B.V, Het Rietveld 55A, 7321 CT Apeldoorn, Nederlands.

w) Rhodius France S.A.R.L. 1 Allee Theodore Monod, 76160 Saint Martin du Vivier Frankreich, France.

x) Rhodius Korea INC. Rm. 205 MEGA PLUS, Yeongil-ro, Yeongtong-dong, Schleifwerkzeuge, Yeongtong-gu GmbH & Co. KG, 443-470 Suwon, Seoul Republic of Korea.

y) Rhodius South America Assessoria Tecnica e Schleifwerkzeuge Commercial em Abrasives,Rua das Carmelitas no. 2350, CEP 81.650-060 Curitiba Estado do Parana Brasilien, Brazil.

z) Silicon Carbide Products, LLC, 361, Daniel Zenker Dr, Horseheads, NY 14845, United States.

B. STOCK MARKET INFORMATION

1. Listing on stock exchanges and stock code

Stock Exchange	Stock Code
National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051	CARBORUNIV
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	513375

Annual listing fees has been paid to the above stock exchanges.

International Securities Identification Number (ISIN): INE120A01034

2. Depositories Connectivity

The Company has signed agreements with the following Depositories to provide the facility of holding equity shares in dematerialised form:

Name of the Depository	Web link
National Securities Depository Ltd. (NSDL)	www.nsdl.co.in
Central Depository Services (India) Ltd. (CDSL)	www.cdslindia.com

C. Other Information

1. Share Capital Details

(a) Outstanding shares

The total number of outstanding shares as on 31st March 2025 is 190,422,718. All the shares have been fully paid up. As on 31st March 2025, 189,389,547 equity shares constituting 99.46% of the total paid up capital of the Company have been dematerialised.

A quarterly audit is carried out by an independent auditor to reconcile the total share capital admitted with the Depositories and held in physical form with the issued and listed capital which is submitted to the Stock Exchanges and placed before the Board.

(b) Shareholding Pattern/Distribution as on 31st March 2025

(i) Shareholding Pattern

Category	% to total paid up capital
Promoter/Promoter Group	39.82
Foreign Institutional Investors	12.11
Financial Institutions including Insurance Companies	0.40
Non-resident (NRI's / OCBs)	1.70
Mutual Funds	27.00
Banks	0.01
Indian Bodies Corporate, AIFs & QIBs	3.13
Individuals	14.81
Others - Trusts/ Clearing Members/IEPF	1.02
Total	**100.00**

(ii) Distribution of Shareholding

Sl. No.	Category (Shares)	No. of holders	% to holders	No. of Shares	% to Equity
1.	1 -500	68202	92.18	3922032	2.06
2.	501 -1000	2036	2.75	1611553	0.85
3.	1001 -2000	1390	1.88	2187179	1.15
4.	2001 -3000	549	0.74	1413886	0.74
5.	3001 -4000	648	0.88	2435687	1.28
6.	4001 - 5000	151	0.20	696177	0.37
7.	5001 -10000	447	0.60	3282810	1.72
8.	10001 - 20000	181	0.24	2619448	1.38
9.	20001 -100000	216	0.29	9804048	5.15
10.	100001 and above	165	0.22	162449898	85.30
	TOTAL:	**73985**	**100**	**190422718**	**100**

*****based on the folios and cannot be compared with Shareholding Pattern which is PAN based aggregation of total number of shareholders.*

2. Outstanding GDR/ADR/Warrants etc.

Under the CUMI Employees Stock Option Scheme 2007, there are no Stock Options outstanding as at 31st March 2025:

Sl. No.	Grant Date	Exercise Price in (₹)	Net Outstanding Options	Likely impact on full exercise	
				Share Capital ₹ million	Share Premium ₹ million
1.	29-Sep-07	91.80	-	-	-
2.	24-Jul-08	61.40	-	-	-
3.	27-Jan-11	125.08	-	-	-
4.	27-Jan-11	125.08	-	-	-
5.	05-Aug-11	146.00	-	-	-
6.	04-Feb-12	155.00	-	-	-
Total			-	-	-

Under the CUMI Employee Stock Option Plan 2016, the details of stock Options granted and outstanding as at 31st March 2025 are as follows:

Sl. No.	Grant Date	Exercise Price in (₹)	Net Outstanding Options	Likely impact on full exercise	
				Share Capital ₹ million	Share Premium ₹ million
1	04-Feb-17	257.55	39,646	0.04	10.17
2	14-Feb-18	367.2	7,254	0.01	2.66
3	14-Feb-18	367.2	-	-	-
4	03-Aug-18	369.85	29,552	0.03	10.90
5	29-Oct-18	361.9	-	-	-
6	31-Jul-19	317.7	26,040	0.03	8.25
7	31-Jul-19	317.7	-	-	-
8	30-Jan-20	343.8	-	-	-
9	28-Apr-21	490.5	35,940	0.04	17.59
10	02-Aug-21	672.95	3,72,100	0.37	250.03
11	13-May-22	734.9	-	-	-
12	28-Oct-22	858.8	1,30,800	0.13	112.20
13	31-Jan-23	965.55	43,600	0.04	42.05
14	29-Mar-23	940	43,600	0.04	40.94
15	28-Oct-23	1108	73,400	0.07	81.25
16	25-Mar-24	1248.9	43,600	0.04	54.41
17	03-May-24	1506.6	1,15,700	0.12	174.20
18	30-Oct-24	1380.7	3,67,980	0.37	507.68
19	13-Feb-25	1017.9	62,390	0.06	63.44
	Total		13,91,602	1.39	1,375.78

Note:

a) In respect of the Options referred in serial number 4 above of the Employee Stock Option Scheme 2007, each Option gives a right to the holder to subscribe to one equity share of Re. 1/- each, within 3 years from the date of vesting, in respect of 50% of the first tranche and 6 years from the date of vesting in respect of the remaining 50% of the first tranche and all subsequent tranches. The vesting of Options granted, is based on the annual performance rating and as per the following schedule - 40% on expiry of the first year from the date of grant and 30% each on expiry of the second and third years from the date of grant.

b) In respect of all other Options granted under the Employee Stock Option Scheme 2007, each Option gives a right to the holder to subscribe to one equity share of Re. 1/- each, within 3 years from the date of vesting in respect of the first tranche and 6 years from the date of vesting in respect of subsequent tranches. The vesting of Options, is based on the annual performance rating and as per the following schedule - 20% each on expiry of the first and second year from the date of grant and 30% each on expiry of third and fourth year from the date of grant.

c) In respect of Options referred in serial number 1, 2, 4, 5, 6, 8, 9,10, 11, 12, 13, 14 15 16,17,18,19 above of the Employee Stock Option Plan 2016, each Option gives a right to the holder to subscribe to one equity share of Re. 1/- each, within 5 years from the date of vesting. The vesting of options, is based on the annual performance rating and as per the following schedule - 20% each on expiry of the first and second year from the date of grant and 30% each on expiry of third and fourth year from the date of grant. With respect to additional grants made to the option grantees owing to grade elevation, the vesting of the options are aligned with the original vesting period.

d) In respect of Options referred in serial number 3 above of the Employee Stock Option Plan 2016, each Option gives a right to the holder to subscribe to one equity share of Re. 1/- each, within 5 years from the date of vesting. The vesting of options, is based on the annual performance rating and as per the following schedule - 25% each on expiry of the first year from the date of grant and 37.50% each on expiry of second and third year from the date of grant.

e) In respect of Options referred in serial number 7 above of the Employee Stock Option Plan 2016, each Option gives a right to the holder to subscribe to one equity share of Re. 1/- each, within 5 years from the date of vesting. The vesting of Options, is based on the annual performance rating and as per the following schedule - 50% each on expiry of the first and second year from the date of grant.

Other than the above, there are no outstanding GDRs or ADRs or convertible instruments.

3. Investor servicing process:

The investor servicing requests from shareholders holding shares in physical form are processed by M/s. KFin Technologies Limited, Company's Registrar and Share Transfer Agent. The Board has delegated the power to approve transfers to the Stakeholders Relationship Committee. Transfer of shares in physical mode has been prohibited effective 1st April 2019 pursuant to SEBI notification dated 8th June 2018. In respect of transmission of shares, all requests are approved by the Stakeholders Relationship Committee.

Further, during the year, as an initiative to encourage mandatory updation of KYC details in the physical folios and to claim the held back dividends owing to KYC non-compliance, reminder letters were sent to the shareholders at their last available addresses for furnishing of PAN, KYC details and Nomination facilities by the holders of physical securities.

In order to enable shareholders to claim their shares from the unclaimed suspense account and dividends from unclaimed dividend accounts, steps were taken to reach out to the shareholders in their last available contact details available with the Company/ Registrar and share transfer agent in the form of emails, contact number and address. After verifying the KYC of the shareholder, the shareholders were educated on the procedure for claiming the shares/dividend from the respective unclaimed accounts.

The shareholders were assisted in filing their claims with the IEPF authority resulting in the approval of the majority of the claims filed by the claimant and ensuring a smooth transition in processing the claim. The said process resulted in minimising the discrepancies in submissions with the IEPF authority.

As stated in the Corporate Governance Report, Members holding shares in physical form are urged to dematerialise the shares as they would be unable to transfer the shares in physical form hereafter in view of the requirements prescribed in this regard by SEBI.

4. Unclaimed Shares

Particulars	No. of share holders	No. of shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	59	116660
Number of shareholders whose shares have been transferred during the year from the Unclaimed Suspense Account to the Investor Education and Protection Fund Authority pursuant to Section 124(6) of the Companies Act, 2013*	21	35610
Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year in response to the Company's reminders	4	8440
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	4	8440
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	34	72610

*In respect of the shares transferred to the Investor Education and Protection Fund Authority, shareholders are entitled to claim these shares from the Investor Education and Protection Fund Authority by making an application in form IEPF-5 available on website https://www.mca.gov.in/content/mca/global/en/home.html along with the requisite documents after complying with the prescribed procedure.

On receipt of a claim for transfer from the Unclaimed Suspense Account, the Company will after verification and approval, credit the shares to the shareholder's demat account.

All corporate benefits in terms of securities accruing on these shares like bonus shares, sub-division, etc. will also be credited to the Unclaimed Suspense Account and the voting rights on these shares will remain frozen until the claim is made by the rightful owner.

5. AGM & Dividend details

i. Forthcoming Annual General Meeting

Thursday, 7th August 2025 at 3.00 P.M. IST through video conferencing/other audio visual means.

ii. Dividend

The Board at its meeting held on 13th February 2025 had approved the payment of an interim dividend on the equity shares of the Company at 150% i.e., ₹1.50/- per equity share of ₹1 each which was paid on 5th March 2025. The Board at its meeting held on 12th May 2025 has further recommended a final dividend at 250 % i.e., ₹2.50/- per equity share for the year ended 31st March 2025. The final dividend will be paid by 26th August 2025 upon declaration by the shareholders at the ensuing Annual General Meeting.

iii. Unclaimed Dividend

Dividends remaining unclaimed/unpaid for a period of seven years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The details of dividend paid by the Company and the respective due dates of transfer of

the unclaimed/unencashed dividend to the IEPF Authority of the Central Government are as below:

Financial year to which dividend relates	Date of Declaration	Due date for transfer to IEPF
2017-18 (Final)	03-08-2018	09-09-2025
2018-19 (Interim)	01-02-2019	10-03-2026
2018-19 (Final)	31-07-2019	06-09-2026
2019-20 (Interim)	26-02-2020	03-04-2027
2020-21 (Interim)	02-02-2021	11-03-2028
2020-21 (Final)	02-08-2021	08-09-2028
2021-22 (Interim)	10-02-2022	19-03-2029
2021-22 (Final)	01-08-2022	07-09-2029
2022-23 (Interim)	31-01-2023	09-03-2030
2022-23 (Final)	02-08-2023	08-09-2030
2023-24 (Interim)	31-01-2024	08-03-2031
2023-24(Final)	30-07-2024	30-08-2031
2024-25 (Interim)	13-02-2025	17-03-2032

The Company has transferred unclaimed/unencashed dividends up to interim dividend for FY 2016-17 to the IEPF during the year ended 31st March 2025. The Company has uploaded the details relating to unclaimed dividends on its website for the information of its shareholders and shareholders who have not encashed/claimed are requested to verify and initiate the process to claim their dividends.

iv. Shares transferred to IEPF

Pursuant to Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more. During the year, the Company transferred 76,279 equity shares pertaining to 76 holders to the Investor Education and Protection Fund Authority. The Company had issued the requisite notice to the shareholders concerned intimating them of the impending transfer of shares and had simultaneously published a notice in leading dailies. Further, the Company has uploaded the details of the same on its website for the information of the shareholders. As at 31st March 2025, 891,325 shares pertaining to 769 holders have been transferred to the Investor Education and Protection Fund Authority.

Shareholders are entitled to claim the shares from the Investor Education and Protection Fund Authority by making an application online in Form IEPF-5 available on the website https://www.mca.gov.in/content/mca/global/en/home.html along with the requisite documents. Shareholders are requested to contact the Company's RTA - KFin Technologies Limited or the Company in this regard. The contact details are available in the Corporate Information section of this Report.

6. Other disclosures

During the year, there has been no instance where the Board did not accept the recommendation of its Committees. Further during the year, the Company has not raised funds through preferential allotment or qualified institutional placement.

On behalf of the Board

Chennai
May 12, 2025

M M Murugappan
Chairman

Declaration on Code of Conduct

To

The Members of Carborundum Universal Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company as at 31st March 2025, as envisaged in regulation 34(3) read with Schedule V of the Listing Regulations.

On behalf of the Board

Chennai
May 12, 2025

Sridharan Rangarajan
Managing Director

CORPORATE GOVERNANCE CERTIFICATE

The Members
CARBORUNDUM UNIVERSAL LIMITED
Dare House, No. 234, N.S.C. Bose Road, Parrys,
Chennai – 600001

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by C**ARBORUNDUM UNIVERSAL LIMITED,** (CIN: L29224TN1954PLC000318) [hereinafter referred to as "the Company"] having its Registered Office at Dare House, No. 234, N.S.C. Bose Road, Parrys, Chennai – 600001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "SEBI (LODR) Regulations 2015") for the financial year ended 31st March, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and Para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended for the financial year ended 31st March, 2025. With respect to compliance of 24(1) as per the information and explanations provided by the Management, effective 5th February 2025, M/s. Volzhsky Abrasive Works, Russia (VAW), one of the Company's unlisted material subsidiary incorporated outside India, does not have an Independent Director nominated by the Listed Holding Company, as required under Regulation 24(1) of the Listing Regulations. The changes in the Board Composition of VAW, including the stepping down of Mr. P S Raghavan, Independent Director, nominated by the Company on 28th November, 2018 was on account of VAW being included in the Specifically Designated Nationals and Blocked Persons list (SDN List) from 10th January 2025 by the US State Department. Since the inability to meet the requirement under Regulation 24(1) of Listing Regulations in VAW emanates from a geo-political situation, the Company has submitted an application with SEBI under Regulation 102(1) (e) of the Listing Regulations, seeking an exemption from this requirement owing to geo-political circumstances beyond its control. However, the Company is meeting this requirement in M/s. CUMI International Limited, Cyprus, which is the only other material subsidiary.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R SRIDHARAN
CP NO. 3239
FCS NO. 4775
PR NO.6232/2024
UIN: S2003TN063400
UDIN: F004775G000316185

PLACE: CHENNAI
DATE : 12TH MAY 2025

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 and Regulation 24A of the SEBI Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
CARBORUNDUM UNIVERSAL LIMITED
CIN: L29224TN1954PLC000318
Dare House, No. 234, N.S.C. Bose Road, Parrys,
Chennai – 600001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CARBORUNDUM UNIVERSAL LIMITED** [Corporate Identification Number: L29224TN1954PLC000318] (hereinafter called "the Company") for the financial year ended 31st March, 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the year under review);

e) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable during the year under review);

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable during the year under review); and

i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (not applicable during the year under review)

(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

1. Factories Act, 1948;

2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation, etc.;
3. Industries (Development & Regulation) Act, 1951;
4. Acts relating to consumer protection including The Competition Act, 2002;
5. Acts and Rules prescribed under prevention and control of pollution;
6. Acts and Rules relating to Environmental protection and energy conservation;
7. Acts and Rules relating to hazardous substances and chemicals;
8. Acts and Rules relating to electricity, fire, petroleum, drugs, motor vehicles, explosives, boilers etc.;
9. Acts relating to mining activities;
10. Acts relating to protection of IPR;
11. The Information Technology Act, 2000;
12. Land revenue laws and
13. Other local laws as applicable to various plants and offices.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

We have also examined compliance with the applicable clauses / regulations of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (as amended) and Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. (hereinafter referred to as "Listing Regulations")

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all Directors before the schedule of the Board /Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Meetings convened at shorter notice/agenda and Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013, Secretarial Standards on Meetings of Board of Directors and Listing Regulations are complied with.

During the year under review, the Board/ Committee Meetings convened through Video Conferencing and the Directors/ Members who have participated in the Board/Committee meetings through Video Conferencing were in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/ Committee Members and no Director/ Members of the Committee dissented on the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolution(s) by the members have been recorded.

We further report that based on review of compliance mechanism established by the Company and to the best of our information and according to explanations given to us by the Management and on the examination of relevant documents and records on test basis and also on the basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary under various statutes as mentioned above in clause (vi) and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that the above-mentioned Company being a listed entity this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that as per the information and explanations provided by the Management, effective 5th February 2025, M/s. Volzhsky Abrasive Works, Russia (VAW), one of the Company's unlisted material subsidiary incorporated outside India, does not have an Independent Director nominated by the Listed Holding Company, as required under Regulation 24(1) of the Listing Regulations. The changes in the Board Composition of VAW, including the stepping down of Mr. P S Raghavan, Independent Director, nominated by the Company on 28th November, 2018 was on account of VAW being included in the Specifically Designated Nationals and Blocked Persons list (SDN List) from 10th January 2025 by the US State Department. Since the inability to meet the requirement under Regulation 24(1) of Listing Regulations in VAW emanates from a geo-political situation, the Company has submitted an application with SEBI under Regulation 102(1)(e) of the Listing Regulations, seeking an exemption from this requirement owing to geo-political circumstances beyond its control. However, the Company is meeting this requirement in M/s. CUMI International Limited, Cyprus, which is the only other material subsidiary.

We further report that during the audit period, the Company had

1. Executed a Purchase Agreement to acquire the membership interest of Silicon Carbide Products Inc., USA and pursuant to that the Company had incorporated CUMI USA INC., a wholly owned subsidiary in the State of Delaware which will be the SPV for the transaction and on 30th October, 2024 CUMI USA INC., has completed the acquisition of membership.
2. Obtained approval from the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE') on 22nd October, 2024 for reclassification of certain persons belonging to the Promoters/Promoter Group of the Company to "Public" Category.
3. Completed the acquisition of 10,528 equity shares in PLUSS Advanced Technologies Limited (PLUSS) and consequent to that the shareholding in PLUSS has increased by 2.06% in the equity share capital aggregating to 74.06%.
4. Shifted the Registered Office of the Company from "Parry House, 43, Moore Street, Chennai – 600001" to "Dare House, No. 234, N.S.C. Bose Road, Parrys, Chennai – 600001" with effect from 29th January, 2025.
5. Intimated that as per the US Department of State's press release dated 10th January 2025, Volzhsky Abrasive Works (VAW), Russia, a step-down Material subsidiary was added to the US Department of Treasury's Office of Foreign Assets Control (OFAC)'s Specially Designated Nationals and Blocked Persons List (SDN list), for operating or having operated in the manufacturing sector of the Russian Federation economy and all of VAW's property and interests in property that are in the United States or in the possession or control of US persons are blocked.

For R.SRIDHARAN& ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.6232/2024
UIN : S2003TN063400
UDIN: F004775G000316121

PLACE : CHENNAI
DATE : 12TH MAY 2025

This report is to be read with our letter of even date which is annexed as "ANNEXURE –A" and forms an integral part of this report.

'Annexure -A'

The Members,
CARBORUNDUM UNIVERSAL LIMITED
CIN: L29224TN1954PLC000318
Dare House, No. 234, N.S.C. Bose Road, Parrys,
Chennai – 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.SRIDHARAN& ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.6232/2024
UIN : S2003TN063400
UDIN: F004775G000316121

PLACE : CHENNAI
DATE : 12TH MAY 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members,
CARBORUNDUM UNIVERSAL LIMITED
CIN: L29224TN1954PLC000318
Dare House, No. 234, N.S.C. Bose Road,
Parrys, Chennai – 600001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CARBORUNDUM UNIVERSAL LIMITED (CIN: L29224TN1954PLC000318) having its Registered Office at Dare House, No. 234, N.S.C. Bose Road, Parrys, Chennai – 600001, (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such other statutory authority.

S. NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00170478	M M Murugappan	Non-Executive - Non Independent Director-Chairman	17/10/1996
2.	07812320	Pundi Srinivasan Raghavan	Non-Executive - Independent Director	09/05/2017
3.	01756539	Sujjain Talwar	Non-Executive - Independent Director	09/05/2017
4.	03630636	Viji Sriram	Non-Executive - Independent Director	01/08/2024
5.	05018645	Usha Rajeev	Non-Executive - Independent Director	01/08/2024
6.	07858587	Muthiah Murugappan	Non-Executive - Non Independent Director	01/08/2024
7.	01814413	Sridharan Rangarajan	Executive - Managing Director	01/07/2021

Ensuring the eligibility, for the appointment/ continuity, of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.SRIDHARAN& ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.6232/2024
UIN : S2003TN063400
UDIN: F004775G000316240

PLACE : CHENNAI
DATE : 12th MAY, 2025

Independent Auditor's Report

To the Members of Carborundum Universal Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Carborundum Universal Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate company along with its wholly owned subsidiary ("Associate") and joint ventures (refer Note 33, 6A and 6B to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Associate and joint ventures as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its Associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impact assessment of uncertain operating environment for Volzhsky Abrasive Works (VAW), step-down subsidiary of the Holding Company domiciled in Russia, including those arising from VAW's inclusion in the United States of America's Department of Treasury's Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List. Refer Note 5A to the Consolidated Financial Statements. The carrying amount of assets including related goodwill in relation to VAW as considered in the Consolidated Financial Statements amounts to Rs. 10,269.98 million (including goodwill amounting to Rs. 1,479.82 million), which represents 22.12% of the total assets of the Group.	Our audit procedures included the following: • Understood the design and tested the operating effectiveness of the Group's key controls over impact assessment of sanctions including the related impairment assessment. • Inquired and discussed with auditors of VAW (the 'component auditors') and auditors of the intermediate holding company of VAW (CUMI International Ltd, Cyprus), management expert, management of the Holding Company and the component in understanding the impact of the geo-political conflict and the related sanctions on VAW including the ability of the Group to exercise control over VAW. • Evaluated the independence, objectivity and competence of the management expert.

Key audit matter	How our audit addressed the key audit matter

As set out in Note 5A to the Consolidated Financial Statements, the current geo-political situation combined with related international sanctions and territory embargoes including VAW's inclusion in United States of America's Department of Treasury's Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List create an uncertain environment for the operations of VAW and ability of the Group to exercise control over VAW.
 	
The Holding Company has undertaken an assessment of the recoverability of various assets and has recorded an impairment expense (representing certain balances held in foreign currency with the clearing agencies by VAW and export receivables of VAW outside the Group) of Rs. 1,041.29 million at this stage, which is disclosed under "Exceptional item" in the Consolidated Financial Statements.
 	
The carrying amount of assets is significant to the Consolidated Financial Statements. We have considered this to be a key audit matter as Management judgement is required in assessing the impact of current geo-political situation on the step-down subsidiary's operations including its ability to exercise control over VAW.
	• Examined the documents supporting the assessment of the Group's ability to exercise control over VAW.
	
	• Perused the audit report and other related communication of the component auditors and noted no adverse or qualificatory comments including those relating to going concern.
	
	• Assessed the reasonableness of the management's computation of the recoverable amount of carrying value of assets pertaining to VAW ('the model') by:
	
	  • Verifying that the forecasts considered within the model have been approved.
	
	  • Assessing the historical accuracy of Management's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year and assessing the reasonableness of the forecasts within the model.
	
	  • Engaging auditor's expert to assist us in evaluating the reasonableness of assumptions relating to discount rate and terminal growth rate considered by the management within the model.
	
	  • Performing sensitivity tests on the model for certain assumptions, such as discount rate, growth rate and probability weighting of scenarios.
	
	• Evaluated the adequacy of the disclosures made in the Consolidated financial statements in relation to impairment assessment of carrying amount of assets including goodwill.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures and Corporate Governance Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

   Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Associate and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively

for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its Associate and joint ventures are responsible for assessing the ability of the Group and of its Associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its Associate and joint ventures are responsible for overseeing the financial reporting process of the Group and of its Associate and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associate and joint ventures to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associate and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The financial statements/ financial information of thirteen subsidiaries, reflect total assets of Rs. 39,555.58 million and net assets of Rs. 32,061.17 million as at March 31, 2025, total revenue of Rs. 23,766.28 million, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (1,931.88) million and net cash flows amounting to Rs. (1,149.82) million for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 303.05 million for the year ended March 31, 2025 as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. The financial statements/ financial information of these subsidiaries and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and other auditors, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint ventures, is based on the reports of the other auditors and the procedures performed by us.

15. We did not audit the financial information of a subsidiary whose financial information reflect total assets of Rs. Nil and net assets of Rs. Nil as at March 31, 2025, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the Consolidated Financial Statements. The financial information of this subsidiary is unaudited and have been furnished to us by the Holding Company's management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Holding Company's management, this financial information is not material to the Group.

16. Of the subsidiaries referred to in paragraph 14, the financial statements/ financial information of five subsidiaries located outside India, included in the Consolidated Financial Statements, which constitute total assets of Rs. 11,256.32 million and net assets of Rs. 9,049.69 million as at March 31, 2025, total revenue of Rs. 10,546.02 million, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 339.75 million and net cash flows amounting to Rs. (532.19) million for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial information certified by the Holding Company's management.

Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the following:

I. in relation to a subsidiary audited by us, for payroll records, in the absence of sufficient appropriate audit evidence, we were unable to verify whether the backup of books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on backup servers physically located in India during the year. However, the primary server for payroll records is located in India for the period December 1, 2024 to March 31, 2025;

II. The following remark included in the independent auditor's report of a joint venture, reproduced as under:

"In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India as stated in Note 36F for the period 01 April 2024 to 30 November 2024."

Note 36F referred to above is reproduced in Note 42 to the Consolidated Financial Statements; and

III. the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("Rules").

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and joint ventures incorporated in India, none of the directors of the Group companies, its associate company and joint ventures incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its Associate and joint ventures - Refer Note 6A, 6B and 34 to the Consolidated Financial Statements.

ii. The Group (other than a subsidiary), its Associate and joint ventures did not have any long-term contracts including derivative contracts as at March 31, 2025 for which there were any material foreseeable losses. In respect of a subsidiary, the subsidiary has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, associate company and joint ventures incorporated in India during the year.

iv. (a) The respective managements of the Holding Company and its subsidiaries, joint ventures and associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in Note 44(vii) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, joint ventures and associate company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,

that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, joint ventures and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44(vii) to the Consolidated Financial Statements).

(b) The respective managements of the Holding Company and its subsidiaries, joint ventures and associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the Notes 44(vii) to the Consolidated Financial Statements, no funds have been received by the Holding Company or any of such subsidiaries, joint ventures and associate company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, joint ventures and associate company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44(vii) to the Consolidated Financial Statements).

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid by the Holding Company, its subsidiaries, associate company and joint ventures during the year is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and joint ventures, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group and its associate company and joint ventures have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of performing our procedures, other than as described below we, and the respective auditors of the above referred subsidiaries and joint ventures, did not notice any instance of the audit trail feature being tampered with. Additionally, other than as described below, the audit trail, to the extent maintained in the prior year, has been preserved by the Company and above referred subsidiaries, associate company and joint ventures as per the statutory requirements for record retention:

- In respect of the entities audited by us

Holding Company	In respect to an accounting software of a third party service provider used for maintaining certain records, where in the absence of the service organisation's auditor's report, we are unable to comment on the audit trail (edit log) feature in the aforesaid accounting software.
A Subsidiary	• In respect of the core accounting software, the audit trail feature was not enabled at the database level to log any direct data changes; • In the absence of adequate evidence of necessary controls and documentation for one accounting software used for the period April 01, 2024 to November 30, 2024 for maintaining certain records, we are unable to comment on the audit trail (edit log) feature in that accounting software; and • with respect to another accounting software of a third party service provider used for the period December 01, 2024 to March 31, 2025 for maintaining certain records, in the absence of any information pertaining to audit trail in the independent service auditor's report, we are unable to comment on the audit trail (edit log) feature in that accounting software.
Associate company	Audit trail is not maintained at the application level for modification, if any, by certain users with specific access and for direct database changes.

For the period where audit trail has not operated/ not maintained/ not determinable, the question of our commenting on whether the audit trail has been tampered with does not arise.

- In respect of an entity audited by other auditors, the following paragraph relating to audit trail was included in their audit report reproduced by us as under:

A joint venture of the Parent	Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the audit trail feature at the application level has operated throughout the year for all relevant transactions recorded in the software. However, audit trail was not enabled at the database level to enable the log of any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with. As audit trail feature was not enabled for the year ended March 31, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

19. The Group, its associate company and joint ventures have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 25213126BMODGA7939

Place: Chennai
Date: May 12, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the Members of Carborundum Universal Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025.

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Carborundum Universal Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, its associate company and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries, its associate company and joint ventures, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiaries, its associate company and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to three subsidiaries and two joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

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

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 25213126BMODGA7939

Place: Chennai
Date: May 12, 2025

Consolidated Balance Sheet

(in Indian Rupees million, unless otherwise stated)

Particulars	Note no.	As at 31.03.2025	As at 31.03.2024
ASSETS			
Non-Current assets			
(a) Property, plant and equipment	4A	11195.22	10174.02
(b) Right of use asset	4B	1037.03	681.38
(c) Capital work-in-progress	4C	1183.80	781.00
(d) Goodwill	5A	2674.80	2474.39
(e) Other Intangible assets	5B	2252.94	2220.52
(f) Intangible assets under development	5C	-	59.68
(g) Investment accounted for using the equity method			
(i) Investments in Associate	6A	913.83	795.40
(ii) Investments in Joint Ventures	6B	1012.28	831.77
(h) Financial assets			
(i) Investments	6C	88.12	88.51
(ii) Other financial assets	7A	217.46	206.66
(i) Deferred tax assets (net)	8A	1221.32	1105.60
(j) Other non-current assets	9A	632.90	412.52
Total non-current assets		**22429.70**	**19831.45**
Current assets			
(a) Inventories	10	10550.05	8501.73
(b) Financial assets			
(i) Trade receivables	11	7662.36	6790.40
(ii) Cash and cash equivalents	12A	3779.27	5548.78
(iii) Bank balances other than (ii) above	12B	26.58	30.45
(iv) Other Financial assets	7B	1147.93	124.09
(c) Other current assets	9B	837.04	692.09
Total current assets		**24003.23**	**21687.54**
Total Assets		**46432.93**	**41518.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	190.42	190.26
(b) Other equity	14	35095.85	31066.76
Equity attributable to owners of the Company		**35286.27**	**31257.02**
Non-controlling interests	15	1472.34	1393.14
Total Equity		**36758.61**	**32650.16**
Non-Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	248.82	275.14
(ii) Lease liabilities	4B	871.30	510.58
(iii) Other financial liabilities	20A	393.62	454.70
(b) Provisions	17A	322.91	299.84
(c) Deferred tax liabilities (net)	8B	633.59	608.38
(d) Other non-current liabilities	21A	31.02	2.35
Total Non-Current liabilities		**2501.26**	**2150.99**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	953.46	852.08
(ii) Lease liabilities	4B	89.96	81.14
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	19	169.21	184.16
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	19	3329.17	3187.71
(iv) Other financial liabilities	20B	978.93	916.85
(b) Other current liabilities	21B	492.70	382.92
(c) Provisions	17B	867.57	719.59
(d) Current tax liabilities (net)	8C	292.06	393.39
Total Current liabilities		**7173.06**	**6717.84**
Total Liabilities		**9674.32**	**8868.83**
Total Equity and Liabilities		**46432.93**	**41518.99**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

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

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

On behalf of the Board

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Consolidated Statement of Profit and Loss

(in Indian Rupees million, unless otherwise stated)

S.No.	Particulars	Notes	For the year	
			2024-25	2023-24
I	Revenue from operations	22	48942.24	47021.87
II	Other Income	23	409.94	766.53
III	**Total Income**		**49352.18**	**47788.40**
IV	**Expenses**			
	Cost of materials consumed		16879.83	15198.42
	Purchases of stock-in-trade		2272.69	1768.23
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(1202.16)	5.91
	Employee benefits expense	25	8622.52	7760.90
	Finance costs	26	139.71	183.39
	Depreciation and amortisation expense	27	2120.26	1907.45
	Other expenses	28	15251.47	14900.18
	Total expenses (IV)		**44084.32**	**41724.48**
V	**Profit from operations before exceptional items and share of profit of equity accounted investees and income tax [III] - [IV]**		**5267.86**	**6063.92**
VI	Share of profit of Associate (net of tax)	6A	148.05	153.57
VII	Share of profit of Joint Ventures (net of tax)	6B	304.03	285.00
VIII	**Profit before Exceptional items and tax [V] +[VI]+[VII]**		**5719.94**	**6502.49**
IX	**Exceptional item**	29	(1041.29)	-
X	**Profit before tax [VIII]+[IX]**		**4678.65**	**6502.49**
XI	**Tax expense**			
	(1) Current tax	30A	1683.80	1958.00
	(2) Deferred tax	8	7.79	(217.34)
	Total tax expense [XI]		**1691.59**	**1740.66**
XII	**Profit for the year [X]-[XI]**		**2987.06**	**4761.83**
XIII	**Other Comprehensive Income [OCI]**			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans		(8.63)	(78.06)
	(b) Equity instruments through other comprehensive income		-	(47.16)
	(c) Share of OCI in Associate and Joint Ventures, to the extent not to be reclassified to profit or loss (net of tax)		(3.05)	(3.42)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	30B	8.38	21.65
			(3.30)	(106.99)
B	(i) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		923.80	(931.15)
	(b) Net gain/(loss) on Cash flow hedge		(0.78)	0.52
	(c) Share of OCI in Associate and Joint Ventures, to the extent that may be reclassified to profit or loss (net of tax)		9.94	(2.76)
	(ii) Income tax relating to items that will be reclassified to profit or loss	30B	0.20	(0.13)
			933.16	(933.52)
	Total Other Comprehensive Income [XIII]		**929.86**	**(1040.51)**
XIV	**Total Comprehensive Income [XII]+[XIII]**		**3916.92**	**3721.32**
	Profit for the year attributable to: [XII]		**2987.06**	**4761.83**
	- Owners of the Company		2927.39	4612.50
	- Non-Controlling Interest		59.67	149.33
	Other Comprehensive Income: [XIII]		**929.86**	**(1040.51)**
	- Owners of the Company		892.55	(1002.20)
	- Non-Controlling Interest		37.31	(38.31)
	Total Comprehensive Income: [XIV]		**3916.92**	**3721.32**
	- Owners of the Company		3819.94	3610.30
	- Non-Controlling Interest		96.98	111.02
XV	**Earnings per share (Re.1 each) on Profit for the year (XII) (in ₹)**	31		
	- Basic (₹)		15.58	24.27
	- Diluted (₹)		15.55	24.22

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Consolidated Statement of Changes in Equity

(in Indian Rupees million, unless otherwise stated)

A. Equity share capital - Refer Note: 13

Balance as at March 31,2023	**189.94**
Changes in equity share capital during the year	-
Shares issued against ESOP Scheme/Plan	0.32
Balance as at March 31,2024	**190.26**
Changes in equity share capital during the year	-
Shares issued against ESOP Scheme/Plan	0.16
Balance as at March 31,2025	**190.42**

B. Statement of changes in other equity - Refer Note: 14 & 15

Particulars	Reserves and Surplus - Refer Note: 14A							Items of Other comprehensive income - Refer Note 14B					Attributable to owners of the Company - Refer Note: 14	Non-controlling interest [NCI] - Refer Note: 15	Total
	Profit on Forfeiture of Shares / Warrants	Capital redemption reserve	Capital reserve on consolidation	Securities premium	General Reserve	Share options outstanding account	Retained Earnings	Non Controlling interest put option reserve	Reserve for equity instruments	Effective portion of Cash flow hedge	Foreign currency translation reserve	Revaluation surplus			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)			
Balance at the Beginning of the year - March 31, 2023	**6.03**	**27.68**	**20.56**	**410.33**	**9230.94**	**186.70**	**17900.79**	**(382.67)**	**70.21**	**(0.42)**	**521.83**	**23.74**	**28015.72**	**1278.98**	**29294.70**
Profit for the year	-	-	-	-	-	-	4612.50	-	-	-	-	-	4612.50	149.33	4761.83
Other Comprehensive income for the year	-	-	-	-	-	-	(60.13)	-	(47.16)	0.23	(895.14)	-	(1002.20)	(38.31)	(1040.51)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**4552.37**	**-**	**(47.16)**	**0.23**	**(895.14)**	**-**	**3610.30**	**111.02**	**3721.32**
Additions during the year	-	-	-	136.23	-	40.22	-	-	-	-	-	-	176.45	-	176.45
Final dividend paid during the year	-	-	-	-	-	-	(379.91)	-	-	-	-	-	(379.91)	-	(379.91)
Interim dividend paid during the year	-	-	-	-	-	-	(285.34)	-	-	-	-	-	(285.34)	-	(285.34)
Transfer from Reserve for equity instruments	-	-	-	-	-	-	(19.34)	-	19.34	-	-	-	-	-	-
Transfer to General reserve	-	-	-	-	500.00	-	(500.00)	-	-	-	-	-	-	-	-
Recognised during the year	-	-	-	-	-	-	-	(72.03)	-	-	-	-	(72.03)	-	(72.03)
Non-Controlling interest share of additional equity raised by the subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	132.49	132.49
Transaction with Non-Controlling interest arising from change in shareholding of subsidiary	-	-	-	-	-	-	1.57	-	-	-	-	-	1.57	(1.57)	-

Consolidated Cash Flow Statement

(in Indian Rupees million, unless otherwise stated)

Particulars	Reserves and Surplus - Refer Note: 14A							Items of Other comprehensive income - Refer Note 14B					Attributable to owners of the Company - Refer Note: 14	Non-controlling interest [NCI] - Refer Note: 15	Total
	Profit on Forfeiture of Shares / Warrants	Capital redemption reserve	Capital reserve on consolidation	Securities premium	General Reserve	Share options outstanding account	Retained Earnings	Non Controlling interest put option reserve	Reserve for equity instruments	Effective portion of Cash flow hedge	Foreign currency translation reserve	Revaluation surplus			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)			
Dividend paid to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	(127.78)	(127.78)
Balance at the end of the year - March 31, 2024	**6.03**	**27.68**	**20.56**	**546.56**	**9730.94**	**226.92**	**21270.14**	**(454.70)**	**42.39**	**(0.19)**	**(373.31)**	**23.74**	**31066.76**	**1393.14**	**32459.90**
Profit for the year	-	-	-	-	-	-	2927.39	-	-	-	-	-	2927.39	59.67	2987.06
Other Comprehensive income for the year	-	-	-	-	-	-	(4.33)	-	-	(0.35)	897.23	-	892.55	37.31	929.86
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2923.06**	**-**	**-**	**(0.35)**	**897.23**	**-**	**3819.94**	**96.98**	**3916.92**
Additions during the year			-	54.32		101.52	-	-	-	-	-	-	155.84	-	155.84
Proceeds from sale of treasury shares net of related expenses and tax	-	-	-	-	-	-	752.54	-	-	-	-	-	752.54	133.91	886.45
Final dividend paid during the year	-	-	-	-	-	-	(475.67)	-	-	-	-	-	(475.67)	-	(475.67)
Interim dividend paid during the year	-	-	-	-	-	-	(285.63)	-	-	-	-	-	(285.63)	-	(285.63)
Transfer to General reserve	-	-	-	-	500.00		(500.00)	-	-	-	-	-	-	-	-
Recognised during the year	-	-	-	-	-	-	-	61.08	-	-	-	-	61.08	-	61.08
Transaction with Non-Controlling interest arising from change in shareholding of a subsidiary	-	-	-	-	-	-	0.99	-	-	-	-	-	0.99	(0.99)	-
Dividend paid to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	(150.70)	(150.70)
Balance at the end of the year - March 31, 2025	**6.03**	**27.68**	**20.56**	**600.88**	**10230.94**	**328.44**	**23685.43**	**(393.62)**	**42.39**	**(0.54)**	**523.92**	**23.74**	**35095.85**	**1472.34**	**36568.19**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Consolidated Cash Flow Statement

(in Indian Rupees million, unless otherwise stated)

Particulars	For the year			
	2024-25		2023-24	
A. Cash flow from Operating activities				
Profit before tax		**4678.65**		**6502.49**
Adjustment for:				
Share of profit of associate	(148.05)		(153.57)	
Share of profit of Joint ventures	(304.03)		(285.00)	
Exceptional item - Refer Note: 29	1041.29		-	
Fair value of Investments	0.39		(1.59)	
Depreciation and amortisation	2120.26		1907.45	
Finance costs	139.71		183.39	
Interest income	(290.92)		(178.45)	
Dividend income	(13.22)		(8.63)	
Expenses recognised in respect of equity-settled share-based payments	106.46		45.17	
Impairment loss on financial assets (net)	21.27		12.61	
Allowance for doubtful receivable and advances (net)	(162.93)		137.77	
Provision for expenses no longer required written back	-		(22.41)	
Loss on sale of assets (net)	47.62		20.66	
Unrealised exchange (gain)/Loss - net	0.75	2558.60	157.61	1815.01
Operating profit before working capital changes		**7237.25**		**8317.50**
Movement in working capital				
(Increase)/decrease in trade receivables	(556.79)		(895.96)	
(Increase)/decrease in Inventories	(1559.96)		147.01	
(Increase)/decrease in Other financial asset	(70.07)		20.08	
(Increase)/decrease in Other assets	(122.85)		120.42	
Increase/(decrease) in Trade payables	44.66		404.12	
Increase/(decrease) in Provision & other current liabilities	124.24		39.64	
Increase/(decrease) in Other financial liabilities	(76.44)	(2217.21)	(41.20)	(205.89)
Cash generated from Operations		**5020.04**		**8111.61**
Income tax paid		(1977.69)		(2096.50)
Net cash generated by operating activities [A]		**3042.35**		**6015.11**
B. Cash flow from Investing activities				
Payments to acquire Property, plant and equipment	(2740.57)		(2193.65)	
Payments for Intangible asset	(35.91)		(159.01)	
Proceeds from sale of Property, plant and equipment	9.08		10.04	
Payment for acquisition of subsidiary, net of cash acquired amounting to INR 11.70 million	(584.35)		-	
Proceed from sale of non-current investment	-		41.08	
Redemption of Bank deposits with original maturity beyond three months- net	3.53		12.27	
Balances held with Clearing agencies	(936.09)		-	
Interest income received	285.22		173.44	
Dividend income from Associate	37.50		60.00	

Consolidated Cash Flow Statement

(in Indian Rupees million, unless otherwise stated)

Particulars	For the year	
	2024-25	2023-24
Dividend income from Joint ventures	122.54	182.54
Dividend income received - Others	13.22	8.63
Net cash used in investing activities [B]	**(3825.83)**	**(1864.66)**
C. Cash flow from Financing activities		
Proceeds from issue of equity shares	54.48	136.55
Proceeds from Non current borrowings	45.37	-
Repayment of Non current borrowings	(63.04)	(52.79)
(Repayment)/proceeds from current borrowings(net)	40.64	(1137.62)
Transactions with Non Controlling interest	(10.29)	(10.98)
Principal portion of lease payments	(161.34)	(130.19)
Finance costs paid	(93.19)	(152.04)
Dividend paid to Shareholders	(761.30)	(665.25)
Dividend paid to Non Controlling interest	(150.70)	(127.78)
Net cash used in financing activities [C]	**(1099.37)**	**(2140.10)**
Net increase/(decrease) in cash and cash equivalents [A]+[B]+[C]	**(1882.85)**	**2010.35**
Add: Cash and Cash equivalents at the beginning of the year	**5548.78**	**3963.71**
Effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies	113.34	(425.28)
Cash and Cash equivalents at the end of the year *	**3779.27**	**5548.78**
Non Cash Financing and Operating activities		
- Acquisition of right of use assets	542.25	239.73

* Includes cash and cash equivalents amounting to ₹1749 Million (March 31, 2024 - Nil) not available for use by other entities within the Group. - Refer Note: 12A

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025

Statement showing the applicable Key Accounting Standards (Ind AS) with related Policy & Notes references as per Consolidated financial statements

Ind AS No.	Description	Accounting policy Reference	Note Reference
2	Inventories	3(A)(h), 3(B)(c)	10
7	Statement of Cash flows	3(B)(l)	12,36
8	Accounting Policies, Changes in Accounting Estimates and Errors	3(A)(a)	
10	Event after the reporting period		41
12	Income taxes	3(B)(o)	8,9A,30
16	Property, plant and equipment	3(A)(c), 3(B)(a)	4A,4C,27
19	Employee benefits	3(A)(i), 3(B)(m)	25
24	Related party disclosures		37
28	Investments in associates and joint ventures	3(B)(u)	6A,6B
33	Earnings per share	3(B)(r)	31
36	Impairment of assets	3(A)(o), 3(B)(e)	4A,4B,4C,5,36
37	Provisions, Contingent liabilities and Contingent assets	3(B)(p)	17,34
38	Intangible assets	3(A)(e), 3(B)(b)	5,27
102	Share based payment	3(B)(n)	13e,14f,25
103	Business combinations	3(B)(t)	5A
107 & 109	Financial instruments	3(B)(d)	6C,7,11,16,18,19,20,23,36
108	Operating segments	3(A)(l)	32
110	Consolidated Financial Statements		
112	Disclosure of interest in other entities		6A,6B,15
113	Fair value measurement		36
115	Revenue from Contracts with Customers	3(A)(j)	21,22,32
116	Leases	3(A)(d), 3(B)(h)	4B,26,27

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

1. Brief description of the Group

Carborundum Universal Limited (CUMI) was incorporated in India as a Public Limited Company in 1954 and the shares of the Company are listed in National Stock Exchange of India Ltd. and BSE Ltd. The address of its registered office and place of business are disclosed in the Annual Report. The Consolidated Financial Statements comprise the Company (CUMI - Parent Company/ Holding Company) and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures.

CUMI Group manufactures and sells mainly Abrasives, Ceramics (Industrial Ceramics, Refractories) and Electrominerals. (Refer Note: 32).

2. Basis of preparation

a. Preparation and compliance with Ind AS

The Consolidated Financial Statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b. Historical cost convention

The Consolidated Financial Statements have been prepared under historical cost convention except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

c. Current/non-current classification

The assets and liabilities have been classified as current or non-current as per the Group normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. Deferred tax assets are classified as non-current.

d. New and amended standards adopted by the Group.

The Ministry of Corporate Affairs vide notification dated 9th September 2024 and 28th September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3A. Material accounting policies

a) Use of estimates

The preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date and reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the date of Balance Sheet. The estimates and the assumptions used in the accompanying Consolidated Financial Statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

b) Critical estimates and judgement

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgements:

S.No	Particulars	Notes
I	Estimation of useful life of tangible and intangible asset	3A(c) & 3A(e)
II	Impairment test of Goodwill: Key assumption underlying recoverable amounts	5A
III	Assessment of control over components and consolidation decisions and classification of Associate	5A, 6A

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

S.No	Particulars	Notes
IV	Assessment of control over components and consolidation decisions and classification of joint arrangements	6B
V	Recognition of deferred tax assets: Availability of future taxable profit against which tax losses carried forward can be used.	8
VI	Impairment of Trade receivables: Expected credit loss	11 & 36
VII	Recognition and measurement of provisions and contingencies; key assumption about the likelihood and magnitude of an outflow of resources.	17 & 34
VIII	Measurement of defined benefit obligation: Key actuarial assumptions.	35
IX	Fair valuation of non-controlling interest put option	36

The estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

c) Property, plant, and equipment

Freehold land is carried at historical cost. All other property, plants and equipment are recognised at historical cost less depreciation.

Except in the case of a subsidiary where written down value method is adopted, depreciation is calculated using straight line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013 and applicable statutes of the relevant territories. Individual assets costing less than INR 5,000 are depreciated in full in the year of acquisition. Leasehold improvements are depreciated over the shorter of their useful life or the lease term unless the entity expects to use the assets beyond the lease term.

See note 3B(a) for the other accounting policy relevant to property, plant, and equipment.

d) Leases (where the Group is the Lessee)

The Group leases various assets for its business purposes but may have extension options which are mutually exercisable. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case of leases entered into by the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the Group as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.
- makes adjustments specific to the lease, if any, e.g.: term, country, currency, and security.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less, without a purchase option.

See note 3B(h) for the other accounting policies relevant to leases.

e) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

The Group amortises intangible assets with a limited useful life using the straight-line method.

See note 3B(b) for the other accounting policies relevant to intangible assets.

f) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Those measured subsequently at Fair Value Through Other Comprehensive Income (in case of certain investments in equity instruments – an irrevocable option exercised on an instrument-by-instrument basis on initial recognition) and through Statement of Profit and Loss (in case of investments in mutual funds and other equity instruments); and
- Those measured at amortised cost.

The classification is based on the Group's business model for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

See note 3B(e)for the other accounting policies relevant to Financial assets.

g) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised as fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

h) Inventories

The costs of individual items of inventory are determined as follows:

- In respect of raw materials, stores and spare parts, traded stock cost is determined on weighted average basis, except in the case of two subsidiaries, where First in First Out basis is adopted.
- In respect of work in progress and finished goods, cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition.

See note 3B(c) for the other accounting policies relevant to inventory.

i) Employee benefit obligations

(i) Post-employment benefits

The Group sponsors defined benefit plans for qualifying employees of the Parent company and its subsidiaries, wherever applicable. The defined benefit plans are administered by an independent Fund that is legally separated from the respective entities, where it is funded.

Under the plans applicable to the Parent Company and its domestic subsidiaries, the employees are entitled to post-retirement yearly instalments amounting to 57.69% of final salary for each year of service until the retirement age of 58. Where the plan is funded, Parent Company and its domestic subsidiaries makes contribution to recognised funds in India. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

In respect of the subsidiary in United Arab Emirates, the end of service benefits is accounted on time basis in full for every employee in the service of that entity in accordance with the provisions of the applicable labour laws of that country.

In respect of a subsidiary in Germany, the defined benefit plans provided to the employees are post-retirement pension benefits and long service awards. The liability is ascertained using actuarial valuation and is accounted accordingly.

In respect of the subsidiary in South Africa, the defined benefit plans provided to the employees are post-retirement health benefits and long service awards. The liability is ascertained using actuarial valuation and is accounted accordingly.

(ii) Other retirement benefit:

The employees of the Parent and the Parent make monthly fixed contributions to the Carborundum Universal Limited Employee's Provident Fund Trust, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. The Parent obtains an independent actuarial valuation of the Interest Guarantees as at the Balance Sheet date and provides for the shortfall, if any, in the present value of obligation of interest over the fair value of the surplus in the Fund.

The Group also operates defined contribution retirement benefit plans under various jurisdictions for all qualifying employees. The assets of the plans are held separately from those of respective

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Companies under the control of trustees/Government organisations. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the respective Companies in the Group are reduced by the amount of forfeited contributions.

See note 3B(m) for the other accounting policies for employee benefit obligations.

j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates and other similar allowances. No significant element of financing is deemed present as the sales are made with a credit term predominantly ranging from 30 to 90 days, which is consistent with the market price.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised at a point in time when the control of the products has transferred which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Rendering of services

Revenue from divisible service contracts

i. service contracts are recognised over a period of time determined using the percentage completion method, synchronised to the billing schedules agreed by the customers, identical with others in similar business and

ii. the revenue relating to supplies are measured in line with policy set out under sale of goods above.

In respect of indivisible contracts, the revenues are recognised over a period of time, measured as per (i) above.

k) Other income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

Rental income is recognised on a straight-line basis in accordance with the agreement.

l) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Business Group Management Committee headed by the Managing Director (CODM) and consisting of Chief Financial Officer, Leaders of Strategic Business Units, functional heads such as Human Resources, Information technology, Environmental Health and Safety, Risk & Taxation, Manufacturing and Company Secretary have identified the reportable segment and its reviews and monitors the operating results of the business segments for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed. The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

- Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.
- Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis, have been included under "Un-allocated Corporate expenses".

m) Insurance claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

n) Put and Call options over non-controlling interest shares.

If a put option is held by a non-controlling interest ('NCI') in a subsidiary undertaking, whereby the holder of the put option can require the Group to acquire the NCI's shareholding in the subsidiary at a future date, the Group carefully examines the nature of such a put option. The Group assesses whether or not the NCI continues to have

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

a present ownership interest in the shares subject to the put option. Present ownership interest can be evidenced by NCI continuing to have a right to the receipt of dividends or benefitting from increases in net assets while holding a voting entitlement to the shares subject to the put option. If it is deemed that the put option holders continue to have a present ownership interest, the Group applies the partial recognition of NCI method as follows:

a. the Group continues to recognise the amount that would have been recognised for the non-controlling interest, including an update to reflect its share of profit and losses, dividends and other changes;

b. the Group recognises a financial liability in accordance with Ind AS 32 being the estimate of the fair value of the consideration to acquire the NCI shares that are subject to the put option and records this in a separate reserve in equity; and

c. changes in the fair value of the financial liability are reflected in equity as a movement in the put liability reserve.

If the NCI put is exercised, the same treatment is applied up to the date of exercise. The amount recognised as the financial liability at that date is extinguished by the payment of the put option exercise. If the put option expires unexercised, the financial liability is derecognised with a corresponding credit to equity.

If the non-controlling interest does not have present ownership rights from the put option, then the transaction is accounted for as if the Group had acquired the NCI at the date of entering into the put option.

If the Group has a call option over the shares held by a NCI in a subsidiary undertaking, where the Group can require the NCI to sell its shareholding in the subsidiary at a future date, the option is classified as a derivative and is recognised as a financial instrument on inception with fair value movements recognised in the income statement.

o) Impairment of tangible and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

p) Exceptional items

Exceptional items are those which in the management's judgement are material items that derive from events or transactions falling within the ordinary activities of the Group but are not expected to be recurring. The nature and amount of exceptional items are relevant to the users of the financial statements in understanding the financial position or performance of the Group. The same is presented separately in the Statement of Profit and Loss (pre-tax) and Balance Sheet as applicable.

3B. Summary of other accounting policies

a. Property, plant, and equipment

Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the Management.

Subsequent costs related to an item of property, plant and equipment are recognised in the carrying amount of the item if the recognition criteria are met.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets.' Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition is recognised in the Statement of Profit and Loss.

The depreciation charge for each year is recognised in the Statement of Profit and Loss. The useful life and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates,

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the changes are accounted for prospectively as a change in accounting estimate.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

b. Intangible assets

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

An intangible asset is derecognised at disposal, or when no future economic benefits are expected from use or disposal.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

c. Inventories

Inventories are stated at lower of cost and net realisable value. Cost includes freight, taxes, and duties net of non-refundable taxes credit wherever applicable. Cost of work in progress and finished goods comprises of purchase price, non- refundable taxes, labour and applicable manufacturing overheads. Cost of inventory also includes all other costs incurred to bring the inventory to the present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for obsolete/ slow moving/ non-moving items, wherever necessary.

d. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit or Loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at Fair Value Through Profit or Loss are recognised immediately in Statement of Profit and Loss.

e. Financial assets

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Those measured subsequently at Fair Value Through Other Comprehensive Income (in case of investments in equity instruments) and through Statement of Profit and Loss (in case of investments in mutual funds); and
- Those measured at amortised cost.

The classification is based on the Group business model for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Investment in equity instruments at Fair Value Through Other Comprehensive Income [FVTOCI]

On initial recognition, the Group can make an irrevocable election (on an instrument- by- instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity investment is held for trading.

These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gain and loss arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instrument through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

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A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term.
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Group has equity instrument in two entities (March 31, 2024 - two entities), which are not held for trading. The Group has elected the FVTOCI irrevocable option for both of these investments (Refer Note: 6C). Fair value is determined in the manner described in Note: 36.

Dividend on these investments are recognised in Statement of Profit and Loss when the Group right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, which does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividend recognised in Statement of Profit and Loss is included in 'Other income' line item.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gain or loss on them on different bases. The Group has not designated any such debt instrument as at FVTPL.

Financial asset at FVTPL is measured at fair value at the end of each reporting period, with gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporate any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial asset at FVTPL is recognised when the Group right to receive the dividends is established. It is probable that the economic benefits associated with the dividend will flow to the entity which does not represent a recovery of part of cost of the investment and the amount can be measured reliably.

Impairment of financial assets

The Group applied the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivable, trade receivable, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impairment financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instruments at an amount equal to 12 month expected credit losses. The twelve months expected credit losses are a portion of the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash short falls that are predicted over 12 months.

If the Group measured loss allowance for the financial instruments at lifetime expected credit loss model in the previous period but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12 month expected credit losses.

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When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the Balance Sheet.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains subsequently all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On de-recognition of a financial asset other than its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carried over amount of financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

Foreign exchange gain and loss

The fair value of financial assets denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For Foreign currency denominated financial asset measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gain and loss, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial asset are recognised in other comprehensive income.

f. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with

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the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

Equity instruments

An equity instrument is a contract that evidences a residual interest in the asset of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest methods or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- the financial liability forms part of a group of financial asset or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for not held for trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Statement of Profit and Loss, in which case these effect of changes in credit risk are recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss.

Gain or loss on financial guarantee contract and loan commitments issued by the Group that are designated by the Group as at Fair Value Through Profit or Loss is recognised in Statement of Profit and Loss. Fair value is determined in the manner described in Note: 36.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expenses that are not capitalised as part of cost of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest income over the relevant period. The effective

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interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or, (where appropriate), a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair value and, if not designated as at FVTPL, are subsequently measured at a higher of:

- the amount of loss allowance determined in accordance with impairment requirement of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Foreign exchange gain and loss

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gain and loss are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial assets denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gain or loss and is recognised in Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or have expired. An exchange between lenders of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

g. Other operating revenue

Export Incentives

Incentives on exports are recognised in books after consideration of certainty of utilisation/receipt of such incentives.

Government Grants

Government grants are not recognised until there is a reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related cost for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

Export benefits on account of entitlement to import goods free of duty under 'Exports Benefit Scheme' are accounted based on eligibility and when there is no uncertainty in receiving the same.

h. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

(i) Fixed payments (including in-substance fixed payments), less any lease incentives receivable

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(ii) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

(iii) Amounts expected to be payable by the Group under residual value guarantees

(iv) The exercise price of a purchase option if the Group is reasonably certain to exercise that option,

(v) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

(i) The amount of the initial measurement of lease liability

(ii) Any lease payments made at or before the commencement date less any lease incentives received

(iii) Any initial direct costs and

(iv) Restoration costs

i. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period agreed with the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

j. Contributed equity.

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

k. Foreign currency

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognised in the Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the respective Companies, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the respective Companies are carried at historical cost.

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the respective Companies are recognised as income or expense in the Statement of Profit and Loss.

l. Cash and Cash equivalents and Cash Flow Statement

Cash and cash equivalents for the purpose of presentation in the Cash Flow Statement comprises cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

m. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The same has been presented under other financial liabilities in the Balance Sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts [earlier presented under trade payables] have been reclassified to confirm to current year's classification.

Other long-term employee benefit obligations

The Group has liabilities for earned leave that are not expected to be settled wholly within 12 months after the

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end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The Group does not have an unconditional right to defer settlement for the obligation and accordingly these are presented as current liability under the heading Provisions in the Balance sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts have been reclassified to confirm to current year's classification.

Post employment obligations

Gratuity applicable to the Parent and domestic subsidiaries

The liability recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period as reduced by the fair value of the plan assets and disclosed under the heading Provisions in the Balance sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts [earlier presented under trade payables] have been reclassified to confirm to current year's classification.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gain and loss, the effect of the changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised in Statement of Profit and Loss in the period of plan amendment. Net interest is calculated by applying the rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income;
- Remeasurement.

The Group presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefit expense'. Curtailment gain and loss are accounted for as past service costs.

A liability for a termination benefit is recognised when the entity can no longer withdraw the offer of the termination benefit as per the relevant scheme.

Voluntary retirement compensation

Compensation to employees who have retired under voluntary retirement scheme is charged off to revenue.

n. Share based payment arrangements.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in Note: 35 of Standalone Financial Statements.

The fair value determined at the grant date of the equity-settled-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share options outstanding account.

o. Taxes on Income

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years (Temporary differences) and items that are never taxable or deductible (Permanent differences). The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

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Current income tax relating to items recognised outside Statement of Profit and Loss is either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

p. Provision and contingent liabilities

Provisions

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are recognised as contingent liability.

q. Research and Development

All revenue expenditure related to research and developments are charged to the respective heads on the Statement of Profit and Loss. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Company.

r. Earnings Per Share

Basic earnings per share are computed by dividing the profit/(loss) after tax by the weighted average number of parent equity shares outstanding during the year excluding treasury shares. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential parent equity shares, by the weighted average number of parent equity shares considered for deriving basic earnings per share and the parent weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at

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the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

s. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

t. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair values of the assets transferred.
- liabilities incurred to the former owners of the acquired business.
- equity interests issued by the group.
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred.
- amount of any non-controlling interest in the acquired entity.
- acquisition-date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in Statement of Profit and Loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in Statement of Profit and Loss or other comprehensive income, as appropriate.

u. Associates and Joint ventures

An **associate** is an entity over which the Group has significant influence. Significant influence is the power to participate in

Notes forming part of the Consolidated Financial Statements

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the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A **joint venture** is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Statement of Profit and Loss.

v. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is acquired until the date on which control ceases to exist.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

w. Foreign currency translation

The Consolidated Financial Statements are presented in Indian Rupee, which is the Parent's functional and presentation currency and includes the financial position and

Notes forming part of the Consolidated Financial Statements

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results in respect of foreign operations, initially measured using the currency of the primary economic environment in which the entity operates (i.e. their functional currency) and translated as follows:

- Assets and liabilities are translated at the closing rate at the date of that Balance Sheet;
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);
- All resulting exchange differences are recognised in other comprehensive income;

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

x. Treasury Shares

Shares of the Parent Company held by the Group are treated as treasury shares. No gain or loss are recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of an entity's own equity instruments. The amount paid for acquisition of treasury shares are shown as a deduction to equity and any gain or loss on disposal of treasury shares are also reflected within equity.

Notes forming part of the Consolidated Financial Statements

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4A. Property, plant and equipment

Particulars	As at	
	31.03.2025	31.03.2024
Carrying amounts:		
Freehold land	840.11	804.54
Buildings	3339.02	3020.32
Leasehold Improvement	32.94	39.16
Plant and equipment	6375.97	5745.99
Furniture and fittings	416.35	397.93
Vehicles	190.83	166.08
	11195.22	**10174.02**

Cost	Freehold land	Buildings (a)	Leasehold Improvement	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**797.84**	**3911.79**	**50.41**	**12054.62**	**550.72**	**281.96**	**17647.34**
Additions **(b)**	6.89	226.75	0.43	1669.41	119.83	61.68	2084.99
Disposals	-	(3.64)	-	(185.47)	(4.89)	(28.04)	(222.04)
Translation differences	(0.19)	(123.33)	-	(391.67)	6.50	(13.55)	(522.24)
Balance at March 31, 2024	**804.54**	**4011.57**	**50.84**	**13146.89**	**672.16**	**302.05**	**18988.05**
Acquisition through Business Combination - Refer Note: 40	31.29	82.89	-	15.33	7.06	-	136.57
Additions **(b)**	-	323.11	0.35	1718.13	120.90	75.83	2238.32
Disposals	-	(13.34)	-	(180.29)	(8.08)	(19.81)	(221.52)
Translation differences	4.28	145.97	-	497.67	11.94	14.39	674.25
Balance at March 31, 2025	**840.11**	**4550.20**	**51.19**	**15197.73**	**803.98**	**372.46**	**21815.67**

Accumulated depreciation and impairment	Freehold land	Buildings	Leasehold Improvement	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**-**	**831.13**	**5.15**	**6647.08**	**170.89**	**117.36**	**7771.61**
Depreciation expense	-	190.29	6.53	1153.73	105.66	40.22	1496.43
Eliminated on disposals	-	(1.49)	-	(165.18)	(4.36)	(13.11)	(184.14)
Translation differences	-	(28.68)	-	(234.73)	2.04	(8.50)	(269.87)
Balance at March 31, 2024	**-**	**991.25**	**11.68**	**7400.90**	**274.23**	**135.97**	**8814.03**
Depreciation expense	-	191.64	6.57	1292.09	114.19	47.75	1652.24
Eliminated on disposals	-	(9.36)	-	(165.13)	(6.43)	(12.18)	(193.10)
Translation differences	-	37.65	-	293.90	5.64	10.09	347.28
Balance at March 31, 2025	**-**	**1211.18**	**18.25**	**8821.76**	**387.63**	**181.63**	**10620.45**

Carrying amounts	Freehold land	Buildings	Leasehold Improvement	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**797.84**	**3080.66**	**45.26**	**5407.54**	**379.83**	**164.60**	**9875.73**
Additions	6.89	226.75	0.43	1669.41	119.83	61.68	2084.99
Depreciation expense	-	(190.29)	(6.53)	(1153.73)	(105.66)	(40.22)	(1496.43)
Disposals (net)	-	(2.15)	-	(20.29)	(0.53)	(14.93)	(37.90)
Translation differences	(0.19)	(94.65)	-	(156.94)	4.46	(5.05)	(252.37)
Balance at March 31, 2024	**804.54**	**3020.32**	**39.16**	**5745.99**	**397.93**	**166.08**	**10174.02**

Notes forming part of the Consolidated Financial Statements

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Carrying amounts	Freehold land	Buildings	Leasehold Improvement	Plant and equipment	Furniture and fittings	Vehicles	Total
Acquisition through Business Combination	31.29	82.89	-	15.33	7.06	-	136.57
Additions	-	323.11	0.35	1718.13	120.90	75.83	2238.32
Depreciation expense	-	(191.64)	(6.57)	(1292.09)	(114.19)	(47.75)	(1652.24)
Disposals (net)	-	(3.98)	-	(15.16)	(1.65)	(7.63)	(28.42)
Translation differences	4.28	108.32	-	203.77	6.30	4.30	326.97
Balance at March 31, 2025	**840.11**	**3339.02**	**32.94**	**6375.97**	**416.35**	**190.83**	**11195.22**

(a) Includes ₹ 1109.58 million (Previous year: ₹1103.56 million) being cost of building on leasehold land.

(b) Includes Research and Development capital expenditure of ₹27.58 million (Previous year: ₹18.10 million) - Refer Note: 38(b) on Research & Development expenditure.

(c) Capitalised borrowing cost:

Borrowing costs capitalised on property, plant and equipment during the year - ₹ Nil (Previous year: ₹Nil).

(d) Assets pledged as security:

(1) Immovable properties of the Parent carry pari-passu charge in favour of the consortium of bankers as security for banking facilities availed.

(2) Plant & Equipment, Factory building relating to a domestic subsidiary carry a charge in favour of a banker as security for the Term Loan availed and also collateral security on exclusive charge on factory land. Further cash credit of that domestic subsidiary secured by a charge on all movable assets of the subsidiary.

(e) Contractual obligations:

Refer Note: 34B for disclosure of Contractual commitments for acquisition of property, plant and equipment.

4B. Leases

i) Amount recognised in balance sheet

Particulars	As at	
	31.03.2025	31.03.2024
Right of use Assets		
Land	126.08	128.16
Building	729.27	391.27
Plant and equipment	6.09	7.84
Furniture & Fixtures	9.49	10.40
Vehicles	166.10	143.71
	1037.03	**681.38**
Lease liabilities		
Non Current	871.30	510.58
Current	89.96	81.14
	961.26	**591.72**

Notes forming part of the Consolidated Financial Statements

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Cost	Land	Building	Plant and equipment	Furniture & Fixtures	Vehicles	Total
Balance at March 31, 2023	**138.21**	**502.99**	**11.95**	**-**	**145.03**	**798.18**
Additions	3.74	182.31	1.00	13.56	39.12	239.73
Disposals	-	(19.02)	-	-	-	(19.02)
Translation differences	(0.09)	0.01	(1.45)	0.10	2.30	0.87
Balance at March 31, 2024	**141.86**	**666.29**	**11.50**	**13.66**	**186.45**	**1019.76**
Additions	-	495.29	0.45	-	46.51	542.25
Disposals	-	(140.76)	(0.27)	-	-	(141.03)
Translation differences	0.53	4.82	1.28	0.26	4.18	11.07
Balance at March 31, 2025	**142.39**	**1025.64**	**12.96**	**13.92**	**237.14**	**1432.05**

Accumulated depreciation and impairment	Land	Building	Plant and equipment	Furniture & Fixtures	Vehicles	Total
Balance at March 31, 2023	**10.93**	**185.59**	**1.52**	**-**	**26.40**	**224.44**
Depreciation expense	2.77	107.87	2.39	3.24	15.86	132.13
Disposals	-	(18.88)	-	-	-	(18.88)
Translation differences	-	0.44	(0.25)	0.02	0.48	0.69
Balance at March 31, 2024	**13.70**	**275.02**	**3.66**	**3.26**	**42.74**	**338.38**
Depreciation expense	2.53	127.77	2.53	1.09	27.54	161.46
Disposals	-	(110.01)	-	-	-	(110.01)
Translation differences	0.08	3.59	0.68	0.08	0.76	5.19
Balance at March 31, 2025	**16.31**	**296.37**	**6.87**	**4.43**	**71.04**	**395.02**

Carrying amount	Land	Building	Plant and equipment	Furniture & Fixtures	Vehicles	Total
Balance at March 31, 2023	**127.28**	**317.40**	**10.43**	**-**	**118.63**	**573.74**
Additions	3.74	182.31	1.00	13.56	39.12	239.73
Depreciation expense	(2.77)	(107.87)	(2.39)	(3.24)	(15.86)	(132.13)
Disposals(net)	-	(0.14)	-	-	-	(0.14)
Translation differences	(0.09)	(0.43)	(1.20)	0.08	1.82	0.18
Balance at March 31, 2024	**128.16**	**391.27**	**7.84**	**10.40**	**143.71**	**681.38**
Additions	-	495.29	0.45	-	46.51	542.25
Depreciation expense	(2.53)	(127.77)	(2.53)	(1.09)	(27.54)	(161.46)
Disposals(net)	-	(30.75)	(0.27)	-	-	(31.02)
Translation differences	0.45	1.23	0.60	0.18	3.42	5.88
Balance at March 31, 2025	**126.08**	**729.27**	**6.09**	**9.49**	**166.10**	**1037.03**

ii) Amount recognised in Profit and Loss

Particulars	For the year	
	2024-25	2023-24
Depreciation charge of right of use assets - Refer Note: 27		
Land	2.53	2.77
Building	127.77	107.87
Plant and equipment	2.53	2.39
Furniture & Fixtures	1.09	3.24

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Particulars	For the year	
	2024-25	2023-24
Vehicles	27.54	15.86
	161.46	**132.13**
Interest expenses (included in Finance cost) - Refer Note: 26	37.48	34.14
Expenses related to Short term leases (included in Rent: Other expenses) - Refer Note: 28	105.34	123.45

(a) Addition to the right of use assets during the year: ₹542.25 million (Previous year: ₹239.73 million).

(b) The total cash outflow for leases for the year: ₹198.82 million(Previous year: ₹164.33 million).

(c) **Extension and termination options:**

Extension and termination options are included in the above leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

(d) To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

(e) The Group has not incurred any expenses relating to low-value assets during the current year. There are no expenses relating to variable lease payments.

(f) The Group leases land, offices, warehouses, furniture, fittings, equipment and vehicles. Lease contracts in respect of land are typically made for periods of upto 99 years and in respect of others for period upto 5 years.

4C. Capital work-in-progress

Particulars	As at	
	31.03.2025	31.03.2024
Capital work-in-progress	1183.80	781.00

Capital work in progress movement	Total
Balance at March 31, 2023	**874.68**
Addition during the year - **(a)***	1991.31
Capitalised during the year	(2084.99)
Balance at March 31, 2024	**781.00**
Addition during the year - **(a)**	2556.67
Capitalised during the year	(2238.32)
Exchange translation impact	84.45
Balance at March 31, 2025	**1183.80**

*includes exchange translation impact

(a) Includes Research and Development capital expenditure of ₹0.40 million (Previous year: ₹5.59 million) - Refer Note: 38(b) on Research & Development expenditure.

(b) Capitalised borrowing cost:

Borrowing costs capitalised on Capital work-in-progress during the year - ₹Nil (Previous year- ₹NIl).

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(c) Ageing of Capital Work-in-Progress:

As at March 31, 2025

Particulars	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	798.82	350.74	33.73	0.51	1183.80
Projects temporarily suspended	-	-	-	-	

As at March 31, 2024

Particulars	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	632.48	104.99	38.09	5.44	781.00
Projects temporarily suspended	-	-	-	-	

(d) The expected completion of amounts lying in capital work-in-progress which are delayed is as below:

As at March 31,2025

Particulars	Amount of Capital work in progress to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Growth Projects	22.81	25.07	42.71	-	90.59
Total	**22.81**	**25.07**	**42.71**	**-**	**90.59**

As at March 31,2024

Particulars	Amount of Capital work in progress to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Growth Projects	23.75	-	-	-	23.75
Total	**23.75**	**-**	**-**	**-**	**23.75**

There is no reportable cost over-run project for the year ended March 31, 2025 and March 31, 2024.

5A. Goodwill

Particulars	As at	
	31.03.2025	31.03.2024
Cost	2712.14	2511.73
Accumulated impairment losses	(37.34)	(37.34)
	2674.80	**2474.39**

Particulars	As at	
	31.03.2025	31.03.2024
Balance at beginning of the year	2474.39	2443.83
Add: Goodwill on acquisition of Silicon Carbide Products, LLC (Refer Note: 40)	145.93	-
Add: Exchange difference during the year on translation of goodwill of foreign subsidiaries	54.48	30.56
	2674.80	**2474.39**

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The carrying amount of goodwill as at the year ended March 31, 2025 majorly comprises of goodwill initially recognised at the time of acquisition of Volzhsky Abrasive Works [VAW], PLUSS Advanced Technologies Limited [PLUSS] and Rhodius Abrasives GmbH [RHODIUS] and the balance relates to the goodwill recognised on acquisition of other subsidiaries.

(i) Goodwill recognised at the time of acquisition of Volzhsky Abrasive Works [VAW]

The goodwill recognised at the time of VAW's acquisition represents a significant portion of the total goodwill carried by the Group. This goodwill arose when VAW was acquired through the Group's wholly owned subsidiary, CUMI International Limited, Cyprus in the financial year 2007-08.

VAW, a step-down subsidiary of the Holding Company domiciled in Russia, is engaged in the manufacturing of Electromineral, Abrasive, and Ceramic products. As of March 31, 2025, the carrying amount of total assets considered within the consolidated financial statements amounts to ₹ 10269.98 million, including goodwill of ₹1479.82 million, representing 22.12% of the Group's total assets.

The geo-political situation continues to present an uncertain environment for the operations of VAW including those arising from international sanctions and territory embargoes. As per the US Department of State's press release dated January 10, 2025, a set of Russian companies in the manufacturing sector which includes VAW were added to the US Department of Treasury's Office of Foreign Assets Control (OFAC)'s Specially Designated Nationals and Blocked Persons List (SDN list), for operating or having operated in the manufacturing sector of the Russian Federation economy. As a result of VAW's designation, all of VAW's property and interests in property that are in the United States or in the possession or control of US persons are blocked. Further, most financial transactions involving US currency and transactions involving US persons are not possible for VAW unless authorised by a general or specific license issued by OFAC or exempt.

Consequent to the above designation, the Holding Company has made a detailed assessment of the liquidity position of VAW including its ability to continue as a going concern, control over the entity and has also comprehensively assessed the recoverability and carrying values of its assets comprising of property, plant and equipment, intangible assets, trade receivables, inventory and other assets as at balance sheet date including the related goodwill at CUMI International Limited consolidated level. Basis the above assessment, an impairment expense (representing certain balances held in foreign currency with clearing agencies by VAW and export receivables of VAW outside the Group) amounting to ₹1041.29 million has been recognised under the heading Exceptional item in the Consolidated financial statements. Total assets as at March 31, 2025 include cash and cash equivalents amounting to ₹1749.00 million of VAW, which are not available for use by other entities within the Group due to temporary repatriation restrictions.

To determine the recoverable amount of VAW's assets and related goodwill, the Holding Company has adopted a value-in-use approach, discounting future expected cash flows based on financial budgets approved by management for the period up to December 2029. Beyond this period, an extrapolated growth rate of 4% per annum which does not exceed the long-term average growth rate has been applied.

Given the uncertainty surrounding the Russia–Ukraine geopolitical situation and VAW's designation, the Holding Company has incorporated an expected cash flow approach, considering four probability-weighted scenarios:

1. Base scenario (40% weighting): Assumes conflict resolution and VAW's removal from the SDN List by January 2026.
2. Pessimistic scenario (10% weighting): Assumes continued conflict and VAW's designation indefinitely.
3. Downside scenario 1 (30% weighting): Assumes resolution and de-designation by January 2027.
4. Downside scenario 2 (20% weighting): Assumes resolution and de-designation by January 2028.

In arriving at the value in use, the Holding Company has applied a pre-tax discount rate of 28.38% per annum during the conflict and one year thereafter, followed by a pre-tax discount rate of 22.15% per annum for subsequent periods.

The impact assessment is a continuing process and given the evolving nature of uncertainties associated, the Holding Company will continue to monitor all material changes to the internal and external environment.

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(ii) Goodwill recognised at the time of acquisition of PLUSS Advanced Technologies Limited [PLUSS]

The value in use is arrived at by discounting the cash flow projections using the financial budgets covering a period of four years, approved by the Board of Directors of PLUSS and extrapolating it beyond four years using a growth rate of 4% p.a. This growth rate does not exceed the long term average growth rate. The cash flows have been discounted using a pre-tax rate of 23.03% p.a. The Group believes that any reasonable further change in the key assumptions on which recoverable amount is based, would not cause the carrying amount to exceed its recoverable amount. Carrying amount of Goodwill as on March 31, 2025: ₹231.80 million.

(iii) Goodwill recognised at the time of acquisition of Rhodius Abrasives GmbH [RHODIUS]

The value in use is arrived at by discounting the cash flow projections using the financial budgets covering a period of five years, approved by the Board of Directors of RHODIUS and extrapolating it beyond five years using a growth rate of 3% p.a. The cash flows have been discounted using a pre-tax rate of 10.05 % p.a. The Group believes that any reasonable further change in the key assumptions on which recoverable amount is based, would not cause the carrying amount to exceed its recoverable amount. Carrying amount of Goodwill as on March 31, 2025: ₹775.81 million.

(iv) Goodwill recognised at the time of acquisition of other entities

This represents the goodwill recognised on the acquisition of other subsidiaries viz., Silicon Carbide Products, LLC, CUMI Awuko Abrasives GmbH, Sterling Abrasives Limited, Southern Energy Development Corporation Limited and CUMI (Australia) Pty Limited. The aggregate values of the same are not significant. The Group believes that the carrying amount of the goodwill is recoverable.

5B. Other Intangible assets

Particulars	As at	
	31.03.2025	31.03.2024
Carrying amounts:		
Brand	19.68	-
Software	140.56	100.65
Copyrights, Patents And Intellectual Property	1376.51	1490.86
Customer Relationship	683.13	596.74
Non-compete	23.93	17.65
Technical know-how	9.13	14.62
Total	**2252.94**	**2220.52**

Cost	Brand	Software	Copyrights, Patents And Intellectual Property	Customer Relationship	Non-compete	Technical know-how	Total
Balance at March 31, 2023	**-**	**213.69**	**1830.97**	**710.19**	**35.30**	**142.51**	**2932.66**
Additions **(a)**	-	48.87	52.18	0.49	-	7.21	108.75
Disposals	-	(1.28)	(0.63)	-	-	-	(1.91)
Translation differences	-	(0.08)	10.35	9.16	-	(0.16)	19.27
Balance at March 31, 2024	**-**	**261.20**	**1892.87**	**719.84**	**35.30**	**149.56**	**3058.77**
Acquisition through Business Combination - Refer Note: 40	20.30	-	25.37	139.54	14.38	-	199.59
Additions **(a)**	-	86.36	18.23	-	-	-	104.59
Disposals	-	(5.08)	-	-	-	-	(5.08)
Translation differences	0.24	14.94	14.14	14.12	0.17	-	43.61
Balance at March 31, 2025	**20.54**	**357.42**	**1950.61**	**873.50**	**49.85**	**149.56**	**3401.48**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Accumulated amortisation and impairment	Brand	Software	Copyrights, Patents And Intellectual Property	Customer Relationship	Non-compete	Technical know-how	Total
Balance at March 31, 2023	**-**	**121.92**	**227.79**	**67.57**	**10.59**	**130.68**	**558.55**
Amortisation expense	-	39.71	173.25	54.55	7.06	4.32	278.89
Disposals	-	(1.21)	(0.27)	-	-	-	(1.48)
Translation differences	-	0.13	1.24	0.98	-	(0.06)	2.29
Balance at March 31, 2024	**-**	**160.55**	**402.01**	**123.10**	**17.65**	**134.94**	**838.25**
Amortisation expense	0.85	58.41	168.95	64.60	8.26	5.49	306.56
Disposals	-	(5.00)	-	-	-	-	(5.00)
Translation differences	0.01	2.90	3.14	2.67	0.01	-	8.73
Balance at March 31, 2025	**0.86**	**216.86**	**574.10**	**190.37**	**25.92**	**140.43**	**1148.54**

Carrying amounts	Brand	Software	Copyrights, Patents And Intellectual Property	Customer Relationship	Non-compete	Technical know-how	Total
Balance at March 31, 2023	**-**	**91.77**	**1603.18**	**642.62**	**24.71**	**11.83**	**2374.11**
Additions	-	48.87	52.18	0.49	-	7.21	108.75
Amortisation expense	-	(39.71)	(173.25)	(54.55)	(7.06)	(4.32)	(278.89)
Disposals (net)	-	(0.07)	(0.36)	-	-	-	(0.43)
Translation differences	-	(0.21)	9.11	8.18	-	(0.10)	16.98
Balance at March 31, 2024	**-**	**100.65**	**1490.86**	**596.74**	**17.65**	**14.62**	**2220.52**
Additions	-	86.36	18.23	-	-	-	104.59
Acquisition through Business Combination - Refer Note: 40	20.30	-	25.37	139.54	14.38	-	199.59
Amortisation expense	(0.85)	(58.41)	(168.95)	(64.60)	(8.26)	(5.49)	(306.56)
Disposals (net)	-	(0.08)	-	-	-	-	(0.08)
Translation differences	0.23	12.04	11.00	11.45	0.16	-	34.88
Balance at March 31, 2025	**19.68**	**140.56**	**1376.51**	**683.13**	**23.93**	**9.13**	**2252.94**

(a) Includes Research & Development capital expenditure of ₹0.21 million (Previous year: ₹0.10 million) - Refer Note: 38(b) on Research & Development expenditure

(b) Internally generated intangible assets - Nil.

5C. Intangible assets under development

Particulars	As at	
	31.03.2025	31.03.2024
Software	-	59.68

As at March 31, 2025

Particulars	Amount of Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

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As at March 31, 2024

Particulars	Amount of Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	59.68	-	-	-	59.68
Projects temporarily suspended	-	-	-	-	-

6A. Investments in Associate

Particulars	As at			
	31.03.2025		31.03.2024	
	No. of shares	Amount	No. of shares	Amount
Wendt (India) Ltd. [WENDT]	750000	913.83	750000	795.40
Total Carrying value	**750000**	**913.83**	**750000**	**795.40**
Book value of Quoted Investment		913.83		795.40
Market value of Quoted Investment		6646.28		8425.35

Name of the Associate	Nature of business	Place of incorporation and principal place of business	Proportion of ownership's interest/ voting rights held by the Group	
			As at	
			31.03.2025	31.03.2024
Wendt (India) Ltd.	Super abrasives	India	37.50%	37.50%

The Group has consolidated the above Associate using equity method.

Principal activities of the business: A leading manufacturer of Super Abrasives (Diamond and Cubic Boron Nitride), Special purpose Grinding machine and tools, offering functionally superior products and services for grinding and machining “Hard - To - process Materials”.

Pursuant to shareholders’ agreement, the Parent has the right to cast 37.50% (Previous year: 37.50%) of the votes at shareholders’ meeting of Wendt (India) Ltd. The investment in this entity, is treated as an Associate, since in addition to the co-venturer (who holds similar stake as CUMI), general public also holds the remaining portion of shares. Hence, the Group has not treated this investment as Joint venture investment.

Summarised financial information of Associate

The summarised financial information given below represents amount shown in the Associate’s consolidated financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Wendt (India) Ltd.	As at	
Particulars	31.03.2025	31.03.2024
Non-Current assets	1166.90	692.18
Current assets	1841.10	1865.32
Non-Current liabilities	(19.80)	(15.10)
Current liabilities	(551.30)	(421.33)

Particulars	For the year	
	2024-25	2023-24
Revenue	2337.20	2268.27
Profit for the year	394.80	409.52
Other Comprehensive Income	21.00	(15.55)
Total Comprehensive Income	415.80	393.97
Dividend received from WENDT	37.50	60.00

Notes forming part of the Consolidated Financial Statements

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Reconciliation of the above summarised financial information to the carrying amount of the interest in Wendt (India) Ltd. recognised in consolidated financial statements is given below:

Particulars	As at	
	31.03.2025	31.03.2024
Net assets of WENDT	2436.90	2121.07
Proportion of the Group's ownership interest in WENDT	37.50%	37.50%
Carrying amount of the Group's interest in WENDT	913.83	795.40

Fair value of the Group's interest in Wendt (India) Ltd., which is listed in the Stock exchange of India as on 31st March 2025 was ₹6646.28 million (as at March 31, 2024 ₹8425.35 million)

Particulars	As at	
	31.03.2025	31.03.2024
I. Contingent liabilities: Wendt (India) Ltd.		
a. Directly incurred by the Group	-	-
b. Share of the Group which have been incurred with other investors	-	-
c. Group's share in relation to its interest in Associate	-	-

6B. Investments in Joint Ventures

Particulars	As at			
	31.03.2025		31.03.2024	
	No. of shares	Amount	No. of shares	Amount
Unquoted Investment - Equity shares				
Murugappa Morgan Thermal Ceramics Limited [MMTCL]	1430793	882.56	1430793	721.11
Ciria India Limited [CIRIA]	59998	129.72	59998	110.66
Total Carrying value		**1012.28**		**831.77**
Aggregate value of unquoted investments		1012.28		831.77

Details of the Group's Joint Ventures at the end of the reporting period are as follows.

Name of the Joint Ventures	Nature of business	Place of incorporation and principal place of business	Proportion of ownership's interest/ voting rights held by the Group	
			31.03.2025	31.03.2024
Murugappa Morgan Thermal Ceramics Limited	Ceramics	India	49%	49%
Ciria India Limited	Ceramics	India	30%	30%

Nature of Business:

a) MMTCL: Manufacture of complete range of ceramics fiber products.

b) CIRIA: Providing refractory engineering solutions and supply of refractory materials.

The Group has entered into Joint Venture agreements with the co-venturer and hence the investment in the above entities are treated as Joint Venture. Both the Venturers have joint control on the entities. Accordingly, the Group has consolidated the above Joint Ventures using equity method.

Summarised financial information of Joint Ventures:

The summarised financial information below represents the amount shown in the Joint Venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Notes forming part of the Consolidated Financial Statements

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Murugappa Morgan Thermal Ceramics Limited

Particulars	As at	
	31.03.2025	31.03.2024
Non-Current assets	1248.24	711.43
Current assets	921.03	1121.43
Non-Current liabilities	(50.44)	-
Current liabilities	(317.68)	(361.18)

The above amount of assets and liabilities includes the following:

Particulars	As at	
	31.03.2025	31.03.2024
Cash and cash equivalents	83.72	159.69
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-Current financial liabilities (excluding trade and other payables and provisions)	-	-

Particulars	For the year	
	2024-25	2023-24
Revenue	2530.01	2244.11
Profit for the year	476.94	436.95
Other Comprehensive Income	(1.47)	(0.30)
Total Comprehensive Income	475.47	436.65
Dividend received from MMTCL	71.54	71.54
The above profit for the year includes the following:		
Depreciation and amortisation	93.54	82.95
Interest income	4.27	1.52
Interest expense	-	-
Income tax expense	174.43	147.73

Reconciliation of the above summarised financial information to the carrying amount of the interest in Murugappa Morgan Thermal Ceramics Limited recognised in the consolidated financial statements is given below:

Particulars	As at	
	31.03.2025	31.03.2024
Net assets of MMTCL	1801.15	1471.68
Proportion of the Group's ownership interest in MMTCL	49%	49%
Carrying amount of the Group's interest in MMTCL	882.56	721.11

Ciria India Limited

Particulars	As at	
	31.03.2025	31.03.2024
Non-Current assets	58.62	57.43
Current assets	581.59	566.87
Non-Current liabilities	(19.28)	(16.44)
Current liabilities	(188.52)	(239.01)

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The above amount of assets and liabilities includes the following:

Particulars	As at	
	31.03.2025	31.03.2024
Cash and cash equivalents	77.19	83.64
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-Current financial liabilities (excluding trade and other payables and provisions)	-	-

Particulars	For the year	
	2024-25	2023-24
Revenue	1309.48	1140.60
Profit for the year	234.45	236.33
Other Comprehensive Income	(0.89)	(0.66)
Total Comprehensive Income	233.56	235.67
Dividend received from CIRIA	51.00	111.00
The above profit for the year includes the following:		
Depreciation and amortisation	11.45	7.37
Interest income	3.07	0.61
Interest expense	0.05	0.00
Income tax expense	85.27	87.41

Reconciliation of the above summarised financial information to the carrying amount of the interest in Ciria India Limited recognised in the consolidated financial statements is given below:

Particulars	As at	
	31.03.2025	31.03.2024
Net assets of CIRIA	432.41	368.85
Proportion of the Group's ownership interest in CIRIA	30.00%	30.00%
Carrying amount of the Group's interest in CIRIA	129.72	110.66

Unrecognised share of losses of Joint Ventures: MMTCL & CIRIA

Particulars	For the year	
	2024-25	2023-24
The unrecognised share of loss on Joint Ventures for the year	-	-
Cumulative unrecognised share of loss of Joint Ventures	-	-

Significant restriction

The Joint Ventures: Murugappa Morgan Thermal Ceramics Limited and Ciria India Limited, cannot distribute its profits until it obtains the consent from both the Venturers.

	Particulars	As at 31.03.2025		As at 31.03.2024	
		MMTCL	CIRIA	MMTCL	CIRIA
I.	**Contingent liabilities**				
a.	Directly incurred by the Group	-	-	-	-
b.	Share of the Group which have been incurred along with other investors	-	-	-	-
c.	Group's share in relation to its interest in Joint venture	-	0.65	-	0.65

Notes forming part of the Consolidated Financial Statements

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Particulars	As at 31.03.2025		As at 31.03.2024	
	MMTCL	CIRIA	MMTCL	CIRIA
II. Commitments - Capital				
a. Directly incurred by the Group	-	-	-	-
b. Share of the Group which have been incurred along with other investors	-	-	-	-
c. Group's share in relation to its interest in Joint venture	32.24	-	17.71	-

6C. Other Investments

Particulars	As at	
	31.03.2025	31.03.2024
Non-Current		
(a) Investment in Equity instruments at FVTOCI		
Unquoted		
(i) Murugappa Management Services Private limited	11.30	11.30
(ii) Murugappa Water Technology And Solutions Private Limited	62.80	62.80
(b) Investments in Equity Instruments & Others at FVTPL		
(i) Quoted	13.46	13.85
(ii) Unquoted	0.56	0.56
Total (a+b)	**88.12**	**88.51**
Aggregate book value of quoted investments	13.46	13.85
Aggregate market value of quoted investments	13.46	13.85
Aggregate carrying value of unquoted investments	74.66	74.66
Aggregate amount of impairment in value of investments	-	-

Category wise other investments - as per Ind AS 109	As at	
	31.03.2025	31.03.2024
Financial asset measured at FVTPL - Equity instruments & Others	14.02	14.41
Financial asset measured at FVTOCI - Equity instruments	74.10	74.10
	88.12	**88.51**

7. Other financial assets

Particulars	As at	
	31.03.2025	31.03.2024
A. Non-Current		
Margin money deposit	0.12	0.12
Security deposit	217.34	206.54
	217.46	**206.66**
B. Current		
Deposits	1.48	5.52
Contract assets	25.33	36.22
Other receivables		
Considered good*	1121.12	82.35
Considered doubtful	937.09	0.06
Less: Allowance for doubtful receivables#	(937.09)	(0.06)
	1147.93	**124.09**

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* includes receivable pertaining to sale of treasury shares amounting to ₹962.29 million(March 31, 2024 - ₹Nil)

includes provision amounting to ₹937.02 million (March 31, 2024 - ₹ Nil) in relation to balances held in foreign currency with clearing agency by VAW. Refer Note: 5A

8. Income tax

Particulars		As at	
		31.03.2025	31.03.2024
A.	**Deferred tax assets (net)**	**1221.32**	**1105.60**
B.	**Deferred tax liabilities (net)**	**633.59**	**608.38**

Particulars		2024-25				
		Balance as at 31.03.2024	Recognised in Profit or Loss	Recognised in OCI	Translation adjustment	Balance as at 31.03.2025
A.	**Deferred tax assets**					
	Allowance for doubtful receivables and advances	137.85	203.70	-	92.53	434.08
	Voluntary retirement scheme payments	0.18	(0.11)	-	-	0.07
	Expenses allowed on payment/ realisation basis	106.93	13.81	8.38	(0.01)	129.11
	Temporary difference attributable to Property,plant and equipment	113.14	26.19	-	15.75	155.08
	Tax losses including unabsorbed depreciation	744.90	(279.45)	-	22.35	487.80
	Tax on unrealised profit on stock	118.06	2.07	-	(1.30)	118.83
	Others	142.72	95.76	0.20	23.54	262.22
	Total Deferred tax assets	**1363.78**	**61.97**	**8.58**	**152.86**	**1587.19**
B.	**Deferred tax liabilities**					
	Fair value adjustment arising on Business combination	235.63	(33.85)	-	-	201.78
	Accelerated depreciation for tax purposes	306.78	47.68	-	24.59	379.05
	Tax on undistributed profit	321.99	54.92	-	41.14	418.05
	Others	2.16	1.01	-	(2.59)	0.58
	Total Deferred tax liabilities	**866.56**	**69.76**	**-**	**63.14**	**999.46**
	Net Deferred tax (asset)/liabilities - (B-A)	**(497.22)**	**7.79**	**(8.58)**	**(89.72)**	**(587.73)**

8A.	**Presented as deferred tax asset (net)**	1105.60				1221.32
8B.	**Presented as deferred tax liability (net)**	608.38				633.59
Net Deferred tax (asset)/liabilities - (8B-8A)		**(497.22)**				**(587.73)**

Particulars		2023-24				
		Balance as at 31.03.2023	Recognised in Profit or Loss	Recognised in OCI	Translation adjustment	Balance as at 31.03.2024
A.	**Deferred tax assets**					
	Allowance for doubtful receivables and advances	129.50	23.26	-	(14.91)	137.85
	Voluntary retirement scheme payments	0.20	(0.02)	-	-	0.18

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Particulars	2023-24				
	Balance as at 31.03.2023	Recognised in Profit or Loss	Recognised in OCI	Translation adjustment	Balance as at 31.03.2024
Expenses allowed on payment/ realisation basis	64.89	19.47	22.61	(0.04)	106.93
Temporary difference attributable to Property,plant and equipment	91.63	24.83	-	(3.32)	113.14
Tax losses including unabsorbed depreciation	553.69	193.27	-	(2.06)	744.90
Tax on unrealised profit on stock	71.11	46.95	-	-	118.06
Others	66.26	82.83	(1.09)	(5.28)	142.72
Total Deferred tax assets	**977.28**	**390.59**	**21.52**	**(25.61)**	**1363.78**
B. Deferred tax liabilities					
Fair value adjustment arising on Business combination	269.48	(33.85)	-	-	235.63
Accelerated depreciation for tax purposes	274.80	50.35	-	(18.37)	306.78
Tax on undistributed profit	195.99	154.62	-	(28.62)	321.99
Others	0.03	2.13	-	-	2.16
Total Deferred tax liabilities	**740.30**	**173.25**	**-**	**(46.99)**	**866.56**
Net Deferred tax (asset)/liabilities - (B-A)	**(236.98)**	**(217.34)**	**(21.52)**	**(21.38)**	**(497.22)**
8A. Presented as deferred tax asset (net)	762.15				1105.60
8B. Presented as deferred tax liability (net)	525.17				608.38
Net Deferred tax (asset)/liabilities - (8B-8A)	**(236.98)**				**(497.22)**

(a) Tax losses in respect of subsidiaries where the foreseeable business profits are estimated reasonably in the near future is considered for recognition of deferred tax assets in respective entities in compliance with tax laws of the respective countries.

(b) Deferred tax assets have not been recognised in respect of certain losses as they may not be used to offset taxable profit elsewhere in the Group, also they have arisen in subsidiaries that are loss-making and there are no other tax planning opportunities or other evidence of recoverability in the near future.

Particulars	As at	
	31.03.2025	31.03.2024
(c) Unrecognised Deferred tax asset on unused tax losses.	576.78	40.00

8C. Current tax liabilities (net)

Particulars	As at	
	31.03.2025	31.03.2024
Current tax liabilities(net)	292.06	393.39

9. Other assets

Particulars	As at	
	31.03.2025	31.03.2024
A. Non-Current		
Capital advances	415.12	185.43
Prepayments	52.04	41.86

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Particulars	As at	
	31.03.2025	31.03.2024
Deposits paid under protest relating to Sales tax, Central excise and Service tax demands	12.41	12.41
Taxation (net of provisions)	153.33	172.82
	632.90	**412.52**
B. Current		
Prepayments	268.65	219.69
Trade advance to Supplier	337.25	338.62
Balances with Statutory authorities	231.14	133.78
	837.04	**692.09**

10. Inventories

Particulars	As at	
	31.03.2025	31.03.2024
Raw materials	3755.08	2954.78
Raw materials in transit	16.13	291.20
Work-in-progress	2124.53	1991.23
Stock-in-trade	666.94	381.09
Finished goods	2839.74	2011.93
Stores and spares	1145.88	861.21
Stores and spares in transit	1.75	10.29
	10550.05	**8501.73**

(a) The mode of valuation of inventories has been stated in Note: 3(A)(h), 3(B)(c)

(b) Raw materials includes captively manufactured intermediaries.

(c) The cost of inventories recognised as an expense (consumption) during the year was ₹20082.04 million (Previous year: ₹19150.49 million).

(d) All the above inventories are expected to be recovered within twelve months.

11. Trade receivables (Unsecured)

Particulars	As at	
	31.03.2025	31.03.2024
Current		
a. Considered good	8451.08	7412.38
b. Which have significant increase in Credit risk		
c. Credit impaired	15.10	11.79
Allowance for doubtful receivables (expected credit loss allowance)	(803.82)	(633.77)
	7662.36	**6790.40**

(a) Trade receivables are generally due between 30 to 60 days. The Group's terms includes charging of interest for delayed payment beyond agreed credit days. However, the entities under the Group exercise charging of interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

(b) Credit risk is managed at the respective entity level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The entities under the Group may consider credit rating when needed. The credit limit and the credit period are reviewed regularly at periodical intervals.

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(c) Concentration risk considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant due to the fact that the customer base is large and diversified.

(d) The respective entities under the Group have used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information.

(e) Some trade receivable may be past due over 365 days without being impaired considering the certainty of realisation.

(f) Trade Receivable includes dues from related party amounting ₹75.29 million (Previous year: ₹58.03 million).

(g)	Movement in the expected credit loss allowance	As at	
		31.03.2025	31.03.2024
	Balance at the beginning of the year	633.77	599.86
	Movement in the expected credit loss allowance on trade receivables calculated at life time expected credit losses including translation impact	170.05	33.91
		803.82	**633.77**

11A Ageing of Trade Receivables

	Particulars	As at March 31, 2025							
		Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade receivable-Considered good	-	6201.61	2026.26	78.31	90.25	23.17	31.48	8451.08
(ii)	Undisputed Trade receivable-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivable-credit impaired	-	-	-	-	5.03	4.09	5.98	15.10
(iv)	Disputed Trade receivable-Considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivable-which have significant increase in credit risk	-	-	-	-		-	-	-
(vi)	Disputed Trade receivable-credit impaired	-	-	-	-	-	-	-	-

	Particulars	As at March 31, 2024							
		Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade receivable-Considered good	-	5242.31	1985.44	100.97	37.15	16.96	29.55	7412.38
(ii)	Undisputed Trade receivable-which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii)	Undisputed Trade receivable-credit impaired	-	-	-	-	5.22	2.24	3.80	11.26
(iv)	Disputed Trade receivable-Considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivable-which have significant increase in credit risk	-	-	-	-		-	-	-

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Particulars	As at March 31, 2024							
	Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(vi) Disputed Trade receivable-credit impaired	-	-	-	-	-	-	0.53	0.53

12A. Cash and cash equivalents

Particulars	As at	
	31.03.2025	31.03.2024
Balances with banks	2973.48	3990.73
Deposit account with original maturity less than three months	802.32	1555.97
Cash on hand	3.47	2.08
	3779.27	**5548.78**

Cash and cash equivalents of Volzhsky Abrasive Works [VAW] amounting to ₹1749 million are not available for use by other entities within the Group due to temporary repatriation restrictions - Refer Note: 5A

12B. Bank balances other than above

Particulars	As at	
	31.03.2025	31.03.2024
Earmarked funds	21.25	21.25
Bank Deposit with original maturity more than three months but remaining maturity less than 12 months	5.33	9.20
	26.58	**30.45**

13. Equity share capital

Particulars	As at	
	31.03.2025	31.03.2024
Authorised share capital:		
387,250,000 (as at March 31, 2024: 387,250,000) equity shares of Re.1 each	387.25	387.25
Issued, Subscribed and Paid-up		
190,422,718 (as at March 31, 2024: 190,257,608) equity shares of Re.1 each fully paid	**190.42**	**190.26**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2025		As at 31.03.2024	
Equity shares with voting rights	No. of Shares	Value of Shares	No. of Shares	Value of Shares
At the beginning of the year	190257608	190.26	189943974	189.94
Add: Shares issued against Employee Stock Option Scheme/ Plan	165110	0.16	313634	0.32
At the end of the year	**190422718**	**190.42**	**190257608**	**190.26**

b) Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share. Repayment of capital and surplus, if any, will be in proportion to the number of equity shares held.

c) Dividend details

Final dividend of ₹2.50/- per share was proposed for the year ended March 31, 2025 at the meeting of the Board of Directors held on May 12,2025 (previous year final dividend of ₹2.50/- was proposed and paid). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, upon which the liability will be recorded in

Notes forming part of the Consolidated Financial Statements

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the books. An Interim Dividend of ₹1.50/- per share was declared at the meeting of the Board of Directors held on February 13, 2025 and the same has been paid (previous year an interim dividend of ₹1.50/- per share was declared at the meeting of the Board of Directors held on January 31, 2024 and the same had been paid).

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at			
	31.03.2025		31.03.2024	
	No. of Shares held*	% of holding	No. of Shares held*	% of holding
Ambadi Investments Limited	56054244	29.44%	56054244	29.46%
SBI Mutual Fund	18306415	9.61%	18535215	9.74%

*Holdings combined based on the PAN of the shareholders

e) Stock Options granted under the Company's Employee Stock Option Scheme/Plan

Stock Options granted under the Company's Employee Stock Option Scheme/Plan pending exercise by option holders carry no right to dividend and voting rights. Further details of the Employee Stock Option Scheme/Plan are provided in Note: 35 of the Standalone Financial Statements.

(f) Details of shares held by promoters at the end of the year:

S.No	Promoter Name	No of shares held as at				% Change in no. of shares held during the year
		March 31, 2025		March 31, 2024		
		Nos.	%	Nos.	%	
1	M A M Arunachalam as a karta of M A Murugappan HUF	92000	0.05%	92000	0.05%	-
2	M A Alagappan in the capacity of Karta of M A Alagappan HUF	188000	0.10%	188000	0.10%	-
3	M M Murugappan as a Karta of M M Muthiah HUF	335200	0.18%	335200	0.18%	-
4	M M Murugappan Karta of M M Murugappan HUF	16000	0.01%	16000	0.01%	-
5	A Venkatachalam Karta of A Venkatachalam HUF	1000	0.00%	1000	0.00%	-
6	M A M Arunachalam	1003800	0.53%	1093800	0.57%	-8.2%
7	Arun Alagappan	471400	0.25%	471400	0.25%	-
8	M A Alagappan	786000	0.41%	786000	0.41%	-
9	A Vellayan	303260	0.16%	303260	0.16%	-
10	Valli Arunachalam Karta of M V Murugappan HUF **	-	0.00%	215600	0.11%	-100.0%
11	M M Murugappan	340140	0.18%	340140	0.18%	-
12	M A Alagappan Karta of AMM Arunachalam HUF	300400	0.16%	300400	0.16%	-
13	M V Subbiah as a Karta of M V Subbiah HUF	81600	0.04%	81600	0.04%	-
14	A Venkatachalam	598900	0.31%	598900	0.31%	-
15	V Narayanan	205900	0.11%	205900	0.11%	-
16	V Arunachalam	183740	0.10%	183740	0.10%	-
17	Arun Venkatachalam	186840	0.10%	186840	0.10%	-
18	E.I.D.Parry (India) Limited	2000	0.00%	2000	0.00%	-
19	Ambadi Investments Limited	56054244	29.44%	56054244	29.46%	-
20	Cholamandalam Financial Holdings Limited	6000	0.00%	6000	0.00%	-
21	Subbiah.M.V, Alagappan M A And M M Murugappan Holds On Behalf Of The Firm Murugappa & Sons	480	0.00%	480	0.00%	-

Notes forming part of the Consolidated Financial Statements

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S.No	Promoter Name	No of shares held as at				% Change in no. of shares held during the year
		March 31, 2025		March 31, 2024		
		Nos.	%	Nos.	%	
22	Umayal.R.	979504	0.51%	979504	0.51%	-
23	Valli Annamalai	136480	0.07%	136480	0.07%	-
24	Vellachi Murugappan **	-	0.00%	856800	0.45%	-100.0%
25	Sigapi Arunachalam as a Trustee of Murugappan Arunachalam Children Trust	300000	0.16%	300000	0.16%	-
26	M A M Arunachalam Trustee of Arun Murugappan Children Trust AOP	345600	0.18%	345600	0.18%	-
27	Arun Alagappan Trustee of M A Alagappan Grandchildren Trust AOP	345600	0.18%	345600	0.18%	-
28	Lakshmi Chocka Lingam	176121	0.09%	518500	0.27%	-66.0%
29	Lalitha Vellayan	116500	0.06%	116500	0.06%	-
30	Meyyammai Venkatachalam	100000	0.05%	100000	0.05%	-
31	A M Meyyammai	21300	0.01%	21300	0.01%	-
32	Meenakshi Murugappan	479900	0.25%	479900	0.25%	-
33	Valli Alagappan	15151	0.01%	15151	0.01%	-
34	Solachi Ramanathan	2000	0.00%	2000	0.00%	-
35	M V AR Meenakshi	367898	0.19%	367898	0.19%	-
36	A. Keertika Unnamalai	1000	0.00%	1000	0.00%	-
37	Uma Ramanathan	3250	0.00%	3250	0.00%	-
38	V Vasantha	50	0.00%	50	0.00%	-
39	Dhruv M Arunachalam	1200	0.00%	1200	0.00%	-
40	Pranav Alagappan	2000	0.00%	2000	0.00%	-
41	Krishna Murugappan Muthiah	5000	0.00%	5000	0.00%	-
42	A M M Vellayan Sons Private Limited	1700	0.00%	1700	0.00%	-
43	M.M.Muthiah Sons Private Limited	304000	0.16%	304000	0.16%	-
44	M.M.Muthiah Research Foundation	1104160	0.58%	1104160	0.58%	-
45	M A Alagappan Holdings Private Limited	210020	0.11%	210020	0.11%	-
46	M M Venkatachalam, Trustee of Lakshmi Venkatachalam Family Trust	200000	0.11%	200000	0.11%	-
47	A A Alagammai, Trustee of Lakshmi Ramaswamy Family Trust	390000	0.20%	390000	0.20%	-
48	Southern Energy Development Corporation Limited*	2449240	1.29%	2449240	1.29%	-
49	M M Venkatachalam, Trustee of M V Muthiah Family Trust	262400	0.14%	262400	0.14%	-
50	M M Murugappan, Trustee of M M Veerappan Family Trust	352000	0.18%	352000	0.19%	-
51	M M Venkatachalam, Trustee of M M Venkatachalam Family Trust	222740	0.12%	222740	0.12%	-
52	M M Venkatachalam, Trustee of M V Subramanian Family Trust	262400	0.14%	262400	0.14%	-
53	M M Murugappan, Trustee of M M Muthiah Family Trust	352000	0.18%	352000	0.19%	-
54	Murugappa Educational and Medical Foundation	3811920	2.00%	3811920	2.00%	-
55	AR. Lakshmi Achi Trust	153140	0.08%	153140	0.08%	-

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S.No	Promoter Name	No of shares held as at				% Change in no. of shares held during the year
		March 31, 2025		March 31, 2024		
		Nos.	%	Nos.	%	
56	M V Subbiah, Trustee of Saraswathi Trust	388860	0.20%	388860	0.20%	-
57	M V Subbiah, Trustee of Shambho Trust	599021	0.31%	719021	0.38%	-16.7%
58	M A Murugappan Holdings LLP	145940	0.08%	235940	0.12%	-38.1%
59	Valliammai Murugappan	52000	0.03%	52000	0.03%	-
60	Valli Arunachalam **	-	0.00%	918800	0.48%	-100.0%
61	A V Nagalakshmi	75	0.00%	75	0.00%	-

*On March 28, 2025, Southern Energy Development Corporation Limited had sold 1,000,000 shares in the Company and the transfer was effected in the demat accounts on April 02, 2025. Consequently the above disclosure has been provided based on the dematerialised holding as at March 31, 2025 as per the depository participant statement. However it may be noted as at March 31, 2025, Southern Energy Development Corporation Limited effective holding shares in the Company was 1,449,240.

**During the financial year as per the request made to the Company, Mrs. Valli Arunachalam, Karta of M V Murugappan HUF, Mrs. Valli Arunachalam and Mrs. Vellachi Murugappan have been declassified as public category shareholders and they don't form part of Promoter/ Promoter Group of the Company as on 31.03.2025.

14. Other equity

Particulars		As at	
		31.03.2025	31.03.2024
A.	**Reserves and Surplus:**		
a.	Profit on Forfeiture of Shares / Warrants	6.03	6.03
b.	Capital redemption reserve	27.68	27.68
c.	Capital reserve on consolidation	20.56	20.56
d.	Securities premium	600.88	546.56
e.	General reserve	10230.94	9730.94
f.	Share options outstanding account	328.44	226.92
g.	Retained earnings	23685.43	21270.14
h.	Non Controlling interest put option reserve	(393.62)	(454.70)
B.	**Items of Other Comprehensive Income**		
i.	Reserve for equity instruments	42.39	42.39
j.	Effective portion of Cash flow Hedge	(0.54)	(0.19)
k.	Foreign currency translation reserve	523.92	(373.31)
l.	Revaluation surplus	23.74	23.74
Total Other equity		**35095.85**	**31066.76**

a. Profit on forfeiture of shares/warrants

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	6.03	6.03
Movements	-	-
Balance at end of the year	**6.03**	**6.03**

Notes forming part of the Consolidated Financial Statements

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During 1999, an amount of ₹6.03 million has been added on account of forfeiture of shares in the Parent company. This balance can be used in paying up unissued shares as fully paid bonus shares to the shareholders of the Parent company.

b. Capital redemption reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	27.68	27.68
Movements	-	-
Balance at end of the year	**27.68**	**27.68**

During the year 2000-01, the Company bought back 2,768,000 shares at the then face value of ₹10 each at the price of ₹115 per share from the shareholders, pursuant to the offer of buy back of shares. A sum equal to nominal value of shares so bought back was transferred to capital redemption reserve account as per Companies Act, 1956. This reserve can be used in paying up unissued shares as fully paid bonus shares to the shareholders of the Parent company.

c. Capital reserve on consolidation

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	20.56	20.56
Movements	-	-
Balance at end of the year	**20.56**	**20.56**

Capital reserve on consolidation was created on account of acquisition of Joint Ventures: MMTCL & CIRIA; and Associate: WENDT, since the consideration paid was lower than the net worth of the acquired company on the date of acquisition. The balance in this reserve will get transferred at the time of disposal of the relevant investment.

d. Securities premium

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	546.56	410.33
Movements	54.32	136.23
Balance at end of the year	**600.88**	**546.56**

The Securities premium received during the year represents the premium received towards allotment of 165,110 shares. Cumulatively 3,714,718 equity shares were allotted during the period FY 2009-10 to FY 2024-25 under ESOP Scheme 2007 and ESOP Plan 2016 (Refer Note: 35 of Standalone Financial Statements towards details of the Scheme/Plan).

This balance will be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013 towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Companies Act.

e. General reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	9730.94	9230.94
Movements: Transfer from retained earning	500.00	500.00
Balance at end of the year	**10230.94**	**9730.94**

Notes forming part of the Consolidated Financial Statements

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The general reserve is a free reserve, retained from Group's profits and can be utilised upon fulfilling certain conditions in accordance with statute of the relevant Act.

f. Share options outstanding account

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	226.92	186.70
Movements	101.52	40.22
Balance at end of the year	**328.44**	**226.92**

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Refer Note: 35 of Standalone Financial Statements for details.

g. Retained earnings

Particulars	As at	
	31.03.2025	31.03.2024
Opening Balance	21270.14	17900.79
Add: Profits for the year	2927.39	4612.50
Add: Transfer from Non Controlling interest on account of increase in shareholding	0.99	1.57
Add: Parent share of proceeds from sale of treasury shares net of related expenses and tax	752.54	-
Less: Transfer from Reserve for equity instruments	-	(19.34)
Less: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of tax	(4.33)	(60.13)
Less: Transfer to General reserve	(500.00)	(500.00)
Less: Final dividend paid	(475.67)	(379.91)
Less: Interim dividend	(285.63)	(285.34)
	23685.43	**21270.14**

The amount that can be distributed by the Group as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Group and in compliance with the applicable statutes.

h. Non Controlling interest put option reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	(454.70)	(382.67)
Movements: Change in Fair value	61.08	(72.03)
Balance at end of the year	(393.62)	(454.70)

The above reserve represents the fair value of the consideration payable on the put option exercisable by the non-controlling interest of a subsidiary. The Holding company at the time of acquisition has provided the erstwhile promoters of PLUSS, a put option exercisable within a pre-defined time period to sell their entire remaining holding to the Holding company at the fair value (subject to a cap) as on that date. The Parent also has a call option to purchase the entire holding of promoters on similar terms.

The put option qualifies as a liability under Ind AS 32, since the Holding company does not have an unconditional right to not purchase the interest as per the terms of the Agreement. In accordance with Ind AS, the Group has elected an accounting policy choice to recognise the gross liability with a corresponding debit to Group's other equity in its consolidated financial statements with subsequent change in the fair value of gross liability in other equity.

Since the call option is exercisable at fair value, the fair value of the option is NIL and accordingly no accounting is performed.

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i. Reserve for equity instruments

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	42.39	70.21
Movements	-	(47.16)
Transfer to Retained earnings	-	19.34
Balance at end of the year	**42.39**	**42.39**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income (Refer Note: 6C(a)), which will be reclassifed to retained earnings when those assets are disposed off.

j. Effective portion of Cash flow Hedge

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	(0.19)	(0.42)
Movements	(0.35)	0.23
Balance at end of the year	**(0.54)**	**(0.19)**

The hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The reserve will be reclassified to profit or loss when the hedged transaction impacts the profit or loss, or included as a basis adjustment to the non-financial hedged item.

k. Foreign currency translation reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	(373.31)	521.83
Movements	897.23	(895.14)
Balance at end of the year	**523.92**	**(373.31)**

Exchange differences relating to the translation of the results and net assets of the Group's foreign subsidiaries from their functional currencies to the Group's presentation currency (i.e. Indian Rupees) are recognised directly in Other Comprehensive Income and accumulated in the foreign currency translation reserve. Exchange differences accumulated in the foreign currency translation reserve are reclassified to Profit or Loss at the time of disposal of respective foreign operation.

l. Revaluation surplus

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	23.74	23.74
Movements	-	-
Balance at end of the year	**23.74**	**23.74**

Land & Buildings of the Parent company added upto 31st August 1984 were revalued in 1984 based on the valuation done by an independent valuer. The value added on revaluation amounting to ₹58.41 million was credited to fixed asset revaluation reserve. The depreciation charged on the revalued portion was recouped every year from this reserve upto March 31, 2015 under previous GAAP.

Notes forming part of the Consolidated Financial Statements

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15. Non-Controlling Interests [NCI]

Particulars	Year ended	
	31.03.2025	31.03.2024
Balance at beginning of the year	1393.14	1278.98
Share of Profit	59.67	149.33
Share of Other Comprehensive Income	37.31	(38.31)
Dividend paid to Non-Controlling Interest	(150.70)	(127.78)
Share of proceeds from sale of treasury shares net of related expenses and tax	133.91	-
Non-Controlling interest share of additional equity raised by a subsidiary	-	132.49
Transaction with Non-Controlling interest arising from change in shareholding of a subsidiary	(0.99)	(1.57)
Balance as at the end of the year	**1472.34**	**1393.14**

Details of Non-Controlling Interests

The table below shows details relating to Non-Controlling Interest in the entities which are not wholly owned by the Group

Name of the Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by Non-Controlling Interests	
		31.03.2025	31.03.2024
Southern Energy Development Corporation Limited	India	15.24%	15.24%
Sterling Abrasives Limited	India	40.00%	40.00%
CUMI (Australia) Pty Limited	Australia	48.78%	48.78%
Volzhsky Abrasive Works	Russia	2.56%	2.56%
Foskor Zirconia (Pty) Ltd.	South Africa	49.00%	49.00%
PLUSS Advanced Technologies Limited*	India	24.26%	24.42%

* Non Controlling interest after excluding ESOP shares held by PLUSS trust

Name of the Subsidiary	Accumulated Non-Controlling Interest		Profit / (Loss) allocated to Non-Controlling Interest		Other Comprehensive Income allocated to Non-Controlling Interest	
	As at		For the year		For the year	
	31.03.2025	31.03.2024	2024-25	2023-24	2024-25	2023-24
Southern Energy Development Corporation Limited	147.31	14.92	(1.69)	(18.64)	0.14	-
Sterling Abrasives Limited	429.24	391.16	56.81	55.41	(0.72)	0.12
CUMI (Australia) Pty Limited	340.48	376.56	86.43	128.96	-	-
Volzhsky Abrasive Works	196.37	179.62	7.19	38.09	-	-
Foskor Zirconia (Pty) Ltd.	174.35	221.95	(61.41)	(36.23)	1.29	(0.36)
PLUSS Advanced Technologies Limited	183.91	217.06	(32.00)	(31.41)	0.26	0.67
Consolidation adjustment	0.68	(8.13)	4.34	13.15	36.34	(38.74)
Total	**1472.34**	**1393.14**	**59.67**	**149.33**	**37.31**	**(38.31)**

Summarised financial information in respect of each of the Group's subsidiaries is set out below. The information below represents amounts before intragroup eliminations.

Particulars	Southern Energy Development Corporation Limited		Sterling Abrasives Limited		CUMI (Australia) Pty Limited	
	As at		As at		As at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Non-Current assets *	161.94	174.04	881.55	909.95	459.11	271.71
Current assets	998.61	29.43	622.09	598.77	821.39	870.40

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Southern Energy Development Corporation Limited		Sterling Abrasives Limited		CUMI (Australia) Pty Limited	
	As at		As at		As at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Non-Current liabilities	(2.16)	(3.14)	(106.42)	(175.74)	(278.44)	(108.83)
Current liabilities	(191.72)	(102.40)	(324.12)	(355.09)	(289.31)	(246.58)
Equity attributable to owners of the Company	**819.36**	**83.01**	**643.86**	**586.73**	**372.27**	**410.14**
Non-Controlling Interest	**147.31**	**14.92**	**429.24**	**391.16**	**340.48**	**376.56**

* Southern Energy Development Corporation Limited: Non current assets excludes fair valuation of the Holding company's shares held by it.

Particulars	Southern Energy Development Corporation Limited		Sterling Abrasives Limited		CUMI (Australia) Pty Limited	
	For the year		For the year		For the year	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue	296.76	327.08	1356.15	1430.75	1819.60	1893.53
Expenses #	(307.82)	(449.41)	(1214.13)	(1292.37)	(1642.42)	(1629.17)
Profit / (Loss) for the year	**(11.06)**	**(122.33)**	**142.02**	**138.38**	**177.18**	**264.36**
Profit / (Loss) attributable to owners of the Company	(9.37)	(103.69)	85.21	82.97	90.75	135.40
Profit / (Loss) attributable to the Non-Controlling Interest of the Company	(1.69)	(18.64)	56.81	55.41	86.43	128.96
Profit / (Loss) for the year	**(11.06)**	**(122.33)**	**142.02**	**138.38**	**177.18**	**264.36**
Other Comprehensive Income attributable to owners of the Company*	0.80	0.02	(1.09)	0.35	-	-
Other Comprehensive Income attributable to Non-Controlling Interest of the Company	0.14	0.00	(0.72)	0.12	-	-
Other Comprehensive Income for the year	**0.94**	**0.02**	**(1.81)**	**0.47**	**-**	**-**
Total Comprehensive Income attributable to owners of the Company	(8.57)	(103.67)	84.12	83.32	90.75	135.40
Total Comprehensive Income attributable to Non-Controlling Interest of the Company	(1.55)	(18.64)	56.09	55.53	86.43	128.96
Total Comprehensive Income for the year	**(10.12)**	**(122.31)**	**140.21**	**138.85**	**177.18**	**264.36**
Dividend paid to Non-Controlling Interests	**-**	**-**	**(18.00)**	**(21.60)**	**(121.15)**	**(95.26)**
Net cash inflow / (outflow) from Operating activities	(9.10)	(11.00)	162.07	202.89	354.28	171.04
Net cash inflow / (outflow) from Investing activities	9.60	8.10	(44.42)	(120.56)	(17.35)	(8.30)
Net cash inflow / (outflow) from Financing activities	(0.60)	(0.10)	(115.11)	(80.81)	(287.72)	(221.64)
Net cash inflow / (outflow)	**(0.10)**	**(3.00)**	**2.54**	**1.52**	**49.21**	**(58.90)**

* Southern Energy Development Corporation Limited: Other comprehensive income excludes fair valuation and gain on disposal of the Holding Company's shares held by it.

Particulars	Volzhsky Abrasive Works		Foskor Zirconia (Pty) Ltd.		PLUSS	
	As at		As at		As at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Non-Current assets	3367.86	2488.67	421.42	353.09	1024.03	1169.57
Current assets	5415.30	5126.62	1066.15	1107.68	266.32	282.75
Non-Current liabilities	(9.65)	(12.68)	(188.11)	(150.08)	(278.14)	(326.16)

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Volzhsky Abrasive Works		Foskor Zirconia (Pty) Ltd.		PLUSS	
	As at		As at		As at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Current liabilities	(1114.70)	(597.00)	(943.65)	(857.73)	(254.01)	(237.11)
Equity attributable to owners of the Company	**7462.44**	**6825.99**	**181.46**	**231.01**	**574.29**	**671.99**
Non-Controlling Interest	**196.37**	**179.62**	**174.35**	**221.95**	**183.91**	**217.06**

Particulars	Volzhsky Abrasive Works		Foskor Zirconia (Pty) Ltd.		PLUSS	
	For the year		For the year		For the year	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue	8571.93	9025.88	1928.33	1688.36	827.23	632.84
Expenses #	(8291.63)	(7540.25)	(2053.66)	(1762.30)	(959.15)	(760.55)
Profit / (Loss) for the year	**280.30**	**1485.63**	**(125.33)**	**(73.94)**	**(131.92)**	**(127.71)**
Profit / (Loss) attributable to owners of the Company	273.11	1447.54	(63.92)	(37.71)	(99.92)	(96.30)
Profit / (Loss) attributable to the Non-Controlling Interest of the Company	7.19	38.09	(61.41)	(36.23)	(32.00)	(31.41)
Profit / (Loss) for the year	**280.30**	**1485.63**	**(125.33)**	**(73.94)**	**(131.92)**	**(127.71)**
Other Comprehensive Income attributable to owners of the Company	-	-	1.34	(0.39)	0.82	2.04
Other Comprehensive Income attributable to Non-Controlling Interest of the Company	-	-	1.29	(0.36)	0.26	0.67
Other Comprehensive Income for the year	**-**	**-**	**2.63**	**(0.75)**	**1.08**	**2.71**
Total Comprehensive Income attributable to owners of the Company	273.11	1447.54	(62.58)	(38.10)	(99.10)	(94.26)
Total Comprehensive Income attributable to Non-Controlling Interest of the Company	7.19	38.09	(60.12)	(36.59)	(31.74)	(30.74)
Total Comprehensive Income for the year	**280.30**	**1485.63**	**(122.70)**	**(74.69)**	**(130.84)**	**(125.00)**
Dividend paid to Non-Controlling Interests	**(11.55)**	**(10.92)**	**-**	**-**	**-**	**-**
Net cash inflow / (outflow) from Operating activities	478.79	1033.38	9.14	(24.57)	14.01	(9.73)
Net cash inflow / (outflow) from Investing activities	(594.25)	(516.45)	(16.43)	(19.80)	(7.88)	3.85
Net cash inflow / (outflow) from Financing activities	(456.61)	(428.37)	(2.94)	(27.22)	(14.32)	10.37
Net cash inflow / (outflow)	**(572.07)**	**88.56**	**(10.23)**	**(71.59)**	**(8.19)**	**4.49**

Expenses after netting off other income and includes exceptional item

During the year, the Holding Company acquired 3293 equity shares (Previous year: 3511 equity shares) of ₹3127 per share in PLUSS. Difference between consideration paid and acquired networth has been considered as decrease in Non-Controlling interest amounting to ₹0.99 million (Previous year: 1.57 million).

16. Borrowings - Non Current:

Particulars	Maturity date	Repayment terms	Interest rate	As at	
				31.03.2025	31.03.2024
Secured - at amortised cost (a)					
Term loan from Bank	Mar-27	43 equal monthly installment starting from September 2023	6M Euribor Euro + Spread 1.702 p.a	150.06	213.10

Notes forming part of the Consolidated Financial Statements

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Particulars	Maturity date	Repayment terms	Interest rate	As at	
				31.03.2025	31.03.2024
Unsecured - at Amortised cost					
Long term borrowing - Others	Oct-28	Fixed Monthly installment of 1.15 million Rand (equivalent ₹5.36 million)	SA Prime rate + 3%	230.25	188.37
				380.31	**401.47**
Less: Current maturities of: (Refer Note: 18)					
- Term loan from Bank				67.20	65.59
- Long term borrowing- others				64.29	60.74
Total Non - Current Borrowings				**248.82**	**275.14**

(a) The funding facility availed by the subsidiary is secured by exclusive charge of factory building.

17. Provision

Particulars	As at	
	31.03.2025	31.03.2024
A. Non Current		
Employee benefits	**322.91**	**299.84**
B. Current		
Employee benefits	837.64	686.59
Provision for Warranties	29.93	33.00
Total	**867.57**	**719.59**

Provision for employee benefits movement represents the provision created for the year arising out of the valuation after considering the actual settlements made during the year.

Provision for warranties represents provision made for estimated warranty claims in respect of product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trend that may suggest future claims could differ from historical trend.

Movement for Warranties	31.03.2025	31.03.2024
Opening balance	33.00	18.00
Created/(Released) during the year	(4.12)	15.10
Exchange difference	1.05	(0.10)
Closing balance	**29.93**	**33.00**

18. Borrowings - Current

Particulars	As at	
	31.03.2025	31.03.2024
Unsecured - at amortised cost		
Cash credit (repayable on demand)	1.27	-
Short term working capital loan	-	4.51
Current maturities of Non Current borrowing - Others - Refer Note: 16	64.29	60.74
Secured - at amortised cost		
Short term money market loan - **(a)**	553.92	498.41
Current maturities of Term loan from bank - Refer Note: 16	67.20	65.59

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Particulars	As at	
	31.03.2025	31.03.2024
Cash credit (repayable on demand) - **(b)**	140.91	122.27
Cash credit (repayable on demand) - **(c)**	125.87	100.56
	953.46	**852.08**

(a) The funding facility availed by the subsidiaries is secured by certain amount of receivables.

(b) The funding facility availed by the subsidiary is secured by hypothecation of all existing and future current and movable fixed assets of the subsidiary except on movable fixed asset amounting to ₹250 million at a plant of the subsidiary.

(c) The funding facility availed by the subsidiary is secured by current assets.

Particulars	31.03.2025
Unsecured - at amortised cost	
Current maturities of Non Current borrowing - Others - Refer Note: 16	SA Prime rate+3%
Secured - at amortised cost	
Short term money market loan - **(a)**	3.94% to 4.21% + Margin
Cash credit (repayable on demand) - **(b)**	Repo Rate + 2% (Spread)
Cash credit (repayable on demand) - **(c)**	Interest is charged at Floating rate based on spread of 1.5% over repo rate

Particulars	31.03.2024
Unsecured - at amortised cost	
Short term working capital loan	1.68% Fixed Interest rate
Current maturities of Non current borrowing - Others - Refer Note: 16	SA Prime rate+3%
Secured - at amortised cost	
Short term money market loan - **(a)**	3.897% to 3.952% + Margin
Cash credit (repayable on demand) - **(b)**	Repo Rate + 2% (Spread)
Cash credit (repayable on demand) - **(c)**	Interest is charged at Floating rate based on spread of 1.5% over repo rate

19. Trade payables

Particulars	As at	
	31.03.2025	31.03.2024
Total outstanding dues to Micro enterprises and Small enterprises **(c)**	169.21	184.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	3329.17	3187.71
	3498.38	**3371.87**

(a) Trade payables are non-interest bearing and are normally settled within the agreed due dates, generally ranging from 30 to 60 days.

(b) All the payables are normally settled within the credit period as per pre-agreed terms. The entities in the Group have financial risk management policies in place to ensure that the payments are made within agreed period.

(c) Dues to Micro and Small Enterprises have been determined to the extent such parties, as applicable, have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes forming part of the Consolidated Financial Statements

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19A Ageing schedule for Trade Payables:

Particulars	As at March 31, 2025					
	Not due	0-1 Years	1- 2 years	2-3 Years	More than 3 years	Total
(i) MSME	147.31	17.77	1.66	2.45	0.02	169.21
(ii) Others	1667.89	1462.82	151.89	43.10	3.47	3329.17
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2024					
	Not due	0-1 Years	1- 2 years	2-3 Years	More than 3 years	Total
(i) MSME	152.39	29.23	1.20	1.27	0.07	184.16
(ii) Others	2526.95	579.22	77.06	0.58	3.26	3187.07
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	0.13	0.12	0.39	-	0.64

20. Other financial liabilities

Particulars	As at	
	31.03.2025	31.03.2024
A. Non Current		
Fair value of non-controlling interest put option	393.62	454.70
	393.62	**454.70**
B. Current		
Unclaimed and Unpaid dividends	27.07	26.10
Remuneration payable to directors	28.33	27.83
Derivative Financial instruments	0.41	0.06
Deposits	56.77	53.98
Employee benefit payable	458.93	421.74
Payable for purchase of PLUSS ESOP shares (a)	13.45	18.80
Payable relating to Capital expenditure	184.66	75.97
Other payables	209.31	292.37
	978.93	**916.85**

(a) Refer Note: 17 of the standalone financial statement. Since all the shares of PLUSS ESOP Trust have been vested on the acquisition date under original ESOP plan, no disclosure have been given on this ESOP scheme.

(b) Refer Note: 14 in relation to fair value of non-controlling interest put option.

21. Other Current/Non-Current liabilities

Particulars	As at	
	31.03.2025	31.03.2024
A. Non Current		
Contract liabilities (a)	29.80	2.35
Deferred income	1.22	-
	31.02	**2.35**
B. Current		
Contract liabilities (a)	170.39	175.00

Notes forming part of the Consolidated Financial Statements

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Particulars	As at	
	31.03.2025	31.03.2024
Statutory liabilities	302.31	207.92
Others	20.00	-
	492.70	**382.92**

(a) Details about Contract Liabilities:

(i) The outstanding balances in Contract liabilities have increased from last year mainly on account of net increase in receipt of advances during current year.

(ii) Revenue recognised in relation to Contract liabilities.

The following summary shows how much of the revenue recognised in the current year relates to carried forward contract liabilities and how much relates to performance obligations that were satisfied in the prior year.

Particulars	As at	
	31.03.2025	31.03.2024
Revenue recognised that was included in the Contract liabilities balance at the beginning of the period	175.00	261.64
Revenue recognised from performance obligations satisfied in previous periods	-	-

iii) In respect of the remaining performance obligations, the disclosure towards allocation of transaction price do not arise as the contracts that have an original expected duration of more than one year are not material.

22. Revenue from operations

Particulars	For the year	
	2024-25	2023-24
a. Sales / Income from Operations - Refer Note: 32 "Segmental Disclosure" for breakup of sales.		
Sale of products	46850.88	44919.76
Sale of services	1484.30	1362.39
	48335.18	**46282.15**
b. Other operating income		
Service income	70.80	56.74
Scrap Sales	224.77	228.17
Miscellaneous income	311.49	454.81
	607.06	**739.72**
Total Revenue from operations (a + b)	**48942.24**	**47021.87**

No element of financing is deemed present as the sales are made with a credit term which is one year or less.

Reconciliation of Revenue recognised with Contract price:

Particulars	For the year	
	2024-25	2023-24
Gross sales/income from operations	49097.50	46907.39
Service income	70.80	56.74
Scrap sales	224.77	228.17
Contract price	**49393.07**	**47192.30**
Less: Discount - Variable Consideration	762.32	625.24
Revenue recognised under Ind AS 115	**48630.75**	**46567.06**

Notes forming part of the Consolidated Financial Statements

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Particulars	For the year	
	2024-25	2023-24
Add: Miscellaneous income	311.49	454.81
Revenue from operations	**48942.24**	**47021.87**

23. Other Income

Particulars	For the year	
	2024-25	2023-24
a. Dividend Income		
Dividend Income from Long term Investments	13.22	8.63
b. Interest Income earned on financial assets that are not designated as at Fair Value Through Profit or Loss [FVTPL]		
Interest Income		
from banks	110.67	74.04
from others	180.25	104.41
	290.92	**178.45**
c. Net gain arising on financial assets mandatorily measured at FVTPL		
(Refer Note: 6C(b)(i))	**-**	**1.59**
d. Other non-operating income		
Profit on sale of assets	1.41	1.82
Profit on exchange fluctuation (net)	16.08	302.29
Provision for expenses no longer required written back	-	22.41
Reversal of allowance for doubtful receivables and advances	-	213.26
Rental income	7.01	2.78
Miscellaneous income	81.30	35.30
	105.80	**577.86**
Total Other Income (a + b + c + d)	**409.94**	**766.53**

24. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars		For the year	
		2024-25	2023-24
Opening stock			
Work-in-progress		1991.23	1793.19
Stock-in-trade		381.09	349.10
Finished goods		2011.93	2247.87
	(A)	**4384.25**	**4390.16**
Add: Acquisition under Business combination	(B)	**44.80**	**-**
Less: Closing stock			
Work-in-progress		2124.53	1991.23
Stock-in-trade		666.94	381.09
Finished goods		2839.74	2011.93
	(C)	**5631.21**	**4384.25**
(Accretion) / Decretion to stock (A) +(B) - (C)		**(1202.16)**	**5.91**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

25. Employee benefits expense

Particulars	For the year	
	2024-25	2023-24
Salaries, wages and bonus	6968.46	6355.27
Contribution to provident and other funds	468.34	402.74
Share based payments to employees (ESOPs) *	106.46	45.17
Remuneration to Executive Director - Refer Note: 22 of Standalone financial statements	40.38	39.73
Welfare expenses	1038.88	917.99
	8622.52	**7760.90**

*includes expenses related to PLUSS ESOP scheme amounting ₹4.94 million(Previous year: ₹4.95 million)- Refer Note:20

In accordance with paragraph 41 of Ind AS 1, an amount of ₹559.93 million for the year ended March 31, 2024 has been reclassified from other expenses to employee benefits expenses to confirm to current year's classification

26. Finance costs

Particulars	For the year	
	2024-25	2023-24
Interest costs		
- on Loans from Banks and others	97.07	140.27
- on Lease liabilities - Refer Note: 4B	37.48	34.14
Other borrowing costs	5.16	8.98
	139.71	**183.39**

27. Depreciation and amortisation expenses

Particulars	For the year	
	2024-25	2023-24
Depreciation of property, plant and equipment - Refer 4A	1652.24	1496.43
Depreciation of Right to use asset - Refer 4B	161.46	132.13
Amortisation of intangible assets - Refer 5B	306.56	278.89
	2120.26	**1907.45**

28. Other expenses

Particulars	For the year	
	2024-25	2023-24
Consumption of stores and spares **(a)**	1446.49	1531.24
Power and fuel **(b)**	4666.58	4781.09
Rent	216.39	169.00
Rates and taxes	137.07	117.42
Insurance	149.28	154.44
Repairs to: **(c)**		
- Buildings	327.72	307.74
- Plant and Equipment	1426.93	1273.87
- Others	78.20	76.02
Data Processing Charges	161.83	189.20
Technical Fee / Royalty	54.35	47.13
Directors' Sitting fees	4.30	4.06
Commission to Non-wholetime Directors	18.01	18.00

Notes forming part of the Consolidated Financial Statements

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Particulars	For the year	
	2024-25	2023-24
Auditors' remuneration (Refer Note: 38 of Standalone Financial Statement)	11.28	9.31
Net loss arising on financial assets mandatorily measured at FVTPL (Refer Note: 6C(b)(i))	0.39	-
Travel and Conveyance	354.07	339.99
Freight, delivery and shipping charges	1987.99	1817.35
Selling commission	255.21	271.11
Advertisement and publicity	217.06	304.52
Printing, stationery and communication	72.33	70.22
Professional fees	734.51	423.56
Impairment loss on financial assets	29.84	33.85
Less: Provision adjusted	(8.57)	(21.24)
	21.27	12.61
(Net Reversal)/ Allowance for doubtful receivables and advances	(162.93)	351.03
Services outsourced	2391.30	1886.32
Loss on sale of assets	49.03	22.48
Miscellaneous expenses	632.81	722.47
	15251.47	**14900.18**

(a) Includes consumption of packing materials amounting ₹754.28 million (Previous year: ₹685.53 million)

(b) Net of own power generation, which includes energy banked with Kerala State Electricity Board - ₹ Nil million(Previous year: ₹ Nil)

(c) Repairs includes consumption of stores and spares amounting to ₹685.19 million (Previous year: ₹614.79 million)

29. Exceptional item

Particulars	For the year	
	2024-25	2023-24
Impairment of certain balances held in foreign currency by VAW consequent to VAW's inclusion in the SDN list - Refer Note: 5A	(1041.29)	-
	(1041.29)	**-**

30. Income tax expense

Particulars		For the year	
		2024-25	2023-24
A. Income tax expense recognised in Profit and loss:			
a. Current tax			
In respect of the current year		1683.80	1958.00
		1683.80	**1958.00**
b. Deferred tax		7.79	(217.34)
Total Income tax expense recognised during the year (net)		**1691.59**	**1740.66**
Income tax reconciliation:			
Profit before tax	A	**4678.65**	**6502.49**
Less: Share of Profit from Associate and Joint ventures	B	452.08	438.57
Profit before share of profit of equity accounted investees and income tax	C= (A-B)	**4226.57**	**6063.92**
Applied tax rate as per Parent jurisdiction	D	25.168%	25.168%
Income tax expense calculated at the tax rate of 25.168%, applicable to the Parent Company	E = C x D	1063.74	1526.17

Notes forming part of the Consolidated Financial Statements

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Total Tax expenses charged in Profit and Loss for the year	F	1691.59	1740.66
Differential tax impact	G = (F-E)	**627.85**	**214.49**
Differential tax impact due to the following (tax benefit)/tax expenses			
Effect of Income that is exempt from taxation net of disallowances		(0.01)	(0.40)
Effect of expenses that are not deductible in determining taxable profit		159.06	177.90
Tax on Undistributed profit		54.92	154.46
Effect of change in tax rate in the applicable jurisdiction		(76.62)	27.61
Tax benefit on utilisation of losses on which deferred tax had been previously unrecognised		-	(16.92)
Reversal of previously recognised deferred tax on losses and non-recognition of deferred tax on losses		536.78	-
Effect of tax rate differentials in respect of subsidiaries operating in other jurisdictions		(20.12)	(119.88)
Others		(26.16)	(8.28)
Total	G	**627.85**	**214.49**

B. Income tax recognised in Other Comprehensive Income:

Particulars	For the year	
	2024-25	2023-24
Remeasurement of the defined benefit plans	8.38	21.65
Net gain/(loss) on Cash flow hedge	0.20	(0.13)
Total income tax recognised in Other Comprehensive Income	**8.58**	**21.52**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to profit or loss	8.38	21.65
Items that will be reclassified to profit or loss	0.20	(0.13)

31. Earnings per share

Particulars	For the year	
	2024-25	2023-24
Basic earnings per share (₹)	15.58	24.27
Diluted earnings per share (₹)	15.55	24.22
The calculation of Basic and Diluted Earnings per share is based on the following data:		
Consolidated Net Profit after taxes for the year attributable to owners of the Company	2927.39	4612.50
Weighted average number of equity shares outstanding during the year		
- Basic	187885104	190037418
- Dilutive	188231030	190450740

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as given below:

Particulars	For the year	
	2024-25	2023-24
Weighted average number of equity shares used in the calculation of basic earnings per share	187885104	190037418
Shares deemed to be issued for no consideration in respect of:		
- Employee Stock Option Scheme/Plan	345926	413322
Weighted average number of equity shares used in the calculation of diluted earnings per share	188231030	190450740

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32. Segment information

The Group provides solutions majorly for five industrial manufacturing needs by developing, manufacturing and marketing products using the properties of materials known as electrominerals.

The Business Group Management Committee headed by the Managing Director (CODM) and consisting of Chief Financial Officer, Leaders of Strategic Business Units, functional heads such as Human Resources, Information technology, Environmental Health and Safety, Risk & Taxation, Manufacturing and Company Secretary reviews the performance of the Group and has identified three core reportable business segments organised using differences in products and services.

- Surface engineering (material removal, cutting, polishing) known as Abrasives. Abrasive segment comprise of Bonded, Coated, Processed cloth, Polymers, Power tools and Coolants.
- Technical ceramics and super refractory solutions to address wear protection, corrosion resistance, electrical resistance, heat protection and ballistic protection known as Ceramics.
- Electrominerals for surface engineering, refractories, energy and environment. It includes fused alumina, silicon carbide, zirconia, specialty minerals and captive power generation from hydel power plant.

Besides the above three core segments, the Group has a power generation entity to serve its power requirements of the core business segments. The Group also has an IT services company which provides IT infrastructure facility management services, software application development services, remote infrastructure management services and IT security management services and the Group has a Company with manufacturing facility for phase change materials and speciality polymeric additives, which are shown under "Others".The Business Group Management Committee monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.

Particulars	Abrasives		Ceramics		Electrominerals		Power		IT Services		Others		Eliminations		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue																
External Sales	21161.71	20493.87	11162.93	10346.33	13516.70	13266.50	159.06	157.36	71.27	43.59	779.21	612.11			46850.88	44919.76
Sale of Services	406.98	377.29	414.51	393.12	159.66	107.72	-	-	476.47	479.47	26.68	4.79			1484.30	1362.39
Inter segment sales	25.61	39.21	23.32	27.72	2059.14	2073.09	137.58	169.52	49.28	49.94	0.02	0.29	(2294.95)	(2359.77)	-	-
Sales / Income from Operations	**21594.30**	**20910.37**	**11600.76**	**10767.17**	**15735.50**	**15447.31**	**296.64**	**326.88**	**597.02**	**573.00**	**805.91**	**617.19**	**(2294.95)**	**(2359.77)**	**48335.18**	**46282.15**
Results																
Segment result - EBITDA	2431.72	2684.82	3329.82	3230.11	2301.40	2835.19	(15.15)	(96.57)	44.42	50.31	14.45	(3.28)			8106.66	8700.58
Depreciation/amortisation	(917.42)	(868.20)	(465.30)	(374.15)	(527.03)	(460.93)	(5.08)	(5.60)	(14.82)	(9.04)	(159.22)	(159.66)			(2088.87)	(1877.58)
Unallocated corporate expenses (Net)															(913.98)	(764.36)
Interest expense															(139.71)	(183.39)
Profit from Associate															148.05	153.57
Profit from Joint ventures															304.03	285.00
Interest and dividend income															304.15	187.08

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Particulars	Abrasives		Ceramics		Electrominerals		Power		IT Services		Others		Eliminations		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Fair valuation of Investment															(0.39)	1.59
Exceptional item															(1041.29)	-
Profit before tax	**1514.30**	**1816.62**	**2864.52**	**2855.96**	**1774.37**	**2374.26**	**(20.23)**	**(102.17)**	**29.60**	**41.27**	**(144.77)**	**(162.94)**	**-**	**-**	**4678.65**	**6502.49**
Less: Income taxes															1691.59	1740.66
Net profit after taxes															**2987.06**	**4761.83**
Less: Non controlling interest															59.67	149.33
Profit for the year attributable to Owners of the Company															**2927.39**	**4612.50**
Other information:																
Segment assets	17659.84	16349.59	9634.73	7128.83	11743.05	10572.16	1083.01	118.91	296.04	285.34	1433.41	1600.09			41850.08	36054.92
Unallocated corporate assets *															4582.85	5464.07
Total assets	**17659.84**	**16349.59**	**9634.73**	**7128.83**	**11743.05**	**10572.16**	**1083.01**	**118.91**	**296.04**	**285.34**	**1433.41**	**1600.09**			**46432.93**	**41518.99**
Segment liabilities	2443.97	2486.36	1573.35	1043.47	1895.99	1672.02	33.26	45.89	170.12	135.98	204.04	222.13			6320.73	5605.85
Unallocated corporate liabilities															3353.59	3262.98
Total liabilities	**2443.97**	**2486.36**	**1573.35**	**1043.47**	**1895.99**	**1672.02**	**33.26**	**45.89**	**170.12**	**135.98**	**204.04**	**222.13**			**9674.32**	**8868.83**
Addition to Non - current assets #	1025.13	935.26	1007.70	457.27	707.52	709.82	-	0.60	29.10	20.25	8.73	11.26				
Cost of materials consumed (including inter-segment transaction)	8483.15	7921.82	3052.82	2754.68	6734.14	6031.11	279.86	391.30	-	-	258.27	271.76				
Depreciation & Amortization	917.42	868.20	465.30	374.15	527.03	460.93	5.08	5.60	14.82	9.04	159.22	159.66				
Non-cash items other than depreciation and amortisation	14.29	42.94	(30.09)	39.04	(131.36)	240.41	-	-	-	0.57	4.00	3.71				

* includes Investment in Associate and Joint Ventures under equity method - ₹1926.11 million(Previous year: ₹1627.17 million)

excludes business combination effect

Particulars	Abrasives		Ceramics		Electrominerals		Power		IT Services		Others		Eliminations/ (Unallocable)		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue recognised under Ind AS 115																
Sales / Income from Operations	21594.30	20910.37	11600.76	10767.17	15735.50	15447.31	296.64	326.88	597.02	573.00	805.91	617.19	(2294.95)	(2359.77)	48335.18	46282.15
Service income	10.78	0.55	-	-	15.01	6.72	-	-	-	-	-	-	45.01	49.47	70.80	56.74
Scrap sales	121.89	117.72	54.69	53.83	50.71	56.91	0.12	0.21	-	-	-	-	(2.64)	(0.50)	224.77	228.17
Total	**21726.97**	**21028.64**	**11655.45**	**10821.00**	**15801.22**	**15510.94**	**296.76**	**327.09**	**597.02**	**573.00**	**805.91**	**617.19**	**(2252.58)**	**(2310.80)**	**48630.75**	**46567.06**
Revenue recognised under Ind AS 115																
- At the point in time	21309.21	20650.80	9690.04	8799.63	15626.55	15396.50	296.76	327.09	80.98	60.44	779.23	612.40	(2297.59)	(2360.27)	45485.18	43486.59
- Over the period	417.76	377.84	1965.41	2021.37	174.67	114.44	-	-	516.04	512.56	26.68	4.79	45.01	49.47	3145.57	3080.47
Total	**21726.97**	**21028.64**	**11655.45**	**10821.00**	**15801.22**	**15510.94**	**296.76**	**327.09**	**597.02**	**573.00**	**805.91**	**617.19**	**(2252.58)**	**(2310.80)**	**48630.75**	**46567.06**

Sales between operating segments are carried out at arm's length basis and are eliminated at Group level consolidation.

The accounting policies of the reportable segments are same as that of Group's accounting policies described in Note: 3(A)(j). Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

For the purposes of monitoring segment performance and allocating resources between segments:

1. All assets are allocated to reportable segments other than investments, loans, current and deferred tax assets, unallocable current and non-current assets.
2. All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities and unallocable current and non-current liabilities.

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Geographical information

The Parent company is domiciled in India. The amount of its revenue from external customers are broken down by location of those customers and information about its non-current assets other than investment, other financial instruments and deferred tax assets are given below:

Particulars	Revenue from external customer		Non-Current assets	
	For the year		As at	
	2024-25	2023-24	31.03.2025	31.03.2024
India	22169.33	21426.58	9278.56	8178.22
Rest of the world	26165.85	24855.57	9698.13	8625.29
	48335.18	46282.15	18976.69	16803.51

Information about major customers

No single customer contributed 10% or more to the Group's revenue during the years 2024-25 and 2023-24

33. Subsidiaries

Name of Subsidiary	Nature of Business	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at	
			31.03.2025	31.03.2024
Net Access India Limited	IT services	India	100%	100%
Southern Energy Development Corporation Limited	Power generation	India	84.76%	84.76%
Sterling Abrasives Limited	Manufacture/Trading of Abrasive products	India	60%	60%
CUMI (Australia) Pty Limited	Manufacture/Trading of Ceramic products & its related services	Australia	51.22%	51.22%
CUMI International Ltd	Investment company	Cyprus	100%	100%
PLUSS Advanced Technologies Limited *	Manufacture of Speciality Polymer additives and Phase change materials	India	74.06%	73.42%
CUMI USA Inc.	Investment company	USA	100%	NA
Holdings through Subsidiary:				
Volzhsky Abrasive Works	Manufacture of Abrasive, Electromineral and Ceramic products	Volgograd, Russia	97.44%	97.44%
Foskor Zirconia (Pty) Ltd	Manufacture of Electromineral products	South Africa	51%	51%
CUMI America Inc.	Trading of Abrasive & Ceramic products	USA	100%	100%
CUMI Middle East FZE	Trading of Abrasive & Ceramic products	Ras Al Khaimah, UAE	100%	100%
CUMI Abrasives and Ceramics Co., Limited	Trading of Abrasive & Ceramic products	China	100%	100%
CUMI Awuko Abrasives GmbH	Manufacture & Trading of Abrasives.	Germany	100%	100%
RHODIUS Abrasives GmbH	Manufacture & Trading of Abrasives.	Germany	100%	100%
Rhodius Nederland B.V.	Trading of Abrasives product	Netherlands	100%	100%
RHODIUS France S.A.R.L.	Trading of Abrasives product	France	100%	100%
Rhodius Korea Inc.	Trading of Abrasives product	Korea	100%	100%
RHODIUS SOUTH AMERICA ASSESSORIA TECNICA E COMERCIAL EM ABRASIVOS LTDA.	Trading of Abrasives product	South America	100%	100%
PLUSS Advanced Technologies B.V.*	Trading of Speciality Polymer additives and Phase change materials	Netherlands	74.06%	73.42%

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Name of Subsidiary	Nature of Business	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at	
			31.03.2025	31.03.2024
Silicon Carbide Products LLC	Manufacturer of ceramic components for high stress industrial applications and serves original equipment	USA	100%	NA
CUMI Europe s.r.o	Trading of Electromineral products	Czech Republic	100%	100%

* Effective ownership after excluding share held by PLUSS trust is 75.74% (Previous year: 75.58%)

Composition of the Group:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		As at	
		31.03.2025	31.03.2024
Manufacture & Trading of Abrasive products	China, America, UAE, Germany, Netherlands, France, Korea, South America	9	9
Manufacture & Trading of Ceramics product	America	1	-
Trading of Electromineral products	Czech Republic	1	1
IT services	India	1	1
Investment company	Cyprus, America	2	1
		14	12

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		As at	
		31.03.2025	31.03.2024
Manufacture & Trading of Abrasive products	India	1	1
Manufacture & Trading of Ceramic products	Australia	1	1
Manufacture & Trading of Electromineral products	South Africa, Russia	2	2
Power generation	India	1	1
Manufacture and Trading of Speciality Polymer additives and Phase change materials	India,Netherlands	2	2
		7	7

Details of the Non-Controlling Interest relating to non-wholly owned subsidiary of the Group are disclosed in Note: 15

Notes forming part of the Consolidated Financial Statements

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34 Contingent Liabilities and Commitments in respect of which no provision is considered necessary:

S.No	Particulars	As at	
		31.03.2025	31.03.2024
A.	**Contingent Liabilities**		
(a)	Disputed income tax, sales tax, excise duty, service tax, goods and service tax, provident fund and customs duty demands which are under various stages of appeal proceedings.	345.09	435.02
(b)	Claims against the companies in the Group not acknowledged as debts:		
	i. Disputed demands by Electricity Board	38.96	38.96
	ii. Others	677.01	678.91
(c)	Employees demands pending before Labour Courts - quantum not ascertainable at present		
	In respect of the above demands disputed by the Companies in the Group, appeals filed are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the respective Company's rights for future appeals. No reimbursements are expected.		
(d)	In respect of associate and joint ventures refer note 6A and 6B.		
B.	**Commitments**		
	Estimated amount of contracts remaining to be executed and not provided for:		
	- Towards capital account	1356.35	398.01
	In respect of joint ventures refer note 6B.		
C.	**Others**		
(a)	Outstanding guarantees/letter of comfort given on behalf of Joint venture and others	150.00	95.36
(b)	Outstanding letters of credit	372.98	300.75

35. Employee Benefits

Defined contribution plans

The Group operates defined contribution retirement benefit plans under various jurisdictions for all qualifying employees. The assets of the plans are held separately from those of respective companies under the control of trustees/Government organisations. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the respective companies in the Group are reduced by the amount of forfeited contributions.

Particulars	As at	
	31.03.2025	31.03.2024
Contribution to Provident fund and Other funds recognised in Profit and Loss	418.99	361.98
Amounts outstanding as at the end of the respective year and paid subsequently	26.32	22.79

Defined benefit plans

The Group sponsors defined benefit plans for qualifying employees of the Parent company and its subsidiaries, wherever applicable. The defined benefit plans are administered by an independent Fund that is legally separated from the respective entities, where it is funded.

Under the plans applicable to the Parent Company and its domestic subsidiaries, the employees are entitled to post-retirement yearly instalments amounting to 57.69% of final salary for each year of service until the retirement age of 58.

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These plans typically expose the Group to actuarial risks such as: Investment, Interest rate, longevity and salary escalation risk

Investment risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the investments are made in accordance with the guidelines under the applicable statutes.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary escalation risk: The present value of the defined benefit plan liability is calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the subsidiary in United Arab Emirates, the end of service benefits is accounted on time basis in full for every employee in the service of that entity in accordance with the provisions of the applicable labour laws of that country. The effect of these plans are regarded as immaterial considering the monetary impact to the Group.

In respect of a subsidiary in Germany, the defined benefit plans provided to the employees are post retirement pension benefits and long service awards. The liability is ascertained using actuarial valuation and is accounted accordingly. The effect of these plans are regarded as immaterial considering the monetary impact to the Group.

In respect of the subsidiary in South Africa, the defined benefit plans provided to the employees are post retirement health benefits and long service awards. The liability is ascertained using actuarial valuation and is accounted accordingly. The effect of these plans are regarded as immaterial considering the monetary impact to the Group.

The actuarial valuation of the plan assets and the present value of the defined benefit obligations of the Parent Company and its subsidiaries in India were carried out as at March 31, 2025 by certified actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

No other post-employment benefits are provided to the employees. In respect of the contribution made to provident funds, the Parent guarantees the interest notified by the appropriate authority and to the extent of interest rate guaranteed, the liability is considered as defined benefit. For the financial year ended March 31, 2025, the interest yield is adequate to meet the guaranteed interest.

Assumptions:

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	As at	
	31-03-2025	31-03-2024
Discount rate	3.48% to 6.93%	3.8% to 7.25%
Expected salary escalation	1% to 10%	1% to 10%
Mortality table used for domestic subsidiaries	Indian Assured Lives Mortality (2012-14) Ultimate for domestic entities	Indian Assured Lives Mortality (2012-14) Ultimate for domestic entities

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The details of actuarial valuation in respect of Gratuity liability is given below:

Particulars		As at	
		31.03.2025	31.03.2024
i.	Projected benefit obligation as at beginning of the year	689.81	571.83
	Service cost	42.43	38.31
	Interest cost	43.57	35.98

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Particulars		As at	
		31.03.2025	31.03.2024
	Remeasurement (gain)/ loss:		
	Actuarial (gain)/loss arising from experience and financial adjustments	31.08	85.07
	Benefits paid	(42.32)	(41.38)
	Projected benefit obligation as at end of the year	**764.57**	**689.81**
ii.	Fair value of plan assets as at beginning of the year	426.23	376.16
	Expected return on plan assets	30.67	28.06
	Contributions	57.46	59.74
	Benefits paid	(35.36)	(36.51)
	Transfer in / (out)	2.91	-
	Remeasurement gain/ (loss):		
	Actuarial Gain /(losses) on plan assets	(2.71)	(1.22)
	Fair value of plan assets as at end of the year	**479.20**	**426.23**
iii.	Amount recognised in the balance sheet:		
	Projected benefit obligation at the end of the year	764.57	689.81
	Fair value of the plan assets at the end of the year	479.20	426.23
	(Liability) / Asset recognised in the Balance sheet - net	**(285.37)**	**(263.58)**
iv.	Cost of the defined benefit plan for the year:		
	Current service cost	42.43	38.31
	Interest on obligation	43.57	35.98
	Expected return on plan assets	(30.67)	(28.06)
	Components of defined benefit cost recognised in the Statement of Profit and Loss	**55.33**	**46.23**
	(included in Note: 25 Contribution to Provident and other funds)		
	Remeasurement on the net defined benefit liability:		
	Actuarial (gain)/ loss arising from experience and financial adjustments	31.08	85.07
	Actuarial (gain) / loss on plan assets	2.71	1.22
	Components of defined benefit costs recognised in Other Comprehensive Income	**33.79**	**86.29**
	Total cost of the defined benefit plan for the year	**89.12**	**132.51**

V. Particulars	As at	
	31.03.2025	31.03.2024
Present value of defined benefit obligation	764.57	689.81
Fair value of plan assets	479.20	426.23
Balance sheet (Liability)/ Asset	(285.37)	(263.58)

Particulars	For the year	
	2024-25	2023-24
Profit and Loss	55.33	46.22
Experience adjustment on plan liabilities (gain) / loss	31.08	85.07
Experience adjustment on plan assets (gain) / loss	2.71	1.22

In the absence of the relevant information, the above details does not include the composition of plan assets and expected return on each category of plan assets.

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The actual return on plan assets was ₹27.96 million (for the year ended March 31, 2024: ₹26.84 million).

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below

Particulars	As at	
	31.03.2025	31.03.2024
Discount rate - 100 basis point higher	(48.40)	(44.28)
Discount rate - 100 basis point lower	51.01	48.23
Salary escalation rate - 100 basis point higher	51.42	48.69
Salary escalation rate - 100 basis point lower	(45.69)	(42.99)
Attrition rate - 100 basis point higher	(2.30)	(0.45)
Attrition rate - 100 basis point lower	2.91	0.41

In the above table, positive figures indicate increase in the liability and negative figures indicate decrease in the liability.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the benefit obligation as at March 31, 2025 ranges from 2.83 to 15.43 years (as at March 31, 2024: 3 to 15.16 years).

The Group expects to make a contribution of ₹57.72 million (as at March 31, 2024: ₹57.73 million) to the defined benefit plans during the next financial year.

B Provident fund

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

Fund and plan asset position of the Parent Company are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Plan asset at the end of the year	1588.25	1326.60
Present value of benefit obligation at the end of the year	1596.91	1445.12
Surplus/(Deficit)	(8.66)	(118.52)
Asset recognised in the Balance Sheet	Not applicable since a separate trust is maintained.	

The plan assets are primarily invested in Government securities.

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.93%	7.03%
Remaining term to maturity of portfolio (years)	6.84 years	6.06 years
Expected guaranteed rate (%)	8.25%	8.25%
Attrition rate	2%	2%

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

Particulars	As at	As at
	31.03.2025	31.03.2024
Discount rate - 100 basis point higher	(8.17)	(6.94)
Discount rate - 100 basis point lower	9.00	7.66
Guaranteed interest rate - 100 basis point higher	54.04	37.26
Guaranteed interest rate - 100 basis point lower	(92.01)	(70.78)

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Particulars	As at 31.03.2025	As at 31.03.2024
Current yield - 100 basis point higher	(94.62)	(73.47)
Current yield - 100 basis point lower	66.63	47.38

C. Remeasurement of defined benefit plans - Items that will not be reclassified to Profit or loss included under Other Comprehensive Income as detailed below:

Particulars	As at 31.03.2025	As at 31.03.2024
In respect of Gratuity	(33.79)	(86.29)
In respect of Provident Fund	20.53	9.38
In respect of other plan of subsidiaries that are not material	4.63	(1.15)
Total Credited / (debited) to Other Comprehensive Income	**(8.63)**	**(78.06)**

36. Financial Instruments

(i) Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objective when managing capital is to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and;
- Maintain an optimal capital structure to reduce the weighted average cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell non-core assets to reduce the debt.

Debt to Equity ratio

Particulars	As at 31.03.2025	As at 31.03.2024
Debt	1202.28	1127.22
Equity	35286.27	31257.02
Debt to Equity ratio	0.03	0.04

Lease liability amounting to ₹961.26 million (Previous year: ₹591.72 million) arising on account of implementation of Ind AS 116 is not considered in the above working, as management consider this a non-debt liability for the Capital management review. (Refer Note: 4B)

Loan covenants:

As on March 31, 2025,there are no covenants applicable for long term loan outstanding.

Disclosure related to "Changes in liabilities arising from financial activities" under Ind AS 7 Statement of Cash flows:

Net debts reconciliation:	31.03.2025	31.03.2024
Cash and Cash equivalents	3779.27	5548.78
Borrowings	(1202.28)	(1127.22)
Net Cash/(Net debt)	**2576.99**	**4421.56**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Other assets	Liabilities from Financing activities	Total
	Cash and Cash equivalents	Borrowings	
Net Cash/(Net debt) as at 31st March 2023	**3963.71**	**(2301.00)**	**1662.71**
Finance cost component added	-	(16.46)	(16.46)
Cash flows (net)	2010.35	1190.41	3200.76
The effect of changes in foreign exchange rates	(425.28)	(0.17)	(425.45)
Net Cash/(Net debt) as at 31st March 2024	**5548.78**	**(1127.22)**	**4421.56**
Cash flows (net) *	(1882.85)	(22.97)	(1905.82)
Finance cost component added	-	(29.82)	(29.82)
The effect of changes in foreign exchange rates	113.34	(22.27)	91.07
Net Cash/(Net debt) as at 31st March 2025	**3779.27**	**(1202.28)**	**2576.99**

* In FY 2024-25, Cash flow represents outflows net of cash amounting to ₹11.70 million acquired on business combination.

Categories of financial instruments

Particulars	As at	
	31.03.2025	31.03.2024
A. Financial assets		
Measured at fair value through profit or loss (FVTPL): Mandatorily measured:		
- Equity and other investments	14.02	14.41
Measured at amortised cost		
- Cash and bank balances	3805.85	5579.23
- Other financial assets (including trade receivable balances)	9027.75	7121.15
Measured at fair value through Other Comprehensive Income (FVTOCI)		
- Investments in equity instruments designated upon initial recognition	74.10	74.10
B. Financial liabilities		
Measured at fair value through profit or loss (FVTPL): Mandatorily measured:		
- Derivate financial Instruments	0.41	0.06
Measured at amortised cost (including trade payable balances)*	6640.44	6007.60

* The above excludes fair value of non-controlling interest put option amounting ₹393.62 million (Previous year: ₹454.70 million) measured at fair value with subsequent changes in fair value recognised in equity

(ii) Financial risk management objectives

The Group's activities expose it to market risk, liquidity risk and credit risk. The table given below explains the sources of risk which the Group is exposed to and how the Group manages the risk.

Risk	Exposure arising from	Measurement	Management
a. Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis Credit ratings Financial analysis	Diversification of Short term investments, review of credit limits and credit locks and secured mode of payment
b. Market risk			
i.Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
ii. Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Market trends, Interest rate swaps
iii. Market risk – Price risk	Investment in securities	Sensitivity analysis	Portfolio diversification
c. Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of sanctioned credit lines and borrowing facilities

Notes forming part of the Consolidated Financial Statements

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The risk management is governed by policies developed in accordance with the Group guidelines and approved by the Board of Directors of the respective companies in the Group. They identify, evaluate and hedge financial risks in close co-ordination with their operating units.

a. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a(i). Trade receivables

Customer credit risk is managed by respective companies under the guidance of the credit policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored through credit lock and release to effectively manage the exposure.

An impairment analysis is performed at each reporting date on an individual basis for all the customers. The impairment is based on expected credit model considering the historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note: 11.

The Group has low concentration of risk with respect to trade receivables, as its customers are located in various geographies and belong to diversified industries and operate in largely independent markets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. In grouping the receivables, the management has deemed the probability of default in relation to related party receivables to the extent not eliminated to be negligible given its historical experience and the relative networth of the related parties. Further in relation to certain overseas subsidiaries, the probability of default has also been considered to be negligible considering the historical experience, the portfolio of customers, the ageing balance among others.

The expected loss rates are based on the payment profiles of sales over the past 24 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery.

Particulars	As at 31.03.2025			
	Not due & less than 6 months	6 months to 1 year	More than 1 year	Total
Gross carrying amount *	8096.78	62.63	148.54	8307.95
Expected loss rate**	8.5%	25.8%	66.2%	
Expected Credit loss	689.38	16.13	98.31	803.82
Carrying amount net of impairment	7407.40	46.50	50.23	7504.13

Particulars	As at 31.03.2024			
	Not due & less than 6 months	6 months to 1 year	More than 1 year	Total
Gross carrying amount *	6552.09	76.31	114.63	6743.03
Expected loss rate**	7.8%	50.7%	70.9%	
Expected Credit loss	513.81	38.72	81.24	633.77
Carrying amount net of impairment	6038.28	37.59	33.39	6109.26

*Excludes trade receivables on which probability of default has been assessed to be NIL.

** Includes specific provision.

Also this is a derived percentage representing the weighted average of expected loss rate under each bucket of the various entities.

a(ii). Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the respective companies in accordance with their policy. Group recommends investments of surplus funds in short-term liquid funds and deposits with banks. The Investment limits are set out and are reviewed by the Board of Directors of the respective company on an quarterly basis.

Notes forming part of the Consolidated Financial Statements

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b. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, Investments (FVTOCI) and derivative financial instruments.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being measured and managed.

b (i). Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign exchange rate exposures are managed within policy parameters developed under guidelines of the Group and approved by Board of Directors of the respective companies. The Group recommends to its operating entities to perform, to the extent it is possible, their transactions in their functional currencies. Where this is not possible, the transactional currency risk may be hedged on an individual basis by currency forwards. The Group recommends hedging of around 50% of the net material exposure by currency. Exposures relating to capital expenditure beyond a threshold are hedged as per respective company's policy at the time of commitment.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period are as under:

Currency	Liabilities		Assets	
	As at		As at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
US Dollar (USD)	311.65	358.93	3211.60	2792.38
Euro (EUR)	615.59	334.14	986.11	1620.32
Great British Pound (GBP)	-	-	135.29	15.87
Australian Dollar (AUD)	-	3.70	-	6.92
Japanese Yen (JPY)	10.80	3.56	1.56	2.03
Chinese Yuan (CNY)	8.19	17.59	27.08	22.14
Czech Kroner (CZK)	-	-	36.18	0.52
South Korean (Won)	-	-	7.28	26.59
Brazillian (Real)	-	-	15.67	2.61
Turkish lira	-	-	0.05	1.05

Quantum of Forward contract (derivatives) outstanding as at the end of the year (notional principal amount):

The details of outstanding forward exchange contracts taken towards hedging the trade exposures as on the reporting date are given as under:

Currency	Liabilities		Assets	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
USD	123.12	76.74	77.02	150.07

As at 31st March 2025, the outstanding forward exchange contracts were USD 1.80 million taken for receivable position & USD 0.92 million taken for payable position.

The value of the contracts outstanding currency wise is given below in the table:

Contracts booked for	Currency	As at 31.03.2025		As at 31.03.2024	
		Number of contracts	Notional value in ₹ in million	Number of contracts	Notional value in ₹ in million
Export receivable *	USD	6	77.02	12	150.07
Import payment	USD	6	123.12	5	76.74

* The Group has designated the above contracts in a cash flow hedge relationship.

Notes forming part of the Consolidated Financial Statements

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Foreign currency sensitivity analysis

The Group is mainly exposed to US Dollar and Euro. The following table provides the sensitivity impact to a 10% strengthening or weakening of Indian rupee exchange rate against foreign currencies. The sensitivity analysis is done on net exposures. A positive number below indicates an increase in profit or equity when the Rupee weakens against the foreign currency and when net exposure is an asset.

Currency impact in (₹ million) relating to the foreign currencies of:	As at 31.03.2025		As at 31.03.2024	
	Profit or loss	Equity	Profit or loss	Equity
US Dollar (USD)	220.46	220.46	176.61	176.61
Euro (EUR)	27.73	27.73	96.25	96.25
Great British Pound (GBP)	10.12	10.12	1.19	1.19
Australian Dollar (AUD)	-	-	0.24	0.24
Japanese Yen (JPY)	(0.69)	(0.69)	(0.11)	(0.11)
Chinese Yuan (CNY)	1.41	1.41	0.34	0.34
Czech Kroner (CZK)	2.71	2.71	0.04	0.04
South Korean (Won)	0.54	0.54	1.99	1.99
Brazillian (Real)	1.17	1.17	0.08	0.08
Turkish lira	0.00	0.00	0.20	0.20
Total	**263.45**	**263.45**	**276.83**	**276.83**

The Group sensitivity impact to foreign currency has marginally decreased during the current year mainly due to the decrease in the value of exposure of EUR currency as at the end of the reporting period.

b(ii). Interest rate risk Management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has been availing the borrowings on a fixed and variable rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor future cash flows will fluctuate because of change in market interest rates. The borrowings on a variable rate of interest are subject to interest rate risk as defined in Ind AS 107.

Classification of borrowings by nature of interest rate	As at	
	31.03.2025	31.03.2024
Borrowings at variable interest rate		
- Non - Current	248.82	275.14
- Current*	953.46	847.57
Borrowings at fixed interest rate		
- Non - Current	-	-
- Current*	-	4.51
Total Borrowings	**1202.28**	**1127.22**

* including non-current maturities.

The Impact of sensitivity on interest cost towards current and non-current borrowings at variable interest rate is not expected to be material considering the relative short tenure of the borrowing and stability of the relevant benchmark.

b(iii). Price risks

The Group is exposed to equity price risks arising from equity investments. Certain of the Group equity investments are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes.

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Equity price sensitivity analysis

The accumulated fair value change recognised on equity investment which are held for strategic purpose and designated at Fair value through Other Comprehensive Income as at 31st March 2025 is ₹42.39 million (31st March 2024: ₹42.39 million) - Refer Note no: 14. The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting periods. If equity prices moves-up or decrease by 5%, the impact to Other Comprehensive Income and equity is given below:

Movement of equity price	Impact to Other Comprehensive Income / equity	
	As at 31.03.2025	As at 31.03.2024
Increase by 5%	3.14	3.14
Decrease by 5%	(3.14)	(3.14)

The impact of change in equity price on non-current investment recorded at Fair value through Profit and Loss and other investment designated as Fair value through Other Comprehensive Income is not significant.

c. Liquidity risk management

The Group has established a liquidity risk management framework. The Group manages liquidity risk through cash generation from business and by having adequate banking facilities. The Group continuously monitors forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of financial liabilities

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2025:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial liabilities						
Borrowings *	248.82	-	211.43	128.58	3.51	343.52
Lease liabilities	871.30	-	443.40	272.16	339.65	1055.21
Other financial liabilities	393.62	-	554.62	-	-	554.62
Current financial liabilities						
Borrowings *	953.46	953.46	-	-	-	953.46
Lease liabilities	89.96	89.96	-	-	-	89.96
Trade payables	3498.38	3498.38	-	-	-	3498.38
Other financial liabilities	978.93	978.93	-	-	-	978.93
Others						
Outstanding guarantee/letter of comfort given on behalf of Joint venture	150.00	150.00	-	-	-	150.00

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial liabilities						
Borrowings *	275.14	-	320.49	-	-	320.49
Lease liabilities	510.58	-	208.50	172.40	231.19	612.09
Other financial liabilities	454.70	-	755.89	-	-	755.89

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Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Current financial liabilities						
Borrowings *	852.08	869.50	-	-	-	869.50
Lease liability	81.14	81.14	-	-	-	81.14
Trade payables	3371.87	3371.87	-	-	-	3371.87
Other financial liabilities	916.85	918.52	-	-	-	918.52
Others						
Outstanding guarantee/letter of comfort given on behalf of Joint venture	90.00	90.00	-	-	-	90.00

*Amount included in the above maturity analysis assumes interest outflows based on the actual interest rates.

Contractual maturities of financial assets

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2025:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial assets						
Other financial assets	217.46	-	109.48	-	107.98	217.46
Current financial assets						
Trade receivables	7662.36	7662.36	-	-	-	7662.36
Other receivables	1147.93	1147.93	-	-	-	1147.93

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2024:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial assets						
Other financial assets	206.66	-	102.41	-	104.25	206.66
Current financial assets						
Trade receivables	6790.40	6790.40	-	-	-	6790.40
Other receivables	124.09	124.09	-	-	-	124.09

Maturity analysis of Derivative financial instruments

The following table details the Group maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period.

Currency	Contracts booked for	As at 31.03.2025			As at 31.03.2024		
		Notional amount	Less than 1 year	1-3 years	Notional amount	Less than 1 year	1-3 years
USD	Export receivable	77.02	77.02	-	150.07	150.07	-
USD	Import payment	123.12	123.12	-	76.74	76.74	-

The note below sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

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Financing facilities

Particulars	As at	
	31.03.2025	31.03.2024
Unsecured term loan from bank:		
Amount used	-	-
Amount unused	-	-
	-	-
Unsecured cash credit and other borrowings facility:		
Amount used	1.27	4.51
Amount unused	4004.06	4218.26
	4005.33	**4222.77**
Secured term loan from bank:		
Amount used	703.98	711.51
Amount unused	589.28	238.43
	1293.26	**949.94**
Secured cash credit and other borrowings facility:		
Amount used	266.78	222.83
Amount unused	1317.92	1315.70
	1584.70	**1538.53**
Total		
Amount used	972.03	938.85
Amount unused	5911.26	5772.39
	6883.29	**6711.24**

Borrowing facilities - both funded and non-funded of the parent are secured by a pari-passu first charge on the current assets of the Parent - both present and future; and a pari-passu second charge on immovable properties - both present and future.

Fair value measurements

This note provides information about how the Group determines fair value of various financial assets and financial liabilities.

Fair value of the Group financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Group financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at		Fair value hierarchy	Valuation techniques & key inputs used
	31.03.2025	31.03.2024		
Investments in quoted instruments at FVTPL	13.46	13.85	Level 1	Quoted bid price in an active market
Investments in unquoted instruments at FVTPL	0.56	0.56	Level 3	Fair valuation - **(a)**
Investments in unquoted instruments at FVTOCI	74.10	74.10	Level 3	Fair valuation - **(a)**
Other Financial liabilities - Derivative financial Instruments	0.41	0.06	Level 2	Basis bank forex rates
Other Financials liabilities - Put option payables	393.62	454.70	Level 3	Fair valuation - **(b)**

There were no changes in the fair value hierarchy levels in the above periods.

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(a) These investment in equity are not significant in value and hence additional disclosures are not presented.

(b) The significant assumptions in relation to determination of put option liability are the same as used in determination of recoverable amount of PLUSS. Refer Note 5A. Sensitivities are set out as below:

Change in assumptions	Increase/ (Decrease) in liability as at March 31, 2025	Increase/ (Decrease) in liability as at March 31, 2024
Discount rate - 50 basis point higher	(16.89)	(18.95)
Discount rate - 50 basis point lower	18.45	20.35
Terminal growth rate - 50 basis point higher	13.95	13.59
Terminal growth rate - 50 basis point lower	(12.73)	(12.68)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at 31.03.2025		As at 31.03.2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost:					
Non-Current financial assets					
Other financial assets	Level 3	217.46	204.51	206.66	194.54
Current financial assets					
Trade receivable	Level 3	7662.36	7662.36	6790.40	6790.40
Other receivables	Level 3	1147.93	1147.93	124.09	124.09
Financial liabilities held at amortised cost:					
Non-Current financial liabilities					
Borrowings	Level 2	248.82	248.82	275.14	275.14
Lease Liabilities	Level 3	871.30	871.30	510.58	510.58
Current financial liabilities					
Borrowings	Level 2	953.46	953.46	852.08	852.08
Lease Liabilities	Level 3	89.96	89.96	81.14	81.14
Trade payables	Level 3	3498.38	3498.38	3371.87	3371.87
Others financial liabilities	Level 3	978.52	978.52	916.79	916.79

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Financial instrument by Category

Particulars	31.03.2025			31.03.2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Non Current						
Investments	14.02	74.10	-	14.41	74.10	-
Other Financial Assets	-	-	217.46	-	-	206.66
Current						
Trade receivables	-	-	7662.36	-	-	6790.40
Cash and Cash equivalents	-	-	3779.27	-	-	5548.78
Bank balances other than above	-	-	26.58	-	-	30.45

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Particulars	31.03.2025			31.03.2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Other financial assets	-		1147.93	-		124.09
	14.02	**74.10**	**12833.60**	**14.41**	**74.10**	**12700.38**
Financial Liabilities						
Non Current						
Borrowings	-	-	248.82	-	-	275.14
Lease Liabilities	-	-	871.30	-	-	510.58
Other financial liabilities*	-	-	-	-	-	-
Current						
Borrowings	-	-	953.46	-	-	852.08
Lease Liabilities	-	-	89.96	-	-	81.14
Trade payables	-	-	3498.38	-	-	3371.87
Other financial liabilities	0.41	-	978.52	0.06	-	916.79
	0.41	**-**	**6640.44**	**0.06**	**-**	**6007.60**

* excludes fair value of non-controlling interest put option amounting to ₹393.62 million (Previous year: ₹454.70 million) measured at fair value with subsequent changes in fair value recognised in equity

37. Related Party Disclosures

List of related parties

Related party relationships are as identified by the management and relied upon by the auditors.

Joint ventures	
Murugappa Morgan Thermal Ceramics Limited	[MMTCL]
Ciria India Limited	[Ciria]
Associate and its subsidiary	
Wendt (India) Limited	[Wendt]
Wendt Grinding Technologies Limited	[WGTL]
Key Management Personnel	
Mr. N. Ananthaseshan, Managing Director (till August 02, 2023)	[AN]
Mr. Sridharan Rangarajan, Managing Director (from August 03, 2023 and Director - Finance & Strategy till August 02, 2023)	[SR]
Other Related parties	
Ambadi Investments Limited (Shareholder with significant influence and promoter holding more than 10%)	[AIL]
Parry Enterprises India Limited (Subsidiary of AIL)	[PEIL]
Parry Agro Industries Limited (Subsidiary of AIL)	[PAL]
Carborundum Universal Employees Provident fund	[CUEPF]
Non Executive Directors	
Mr. M M Murugappan, Chairman	[MMM]
Mr. Sanjay Jayavarthanavelu (till July 31, 2024)	[SJ]
Mr. Aroon Raman (till July 31, 2024)	[AR]

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Mr. P S Raghavan	[PSR]
Mr. Sujjain S Talwar	[ST]
Mrs.Soundara Kumar (till August 02, 2024)	[SK]
Mrs. Usha Rajeev (w.e.f August 01, 2024)	[UR]
Mr. Sriram Viji (w.e.f August 01, 2024)	[SV]
Mr. Muthiah Murugappan (w.e.f August 01, 2024)	[MM]

Retiral funds of Subsidiaries, Joint ventures, Associate and Other Related parties

A. Transactions during FY 2024-25

Related Party	Income from Sales & Services	Dividend income	Purchase of goods	Expenditure on other services #	Rental Expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
Joint Ventures										
MMTCL	36.71	71.54	24.82	-	-	-	2.58	-	-	-
Ciria	33.31	51.00	-	-	-	-	-	-	150.00	-
Total	**70.02**	**122.54**	**24.82**	**-**	**-**	**-**	**2.58**	**-**	**150.00**	**-**
Associate & its subsidiary										
Wendt	80.70	37.50	57.97	4.49	4.47	-	9.30	-	-	-
WGTL	73.06	-	9.29	-	-	-	-	-	-	-
Total	**153.76**	**37.50**	**67.26**	**4.49**	**4.47**	**-**	**9.30**	**-**	**-**	**-**
Other related parties										
PEIL	0.80	-	0.02	49.71	-	-	-	-	-	-
PAL	1.50	-	-	0.42	-	-	-	-	-	-
CUEPF	-	-	-		-	-	-	272.91	-	-
Total	**2.30**	**-**	**0.02**	**50.13**	**-**	**-**	**-**	**272.91**	**-**	**-**
KMP - Remuneration										
SR	-	-	-	-	-	40.41	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**40.41**	**-**	**-**	**-**	**-**
Sitting Fees and commission paid to Non Executive Directors										
MMM	-	-	-	-	-	-	-	-	-	10.64
SJ	-	-	-	-	-	-	-	-	-	0.71
AR	-	-	-	-	-	-	-	-	-	0.87
PSR	-	-	-	-	-	-	-	-	-	2.95
ST	-	-	-	-	-	-	-	-	-	2.41
SK	-	-	-	-	-	-	-	-	-	0.76
UR	-	-	-	-	-	-	-	-	-	1.46

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	Income from Sales & Services	Dividend income	Purchase of goods	Expenditure on other services #	Rental Expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
SV	-	-	-	-	-	-	-	-	-	1.25
MM	-	-	-	-	-	-	-	-	-	1.26
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.31**
Grand Total	**226.08**	**160.04**	**92.10**	**54.62**	**4.47**	**40.41**	**11.88**	**272.91**	**150.00**	**22.31**

B. Transactions during FY 2023-24

Related Party	Income from Sales & Services	Dividend income	Purchase of goods	Expenditure on other services	Rental Expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
Joint Ventures										
MMTCL	33.71	71.54	27.82	-	-	-	5.48	-	-	-
Ciria	41.88	111.00	-	-	-	-	-	-	-	-
Total	**75.59**	**182.54**	**27.82**	**-**	**-**	**-**	**5.48**	**-**	**-**	**-**
Associate & its subsidiaries										
Wendt	51.54	60.00	64.72	-	4.80	-	18.90	-	-	-
WGTL	77.71	-	5.08	-	-	-	-	-	-	-
Total	**129.25**	**60.00**	**69.80**	**-**	**4.80**	**-**	**18.90**	**-**	**-**	**-**
Other related parties										
PEIL	1.06	-	-	44.83	-	-	-	-	-	-
PAL	3.41	-	-	0.15	-	-	-	-	-	-
CUEPF	-	-	-	-	-	-	-	167.85	-	-
Total	**4.47**	**-**	**-**	**44.98**	**-**	**-**	**-**	**167.85**	**-**	**-**
KMP - Remuneration										
AN	-	-	-	-	-	21.15	-	-	-	-
SR	-	-	-	-	-	30.90	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**52.05**	**-**	**-**	**-**	**-**
Sitting Fees and commission paid to Non Executive Directors										
MMM	-	-	-	-	-	-	-	-	-	10.52
SJ	-	-	-	-	-	-	-	-	-	2.20
AR	-	-	-	-	-	-	-	-	-	2.19
PSR	-	-	-	-	-	-	-	-	-	2.85

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	Income from Sales & Services	Dividend income	Purchase of goods	Expenditure on other services	Rental Expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
ST	-	-	-	-	-	-	-	-	-	2.15
SK	-	-	-	-	-	-	-	-	-	2.15
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.06**
Grand Total	**209.31**	**242.54**	**97.62**	**44.98**	**4.80**	**52.05**	**24.38**	**167.85**	**-**	**22.06**

C. Outstandings

Related Party	As at 31.03.2025					As at 31.03.2024			
	Trade and other receivable	Deposit outstanding	Payables	Advances given	Letter of comfort/ Guarantee outstanding*	Trade and other receivable	Deposit outstanding	Payables	Letter of comfort/ Guarantee outstanding*
Joint Ventures									
MMTCL	9.17	-	2.43	-	-	10.01	-	2.70	-
Ciria	17.22	-	-	-	150.00	15.76	-	-	90.00
Total	**26.39**	**-**	**2.43**	**-**	**150.00**	**25.77**	**-**	**2.70**	**90.00**
Associate & its subsidiaries									
Wendt	38.92	1.00	24.69	-	-	26.40	1.00	19.35	-
WGTL	9.68	-	1.54	-	-	5.36	-	1.49	-
Total	**48.60**	**1.00**	**26.23**	**-**	**-**	**31.76**	**1.00**	**20.84**	**-**
Other related parties									
PEIL	0.30	-	-	8.66	-	0.50	-	0.32	-
PAL	-	-	0.08	-	-	-	-	-	-
CUEPF	-	-	15.74	-	-	-	-	14.20	-
Total	**0.30**	**-**	**15.82**	**8.66**	**-**	**0.50**	**-**	**14.52**	**-**
KMP@									
AN	-	-	-	-	-	-	-	1.98	-
SR	-	-	10.32	-	-	-	-	7.85	-
Total	**-**	**-**	**10.32**	**-**	**-**	**-**	**-**	**9.83**	**-**
Non Executive Directors									
MMM	-	-	10.00	-	-	-	-	10.00	-
SJ	-	-	0.50	-	-	-	-	1.50	-
AR	-	-	0.50	-	-	-	-	1.50	-
PSR	-	-	1.92	-	-	-	-	2.00	-
ST	-	-	1.58	-	-	-	-	1.50	-
SK	-	-	0.51	-	-	-	-	1.50	-
UR	-	-	1.00	-	-	-	-	-	-
SV	-	-	1.00	-	-	-	-	-	-
MM	-	-	1.00	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	As at 31.03.2025					As at 31.03.2024			
	Trade and other receivable	Deposit outstanding	Payables	Advances given	Letter of comfort/ Guarantee outstanding*	Trade and other receivable	Deposit outstanding	Payables	Letter of comfort/ Guarantee outstanding*
Total	-	-	**18.01**	-	-	-	-	**18.00**	-
Grand Total	**75.29**	**1.00**	**72.81**	**8.66**	**150.00**	**58.03**	**1.00**	**65.89**	**90.00**

Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services are at arm's length price.

@Incentive payable to Managing Director is provisional and subject to determination by the Nomination and Remuneration Committee.

* Issued towards availment of banking facilities by the respective entity.

includes reimbursement of expenses.

D. Compensation to Key Management Personnel

The remuneration to Key Management Personnel for the years is given below:

Particulars	31.03.2025	31.03.2024		
	SR	AN	SR	Total
Short term benefits	34.42	7.66	26.61	34.27
Post employment benefits	5.96	1.20	4.26	5.46
Other benefits	0.03	1.94	0.03	1.97
Retiral settlements	-	10.35	-	10.35
Total	**40.41**	**21.15**	**30.90**	**52.05**

a) The Remuneration to Key Management Personnel is determined by the Nomination and Remuneration Committee having regard to the performance of individual and market trends.

b) Excludes gratuity, compensated absences and share based compensation expenses since employee-wise valuation is not available

38. Research and Development expenditure incurred during the year is given below:

a) Revenue Expenditure (disclosed under respective heads of expenditure)

Particulars	For the year	
	2024-25	2023-24
Direct Material, Supplies and Consumables	69.67	64.34
Employee Benefits Expense	136.80	111.80
Repairs and Maintenance	5.48	6.71
Other Expenses	61.91	41.24
Depreciation	19.42	21.69
Total Revenue Expenditure	**293.28**	**245.78**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

b) Capital Expenditure

Particulars	For the year	
	2024-25	2023-24
Property, plant and equipment		
Buildings	-	2.78
Plant and equipment	27.58	14.79
Furniture and Fittings & Others	-	0.53
	27.58	**18.10**
Intangible assets	**0.21**	**0.10**
Total	**27.79**	**18.20**
Capital Work-in-Progress	0.40	5.59
Total Capital Expenditure (including CWIP)	**28.19**	**23.79**

39. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	2024-25							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ million)	As % of consolidated Profit	Amount (₹ million)	As % of consolidated Other Comprehensive Income	Amount (₹ million)	As % of consolidated Total Comprehensive income	Amount (₹ million)
I. Parent								
Carborundum Universal Limited	72.50%	25582.56	109.87%	3216.23	(0.40%)	(3.55)	84.10%	3212.68
II. Subsidiaries (including Step down subsidiaries)								
a) Indian								
1. Net Access India Limited	0.52%	184.07	0.78%	22.93	0.07%	0.60	0.62%	23.53
2. Southern Energy Development Corporation Limited	2.74%	966.67	(0.38%)	(11.06)	0.11%	0.94	(0.26%)	(10.12)
3. Sterling Abrasives Limited	3.04%	1073.10	4.85%	142.02	(0.20%)	(1.81)	3.67%	140.21
4. PLUSS Advanced Technologies Limited*	2.15%	758.20	0.20%	6.00	0.12%	1.08	0.19%	7.08
b) Foreign								
1. CUMI (Australia) Pty Limited	2.02%	712.75	6.05%	177.18	-	-	4.64%	177.18
2. CUMI International Ltd.	36.31%	12813.75	(20.99%)	(614.40)	-	-	(16.08%)	(614.40)

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Name of the entity	2024-25							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ million)	As % of consolidated Profit	Amount (₹ million)	As % of consolidated Other Comprehensive Income	Amount (₹ million)	As % of consolidated Total Comprehensive income	Amount (₹ million)
3. Volzhsky Abrasive Works	21.70%	7658.81	9.58%	280.30	-	-	7.34%	280.30
4. Foskor Zirconia (Pty) Ltd.	1.01%	355.81	(4.28%)	(125.33)	0.29%	2.63	(3.21%)	(122.70)
5. CUMI America Inc	2.51%	888.96	4.82%	141.09	-	-	3.69%	141.09
6. CUMI Middle East FZE	0.01%	2.44	(0.06%)	(1.44)	-	-	(0.04%)	(1.44)
7. CUMI Abrasives & Ceramics Co., Limited	(0.17%)	(59.58)	(0.35%)	(10.28)	-	-	(0.27%)	(10.28)
8. CUMI Europe s.r.o	-	-	-	-	-	-	-	-
9. CUMI Awuko Abrasives GmbH	2.08%	735.48	(31.62%)	(925.57)	-	-	(24.23%)	(925.57)
10. RHODIUS Abrasives GmbH	13.21%	4661.72	(0.68%)	(20.02)	(1.08%)	(9.68)	(0.78%)	(29.70)
11. CUMI USA Inc.	1.74%	612.53	0.17%	4.85	-	-	0.13%	4.85
Non controlling interest in all subsidiaries	(4.17%)	(1472.34)	(2.04%)	(59.67)	(4.18%)	(37.31)	(2.54%)	(96.98)
III. Associates (Investment as per equity method)								
1. Wendt (India) Limited	2.59%	913.83	5.06%	148.05	0.89%	7.88	4.08%	155.93
IV. Joint ventures (Investment as per equity method)								
Indian								
1. Murugappa Morgan Thermal Ceramics Limited	2.50%	882.56	7.98%	233.70	(0.08%)	(0.72)	6.10%	232.98
2. Ciria India Limited	0.36%	129.72	2.40%	70.33	(0.03%)	(0.27)	1.83%	70.06
Inter-company Elimination & Consolidation Adjustments	(62.65%)	(22114.77)	8.64%	252.48	104.49%	932.76	31.02%	1185.24
Total	**100.00%**	**35286.27**	**100.00%**	**2927.39**	**100.00%**	**892.55**	**100.00%**	**3819.94**

* After considering the effect of acquisition accounting

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Name of the entity	2023-24							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ million)	As % of consolidated Profit	Amount (₹ million)	As % of consolidated Other Comprehensive Income	Amount (₹ million)	As % of consolidated Total Comprehensive income	Amount (₹ million)
I. Parent								
Carborundum Universal Limited	73.50%	22975.18	75.96%	3503.50	10.48%	(105.00)	94.13%	3398.50
II. Subsidiaries (including Step down subsidiaries)								
a) Indian								
1. Net Access India Limited	0.56%	175.55	0.74%	33.95	0.05%	(0.50)	0.93%	33.45
2. Southern Energy Development Corporation Limited	0.31%	97.93	(2.65%)	(122.33)	0.00%	0.02	(3.39%)	(122.31)
3. Sterling Abrasives Limited	3.13%	977.89	3.00%	138.38	(0.05%)	0.47	3.85%	138.85
4. PLUSS Advanced Technologies Limited*	2.84%	889.05	(2.77%)	(127.71)	(0.27%)	2.71	(3.46%)	(125.00)
b) Foreign								
1. CUMI (Australia) Pty Limited	2.52%	786.70	5.73%	264.36	-	-	7.32%	264.36
2. CUMI International Ltd.	41.87%	13088.53	5.53%	255.12	-	-	7.07%	255.12
3. Volzhsky Abrasive Works	22.41%	7005.61	32.21%	1485.63	-	-	41.15%	1485.63
4. Foskor Zirconia (Pty) Ltd.	1.45%	452.96	(1.60%)	(73.94)	0.07%	(0.75)	(2.07%)	(74.69)
5. CUMI America Inc	2.32%	726.92	3.72%	171.66	-	-	4.75%	171.66
6. CUMI Middle East FZE	0.01%	3.79	(0.28%)	(12.64)	-	-	(0.35%)	(12.64)
7. CUMI Abrasives & Ceramics Co., Limited	(0.16%)	(48.59)	(0.40%)	(18.59)	-	-	(0.51%)	(18.59)
8. CUMI Europe s.r.o	-	-	-	-	-	-	-	-
9. CUMI Awuko Abrasives GmbH	3.73%	1165.99	(4.40%)	(202.78)	-	-	(5.62%)	(202.78)
10. RHODIUS Abrasives GmbH	14.73%	4605.55	(2.96%)	(136.35)	0.32%	(3.21)	(3.87%)	(139.56)
Non controlling interest in all subsidiaries	(4.46%)	(1393.14)	(3.24%)	(149.33)	(3.82%)	38.31	(3.08%)	(111.02)

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Name of the entity	2023-24							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ million)	As % of consolidated Profit	Amount (₹ million)	As % of consolidated Other Comprehensive Income	Amount (₹ million)	As % of consolidated Total Comprehensive income	Amount (₹ million)
III. Associates (Investment as per equity method)								
1. Wendt (India) Limited	2.54%	795.40	3.33%	153.57	0.59%	(5.83)	4.09%	147.74
IV. Joint ventures (Investment as per equity method)								
Indian								
1. Murugappa Morgan Thermal Ceramics Limited	2.31%	721.11	4.64%	214.10	0.01%	(0.15)	5.93%	213.95
2. Ciria India Limited	0.34%	110.66	1.54%	70.90	0.02%	(0.20)	1.96%	70.70
Inter-company Elimination & Consolidation Adjustments	(69.95%)	(21880.07)	(18.10%)	(835.00)	92.60%	(928.07)	(48.83%)	(1763.07)
Total	**100.00%**	**31257.02**	**100.00%**	**4612.50**	**100.00%**	**(1002.20)**	**100.00%**	**3610.30**

* After considering the effect of acquisition accounting

40. Business Combination - CUMI USA

Summary of acquisition

The Group through, CUMI USA INC, a wholly owned subsidiary in USA acquired Silicon Carbide Products LLC, USA effective from October 30, 2024.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

a. Purchase consideration:

Purchase consideration	Amount
Cash paid	596.05

There are no elements of consideration other than the cash consideration paid and there are no elements of contingent consideration

b. Net identifiable assets acquired:

ii Net identifiable assets acquired:

Assets taken over	Fair value recognised on acquisition
Non Current assets	
Property, plant and equipment	136.57
Other Intangiable assets	199.59

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Assets taken over	Fair value recognised on acquisition
Current assets	
Inventories	62.63
Trade receivables*	37.03
Cash and Cash equivalents	11.70
Other Current assets	5.50
Liabilities	
Trade payables	(2.90)
Net identifiable assets acquired	**450.12**

*Represents both the fair value and contractual amount of acquired trade receivables

iii. Calculation of goodwill:

Particulars	Amount
Consideration transferred	596.05
Less: Net identifiable assets acquired	(450.12)
Goodwill	**145.93**

The goodwill is attributable to assembled workforce of the acquired business and other intangible assets that do not qualify for separate recognition. It will not be deductible for tax purposes.

Purchase consideration – cash outflow

Particulars	Amount
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash consideration	596.05
Less: cash acquired	11.70
Net outflow of cash – investing activities	**584.35**

Acquisition related costs

Acquisition-related costs of ₹23.48 million are included in other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

Revenue and profit contribution

The acquired business contributed revenues and profits to the Group for the year ended March 31, 2025 as follows:

Revenue of ₹152.72 million and Profit after tax of ₹4.85 million for the period October 30, 2024 to March 31, 2025

41. Events after the reporting period

Refer Note: 13 for the Final dividend recommended by the Directors which is subject to the approval of the shareholder in the ensuing Annual General Meeting.

42. Audit trail and backup - Murugappa Morgan Thermal Ceramics Limited:

The Company has used accounting software systems for maintaining its books of account for the financial year ended 31st March, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. The Company did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention. The Companies (Accounts) Fourth Amendment Rules, 2022 dated 06 August 2022, mandates that the backup of the books of account and other books and papers of the company maintained in electonic mode including at a place located in India on a daily basis. The Company is maintaining daily backups for all the accounting software in a server which is physically located at United Kingdom, headquarters of Morgan Advanced Materials PLC, a Joint Venture partner of the Company. A copy of daily backup was stored in a server located within India from December 1, 2024.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

43. Ratios

Particulars	Numerator	Denominator	FY 2024-25	FY 2023-24	Variance in % Favourable/ (Adverse)	Remarks
(a) Current ratio,	Current asset	Current liabilities	3.3	3.2	4%	No significant varaince
(b) Debt-equity ratio	Borrowings	Equity attributable to owner	0.03	0.04	6%	Due to increase in equity
(c) Debt service coverage ratio,	Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc.	Interest and principal repayments including lease payments.	17.4	18.8	(7%)	Due to decrease in profit
(d) Return on equity ratio	Net profit after tax and Non Controlling interest	Average shareholder equity	8.8%	15.5%	(43%)	Majorly due to exceptional item and drop in operational profit
(e) Inventory turnover ratio	Sales	Average Inventory	5.1	5.3	(4%)	No significant varaince
(f) Trade receivables turnover ratio	Sales	Average Receivable	6.7	7.1	(6%)	Due to increase in receivable
(g) Trade payables turnover ratio	Total purchase and Service received	Average Trade payables	12.8	12.6	1%	No significant varaince
(h) Net capital turnover ratio	Net sales	Working capital	2.9	3.1	(7%)	No significant varaince
(i) Net profit ratio	Net profit after tax	Net Sales	6.2%	10.3%	(40%)	Majorly due to exceptional item and drop in profit
(j) Return on capital employed	Earning before exceptional item, interest and taxes	Capital employed = Tangible networth+Total debts+Deferred tax liability	18.1%	23.4%	(23%)	Due to drop in profit and increase in capital employed
(k) Return on investment						Significant investments held by the Group are for strategic purposes. Benchmarking the return on an annual basis will not reflect yield from such investments.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

44. Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group, its associate and joint ventures for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Parent has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Parent with banks are in agreement with the books of accounts. Certain other subsidiaries also have borrowings from banks and financial institution on the basis of security of current assets, but they are not material.

(iii) Wilful defaulter

None of the entities in the Group, its associate and joint ventures have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group, its associate and joint ventures, has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Group, its associate and joint ventures, has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Group, its associate and joint ventures has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Group, its associate and joint ventures has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), its associate and joint ventures or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group, its associate and joint ventures has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group, its associate and joint ventures shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Group, its associate and joint ventures has not traded or invested in crypto currency or virtual currency during the current or previous year.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

(x) Valuation of PP&E, intangible asset and investment property

The Group, its associate and joint ventures has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has 2 CICs as part of the Group.

45. Rounding off:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

46. Approval of financial statements:

The financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their meeting held on May 12, 2025.

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

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(in Indian Rupees million, unless otherwise stated)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate companies/Joint Ventures.

Pursuant to first proviso to sub-section (3) of Section 129 read with Companies (Accounts) Rules, 2014

(a) Summary financial information of Subsidiary Companies

Reporting currency	RUB		Rand		AUD		INR		USD	
Exchange rate	0.78	0.78	4.67	4.67	53.80	53.80	NA	NA	85.62	85.62
Particulars	Volzhsky Abrasive Works		Foskor Zirconia Pty Ltd		CUMI Australia Pty. Ltd		Sterling Abrasives Limited		CUMI International Ltd	
Date of becoming subsidiary	7th September 2007		4th August 2008		1st September 2003		31st March 2003		7th July 2007	
Financial year ended	2024	2023	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024	2023
1. Share capital	2.81	2.81	0.00	0.00	26.94	26.94	9.00	9.00	3462.25	3462.25
2. Reserves & Surplus	5939.04	5960.27	355.51	479.03	512.97	512.97	1064.11	968.89	9240.64	10006.80
3. Total Liabilities [a]	1045.16	566.65	1130.81	1065.85	690.87	601.18	430.54	530.83	7.83	9.15
4. Total Assets [b]	6987.01	6529.73	1486.32	1544.88	1230.78	1141.09	1503.65	1508.72	12710.72	13478.20
5. Investments	0.05	0.06	-	-	-	-	-	-	11757.92	12394.75
6. Turnover	8221.25	8108.14	1943.68	1791.62	1812.19	1896.34	1357.98	1432.32	375.04	418.41
7. Profit before Tax	450.44	1671.58	(171.08)	(107.29)	247.02	373.75	185.96	194.35	(707.01)	338.00
8. Provision for Taxation	83.28	376.03	(44.92)	(29.17)	74.18	112.64	43.94	55.97	59.15	65.96
9. Profit after Tax	367.16	1295.55	(126.16)	(78.12)	172.84	261.11	142.02	138.38	(766.16)	272.04
10. Proposed dividend [c]	77.53	374.89	-	-	172.84	242.28	47.70	45.00	-	-
11. % of Shareholding	98.07	98.07	51.00	51.00	51.22	51.22	60.00	60.00	100.00	100.00

Reporting currency	RMB		CZK		INR		INR		USD	
Exchange rate	11.73	11.73	3.52	3.52	NA	NA	NA	NA	85.58	85.58
Particulars	CUMI Abrasives & Ceramics Co Ltd		CUMI Europe s.r.o		Southern Energy Development Corporation Limited		Net Access India Limited		CUMI Middle East FZE.	
Date of becoming subsidiary	31st December 2009		9th December 2014		31st March 2003		1st December 2001		11th December 2005	
Financial year ended	2024	2023	2024	2023	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1. Share capital	1180.61	1180.61	29.15	29.15	4.60	4.60	50.00	50.00	2.33	2.33
2. Reserves & Surplus	(1236.69)	(1219.12)	(29.15)	(29.15)	2293.90	3181.00	134.07	125.55	0.11	1.56
3. Total Liabilities [a]	61.98	61.18	-	-	320.50	105.50	170.50	136.25	3.10	13.04
4. Total Assets [b]	5.90	22.67	-	-	2619.00	3291.10	354.57	311.80	5.54	16.93
5. Investments	-	-	-	-	1532.50	3169.30	0.00	0.00	-	-
6. Turnover	-	-	-	-	308.60	338.20	599.00	576.80	1.80	38.46
7. Profit before Tax	(17.57)	(7.82)	-	-	(11.06)	(93.63)	30.33	44.65	(1.45)	(13.06)
8. Provision for Taxation	-	-	-	-	-	28.70	7.40	10.70	-	-
9. Profit after Tax	(17.57)	(7.82)	-	-	(11.06)	(122.33)	22.93	33.95	(1.45)	(13.06)
10. Proposed dividend [c]	-	-	-	-	-	-	7.50	27.50	-	-
11. % of Shareholding	100.00	100.00	100.00	100.00	84.76	84.76	100.00	100.00	100.00	100.00

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(in Indian Rupees million, unless otherwise stated)

Reporting currency	USD		INR		Euro		Euro		Euro	
Exchange Rate	85.58	85.58	NA	NA	92.32	92.32	92.32	92.32	92.32	92.32
Particulars	CUMI America Inc		PLUSS Advanced Technologies Limited		CUMI Awuko Abrasives GmbH		Rhodius Abrasives GmbH		Pluss Advanced Technologies B.V	
Date of becoming subsidiary	4th June 1999		6th October 2021		9th December 2021		28th January 2022		6th October 2021	
Financial year ended	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1. Share capital	735.99	735.99	5.10	5.10	2.31	2.31	2.31	2.31	35.08	35.08
2. Reserves & Surplus	152.97	10.20	181.03	240.77	733.18	1185.56	4659.45	4689.66	(2.65)	(25.95)
3. Total Liabilities [a]	593.47	305.95	277.91	294.48	690.86	589.97	1947.84	2007.22	57.99	71.41
4. Total Assets [b]	1482.43	1052.14	464.04	540.35	1426.35	1777.84	6609.60	6699.19	90.42	80.54
5. Investments	-	-	32.99	32.99	-	-	-	-	-	-
6. Turnover	1636.25	1694.66	544.15	526.93	948.21	1066.72	6261.69	5937.25	333.58	149.70
7. Profit before Tax	195.46	255.66	(71.64)	(58.74)	(613.36)	(305.60)	(32.97)	(159.31)	30.07	3.37
8. Provision for Taxation	52.69	78.22	(11.50)	(17.73)	328.32	(97.56)	(12.60)	(19.43)	6.76	(7.64)
9. Profit after Tax	142.77	177.44	(60.14)	(41.01)	(941.68)	(208.04)	(20.37)	(139.88)	23.31	11.01
10. Proposed dividend [c]	42.79	-	-	-	-	-	-	-	-	-
11. % of Shareholding	100.00	100.00	74.06	73.42	100.00	100.00	100.00	100.00	74.06	73.42

Reporting currency	Brasilian reais		Korean Won		Euro		Euro		Euro	
Exchange Rate	14.99	14.99	0.06	0.06	92.32	92.32	92.32	92.32	92.32	92.32
Particulars	RHODIUS South América Assessoria Técnica e Comercial em Abrasivos Ltda		RHODIUS Korea INC.		Rhodius Nederland B.V.		Rhodius SARL		RHODIUS Schleifwerkzeuge Verwaltungsgesellschaft mbH	
Date of becoming subsidiary	1st April 2022		1st April 2022		1st April 2022		1st April 2022		1st April 2022	
Financial year ended	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	Apr 23 to Aug 23
1. Share capital	2.31	2.31	4.50	4.50	1.75	1.75	56.28	56.28	-	2.40
2. Reserves & Surplus	(3.75)	(4.28)	100.31	105.46	49.32	50.05	123.35	92.41	-	0.22
3. Total Liabilities [a]	31.71	27.50	7.06	23.95	7.94	8.78	76.70	69.21	-	-
4. Total Assets [b]	30.27	25.53	111.87	133.91	59.01	60.58	256.33	217.90	-	2.62
5. Investments	-	-	-	-	-	-	-	-	-	0.05
6. Turnover	31.49	27.74	119.14	138.80	53.89	53.04	257.85	238.96	-	-
7. Profit before Tax	1.64	1.78	(5.15)	(0.98)	(0.85)	3.93	41.54	34.68	-	(0.01)
8. Provision for Taxation	1.11	(0.36)	-	-	(0.12)	0.75	10.60	8.84	-	-
9. Profit after Tax	0.53	2.14	(5.15)	(0.98)	(0.73)	3.18	30.94	25.84	-	(0.01)
10. Proposed dividend [c]	-	-	-	-	-	-	-	-	-	-
11. % of Shareholding	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-

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(in Indian Rupees million, unless otherwise stated)

Reporting currency	USD		USD	
Exchange Rate	85.58	NA	85.58	NA
Particulars	CUMI USA INC		Silicon Carbide Products LLC	
Date of becoming subsidiary	2nd October 2024		29th October 2024	
Financial year ended	Oct to Mar 25	2023-24	Oct to Mar 25	2023-24
1. Share capital	607.62	-	603.16	-
2. Reserves & Surplus	(0.11)	-	5.00	-
3. Total Liabilities [a]	-	-	14.99	-
4. Total Assets [b]	607.51	-	623.15	-
5. Investments	603.16	-	-	-
6. Turnover	-	-	154.54	-
7. Profit before Tax	(0.11)	-	5.01	-
8. Provision for Taxation	-	-	0.01	-
9. Profit after Tax	(0.11)	-	5.00	-
10. Proposed dividend [c]	-	-	-	-
11. % of Shareholding	100.00	-	100.00	-

Notes:

a. Total Liabilities include : Current Liabilities, Non Current Liabilities

b. Total Assets include : Current Assets, Non Current Assets

c. Including interim dividend as applicable.

d. The above information has been furnished in accordance with Section 129(3) of the Companies Act 2013. The above statement is based on the financial statements of the respective subsidiary company which have been prepared in accordance with regulatory requirements as applicable in the country of incorporation. In case of foreign subsidiaries, the figures given in foreign currency have been translated into Indian Rupees based on the exchange rate as on 31.3.2025 / 31.12.2024, as applicable

e. The conversation rates have been maintained at the same for the previous financial year for comparative purposes

f. Investments in VAW, Foskor, CACCL China, CUMI Middle East, CUMI America, CUMI Europe, CUMI Awuko and Rhodius Abrasives are held by CUMI International Limited. Investment in PLUSS Advanced Technologies BV is held by PLUSS Advanced Technologies Private Limited.Investments in RHODIUS South América Assessoria Técnica e Comercial em Abrasivos Ltda, RHODIUS Korea INC, Rhodius Nederland B.V, Rhodius SARL, are held by RHODIUS Abrasives GmbH.

g. RHODIUS Schleifwerkzeuge Verwaltungsgesellschaft mbH was merged with Rhodius Abrasives Gmbh during the previous financial year.

j. Consolidated figures considered for RHODIUS Abrasives GmbH

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(in Indian Rupees million, unless otherwise stated)

(b) Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Amount in Rs. Million

S.no	Name of Associates/Joint Ventures	Wendt India Limited	Ciria India Limited	Murugappa Morgan Thermal Ceramics Limited
1	Latest audited Balance Sheet Date	31.03.2025	31.03.2025	31.03.2025
2	Date on which the Associate or Joint Venture was associated or acquired	16th October 1990	26th July 2000	13th November 1995
3	Shares of Associate/Joint Ventures held by the company on the year end			
	No. of shares	7,50,000	59,998	14,30,793
	Amount of Investment in Associates/Joint Venture Rs. In million	9.74	1.68	44.04
	Extent of Holding %	37.50	30.00	49.00
4	Description of how there is significant influence	Through shareholding	Through shareholding	Through shareholding
5	Reason why the associate / joint venture is not consolidated	Not applicable as the financials of this entity is consolidated in the Company's Consolidated Financials		
6	Networth attributable to Shareholding as per latest audited Balance Sheet	913.83	129.72	882.56
7	Profit / Loss for the year	394.80	234.45	476.94
	Considered in Consolidation	148.05	70.33	233.70
	Not Considered in Consolidation	246.75	164.12	243.24

On behalf of the Board

M M Murugappan
Chairman
DIN : 00170478

Sridharan Rangarajan
Managing Director
DIN : 01814413

Chennai
May 12,2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Independent Auditor's Report

To the Members of Carborundum Universal Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Carborundum Universal Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of investments in subsidiaries, joint ventures and associate Refer Note 3A(f) and Notes 6A, 6B and 6C of the Standalone Financial Statements. The Company's equity investments in subsidiaries, joint ventures and an associate amounted to Rs.10,970.63 million as at March 31, 2025. Such investments are carried at cost as per Ind AS 27 – "Separate Financial Statements". The carrying value of investments in its subsidiaries, joint ventures and an associate was considered to be a key audit matter as these are significant to the Company and is dependent on the future performance of the subsidiaries, joint ventures and the associate. During the year, management has also identified an impairment indicator in relation to its investment in a subsidiary (PLUSS Advanced Technologies Limited). Management/ management expert judgement was required in certain key areas such as the discount and terminal growth rates in estimating future cash flows ("the model") and forecasts considered within the model to support the carrying value of the investment.	Our audit procedures included the following: ● Understood and performed procedures to assess the design and test the operating effectiveness of relevant controls related to carrying value of investments in subsidiaries, joint ventures and an associate. ● We obtained the Management's documentation and tested its assessment on whether there were indicators for impairment, if any, of the aforesaid investments as required by Ind AS 36 - "Impairment of Assets". ● We also obtained the audited financial statements of the subsidiaries, joint ventures and the associate and compared the net worth of the respective subsidiaries, joint ventures and the associate to the carrying value of the investments made in those entities. ● In relation to investment in a subsidiary wherein an impairment trigger had been identified, we assessed the reasonableness of management's computation of the recoverable amount of carrying value of investment by:

Key audit matter	How our audit addressed the key audit matter
Further in relation to the Company's investment in CUMI International Ltd, Cyprus (CIL), management/ management expert judgement was required in relation to assessing CIL's ability to exercise control over Volzhsky Abrasive Works (VAW), a subsidiary of CIL domiciled in Russia, considering VAW's inclusion in the United States of America's Department of Treasury's Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List.	• Verifying that the forecasts considered within the model have been approved by the Board of Directors of the component. • Evaluating the independence, competence and objectivity of the Management's expert. • Assessing the historical accuracy of Management's forecasts by comparing the forecasts for the prior year with the actual performance in the current year and assessing the reasonableness of the forecasts within the model. • Engaging auditor's expert to assist us in evaluating the reasonableness of assumptions relating to discount rate and terminal growth rate considered by the management within the model. • Performing sensitivity tests on the model for certain assumptions, such as discount rate and growth rate. • In relation to ability of CIL to exercise control over VAW, we assessed management's judgement by: • Inquiries and discussions with the auditors of VAW and CIL, Management's expert, managements of the Company and VAW. • Evaluating the independence, competence and objectivity of the Management's expert. • Examining the documents supporting the assessment of control.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of

the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 29 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 44(vii) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44(vii) to the Standalone Financial Statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 44(vii) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44(vii) to the Standalone Financial Statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Company has used multiple accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except with respect to an accounting software of a third party service provider used for maintaining certain records, where in the absence of the service organisation's auditor's report, we are unable to comment on the audit trail (edit log) feature in the aforesaid accounting software.

During the course of performing our procedures, other than the aforesaid instance of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 25213126BMODGB9293

Place: Chennai
Date: May 12, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the Members of Carborundum Universal Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Carborundum Universal Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to

financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 25213126BMODGB9293

Place: Chennai
Date: May 12, 2025

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the Members of Carborundum Universal Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and Right-of-use assets.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items at regular intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4A to the Standalone Financial Statements, are held in the name of the Company. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company as per the Memorandum of Entry executed by the Company and confirmed by the banker as on the balance sheet date.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also, refer Note 44(ii) to the Standalone Financial Statements).

iii. (a) The Company has made investments in a company and a body corporate and stood guarantee to a body corporate and two companies during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantees to subsidiaries and joint venture are as per the table given below:

Particulars	Guarantees (in Rs. millions)
Aggregate amount granted/ provided during the year	
- Subsidiaries	250.50
- Joint venture	150.00
Balance outstanding as at balance sheet date in respect of the above case	
- Subsidiaries	250.50
- Joint venture	150.00

The Company has not granted secured/ unsecured loans/ advances in nature of loans, or provided security to any parties.

(Also, refer Note 34 to the Standalone Financial Statements)

(b) In respect of the aforesaid investments and guarantees, the terms and conditions under which such investments were made and guarantees provided are not prejudicial to the Company's interest.

(c) The Company has not granted secured/ unsecured loans/advances in nature of loans. Therefore, the reporting under clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted secured/ unsecured loans/advances in nature of loans. Therefore, the reporting under clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans /advances in nature of loans which have fallen due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/ advances in nature of loan.

(f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance though there has been a slight delay in one case, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In millions)*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	0.95	1986-1987	High Court of Kerala
Central Excise Act, 1944	Excise duty	0.37	1995-1996 and 2000-2003	Customs, Excise & Service Tax Appellate Tribunal, Chennai
Central Excise Act, 1944	Excise duty	0.43	1999-2001	Commissioner of Central Excise (Appeals), Chennai
Central Excise Act, 1944	Excise duty	1.38	2015-2017	Commissioner of Central Excise (Appeals), Bhopal
Central Excise Act, 1944	Excise duty	6.73	2015-2017	Commissioner (Appeals), Chennai
Finance Act, 1994	Service tax	0.02	2015-2017	Commissioner (Appeals), Chennai
Finance Act, 1994	Service tax	0.39	2019-2020	Customs, Excise & Service Tax Appellate Tribunal, Chennai
Finance Act, 1994	Service tax	0.32	2007-2011	Commissioner (Appeals), Kerala
Tamil Nadu General Sales Tax Act, 1959	Sales tax	0.02	1995-1996	Sales Tax Appellate Tribunal, Chennai
The Central Sales Tax Act, 1956	Central Sales Tax	0.47	1989-1990	High Court of Madras
The Central Sales Tax Act, 1956	Central Sales Tax	0.23	2002-2003	Sales Tax Appellate Tribunal, Chennai
The Central Sales Tax Act, 1956	Central Sales Tax	0.06	2004-2005	Sales Tax Appellate Tribunal, Uttar Pradesh
The Central Sales Tax Act, 1956	Central Sales Tax	1.53	2012-2013	Deputy Commissioner (Appeals), Madhya Pradesh

Name of the statute	Nature of dues	Amount (Rs. In millions)*	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956	Central Sales Tax	1.43	2011-2012	Commercial Tax Appellate Board, Madhya Pradesh
Kerala Value Added Tax Act, 2003	Value Added Tax	15.04	2013-2014	Deputy Commissioner (Appeals), Ernakulam
The Central Sales Tax Act, 1956	Central Sales Tax	1.29	2016-2017	Assistant Commissioner, Madhya Pradesh
The Central Sales Tax Act, 1956	Central Sales Tax	10.14	2011-2012	Additional Commissioner - West Bengal VAT
Goods and Services Tax Act, 2017	Goods and Services Tax	0.19	2019-2020	High Court of Kerala
Goods and Services Tax Act, 2017	Goods and Services Tax	0.18	2019-2020	State Appellate Authority, Karnataka
Goods and Services Tax Act, 2017	Goods and Services Tax	1.94	2017-2018	Commissioner (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	2.53	2017-2018	Joint Commissioner State (Appeals), Kerala
Goods and Services Tax Act, 2017	Goods and Services Tax	0.55	2022-2023	Commissioner (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	0.22	2018-2019	Deputy Commissioner State (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	2.46	2017-2018	Joint/Deputy Commissioner State (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	2.22	2018-2019	Deputy Commissioner State (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	0.17	2019-2020	Deputy Commissioner State (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	2.43	2020-2021	Deputy Commissioner State (Appeals), Chennai
Goods and Services Tax Act, 2017	Goods and Services Tax	5.39	2020-2021	Joint/Deputy Commissioner State (Appeals)
Income Tax Act, 1961	Income Tax	55.74	2013-2021	Commissioner of Income tax (Appeals)

*Amount considered above is net of Rs. 349.91 million paid under protest/adjusted against refund.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has 2 CICs as part of the Group as detailed in Note 44(xi) to the Standalone Financial Statements.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 25213126BMODGB9293

Place: Chennai
Date: May 12, 2025

Balance Sheet

(in Indian Rupees million, unless otherwise stated)

Particulars	Note no.	As at 31.03.2025	As at 31.03.2024
ASSETS			
Non-Current assets			
(a) Property, plant and equipment	4A	5796.22	5131.71
(b) Right of use Assets	4B	71.08	72.08
(c) Capital work-in-progress	4C	742.76	474.51
(d) Intangible assets	5	36.40	62.44
(e) Financial assets			
(i) Investments			
(a) Investment in associate	6A	9.74	9.74
(b) Investment in joint ventures	6B	45.72	45.72
(c) Investment in subsidiaries	6C	10915.17	10312.73
(d) Other investments	6D	24.94	25.33
(ii) Other financial assets	7A	201.61	189.97
(f) Other non-current assets	8A	375.40	109.36
Total Non-Current assets		**18219.04**	**16433.59**
Current assets			
(a) Inventories	9	4421.37	3612.45
(b) Financial assets			
(i) Trade receivables	10	4519.11	3785.79
(ii) Cash and cash equivalents	11A	857.97	1725.53
(iii) Bank balances other than (ii) above	11B	24.03	23.99
(iv) Other financial assets	7B	116.49	51.13
(c) Other current assets	8B	505.70	287.99
Total Current assets		**10444.67**	**9486.88**
Total Assets		**28663.71**	**25920.47**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	190.42	190.26
(b) Other equity	13	25392.14	22784.92
Total Equity		**25582.56**	**22975.18**
LIABILITIES			
Non-Current liabilities			
(a) Provisions	14A	208.59	184.08
(b) Deferred tax liabilities (net)	15A	0.36	34.17
Total Non-Current liabilities		**208.95**	**218.25**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4B	-	0.16
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	16	115.94	132.48
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	16	1785.80	1641.95
(iii) Other financial liabilities	17	631.36	670.01
(b) Other current liabilities	18	108.35	71.27
(c) Provisions	14B	230.75	185.17
(d) Current tax liabilities (net)	15B	-	26.00
Total Current liabilities		**2872.20**	**2727.04**
Total Liabilities		**3081.15**	**2945.29**
Total Equity and Liabilities		**28663.71**	**25920.47**

See accompanying notes forming part of the financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Statement of Profit and Loss

(in Indian Rupees million, unless otherwise stated)

S.No.	Particulars	Notes	For the year	
			2024-25	2023-24
I	Revenue from Operations	19	28275.80	26331.75
II	Other income	20	388.71	454.62
III	**Total Income (I+II)**		**28664.51**	**26786.37**
IV	**Expenses**			
	Cost of materials consumed		11581.88	10299.15
	Purchases of stock-in-trade		1103.95	910.71
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(305.11)	35.56
	Employee benefits expense	22	2903.10	2583.79
	Finance costs	23	1.67	41.51
	Depreciation and amortisation expense	24	806.32	726.51
	Other expenses	25	8319.68	7558.22
	Total expenses (IV)		**24411.49**	**22155.45**
V	**Profit before tax (III-IV)**		**4253.02**	**4630.92**
VI	**Tax expense**			
	(1) Current tax	26A	1062.50	1123.00
	(2) Deferred tax	15A	(25.71)	4.42
	Total tax expense (VI)		**1036.79**	**1127.42**
VII	**Profit for the year (V-VI)**		**3216.23**	**3503.50**
VIII	**Other Comprehensive Income [OCI]**			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans	32C	(11.65)	(80.45)
	(b) Equity instruments through OCI		-	(47.16)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	26B	8.10	22.61
	Total Other Comprehensive Income (VIII)		**(3.55)**	**(105.00)**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**3212.68**	**3398.50**
X	**Earnings per equity share (Re.1 each) on profit for the year (VII) (in ₹)**	27		
	- Basic (₹)		16.90	18.44
	- Diluted (₹)		16.87	18.40

See accompanying notes forming part of the financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Statement of Changes in Equity

(in Indian Rupees million, unless otherwise stated)

A. Equity share capital - Refer Note: 12

Balance as at March 31, 2023	**189.94**
Changes in equity share capital during the year	
Shares issued against Employee Stock Options Scheme/Plan	0.32
Balance as at March 31, 2024	**190.26**
Changes in equity share capital during the year	
Shares issued against Employee Stock Options Scheme/Plan	0.16
Balance as at March 31, 2025	**190.42**

B. Statement of changes in other equity

Particulars	Reserves and Surplus - Refer Note: 13A						Items of Other comprehensive income - Refer Note 13B		Total
	Profit on Forfeiture of Shares / Warrants	Capital redemption reserve	Securities premium	General Reserve	Share options outstanding account	Retained Earnings	Reserve for equity instruments	Revaluation surplus	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Balance at the beginning of the year - March 31, 2023	**6.03**	**27.68**	**410.33**	**9175.43**	**186.70**	**10017.49**	**27.82**	**23.74**	**19875.22**
Profit for the year	-	-	-	-	-	3503.50	-	-	3503.50
Other Comprehensive income for the year	-	-	-	-	-	(57.84)	(47.16)	-	(105.00)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**3445.66**	**(47.16)**	**-**	**3398.50**
Share premium received on allotment of equity shares under ESOP	-	-	136.23	-	-	-	-	-	136.23
Recognition of share-based payments	-	-	-	-	40.22	-	-	-	40.22
Final dividend paid during the year	-	-	-	-	-	(379.91)	-	-	(379.91)
Interim dividend paid during the year	-	-	-	-	-	(285.34)	-	-	(285.34)
Transfer from Reserve for equity instruments						(19.34)	19.34		-
Transfer to General Reserve	-	-	-	500.00	-	(500.00)	-	-	-
Balance at the end of the year - March 31, 2024	**6.03**	**27.68**	**546.56**	**9675.43**	**226.92**	**12278.56**	**-**	**23.74**	**22784.92**
Profit for the year	-	-	-	-	-	3216.23	-	-	3216.23
Other Comprehensive income for the year	-	-	-	-	-	(3.55)	-	-	(3.55)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**3212.68**	**-**	**-**	**3212.68**

Statement of Changes in Equity

(in Indian Rupees million, unless otherwise stated)

Particulars	Reserves and Surplus - Refer Note: 13A						Items of Other comprehensive income - Refer Note 13B		Total
	Profit on Forfeiture of Shares / Warrants	Capital redemption reserve	Securities premium	General Reserve	Share options outstanding account	Retained Earnings	Reserve for equity instruments	Revaluation surplus	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Share premium received on allotment of equity shares under ESOP	-	-	54.32	-	-	-	-	-	54.32
Recognition of share-based payments	-	-	-	-	101.52	-	-	-	101.52
Final dividend paid during the year	-	-	-	-	-	(475.67)	-	-	(475.67)
Interim dividend paid during the year	-	-	-	-	-	(285.63)	-	-	(285.63)
Transfer to General Reserve	-	-	-	500.00	-	(500.00)	-	-	-
Balance at the end of the year - March 31, 2025	**6.03**	**27.68**	**600.88**	**10175.43**	**328.44**	**14229.94**	**-**	**23.74**	**25392.14**

See accompanying notes forming part of the financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Cash Flow Statement

(in Indian Rupees million, unless otherwise stated)

Particulars	For the year			
	2024-25		2023-24	
A. Cash flow from Operating activities				
Profit before tax		**4253.02**		**4630.92**
Adjustment for:				
Depreciation and amortisation expense	806.32		726.51	
Fair valuation of investments	0.39		(1.59)	
Finance costs	1.67		41.51	
Interest income	(55.91)		(21.97)	
Dividend income	(330.09)		(405.71)	
Expenses recognised in respect of equity-settled share-based payments	101.52		40.22	
Allowance for doubtful receivable and advances (net)	27.61		39.91	
Provision for expenses no longer required written back	-		(0.05)	
Loss on sale of assets (net)	11.76		10.74	
Unrealised exchange (gain)/loss - net	11.08	574.35	(8.35)	421.22
Operating profit before working capital changes		**4827.37**		**5052.14**
Movement in working capital				
(Increase)/decrease in trade receivables	(767.51)		72.29	
(Increase)/decrease in inventories	(808.92)		182.91	
(Increase)/decrease in other financial assets	(77.01)		(28.04)	
(Increase)/decrease in other assets	(212.09)		161.59	
Increase/(decrease) in trade payables	122.81		(208.80)	
Increase/(decrease) in provision and other current liabilities	74.98		(116.21)	
Increase/(decrease) in other financial liabilities	(128.95)	(1796.69)	(1.73)	62.01
Cash generated from Operations		**3030.68**		**5114.15**
Income tax paid (net)		(1127.03)		(1106.01)
Net cash generated by Operating activities [A]		**1903.65**		**4008.14**
B. Cash flow from Investing activities				
Payments to acquire property, plant and equipment	(1834.18)		(1216.51)	
Payments for intangible assets	(4.58)		(18.77)	
Proceeds from sale of property, plant and equipment	3.85		9.16	
Investment in Subsidiaries	(607.79)		(10.98)	
Proceeds from sale of non-current investment	-		41.08	
Investment in Bank deposits with original maturity beyond three months (net)	(0.27)		(0.26)	
Interest income received	50.32		19.77	
Dividend income received	330.09		405.71	
Net cash used in Investing activities [B]		**(2062.56)**		**(770.80)**

Cash Flow Statement

(in Indian Rupees million, unless otherwise stated)

Particulars		For the year	
		2024-25	2023-24
C. Cash flow from Financing activities			
Proceeds from issue of equity shares		54.48	136.55
Proceed/(Repayment) of short-term borrowings - net		-	(1040.00)
Principal portion of lease payments		(0.16)	(0.79)
Finance costs paid		(1.67)	(41.51)
Dividends paid to Shareholders		(761.30)	(665.25)
Net cash used in Financing activities	**[C]**	**(708.65)**	**(1611.00)**
Net increase/(decrease) in cash and cash equivalents [A]+[B]+[C]	**[D]**	**(867.56)**	**1626.34**
Add: Cash and Cash equivalents at the beginning of the year		1725.53	99.19
Cash and Cash equivalents at the end of the year		**857.97**	**1725.53**

See accompanying notes forming part of the financial statements

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025

Statement showing the applicable Key Accounting Standards (Ind AS) with related Policy & Notes references as per Standalone financial statements.

Ind AS No.	Description	Accounting policy Reference	Note Reference
2	Inventories	3(A)(h), 3(B)(c)	9
7	Statement of Cash flows	3(B)(l)	11,33
8	Accounting Policies, Changes in Accounting Estimates and Errors	3(A)(a)	
10	Event after the reporting period		43
12	Income taxes	3(B)(o)	8A,15,26
16	Property, plant and equipment	3(A)(c),3(B)(a)	4A,4C,24
19	Employee benefits	3(A)(i),3(B)(m)	22,32
24	Related party disclosures		34
28	Investments in associates and joint ventures		6A,6B
33	Earnings per share	3(B)(r)	27
36	Impairment of assets	3(A)(f),3(B)(e), 3(B)(t)	4A,4B,4C,5,33
37	Provisions, Contingent liabilities and Contingent assets	3(B)(p)	14,29
38	Intangible assets	3(A)(e),3(B)(b)	5,24
102	Share based payment	3(B)(n)	35
107 & 109	Financial instruments	3(A)(f),3(B)(d)	6D,7,10,16,17,18,21,33
108	Operating segments	3(A)(l)	28
113	Fair value measurement		33
115	Revenue from Contracts with Customers	3(A)(j)	19,28
116	Leases	3(A)(d),3(B)(h)	4B,23,24

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

1. Brief description of the Company

Carborundum Universal Limited (CUMI) was incorporated in India as a Public Limited Company in 1954 and the shares of the Company are listed in National Stock Exchange of India Ltd. and BSE Ltd. The address of its registered office and place of business are disclosed in the Annual Report.

CUMI manufactures and sells mainly Abrasives, Ceramics (Industrial Ceramics, Refractories) and Electrominerals (Refer Note: 28).

2. Basis of preparation

a. Preparation and compliance with Ind AS

These standalone financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b. Historical cost convention

The standalone financial statements have been prepared under historical cost convention except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

c. Current/non-current classification

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. Deferred tax assets are classified as non-current.

d. New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3A. Material accounting policies

a) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and the assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

b) Critical estimates and judgement

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgements:

S.No	Particulars	Notes
I	Estimation of useful life of tangible and intangible asset	3A(c) & 3A(e)
II	Impairment of Trade receivables: Expected credit loss	10 & 33
III	Recoverable value of investment in Subsidiaries	6C
IV	Recognition and measurement of provisions and contingencies; Key assumptions about the likelihood and magnitude of an outflow of resources.	29
V	Measurement of defined benefit obligation: Key actuarial assumptions.	32

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

The estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

c) Property, plant, and equipment

Freehold land is carried at historical cost. All other property, plants and equipment are recognised at historical cost less depreciation.

Depreciation is calculated using straight line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. Individual assets costing less than INR 5,000 are depreciated in full in the year of acquisition. Leasehold improvements are depreciated over the shorter of their useful life or the lease term unless the entity expects to use the assets beyond the lease term.

See note 3B(a) for the other accounting policy relevant to property, plant, and equipment.

d) Leases (where the Company is the Lessee)

The Company leases various assets for its business purposes but may have extension options which are mutually exercisable. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case of leases entered into by the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.
- makes adjustments specific to the lease, if any, e.g. term, country, currency, and security

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less, without a purchase option.

See note 3B(h) for the other accounting policies relevant to leases.

e) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

The Company amortises intangible assets with a limited useful life using the straight-line method which generally ranges upto a period of 5 years.

See note 3B(b) for the other accounting policies relevant to intangible assets.

f) Financial assets

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the Statement of Profit and Loss.

All other recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets in the following measurement categories:

I. Those measured subsequently at fair value through other comprehensive income (in case of certain investments in equity instruments – an irrevocable option exercised on an instrument by instrument basis on initial recognition); and

II. Through Statement of Profit and Loss (in case of investments in mutual funds and other equity instruments); and

III. Those measured at amortised cost.

The classification is based on the Company's business model for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

See note 3B(e)for the other accounting policies relevant to Financial assets.

g) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised as fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

h) Inventories

The costs of individual items of inventory are determined as follows:

- In respect of raw materials, stores and spare parts and traded stock, cost is determined on weighted average basis.
- In respect of work in progress and finished goods, cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition.

See note 3B(c) for the other accounting policies relevant to inventory.

i) Employee benefit obligations

(i) Post-employment benefits:

The Company provides gratuity for employees per the regulations and the terms of service. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, and the Company makes contribution to recognised funds in India. For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period.

(ii) Other retirement benefit:

The employees and the Company make monthly fixed contributions to the Carborundum Universal Limited Employee's Provident Fund Trust, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. The Company obtains an independent actuarial valuation of the Interest Guarantees as at the Balance Sheet date and provides for the shortfall, if any, in the present value of obligation of interest over the fair value of the surplus in the Fund.

See note 3B(m) for the other accounting policies for employee benefit obligations.

j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates and other similar allowances. No significant element of financing is deemed present as the sales are made with a credit term predominantly ranging from 30 to 90 days, which is consistent with the market practices.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised at a point in time when the control of the products has transferred which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Rendering of services

Revenue from divisible service contracts:

i. service contracts are recognised over a period of time determined using the percentage completion method, synchronised to the billing schedules agreed by the customers, identical with others in similar business and

ii. the revenue relating to supplies are measured in line with policy set out under sale of goods above.

In respect of indivisible contracts, the revenues are recognised over a period of time, measured as per (i) above.

k) Other income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

Rental income is recognised on a straight-line basis in accordance with the agreement.

l) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Business Group Management Committee headed by the Managing Director (CODM) and consisting of Chief Financial Officer, Leaders of Strategic Business Units, functional heads such as Human Resources, Information technology, Environmental Health and Safety, Risk & Taxation, Manufacturing and Company Secretary have identified the reportable segment and it reviews and monitors the operating results of the business segments for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed. The accounting policies adopted for Segment reporting are in line with the accounting policies of the Company with the following additional policies:

- Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/ fair value factors.
- Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis, have been included under "Un-allocated Corporate expenses".

m) Insurance claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

n) Exceptional item

Exceptional items are those which in the management's judgement are material items that derive from events or transactions falling within the ordinary activities of the Company but are not expected to be recurring. The nature and amount of exceptional items are relevant to the users of the financial statements in understanding the financial position or performance of the Company. The same is presented separately in the Statement of Profit and Loss (pre-tax) and Balance Sheet as applicable.

3B. Summary of other accounting policies

a. Property, plant, and equipment

Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the Management.

Subsequent costs related to an item of property, plant and equipment are recognised in the carrying amount of the item if the recognition criteria are met.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets', if any. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition is recognised in the Statement of Profit and Loss.

The depreciation charge for each year is recognised in the Statement of Profit and Loss. The useful life and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates,

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

the changes are accounted for prospectively as a change in accounting estimate.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

b. Intangible assets

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

An intangible asset is derecognised at disposal, or when no future economic benefits are expected from use or disposal. The gain or loss arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

c. Inventories

Inventories are stated at lower of cost and net realisable value. Cost includes freight, taxes, and duties net of non-refundable tax credits wherever applicable. Cost of work in progress and finished goods comprises of purchase price, non- refundable taxes, labour and applicable manufacturing overheads. Cost of inventory also includes all other costs incurred to bring the inventory to the present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for obsolete/ slow moving/ non-moving items, wherever necessary.

d. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

e. Financial assets

All regular purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Investments in subsidiaries, associate and joint ventures are measured at cost. All other recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets in the following measurement categories:

- Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) and through Statement of Profit and Loss (in case of investments in mutual funds); and
- Those measured at amortised cost.

The classification is based on the Company's business model for managing financial assets and the contractual terms of the cash flows. The Company classifies its financial assets at amortised cost only if both the following conditions are met:

- The asset is held with a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give risk to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, cash and cash equivalents, bank balances, security deposits among others.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Investment in equity instruments at Fair Value Through Other Comprehensive Income [FVTOCI]

On initial recognition, the Company can make an irrevocable election (on an instrument- by- instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity investment is held for trading.

These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gain and loss arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instrument through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term.
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Company has equity instrument in an entity [March 31, 2024 – one entity], which are not held for trading. The Company has elected the FVTOCI irrevocable option for this investment (Refer Note: 6D). Fair value is determined in the manner described in Note: 33.

Dividend on these investments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, which does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividend recognised in Statement of Profit and Loss is included in 'Other income' line item.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value through other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instrument that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gain or loss on them on different bases. The Company has not designated any such debt instrument as FVTPL.

Financial asset at FVTPL is measured at fair value at the end of each reporting period, with gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporate any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial asset at FVTPL is recognised when the Company's right to receive the dividends is established. It is probable that the economic benefits associated with the dividend will flow to the entity which does not represent a recovery of part of cost of the investment and the amount can be measured reliably.

Impairment of financial assets

The Company applied the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivable, trade receivable, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impairment financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. The twelve months expected credit losses are a portion of the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash short falls that are predicted over 12 months.

If the Company measured loss allowance for the financial instruments at lifetime expected credit loss model in the previous period but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains subsequently all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On de-recognition of a financial asset other than its entirety (e.g., when the company retains an option to repurchase part of a transferred asset), the Company allocates the previous carried over amount of financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

Foreign exchange gain and loss

The fair value of financial assets denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For Foreign currency denominated financial asset measured at amortised cost and FVTPL, the exchange

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differences are recognised in Statement of Profit and Loss except for those which are designated hedging instruments in a hedging relationship.

- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gain and loss, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial asset are recognised in other comprehensive income.

f. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

Equity instruments

An equity instrument is a contract that evidences a residual interest in the asset of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest methods or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- the financial liability forms part of a company of financial asset or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for not-held for trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Statement of Profit and Loss, in which case these effect of changes in credit risk are recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected

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immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss.

Gain or loss on financial guarantee contract and loan commitments issued by the Company that are designated by the Company as at Fair Value Through Profit or Loss is recognised in Statement of Profit and Loss. Fair value is determined in the manner described in Note: 33.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expenses that are not capitalised as part of cost of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or, (where appropriate), a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair value and, if not designated as at FVTPL, are subsequently measured at a higher of:

- the amount of loss allowance determined in accordance with impairment requirement of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Foreign exchange gain and loss

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gain and loss are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial assets denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gain or loss and is recognised in Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between lenders of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

g. Other operating revenue

Export Incentives

Incentives on exports are recognised in books after consideration of certainty of utilisation/receipt of such incentives.

Government Grants

Government grants are not recognised until there is a reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related cost for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with

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no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

Export benefits on account of entitlement to import goods free of duty under 'Exports Benefit Scheme' are accounted based on eligibility and when there is no uncertainty in receiving the same.

h. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

(i) Fixed payments (including in-substance fixed payments), less any lease incentives receivable

(ii) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

(iii) Amounts expected to be payable by the Company under residual value guarantees

(iv) The exercise price of a purchase option if the Company is reasonably certain to exercise that option,

(v) Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

(i) The amount of the initial measurement of lease liability

(ii) Any lease payments made at or before the commencement date less any lease incentives received

(iii) Any initial direct costs and

(iv) Restoration costs

i. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period agreed with the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

j. Contributed equity.

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

k. Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss. The foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/(expenses).

l. Cash and Cash equivalents and Cash Flow Statement

Cash and cash equivalents for the purpose of presentation in the Cash Flow Statement comprises cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to insignificant risk of changes in value.

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Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

m. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The same has been presented under other financial liabilities in the Balance Sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts [earlier presented under trade payables] have been reclassified to confirm to current year's classification.

Other long-term employee benefit obligations

The Company has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The Company does not have an unconditional right to defer settlement for the obligation and accordingly these are presented as current liability under the heading Provisions in the Balance sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts have been reclassified to confirm to current year's classification.

Post employment obligations

Gratuity

The liability recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period as reduced by the fair value of the plan assets and disclosed under the heading Provisions in the Balance sheet. In accordance with paragraph 41 of Ind AS 1, previous year amounts [earlier presented under trade payables] have been reclassified to confirm to current year's classification.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gain and loss, the effect of the changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised in Statement of Profit and Loss in the period of plan amendment. Net interest is calculated by applying the rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income;
- Remeasurement.

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefit expense'. Curtailment gain and loss are accounted for as past service costs.

A liability for a termination benefit is recognised when the entity can no longer withdraw the offer of the termination benefit as per the relevant scheme.

Voluntary retirement compensation

Compensation to employees who have retired under voluntary retirement scheme is charged off to revenue.

n. Share based payment arrangements.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in Note: 35.

The fair value determined at the grant date of the equity-settled-based payments is expensed on a straight-line

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basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share options outstanding account.

o. Taxes on Income

Tax expense comprises of current and deferred taxes.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years (Temporary differences) and items that are never taxable or deductible (Permanent differences). The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside Statement of Profit and Loss is either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

p. Provision and contingent liabilities

Provisions

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in Statement of Profit and Loss.

Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are recognised as contingent liability.

q. Research and Development

All revenue expenditure related to research and developments are charged to the respective heads in the Statement of Profit and Loss. Capital expenditure incurred on research and development is capitalised as fixed assets

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and depreciated in accordance with the depreciation policy of the Company.

r. Earnings Per Share

Basic earnings per share are computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

s. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

t. Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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4A. Property, plant and equipment

Particulars	As at	
	31.03.2025	31.03.2024
Carrying amounts		
Freehold land	444.56	444.56
Buildings	1558.51	1445.28
Plant and equipment	3610.67	3129.12
Furniture and fittings	84.88	38.13
Vehicles	97.60	74.62
Total	**5796.22**	**5131.71**

Cost	Freehold land	Buildings (a)	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**444.56**	**1980.72**	**7035.18**	**90.62**	**78.88**	**9629.96**
Additions - **(b)**	-	98.81	986.60	16.24	35.21	1136.86
Disposals	-	(0.64)	(150.90)	(2.94)	(19.54)	(174.02)
Balance at March 31, 2024	**444.56**	**2078.89**	**7870.88**	**103.92**	**94.55**	**10592.80**
Additions - **(b)**	-	202.87	1152.00	56.40	43.55	1454.82
Disposals	-	(3.45)	(96.84)	(4.92)	(13.34)	(118.55)
Balance at March 31, 2025	**444.56**	**2278.31**	**8926.04**	**155.40**	**124.76**	**11929.07**

Accumulated depreciation and impairment	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**-**	**541.67**	**4301.70**	**61.11**	**16.21**	**4920.69**
Depreciation expense	-	92.28	584.67	7.22	10.34	694.51
Eliminated on disposals	-	(0.34)	(144.61)	(2.54)	(6.62)	(154.11)
Balance at March 31, 2024	**-**	**633.61**	**4741.76**	**65.79**	**19.93**	**5461.09**
Depreciation expense	-	88.39	664.19	9.20	12.92	774.70
Eliminated on disposals	-	(2.20)	(90.58)	(4.47)	(5.69)	(102.94)
Balance at March 31, 2025	**-**	**719.80**	**5315.37**	**70.52**	**27.16**	**6132.85**

Carrying amounts	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Total
Balance at March 31, 2023	**444.56**	**1439.05**	**2733.48**	**29.51**	**62.67**	**4709.27**
Additions	-	98.81	986.60	16.24	35.21	1136.86
Depreciation expense	-	(92.28)	(584.67)	(7.22)	(10.34)	(694.51)
Disposals (net)	-	(0.30)	(6.29)	(0.40)	(12.92)	(19.91)
Balance at March 31, 2024	**444.56**	**1445.28**	**3129.12**	**38.13**	**74.62**	**5131.71**
Additions	-	202.87	1152.00	56.40	43.55	1454.82
Depreciation expense	-	(88.39)	(664.19)	(9.20)	(12.92)	(774.70)
Disposals (net)	-	(1.25)	(6.26)	(0.45)	(7.65)	(15.61)
Balance at March 31, 2025	**444.56**	**1558.51**	**3610.67**	**84.88**	**97.60**	**5796.22**

(a) Includes ₹981.92 million (Previous year: ₹975.90 million) being cost of building on leasehold land.

(b) Includes Research and Development capital expenditure of ₹26.96 million (Previous year: ₹16.74 million) - Refer Note: 39(b) on Research & Development expenditure

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(c) Assets pledged as security

Immovable properties of the Company carry pari-passu charge in favour of the consortium of bankers, as security for banking facilities availed.

(d) Capitalised borrowing cost

Borrowing costs capitalised on property, plant and equipment during the year - ₹ Nil (Previous year: ₹ Nil).

(e) Contractual obligations

Refer Note: 29B for disclosure of Contractual commitments for the acquisition of property, plant and equipment.

(f) Title deeds

The title deeds of all the immovable properties are held in the name of the Company.

4B. Leases

i) Amount recognised in balance sheet

Particulars	As at	
	31.03.2025	31.03.2024
Right of use Assets		
Land	71.08	72.08
	71.08	**72.08**
Lease liabilities		
Current	-	0.16
	-	**0.16**

Cost	Land
Balance at March 31, 2023	**80.06**
Disposals	-
Balance at March 31, 2024	**80.06**
Disposals	-
Balance at March 31, 2025	**80.06**

Accumulated depreciation and impairment	Land
Balance at March 31, 2023	**6.42**
Depreciation expense	1.56
Balance at March 31, 2024	**7.98**
Depreciation expense	1.00
Balance at March 31, 2025	**8.98**

Carrying amount	Land
Balance at March 31, 2023	**73.64**
Depreciation expense	(1.56)
Balance at March 31, 2024	**72.08**
Depreciation expense	(1.00)
Balance at March 31, 2025	**71.08**

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ii) Amount recognised in Profit and Loss

Particulars	For the year	
	2024-25	2023-24
Depreciation charge of right of use assets - Refer Note: 24		
Land	1.00	1.56
	1.00	**1.56**
Interest expenses (included in Finance cost) - Refer Note: 23	0.01	0.10
Expenses related to Short term leases(included in Rent: Other expenses) - Refer Note: 25	76.86	54.37

(a) Addition to the right of use assets during the year: ₹ Nil (Previous year: ₹ Nil).

(b) The total cash outflow for leases for the year: ₹0.17 million (Previous year: ₹0.89 million).

(c) Extension and termination options

Extension and termination options are included in the above leases across the Company. These are used to maximise operational flexbility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(d) To determine the incremental borrowing rate, the Company, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

(e) The Company has not incurred any expenses relating to low-value assets during the current year. There are no expenses relating to variable lease payments.

(f) The Company leases land, offices, warehouses, furniture, fittings, equipment and vehicles. Lease contracts in respect of land are typically made for periods of upto 99 years.

4C. Capital work-in-progress

Particulars	As at	
	31.03.2025	31.03.2024
Capital work-in-progress (a)	742.76	474.51

Capital work in progress movement	Total
Balance at March 31, 2023	**465.04**
Addition during the year	1146.33
Capitalised during the year	(1136.86)
Balance at March 31, 2024	**474.51**
Addition during the year	1723.07
Capitalised during the year	(1454.82)
Balance at March 31, 2025	**742.76**

(a) Includes Research and Development capital expenditure of ₹0.40 million (Previous year: ₹5.59 million) - Refer Note: 39(b) on Research & Development expenditure.

(b) Ageing of Capital Work-in-Progress:

As at March 31, 2025

Particulars	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	464.64	278.12	-	-	742.76
Projects temporarily suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

As at March 31, 2024

Particulars	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	435.82	31.54	7.15	-	474.51
Projects temporarily suspended	-	-	-	-	-

(c) The expected completion of amounts lying in capital work-in-progress which are delayed is as below:

As at March 31,2025

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Growth projects	18.60	-	-	-	18.60
Total	**18.60**	**-**	**-**	**-**	**18.60**

As at March 31,2024

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress					
Growth projects	23.75	-	-	-	23.75
Total	**23.75**	**-**	**-**	**-**	**23.75**

(d) There are no reportable cost over-run project for the year ended March 31, 2025 and March 31, 2024.

5. Intangible assets

Particulars	As at	
	31.03.2025	31.03.2024
Carrying amounts		
Software	27.39	47.93
Technical know-how	9.01	14.51
Total	**36.40**	**62.44**

Cost	Software	Technical know-how	Total
Balance at March 31, 2023	**135.96**	**141.08**	**277.04**
Additions - **(a)**	10.48	8.29	18.77
Disposals	(1.00)	-	(1.00)
Balance at March 31, 2024	**145.44**	**149.37**	**294.81**
Additions - **(a)**	4.58	-	4.58
Disposals	(2.30)	-	(2.30)
Balance at March 31, 2025	**147.72**	**149.37**	**297.09**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Accumulated amortisation and impairment	Software	Technical know-how	Total
Balance at March 31, 2023	**72.78**	**130.15**	**202.93**
Amortisation expense	25.73	4.71	30.44
Disposals	(1.00)	-	(1.00)
Balance at March 31, 2024	**97.51**	**134.86**	**232.37**
Amortisation expense	25.12	5.50	30.62
Disposals	(2.30)	-	(2.30)
Balance at March 31, 2025	**120.33**	**140.36**	**260.69**

Carrying amounts	Software	Technical know-how	Total
Balance at March 31, 2023	**63.18**	**10.93**	**74.11**
Additions	10.48	8.29	18.77
Amortisation expense	(25.73)	(4.71)	(30.44)
Disposals	-	-	-
Balance at March 31, 2024	**47.93**	**14.51**	**62.44**
Additions	4.58	-	4.58
Amortisation expense	(25.12)	(5.50)	(30.62)
Disposals	-	-	-
Balance at March 31, 2025	**27.39**	**9.01**	**36.40**

(a) Includes Research and Development capital expenditure of ₹0.21 million(Previous year: ₹0.10 million) - Refer Note: 39(b) on Research & Development expenditure

(b) Internally generated intangible assets - ₹ Nil (Previous year: ₹ Nil).

6. Investments - Non Current

Particulars	Quantity in numbers		Nominal value (f)	Notes	Value	
	As at 31.03.2025	As at 31.03.2024			As at 31.03.2025	As at 31.03.2024
Non Current investments:						
(A) Investment in associate - Equity Shares (fully paid)						
Quoted (Trade): Instruments at cost						
Wendt (India) Limited	750000	750000	10		9.74	9.74
				6A	**9.74**	**9.74**
(B) Investments in joint ventures - Equity Shares (fully paid)						
Unquoted (Trade): Instruments at cost						
Murugappa Morgan Thermal Ceramics Limited	1430793	1430793	10		44.04	44.04
Ciria India Limited	59998	59998	10		1.68	1.68
				6B	**45.72**	**45.72**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Quantity in numbers		Nominal value (f)	Notes	Value	
	As at 31.03.2025	As at 31.03.2024			As at 31.03.2025	As at 31.03.2024
(C) Investments in subsidiaries - Equity Shares (fully paid)						
Unquoted (Trade): Instruments at cost						
CUMI International Ltd., Cyprus	40437406	40437406	USD 1		8965.52	8965.52
Sterling Abrasives Limited	54000	54000	100		37.10	37.10
Southern Energy Development Corporation Limited	389908	389908	10		54.66	54.66
Net Access India Limited	5000000	5000000	10		50.00	50.00
CUMI (Australia) Pty Limited, Australia	1050	1050	AUD 1		14.79	14.79
CUMI USA Inc (a)	71000	-	USD 100		597.49	-
PLUSS Advanced Technologies Limited (b)	378033	374740	10		1182.16	1171.86
PLUSS Advanced Technologies Limited (b)					13.45	18.80
				6C	**10915.17**	**10312.73**
(D) Other Investments						
Instruments at Fair Value Through Other Comprehensive Income [FVTOCI]						
Investments in equity instruments - Equity Shares (fully paid)						
Unquoted (Non - Trade)						
Murugappa Management Services Private Limited	44704	44704	100		11.30	11.30
				6D(i)	**11.30**	**11.30**
Instruments at Fair Value Through Profit or Loss [FVTPL]						
Quoted (Non-Trade)						
Investments in equity instruments - Equity Shares (fully paid)						
Grindwell Norton Limited	800	800	5		1.36	1.52
Orient Ceratech Limited	10000	10000	1		0.30	0.48
RHI Magnesita India Limited	10000	10000	1		5.07	5.53
EID Parry (India) Limited	1000	1000	1		0.79	0.55
Cholamandalam Investment and Finance Co Limited	500	500	2		0.76	0.58
Cholamandalam Financial Holdings Limited	1000	1000	1		1.75	1.11
Tube Investments of India Limited	1000	1000	1		2.77	3.74
Coromandel International Limited	330	330	1		0.66	0.34
				6D(ii)	**13.46**	**13.85**
Un Quoted (Non-Trade)						
Investments in equity instruments - Equity Shares (fully paid)						
Chennai Willingdon Corporate Foundation (Rs.50 only) - **(c)**	5	5	10		0.00	0.00
John Oakey Mohan Limited	1900	1900	10		0.05	0.05

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Quantity in numbers		Nominal value (f)	Notes	Value	
	As at 31.03.2025	As at 31.03.2024			As at 31.03.2025	As at 31.03.2024
CUMI Employees Co-operative Society/Stores	-	-	-		0.03	0.03
Kerala Enviro Infrastructure Limited	10000	10000	10		0.10	0.10
				6D(iii)	**0.18**	**0.18**
				6D	**24.94**	**25.33**
Investment - Non Current Grand Total [6A]+ [6B] + [6C] +[6D]					**10995.57**	**10393.52**

(a) During the year, the Company had completed the acquisition of M/s. Silicon Carbide Products LLC ('SCP LLC') through its newly incorporated subsidiary CUMI USA Inc. The closing was effected on October 30, 2024 by making a payment of USD 6.87 million to the sellers. The enterprise value of the transaction (on debt free and cash free basis) was agreed at USD 6.66 million in the Purchase agreement. The purchase consideration of USD 6.87 million paid reflected adjustment for cash on hand, net working capital and transaction expenses at the closing. The purchase consideration was based on the estimated financials as at 30th October 2024 and was subject to further adjustment based on the verification by the Purchaser on the actual closing financial statements. The closing had also been completed during the year and the final consideration was determined at USD 7.05 million.

(b) Before acquisition, PLUSS Advanced Technologies Limited [PLUSS] had an ESOP scheme wherein the employees of PLUSS were granted shares based on satisfaction of certain service condition or the happening of a liquidation event. All the options had vested as on the acquisition date. The Company had modified the terms of the ESOP by increasing the service condition and had also agreed to purchase ESOP shares in future from the employees of PLUSS once vested and exercised. Consequently, to the extent of service received from employees of PLUSS, this has been accounted as an investment with corresponding increase to other financial liability. Of the said balance during the year, the Company has purchased 3293 equity shares at ₹3127 per share (March 31, 2024 - 3511 equity shares at ₹3127 per share). The Company has also performed a detailed impairment assessment of investment in PLUSS and based on the assessment performed no impairment is deemed necessary.

(c) Shares allotted against corporate membership contribution.

(d)

Particulars	As at	
	31.03.2025	31.03.2024
Aggregate book value of quoted investments	23.20	23.59
Aggregate market value of quoted investments	6659.74	8439.20
Aggregate carrying value of unquoted investments	10972.37	10369.93

(e)

Categorywise other investments as per Ind AS 109	As at	
	31.03.2025	31.03.2024
Mandatorily measured at FVTPL - 6D(ii)+6D(iii)	13.64	14.03
Financial assets designated at FVTOCI (equity instruments) - 6D(i)	11.30	11.30
Investments at cost (represent investment in associate, joint ventures and subsidiaries) - 6A+6B+6C	10970.63	10368.19
	10995.57	**10393.52**

(f) Nominal value per share is given in Indian rupees or in respective foreign currency where stated.

7. Other financial assets

Particulars	As at	
	31.03.2025	31.03.2024
A. Non-Current		
Security deposits	201.61	189.97
	201.61	**189.97**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	As at	
	31.03.2025	31.03.2024
B. Current		
Other receivables:		
Considered good	116.49	51.13
Considered doubtful	0.06	0.06
Less: Allowance for doubtful receivables	(0.06)	(0.06)
	116.49	**51.13**

8. Other assets

Particulars	As at	
	31.03.2025	31.03.2024
A. Non-Current		
Capital advances	324.48	96.96
Deposits paid under protest relating to Sales tax, Value added tax, Central excise and Service tax demands	12.40	12.40
Taxation (net of provisions)	38.52	-
	375.40	**109.36**
B. Current		
Prepayments	75.50	56.88
Trade advance to Suppliers	268.79	208.14
Balances with/amount receivable from Statutory Authorities	161.41	22.97
	505.70	**287.99**

9. Inventories

Particulars	As at	
	31.03.2025	31.03.2024
Raw materials	2167.50	1519.98
Raw materials in transit	2.89	162.68
Work-in-progress	802.41	819.08
Stock-in-trade	224.95	121.43
Finished goods	827.90	609.64
Stores and spares	393.97	369.35
Stores and spares in transit	1.75	10.29
	4421.37	**3612.45**

(a) The method of valuation of inventories are stated in Note: 3A(h), 3B(c).

(b) The cost of inventories recognised as an expense (consumption) during the year was ₹13990.48 million (previous year: ₹12731.35 million)

(c) Raw materials includes captively manufactured intermediaries.

(d) All the above inventories are expected to be recovered/utilised within twelve months.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

10. Trade receivables (Unsecured)

Particulars	As at	
	31.03.2025	31.03.2024
Current		
a. Considered good	4630.03	3869.10
b. Which have significant increase in Credit risk	-	-
c. Credit impaired	42.21	42.21
Allowance for doubtful receivables (expected credit loss allowance)	(153.13)	(125.52)
	4519.11	**3785.79**

(a) Trade receivables are generally due between 30 to 60 days. The Company's terms includes charging of interest for delayed payment beyond agreed credit days. However, the Company charges interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

(b) **Credit risk** is managed at the operational segment level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

(c) **Concentration risk** considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant as the customer base is large and diversified.

(d) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix which takes into account the historical credit loss experience adjusted for forward looking information.

(e) Some trade receivable may be past due over 365 days without being impaired considering the certainty of realisation.

(f) Trade Receivable includes dues from Related party amounting ₹582.31 million (Previous year: ₹534.11 million).

(g) Movement in expected credit loss allowance:

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	125.52	106.84
Add: Allowance made during the year	45.15	61.80
Less: Reversal / Utilisation of allowance during the year	(17.54)	(43.12)
Balance at the end of the year	**153.13**	**125.52**

10A Ageing of Trade Receivables

Particulars	As at March 31, 2025							
	Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivable- Considered good	-	3322.84	1158.45	54.74	61.07	6.75	26.18	4630.03
(ii) Undisputed Trade receivable- which have significant increase in credit risk	-		-	-	-	-	-	-
(iii) Undisputed Trade receivable- credit impaired	-	-	-	-		40.69	1.52	42.21
(iv) Disputed Trade receivable- Considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivable- which have significant increase in credit risk	-	-	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	As at March 31, 2025							
	Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(vi) Disputed Trade receivable- credit impaired	-	-	-	-	-	-	-	-

Particulars	As at March 31, 2024							
	Unbilled due	Not due	Less than 6 months	6 months to 1 year	1- 2 years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivable- Considered good	-	3027.20	743.86	58.00	12.26	5.04	22.74	3869.10
(ii) Undisputed Trade receivable- which have significant increase in credit risk	-		-	-	-	-	-	-
(iii) Undisputed Trade receivable- credit impaired	-	-	-	-	40.69	1.52	-	42.21
(iv) Disputed Trade receivable- Considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivable- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivable- credit impaired	-	-	-	-	-	-	-	-

11A. Cash and cash equivalents

Particulars	As at	
	31.03.2025	31.03.2024
Balances with banks - Current account	107.32	224.47
Deposit account with original maturity less than three months	750.00	1500.00
Cash on hand	0.65	1.06
	857.97	**1725.53**

Non-cash transactions:

The Company has not entered into any non-cash transactions on investing and financing activities.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and previous year.

11B. Bank balances other than above

Particulars	As at	
	31.03.2025	31.03.2024
Earmarked funds - Unclaimed and unpaid dividend - Refer Note: 17	17.56	17.79
Bank Deposit with original maturity more than three months but less than 12 months	6.47	6.20
	24.03	**23.99**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

12. Equity share capital

Particulars	As at	
	31.03.2025	31.03.2024
Authorised share capital:		
387,250,000 (as at March 31, 2024: 387,250,000) equity shares of Re.1 each	387.25	387.25
Issued, Subscribed and Paid-up		
190,422,718 (as at March 31, 2024: 190,257,608) equity shares of Re.1 each fully paid	**190.42**	**190.26**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2025		As at 31.03.2024	
Equity shares with voting rights	No. of Shares	Value of Shares	No. of Shares	Value of Shares
At the beginning of the year	190257608	190.26	189943974	189.94
Add: Shares issued against Employee Stock Option Scheme/ Plan	165110	0.16	313634	0.32
At the end of the year	**190422718**	**190.42**	**190257608**	**190.26**

b) Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share. Repayment of capital and surplus, if any, will be in proportion to the number of equity shares held.

c) Dividend details

Final dividend of ₹2.50/- per share was proposed for the year ended March 31, 2025 at the meeting of the Board of Directors held on May 12,2025 (previous year final dividend of ₹2.50/- was proposed and paid). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, upon which the liability will be recorded in the books. An Interim Dividend of ₹1.50/- per share was declared at the meeting of the Board of Directors held on February 13, 2025 and the same has been paid (previous year an interim dividend of ₹1.50/- per share was declared at the meeting of the Board of Directors held on January 31, 2024 and the same had been paid).

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at			
	31.03.2025		31.03.2024	
	No. of Shares held*	% of holding	No. of Shares held*	% of holding
Ambadi Investments Limited	56054244	29.44%	56054244	29.46%
SBI Mutual Fund	18306415	9.61%	18535215	9.74%

*Holdings combined based on the PAN of the shareholders

e) Stock Options granted under the Company's Employee Stock Option Scheme/Plan

Stock Options granted under the Company's Employee Stock Option Scheme/Plan pending exercise by option holders carry no right to dividend and voting rights. Further details of the Employee Stock Option Scheme/Plan are provided in Note: 35.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

(f) Details of shares held by promoters at the end of the year:

S.No	Promoter Name	No of shares held as at				% Change in no. of shares held during the year
		March 31, 2025		March 31, 2024		
		Nos.	%	Nos.	%	
1	M A M Arunachalam as a karta of M A Murugappan HUF	92000	0.05%	92000	0.05%	-
2	M A Alagappan in the capacity of Karta of M A Alagappan HUF	188000	0.10%	188000	0.10%	-
3	M M Murugappan as a Karta of M M Muthiah HUF	335200	0.18%	335200	0.18%	-
4	M M Murugappan Karta of M M Murugappan HUF	16000	0.01%	16000	0.01%	-
5	A Venkatachalam Karta of A Venkatachalam HUF	1000	0.00%	1000	0.00%	-
6	M A M Arunachalam	1003800	0.53%	1093800	0.57%	-8.2%
7	Arun Alagappan	471400	0.25%	471400	0.25%	-
8	M A Alagappan	786000	0.41%	786000	0.41%	-
9	A Vellayan	303260	0.16%	303260	0.16%	-
10	Valli Arunachalam Karta of M V Murugappan HUF **	-	0.00%	215600	0.11%	-100.0%
11	M M Murugappan	340140	0.18%	340140	0.18%	-
12	M A Alagappan Karta of AMM Arunachalam HUF	300400	0.16%	300400	0.16%	-
13	M V Subbiah as a Karta of M V Subbiah HUF	81600	0.04%	81600	0.04%	-
14	A Venkatachalam	598900	0.31%	598900	0.31%	-
15	V Narayanan	205900	0.11%	205900	0.11%	-
16	V Arunachalam	183740	0.10%	183740	0.10%	-
17	Arun Venkatachalam	186840	0.10%	186840	0.10%	-
18	E.I.D.Parry (India) Limited	2000	0.00%	2000	0.00%	-
19	Ambadi Investments Limited	56054244	29.44%	56054244	29.46%	-
20	Cholamandalam Financial Holdings Limited	6000	0.00%	6000	0.00%	-
21	Subbiah.M.V, Alagappan M A And M M Murugappan Holds On Behalf Of The Firm Murugappa & Sons	480	0.00%	480	0.00%	-
22	Umayal.R.	979504	0.51%	979504	0.51%	-
23	Valli Annamalai	136480	0.07%	136480	0.07%	-
24	Vellachi Murugappan **	-	0.00%	856800	0.45%	-100.0%
25	Sigapi Arunachalam as a Trustee of Murugappan Arunachalam Children Trust	300000	0.16%	300000	0.16%	-
26	M A M Arunachalam Trustee of Arun Murugappan Children Trust AOP	345600	0.18%	345600	0.18%	-
27	Arun Alagappan Trustee of M A Alagappan Grandchildren Trust AOP	345600	0.18%	345600	0.18%	-
28	Lakshmi Chocka Lingam	176121	0.09%	518500	0.27%	-66.0%
29	Lalitha Vellayan	116500	0.06%	116500	0.06%	-
30	Meyyammai Venkatachalam	100000	0.05%	100000	0.05%	-
31	A M Meyyammai	21300	0.01%	21300	0.01%	-
32	Meenakshi Murugappan	479900	0.25%	479900	0.25%	-
33	Valli Alagappan	15151	0.01%	15151	0.01%	-
34	Solachi Ramanathan	2000	0.00%	2000	0.00%	-
35	M V AR Meenakshi	367898	0.19%	367898	0.19%	-
36	A. Keertika Unnamalai	1000	0.00%	1000	0.00%	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

S.No	Promoter Name	No of shares held as at				% Change in no. of shares held during the year
		March 31, 2025		March 31, 2024		
		Nos.	%	Nos.	%	
37	Uma Ramanathan	3250	0.00%	3250	0.00%	-
38	V Vasantha	50	0.00%	50	0.00%	-
39	Dhruv M Arunachalam	1200	0.00%	1200	0.00%	-
40	Pranav Alagappan	2000	0.00%	2000	0.00%	-
41	Krishna Murugappan Muthiah	5000	0.00%	5000	0.00%	-
42	A M M Vellayan Sons Private Limited	1700	0.00%	1700	0.00%	-
43	M.M.Muthiah Sons Private Limited	304000	0.16%	304000	0.16%	-
44	M.M.Muthiah Research Foundation	1104160	0.58%	1104160	0.58%	-
45	M A Alagappan Holdings Private Limited	210020	0.11%	210020	0.11%	-
46	M M Venkatachalam, Trustee of Lakshmi Venkatachalam Family Trust	200000	0.11%	200000	0.11%	-
47	A A Alagammai, Trustee of Lakshmi Ramaswamy Family Trust	390000	0.20%	390000	0.20%	-
48	Southern Energy Development Corporation Limited*	2449240	1.29%	2449240	1.29%	-
49	M M Venkatachalam, Trustee of M V Muthiah Family Trust	262400	0.14%	262400	0.14%	-
50	M M Murugappan, Trustee of M M Veerappan Family Trust	352000	0.18%	352000	0.19%	-
51	M M Venkatachalam, Trustee of M M Venkatachalam Family Trust	222740	0.12%	222740	0.12%	-
52	M M Venkatachalam, Trustee of M V Subramanian Family Trust	262400	0.14%	262400	0.14%	-
53	M M Murugappan, Trustee of M M Muthiah Family Trust	352000	0.18%	352000	0.19%	-
54	Murugappa Educational and Medical Foundation	3811920	2.00%	3811920	2.00%	-
55	AR. Lakshmi Achi Trust	153140	0.08%	153140	0.08%	-
56	M V Subbiah, Trustee of Saraswathi Trust	388860	0.20%	388860	0.20%	-
57	M V Subbiah, Trustee of Shambho Trust	599021	0.31%	719021	0.38%	-16.7%
58	M A Murugappan Holdings LLP	145940	0.08%	235940	0.12%	-38.1%
59	Valliammai Murugappan	52000	0.03%	52000	0.03%	-
60	Valli Arunachalam **	-	0.00%	918800	0.48%	-100.0%
61	A V Nagalakshmi	75	0.00%	75	0.00%	-

*On March 28, 2025, Southern Energy Development Corporation Limited had sold 1,000,000 shares in the Company and the transfer was effected in the demat accounts on April 02, 2025. Consequently the above disclosure has been provided based on the dematerialised holding as at March 31, 2025 as per the depository participant statement. However it may be noted as at March 31, 2025, Southern Energy Development Corporation Limited effective holding shares in the Company was 1,449,240.

**During the financial year as per the request made to the Company, Mrs. Valli Arunachalam, Karta of M V Murugappan HUF, Mrs. Valli Arunachalam and Mrs. Vellachi Murugappan have been declassified as public category shareholders and they don't form part of Promoter/ Promoter Group of the Company as on 31.03.2025.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

13. Other equity

Particulars	As at	
	31.03.2025	31.03.2024
A. Reserves and Surplus:		
a. Profit on Forfeiture of shares / warrants	6.03	6.03
b. Capital redemption reserve	27.68	27.68
c. Securities premium	600.88	546.56
d. General reserve	10175.43	9675.43
e. Share options outstanding account	328.44	226.92
f. Retained earnings	14229.94	12278.56
B. Items of Other Comprehensive Income		
g. Reserve for equity instruments	-	-
h. Revaluation Surplus	23.74	23.74
Total Other equity	**25392.14**	**22784.92**

a. Profit on forfeiture of shares/warrants

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	6.03	6.03
Movements	-	-
Balance at end of the year	**6.03**	**6.03**

During 1999, an amount of ₹6.03 million has been added on account of forfeiture of shares. This balance can be used in paying up unissued shares as fully paid bonus shares to the shareholders of the Company.

b. Capital redemption reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	27.68	27.68
Movements	-	-
Balance at end of the year	**27.68**	**27.68**

During the year 2000-01, the Company bought back 2,768,000 shares at the then face value of ₹10 each at the price of ₹115 per share from the shareholders, pursuant to the offer of buy back of shares. A sum equal to nominal value of shares so bought back was transferred to capital redemption reserve account as per Companies Act, 1956. This reserve can be used in paying up unissued shares as fully paid bonus shares to the shareholders of the Company.

c. Securities premium

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	546.56	410.33
Movements	54.32	136.23
Balance at end of the year	**600.88**	**546.56**

The Securities premium received during the year represents the premium received towards allotment of 165,110 shares. Cumulatively 3,714,718 equity shares were allotted during the period FY 2009-10 to FY 2024-25 under ESOP Scheme 2007 and ESOP Plan 2016 (Refer Note: 35 towards details of the Scheme/Plan).

This balance will be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013 towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Companies Act.

d. General reserve

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	9675.43	9175.43
Transfer from retained earnings	500.00	500.00
Balance at end of the year	**10175.43**	**9675.43**

The general reserve is a free reserve, retained from Company's profits and can be utilised upon fulfilling certain conditions in accordance with the Companies Act.

e. Share options outstanding account

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	226.92	186.70
Movements	101.52	40.22
Balance at end of the year	**328.44**	**226.92**

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Refer Note: 35 for details.

f. Retained earnings

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	12278.56	10017.49
Add: Profits for the year	3216.23	3503.50
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of tax	(3.55)	(57.84)
Less: Transfer from Reserve for equity instruments	-	(19.34)
Less: Transfer to General reserve	(500.00)	(500.00)
Less: Final dividend paid	(475.67)	(379.91)
Less: Interim dividend paid	(285.63)	(285.34)
Balance at end of the year	**14229.94**	**12278.56**

The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Company and in compliance with the requirements of the Companies Act, 2013.

g. Reserve for equity instruments

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	-	27.82
Movements	-	(47.16)
Transfer to Retained earnings	-	19.34
Balance at end of the year	**-**	**-**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income (Refer Note: 6D(i)), which will be reclassifed to retained earnings when those assets are disposed off.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

h. Revaluation Surplus

Particulars	As at	
	31.03.2025	31.03.2024
Balance at the beginning of the year	23.74	23.74
Movements	-	-
Balance at end of the year	**23.74**	**23.74**

Land & Buildings added upto 31st August 1984 were revalued in 1984 based on the valuation done by an independent valuer. The value added on revaluation amounting to ₹58.41 million was credited to fixed asset revaluation reserve. The depreciation charged on the revalued portion was recouped every year from this reserve upto March 31, 2015 under previous GAAP.

14. Provisions

Particulars	As at	
	31.03.2025	31.03.2024
A. Non Current		
Employee benefits - Gratuity	208.59	184.08
Total	**208.59**	**184.08**
B. Current		
Employee benefits - Compensated absences *	230.75	185.17
Total	**230.75**	**185.17**

* The entire amount of the provision is presented as current, since the Company does not have an unconditional right, at the end of the reporting period, to defer settlement for any of these obligations beyond 12 months. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months

Particulars	31.03.2025	31.03.2024
Leave obligation not expected to be settled within the next 12 months	144.67	128.26

The movement represents the provision created for the year arising out of the actuarial valuation after considering the actual settlements made during the year.

15A. Deferred tax liabilities (net)

Particulars	As at	
	31.03.2025	31.03.2024
Deferred tax liabilities (net)	0.36	34.17

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences.

Particulars	2024-25			
	Balance as at 31.03.2024	Recognised in Profit & loss	Recognised in Other Comprehensive Income	Balance as at 31.03.2025
Breakup of deferred tax liabilities (net):				
Allowance for doubtful receivables and advances	(31.61)	(6.95)	-	(38.56)
Voluntary retirement scheme payments	(0.18)	0.11	-	(0.07)
Expenses allowed on payment basis	(83.11)	(11.67)	(8.10)	(102.88)
Accelerated depreciation for tax purposes	149.07	(7.20)	-	141.87
	34.17	**(25.71)**	**(8.10)**	**0.36**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	2023-24			
	Balance as at 31.03.2023	Recognised in Profit & loss	Recognised in Other Comprehensive Income	Balance as at 31.03.2024
Breakup of deferred tax liabilities (net):				
Allowance for doubtful receivables and advances	(27.04)	(4.57)	-	(31.61)
Voluntary retirement scheme payments	(0.20)	0.02	-	(0.18)
Expenses allowed on payment basis	(51.34)	(9.16)	(22.61)	(83.11)
Accelerated depreciation for tax purposes	130.94	18.13	-	149.07
	52.36	**4.42**	**(22.61)**	**34.17**

15B. Current tax liabilities (net)

Particulars	As at	
	31.03.2025	31.03.2024
Current tax liabilities (net)	-	26.00

16. Trade payables

Particulars	As at	
	31.03.2025	31.03.2024
Total outstanding due to micro and small enterprises(c) - Refer Note: 31	115.94	132.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	1785.80	1641.95
	1901.74	**1774.43**

(a) Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 to 60 days.

(b) The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

(c) Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the auditors.

16A Ageing of Trade Payables:

Particulars	As at March 31, 2025					
	Not due	0-1 Years	1- 2 years	2-3 Years	More than 3 years	Total
(i) MSME	115.94	-	-	-	-	115.94
(ii) Others	1074.78	663.65	3.35	40.94	3.08	1785.80
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2024					
	Not due	0-1 Years	1- 2 years	2-3 Years	More than 3 years	Total
(i) MSME	132.48	-	-	-	-	132.48
(ii) Others	1327.25	265.36	46.21	1.30	1.83	1641.95
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

17. Other financial liabilities (Current)

Particulars	As at	
	31.03.2025	31.03.2024
Unsecured		
Unclaimed and Unpaid dividends (a)	17.56	17.79
Remuneration payable to directors	28.33	27.83
Employee benefits payable	293.33	287.12
Deposits	52.98	50.39
Payable relating to Capital expenditure	173.32	56.92
Payable for purchase of PLUSS ESOP shares - Refer Note: 6(b)	13.45	18.80
Other payables	52.39	211.16
	631.36	**670.01**

(a) There is no amount which has fallen due as at Balance sheet date to be credited to Investor Education and Protection Fund. The unclaimed dividend portion is kept separately in earmarked bank accounts - Refer Note: 11B.

18. Other current liabilities

Particulars	As at	
	31.03.2025	31.03.2024
Contract Liabilities (a)	51.93	41.98
Statutory liabilities	36.42	29.29
Others	20.00	-
	108.35	**71.27**

(a) Details about Contract Liabilities:

i) The outstanding balances in Contract liabilities have increased from last year mainly on account of net increase in receipt of advances during current year.

ii) Revenue recognised in relation to Contract liabilities:

The following summary shows how much of the revenue recognised in the current year relates to carried forward contract liabilities and how much relates to performance obligations that were satisfied in the prior year.

Particulars	For the year 2024-25	For the year 2023-24
Revenue recognised that was included in the Contract liability balance at the beginning of the year	41.98	187.04
Revenue recognised from performance obligations satisfied in previous periods	-	-

iii) In respect of the remaining performance obligations, the disclosure towards allocation of transaction price do not arise as the contract has an original expected duration of one year or less.

19. Revenue from operations

Particulars	For the year	
	2024-25	2023-24
a. Sales / Income from Operations - Refer Note: 28 "Segmental Disclosure" for breakup of sales.		
Sale of products	27120.88	25229.04
Sale of services	715.89	702.61
	27836.77	**25931.65**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	For the year	
	2024-25	2023-24
b. Other operating income		
Service income	76.50	107.44
Scrap Sales	180.54	166.46
Miscellaneous income		
- Export benefits	143.79	108.73
- Others	38.20	17.47
	439.03	**400.10**
Total Revenue from operations (a + b)	**28275.80**	**26331.75**

No element of financing is deemed present as the sales are made with a credit term which is one year or less.

Reconciliation of Revenue recognised with Contract price

Particulars	For the year	
	2024-25	2023-24
Gross Sales/Income from operations	28359.67	26336.98
Service income	76.50	107.44
Scrap Sales	180.54	166.46
Contract price	**28616.71**	**26610.88**
Less: Variable Consideration	522.90	405.33
Revenue recognised under Ind AS 115	**28093.81**	**26205.55**
Add: Miscellaneous income	181.99	126.20
Revenue from operations	**28275.80**	**26331.75**

20. Other Income

Particulars	For the year	
	2024-25	2023-24
(a) Dividend Income		
Dividend Income from Non-Current Investments		
Dividend from Subsidiaries	170.00	163.12
Dividend from Joint ventures	122.54	182.54
Dividend from Associate	37.50	60.00
Dividend from Others	0.05	0.05
	330.09	**405.71**
(b) Interest Income earned on financial assets that are not designated as fair value through profit or loss [FVTPL]		
from bank deposits (at amortised cost)	39.34	11.24
from other financial assets carried (at amortised cost)	16.57	10.73
	55.91	**21.97**
(c) Net gain arising on financial assets mandatorily measured at fair value through profit or loss [FVTPL] - (Refer Note: 6D(ii) & 6D(iii))	**-**	**1.59**
(d) Other non-operating income		
Profit on sale of assets	-	0.78
Reversal of allowance for doubtful receivables and advances	-	21.89
Provision for expenses no longer required written back	-	0.05
Rental income	2.71	2.63
	2.71	**25.35**
Total Other Income (a + b + c + d)	**388.71**	**454.62**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

21. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year	
	2024-25	2023-24
Opening stock		
Work-in-progress	819.08	882.38
Stock-in-trade	121.43	77.10
Finished goods	609.64	626.23
(A)	**1550.15**	**1585.71**
Less: Closing stock		
Work-in-progress	802.41	819.08
Stock-in-trade	224.95	121.43
Finished goods	827.90	609.64
(B)	**1855.26**	**1550.15**
(Accretion) / Decretion to stock (A) - (B)	**(305.11)**	**35.56**

22. Employee benefits expense

Particulars	For the year	
	2024-25	2023-24
Salaries, wages and bonus	2081.56	1893.16
Contribution to provident and other funds	249.16	212.73
Share based payments to employees (ESOPs) - Refer Note: 35	101.52	40.22
Remuneration to Executive Directors*$ - Refer Note: 34D	40.38	39.73
Welfare expenses	430.48	397.95
	2903.10	**2583.79**

*excludes gratuity, compensated absences and share based compensation expenses since employee-wise valuation is not available

$ Includes Incentive to Executive Directors that is provisional and subject to determination by the Nomination and Remuneration Committee.

Refer Note: 30 for precommissioning expenses capitalised

23. Finance costs

Particulars	For the year	
	2024-25	2023-24
Interest costs		
- on loans from bank	0.05	39.65
- on lease liabilities	0.01	0.10
Other borrowing costs	1.61	1.76
	1.67	**41.51**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

24. Depreciation and amortisation expenses

Particulars	For the year	
	2024-25	2023-24
Depreciation of property, plant and equipment - Refer Note: 4A	774.70	694.51
Depreciation of Right of use assets - Refer Note: 4B	1.00	1.56
Amortisation of intangible assets - Refer Note: 5	30.62	30.44
	806.32	**726.51**

25. Other expenses

Particulars	For the year	
	2024-25	2023-24
Consumption of stores and spares **(a)**	1215.98	1125.73
Power and fuel **(b)**	2351.69	2307.55
Rent	129.82	99.92
Rates and taxes	78.30	71.99
Insurance	30.70	43.22
Repairs to: **(c)**		
- Buildings	42.80	46.32
- Plant and equipment	719.91	623.81
Directors' Sitting fees (refer Corporate Governance report)	4.30	4.06
Commission to Non-whole-time Directors (refer Corporate Governance report)	18.01	18.00
Auditors' remuneration (Refer Note: 38)	11.28	9.31
Travel and conveyance	220.28	192.50
Freight, delivery and shipping charges	804.21	704.43
Impairment loss on financial assets	-	21.76
Less: Provision adjusted	-	(21.76)
Allowance for doubtful receivables and advances	27.61	61.80
Net loss arising on financial assets mandatorily measured at fair value through profit or loss [FVTPL] - (Refer Note: 6D(ii) & 6D(iii))	0.39	-
Selling commission	70.85	65.80
Advertisement and publicity	104.70	181.22
Printing, stationery and communication	37.97	38.52
Loss on exchange fluctuation (net)	5.61	2.31
Professional fees	490.95	203.58
Services outsourced	1717.96	1520.38
Loss on sale of assets	11.76	11.52
Miscellaneous expenses	224.60	226.25
	8319.68	**7558.22**

(a) Includes consumption of packing materials amounting ₹643.09million (previous year ₹596.71 million)

(b) Net of own power generation, which includes energy banked with Kerala State Electricity Board - ₹ Nil million(Previous year: ₹ Nil)

(c) Repairs includes consumption of stores and spares amounting to ₹393.78 million (Previous year: ₹360.20 million)

(d) Refer Note: 30 for precommissioning expenses capitalised

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

26. Income tax expense

Particulars	For the year	
	2024-25	2023-24
A. Income tax expense recognised in Profit and loss:		
a. Current tax		
In respect of the current year	1062.50	1123.00
	1062.50	**1123.00**
b. Deferred tax		
In respect of the current year	(25.71)	4.42
	(25.71)	**4.42**
Total Income tax expense recognised during the year (net)	**1036.79**	**1127.42**
Income tax reconciliation:		
Profit before tax	**4253.02**	**4630.92**
Income tax expense calculated at the applicable tax rate of 25.168% on Profit before tax	1070.40	1165.51
Tax expenses recognised during the year	1036.79	1127.42
Differential tax impact	**(33.61)**	**(38.09)**
Differential tax impact due to the following (tax benefit)/tax expenses		
Dividend income eligible for section 80M deduction	(83.10)	(102.10)
Expenditure on Corporate Social Responsibility	17.20	4.20
Movement in the fair valuation of the quoted Investment	0.09	(0.40)
Donations paid	3.00	11.60
Payables towards District mineral fund	-	7.80
Enhanced depreciation allowed earlier	-	25.40
Share based payments - ESOP	25.50	10.10
Others	3.70	5.31
	(33.61)	**(38.09)**
B. Income tax expense recognised in Other Comprehensive Income:	(8.10)	(22.61)

27. Earnings per share

Particulars	For the year	
	2024-25	2023-24
Basic earnings per share (₹)	16.90	18.44
Diluted earnings per share (₹)	16.87	18.40
The calculation of Basic and Diluted Earnings per share is based on the following data:		
Profit for the year after tax	3216.23	3503.50
Weighted average number of equity shares outstanding during the year:		
- Basic	190323385	190037418
- Dilutive	190669311	190450740

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as given below:

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for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	For the year	
	2024-25	2023-24
Weighted average number of equity shares used in the calculation of basic earnings per share	190323385	190037418
Shares deemed to be issued for no consideration in respect of:		
- Employee Stock Option Scheme/Plan	345926	413322
Weighted average number of equity shares used in the calculation of diluted earnings per share	190669311	190450740

28. Segment information

Carborundum Universal Limited provides solutions for following industrial manufacturing needs by developing, manufacturing and marketing products using the properties of materials known as electrominerals:

- Surface engineering (material removal, cutting, polishing) known as Abrasives. This segment comprises of Bonded, Coated, Processed cloth, Polymers, Power tools and Coolants.
- Technical ceramics and super refractory solutions to address wear protection, corrosion resistance, electrical resistance, heat protection and ballistic protection known as Ceramics.
- Electrominerals for surface engineering, refractories, energy and environment. It includes fused alumina, silicon carbide, zirconia, specialty minerals and captive power generation from hydel power plant.

The Business Group Management Committee headed by the Managing Director (CODM) and consisting of Chief Financial Officer, Leaders of Strategic Business Units, functional heads such as Human Resources, Information technology, Environmental Health and Safety, Risk & Taxation, Manufacturing and Company Secretary have identified the above three reportable business segments. It reviews and monitors the operating results of the business segments for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.

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Particulars	Abrasives		Ceramics		Electrominerals		Eliminations		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Sales										
External Sales	11705.62	11219.85	8994.27	8405.56	6420.99	5603.63			27120.88	25229.04
Sale of services	226.16	253.92	369.70	380.16	120.03	68.53			715.89	702.61
Inter segment sales	22.00	29.65	23.33	26.90	1613.79	1738.42	(1659.12)	(1794.97)	-	-
Sales / Income from Operations	**11953.78**	**11503.42**	**9387.30**	**8812.62**	**8154.81**	**7410.58**	**(1659.12)**	**(1794.97)**	**27836.77**	**25931.65**
Results										
Segment result - EBITDA	2188.16	2193.96	2646.91	2483.88	825.76	889.44			5660.83	5567.28
Depreciation/amortisation	(259.25)	(239.03)	(316.19)	(270.85)	(199.48)	(186.74)			(774.92)	(696.62)
Unallocated corporate (expenses)/Income									(1016.83)	(627.50)
Interest expense									(1.67)	(41.51)
Interest and dividend income									386.00	427.68
Fair valuation of Investment									(0.39)	1.59
Profit before tax	**1928.91**	**1954.93**	**2330.72**	**2213.03**	**626.28**	**702.70**	**-**	**-**	**4253.02**	**4630.92**
Income taxes									(1036.79)	(1127.42)
Net profit after taxes									**3216.23**	**3503.50**
Other information:										
Segment assets	6114.46	5301.29	6085.54	4951.75	4262.53	3367.81			16462.53	13620.85
Unallocated corporate assets									12201.18	12299.62
Total assets	**6114.46**	**5301.29**	**6085.54**	**4951.75**	**4262.53**	**3367.81**			**28663.71**	**25920.47**
Segment liabilities	788.16	877.52	767.03	715.23	790.04	690.83			2345.23	2283.58
Unallocated corporate liabilities									735.92	661.71
Total liabilities	**788.16**	**877.52**	**767.03**	**715.23**	**790.04**	**690.83**	**-**		**3081.15**	**2945.29**
Addition to Non - Current assets	725.09	519.64	862.36	388.55	294.60	224.15				
Cost of materials consumed (including inter-segment transaction)	5230.07	5024.70	2945.04	2743.95	5068.84	4329.79				
Depreciation & Amortization	259.25	239.03	316.19	270.85	199.48	186.74				
Impairment losses (net)	7.49	0.03	10.00	23.68	8.62	1.63				

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Abrasives		Ceramics		Electrominerals		Eliminations/ Unallocable		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue recognised under Ind AS 115										
Sales / Income from Operations	11953.78	11503.42	9387.30	8812.62	8154.81	7410.58	(1659.12)	(1794.97)	27836.77	25931.65
Service income	-	-	-	-	-	-	76.50	107.44	76.50	107.44
Scrap sales	109.21	102.88	54.68	53.83	19.29	10.25	(2.64)	(0.50)	180.54	166.46
Total	**12062.99**	**11606.30**	**9441.98**	**8866.45**	**8174.10**	**7420.83**	**(1585.26)**	**(1688.03)**	**28093.81**	**26205.55**
Revenue recognised under Ind AS 115 comprise of:										
- At the point in time	11836.83	11352.38	9072.28	8486.29	8054.07	7352.30	(1661.76)	(1795.47)	27301.42	25395.50
- Over the period	226.16	253.92	369.70	380.16	120.03	68.53	76.50	107.44	792.39	810.05
Total	**12062.99**	**11606.30**	**9441.98**	**8866.45**	**8174.10**	**7420.83**	**(1585.26)**	**(1688.03)**	**28093.81**	**26205.55**

Sales between operating segments are carried out at arm's length basis and are eliminated at entity level consolidation.

The accounting policies of the reportable segments are the same as that of Company's accounting policies described in Note: 3(A)(l); Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, other income, as well as finance costs. This is the measure reported to the Chief Operating Decision Maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities:

For the purposes of monitoring segment performance and allocating resources between segments:

1. All assets other than investments, current and deferred tax assets, unallocable current and non-current assets, are allocated to reportable segments.
2. All liabilities other than borrowings, current and deferred tax liabilities and unallocable current and non-current liabilities, are allocated to reportable segments.

Geographical information:

The Company is domiciled in India. The amount of its revenue from external customers is broken down by location of the customers and information about its non-current assets other than financial instruments, deferred tax assets, post employment benefit asset and right arising from insurance contracts by location are detailed below:

Particulars	Sales from external customers		Non-Current assets	
	For the year		As at	
	2024-25	2023-24	31.03.2025	31.03.2024
India	20456.20	19687.00	7021.86	5850.10
Rest of the world	7380.57	6244.65	-	-
	27836.77	25931.65	7021.86	5850.10

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Information about major customers:

No single customer contributed 10% or more to the Company's revenue during the years 2024-25 and 2023-24.

29. Contingent Liabilities and Commitments:

Particulars		As at	
		31.03.2025	31.03.2024
A.	**Contingent Liabilities**		
a.	No provision is considered necessary for disputed income tax, sales tax, service tax, Goods and Service tax, excise duty and customs duty demands which are under various stages of appeal proceedings as given below:		
i.	Income Tax Act, 1961	264.94	367.20
ii.	Central Sales Tax Act,1956 & Local Sales Tax laws of various states	32.44	32.44
iii.	Central Excise Act,1944	11.18	11.18
iv.	Service Tax	0.87	0.87
v.	Goods and Services Tax	19.42	9.09
vi.	Customs Act, 1962	0.84	0.84
b.	Claims against the Company not acknowledged as debts		
i.	Electricity tax	3.92	3.92
ii.	Stamp duty	-	1.90
iii.	Claim filed before Consumer Dispute Redressal Forum / Civil Court	13.78	13.78
iv.	Demand by Gujarat Mining Department against excess mining by the Company	650.00	650.00
c.	Employees demands pending before Labour Courts - quantum not ascertainable at present		
	In respect of the above demands disputed by the Company, appeals filed are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected.		
B.	**Commitments**		
	Estimated amount of contracts remaining to be executed (net of advances):		
	-Towards capital account	1331.94	364.56
C.	**Others**		
a.	Outstanding guarantees/letter of comfort given on behalf of subsidiaries and joint ventures	400.50	298.43
b.	Outstanding letter of credit	373.91	300.75

30 The following pre-commissioning expenses incurred during the year on various projects have been included in Fixed Assets/ Capital Work in Progress:

Particulars	For the Year	
	2024 - 25	2023 - 24
Account Head:		
Salary, Wages & Bonus	10.32	8.36
Travel & Conveyance	0.01	4.97
Freight, Delivery and Shipping charges	3.58	0.81
Professional Fees	-	1.65
Rent	11.14	0.34
Others	1.20	0.15
Total	**26.25**	**16.28**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

31. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act,2006

Particulars	As at 31.03.2025	As at 31.03.2024
Principal amount remaining unpaid to suppliers (Refer Note:16)	115.94	132.48
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. There were no overdue amounts / interest payable to Micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at the Balance Sheet date or any time during the year.		

32. Employee Benefits:

a. Defined Contribution Plans

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company in funds under the control of trustees. When employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

Particulars	2024 - 2025	2023 - 2024
Contribution to Provident fund and Other funds recognised in Profit and Loss for the year	209.87	182.08
Amounts outstanding as at the end of the respective year and paid subsequently	23.21	20.28

b. Defined benefit plans

The Company sponsors funded defined benefit plans for employees. Under the plans, the employees are entitled to post-retirement benefits by way of gratuity amounting to 57.69% of last drawn salary for each year of completed service until the retirement age of 58. The defined benefit plans are administered by separate funds, independent of the Company.

These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary risk

i) **Investment risk:** The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

ii) **Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

iii) **Longevity risk:** The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) **Salary escalation risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2025 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

No other post-retirement benefits are provided to the employees. In respect of the contribution made to provident funds, the employer guarantees the interest notified by the appropriate authority and to the extent of interest rate guaranteed, the liability is considered as defined benefit. For the financial year ended March 31, 2025, the interest yield is adequate to meet the guaranteed interest.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Assumptions:

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	As at	
	31.03.2025	31.03.2024
Discount rate	6.93%	7.03%
Expected salary increment	6.50%	6%
Attrition rate	2%	2%
Mortality table used	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Estimates of future salary increase take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A. Gratuity

The details of actuarial valuation in respect of Gratuity liability are given below:

Particulars		31.03.2025	31.03.2024
i.	Projected benefit obligation as at beginning of the year	568.81	448.12
	Service cost	34.07	30.11
	Interest cost	38.84	31.33
	Remeasurement (gain)/ loss:		
	Actuarial (gain)/loss arising from experience and financial adjustments	29.14	87.61
	Benefits paid	(32.60)	(28.36)
	Projected benefit obligation as at end of the year	**638.26**	**568.81**
ii.	Fair value of plan assets as at beginning of the year	384.73	339.98
	Expected return on plan assets	27.66	25.33
	Contributions	50.00	50.00
	Benefits paid	(32.60)	(28.36)
	Transfer in / (out)	2.92	-
	Remeasurement gain/ (loss):		
	Actuarial Gain /(losses) on plan assets	(3.04)	(2.22)
	Fair value of plan assets as at end of the year	**429.67**	**384.73**
iii.	Amount recognised in the balance sheet:		
	Projected benefit obligation at the end of the year	638.26	568.81
	Fair value of the plan assets at the end of the year	429.67	384.73
	(Liability) / Asset recognised in the Balance sheet - net	**(208.59)**	**(184.08)**
iv.	Cost of the defined benefit plan for the year:		
	Current service cost	34.07	30.11
	Interest on obligation	38.84	31.33
	Expected return on plan assets	(27.66)	(25.33)
	Components of defined benefit cost recognised in the Statement of Profit and Loss	**45.25**	**36.11**
	(included in Note: 22 Contribution to Provident and other funds)		
	Remeasurement on the net defined benefit liability:		
	Actuarial (gain)/ loss arising from experience and financial adjustments	29.14	87.61
	Actuarial (gain) / loss on plan assets	3.04	2.22

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	31.03.2025	31.03.2024
Components of defined benefit costs recognised in Other Comprehensive Income	**32.18**	**89.83**
Total cost of the defined benefit plan for the year	77.43	125.94

v. Particulars	31.03.2025	31.03.2024
Present value of defined benefit obligation	638.26	568.81
Fair value of plan assets	429.67	384.73
Balance sheet (Liability)/ Asset	(208.59)	(184.08)
P & L (Income) / expenses	45.25	36.11
Experience and Financial adjustment on plan liabilities (gain) / loss	29.14	87.61
Experience and Financial adjustment on plan assets (gain) / loss	3.04	2.22

In the absence of the relevant information from the actuary, the above details do not include the composition of plan assets and expected return on each category of plan assets.

The actual return on plan assets was ₹24.62 million for the year ended March 31, 2025 (for the year ended March 31, 2024: Rs.23.10 million).

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below

Particulars	As at	
	31.03.2025	31.03.2024
Discount rate - 100 basis point higher	(43.11)	(37.81)
Discount rate - 100 basis point lower	45.07	40.36
Salary escalation rate - 100 basis point higher	46.27	41.15
Salary escalation rate - 100 basis point lower	(41.10)	(36.70)
Attrition rate - 100 basis point higher	(1.23)	(0.37)
Attrition rate - 100 basis point lower	1.49	0.31

In the above table, positive figures indicate increase in the liability and negative figures indicate decrease in the liability.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the benefit obligation as at March 31, 2025 is 15.43 years (as at March 31, 2024: 15.16 years).

The Company expects to make a contribution of ₹50 million (as at March 31, 2024: ₹50 million) to the defined benefit plans during the next financial year.

B. Provident fund

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

Fund and plan asset position are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Plan asset at the end of the year	1588.25	1326.60
Present value of benefit obligation at the end of the year	1596.91	1445.12
(Deficit) / Surplus	(8.66)	(118.52)
Asset recognised in the Balance Sheet	Not applicable since a separate trust is maintained.	

The plan assets are primarily invested in Government securities.

Assumptions for present value of interest rate guarantee are as follows:

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.93%	7.03%
Remaining term to maturity of portfolio (years)	6.84 years	6.06 years
Expected guaranteed rate (%)	8.25%	8.25%
Attrition rate	2%	2%

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate - 100 basis point higher	(8.17)	(6.94)
Discount rate - 100 basis point lower	9.00	7.66
Guaranteed interest rate - 100 basis point higher	54.04	37.26
Guaranteed interest rate - 100 basis point lower	(92.01)	(70.78)
Current yield - 100 basis point higher	(94.62)	(73.47)
Current yield - 100 basis point lower	66.63	47.38

In the above table, positive figures indicate increase in the liability and negative figures indicate decrease in the liability.

C. Remeasurement of defined benefit plans - Items that will not be reclassified to Profit or loss included under Other Comprehensive Income as detailed below:

Particulars	As at March 31, 2025	As at March 31, 2024
In respect of Gratuity	(32.18)	(89.83)
In respect of Provident Fund	20.53	9.38
Total Credited / (debited) to Other Comprehensive Income	**(11.65)**	**(80.45)**

33. Financial Instruments

(i) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objective when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the weighted average cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

Disclosure related to "Changes in liabilities arising from financial liabilities" under Ind AS 7 Statement of Cash flow:

Net debts reconciliation:	31.03.2025	31.03.2024
Cash and Cash equivalents	857.97	1725.53
Borrowings	-	-
(Net debt)/Net Cash	**857.97**	**1725.53**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	Other assets		Liabilities from Financing activities	Total
	Cash and Cash equivalents	Other investments (liquid)	Borrowings	
Net Cash/(Net debt) as at 31 March 2023	**99.19**	**-**	**(1040.00)**	**(940.81)**
Cash flows (net)	1626.34	-	1040.00	2666.34
Net Cash/(Net debt) as at 31 March 2024	**1725.53**	**-**	**-**	**1725.53**
Cash flows (net)	(867.56)	-	-	(867.56)
Net Cash/(Net debt) as at 31 March 2025	**857.97**	**-**	**-**	**857.97**

Categories of financial instruments

Particulars	As at	
	31.03.2025	31.03.2024
A. Financial assets		
Measured at Fair Value through Profit or Loss (FVTPL) - Mandatorily measured:		
- Equity and other investments	13.64	14.03
Measured at Amortised cost		
- Cash and bank balances	882.00	1749.52
- Other financial assets (including trade receivable balances)	4837.21	4026.89
Measured at Fair Value through Other Comprehensive Income (FVTOCI)		
- Investments in equity instruments designated upon initial recognition	11.30	11.30
Measured at Cost		
- Investments in Equity instruments in subsidiaries, joint ventures and associate	10970.63	10368.19
B. Financial liabilities		
Measured at amortised cost (including trade payable balances)	2533.10	2444.60

(ii) Financial risk management objectives

The Company's activities expose it to market risk, liquidity risk and credit risk. The table given below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
a. Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis Credit ratings Financial analysis	Diversification of Short term investments, review of credit limits and credit locks and secured mode of payment.
b. Market risk:			
I. Market risk – Foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Foreign exchange forward contracts
ii. Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Market trends, Interest rate swaps
iii. Market risk – Price risk	Investment in securities	Sensitivity analysis	Portfolio diversification
c. Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of sanctioned credit lines and borrowing facilities

The Company's risk management is governed by its policies. The Company's treasury identifies, evaluates and hedges financial risks in close coordination with the Company's operating units. The risk management policy of the Company provides written principles for overall risk management covering areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

Notes forming part of the Standalone Financial Statements

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a. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a. (i) Trade receivables

Customer credit risk is managed by each business unit under the guidance of the credit policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on this evaluation, credit limit and credit terms are decided. Exposure on customer receivables are regularly monitored and managed through credit lock and release. For export customers, credit insurance is generally taken.

The impairment is based on expected credit loss model considering the historical data and ageing profile of receivable at each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note: 10. The Company does not hold any collateral as security.

The Company has low concentration of risk with respect to trade receivables, as its customers are widely spread and belong to diversified industries and operate in largely independent markets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. In grouping the receivables, the management has deemed the probability of default in relation to related party receivables are considered to be negligible given its historical experience and the relative networth of the related parties except, in relation to a subsidiary.

The expected loss rates are based on the payment profiles of sales over the past 24 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery.

Particulars	As at 31.03.2025					
	Not due and 0 to 90 days	91 to 180 days	181-270 days	271-365 days	More than 365 days	Total
Gross carrying amount *	3782.47	91.37	22.95	15.39	125.05	4037.23
Expected loss rate**	0.34%	15.3%	42.9%	60.4%	85.5%	
Expected Credit loss	13.01	14.00	9.85	9.29	106.98	153.13
Carrying amount net of impairment	3769.46	77.37	13.10	6.10	18.07	3884.10

Particulars	As at 31.03.2024					
	Not due and 0 to 90 days	91 to 180 days	181-270 days	271-365 days	More than 365 days	Total
Gross carrying amount *	3210.01	46.83	30.46	24.52	74.07	3385.89
Expected loss rate**	0.21%	26.0%	56.3%	83.8%	93.0%	
Expected Credit loss	6.69	12.20	17.15	20.56	68.92	125.52
Carrying amount net of impairment	3203.32	34.63	13.31	3.96	5.15	3260.37

*Excludes trade receivables on which probability of default has been assessed to be NIL.

** Includes specific provision

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

a(ii) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made for short-term in liquid funds of rated mutual funds and deposits with banks. The Investment limits are set out per Mutual fund and the value of total fixed deposit in Banks to minimise the concentration risk. Investments are reviewed by the Board of Directors on a quarterly basis. The Company has no exposure to credit risk relating to these cash deposits as at: March 31, 2025 and March 31, 2024. The Corporate guarantees given by the Company to bankers on behalf of its subsidiaries and Joint venture are duly approved by the Board of Directors and are reviewed on a quarterly basis. The total exposure to corporate guarantees is limited to figures reported in Note: 29C.

In respect of other financial instruments, these primarily comprised of security deposit with Company's suppliers/regulatory authorities with whom Company has recurring transactions, the credit risk of which is assessed to be negligible given the historical experience and recurring nature of transaction among others.

b. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, Investments (FVTOCI) and derivative financial instruments.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Company's exposure to market risks.

b(i) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign exchange rate exposures are managed within policy parameters approved by Board of Directors. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum of 12 month period of forecasted receipts and payments. When a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match with the terms of the hedged exposure. The Company hedges around 50% of the net material exposure by currency. Exposures relating to capital expenditure beyond a threshold are hedged as per Company policy at the time of commitment.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities as at		Assets as at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
US Dollar (USD)	138.84	230.89	1184.49	955.87
Euro (EUR)	181.22	108.57	458.23	400.89
Great British Pound (GBP)	-	-	1.44	0.89
Japanese Yen (JPY)	10.75	3.56	1.56	2.03
Chinese Yuan(CNY)	6.27	17.54	24.04	9.95
Australian Dollar (AUD)	-	3.70	-	6.92

Quantum of Forward contract (derivatives) (all of which identified as hedges) outstanding as at the end of the year (notional principal amount) on

Contracts booked for	Currency	As at 31.03.2025		As at 31.03.2024	
		Number of contracts	value	Number of contracts	value
Import payment	USD	-	-	-	-
Import payment	EUR	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Foreign currency sensitivity analysis

The Company is mainly exposed to US Dollar and Euro. The following table provides the sensitivity impact to a 10% strengthening or weakening of Indian rupee exchange rate against foreign currencies. The sensitivity analysis is done on net exposures. A positive number below indicates an increase in profit or equity when the Rupee weakens against the foreign currency and when net exposure is an asset.

Currency impact in (₹ million) relating to the foreign currencies of:	As at 31.03.2025		As at 31.03.2024	
	Profit or loss	Equity	Profit or loss	Equity
US Dollar (USD)	78.25	78.25	54.25	54.25
Euro (EUR)	20.73	20.73	21.88	21.88
Great British Pound (GBP)	0.11	0.11	0.07	0.07
Japanese Yen (JPY)	(0.69)	(0.69)	(0.11)	(0.11)
Chinese Yuan(CNY)	1.33	1.33	(0.57)	(0.57)
Australian Dollar (AUD)	-	-	0.24	0.24
Swedish Krona (SEK)	-	-	-	-
Total	**99.73**	**99.73**	**75.76**	**75.76**

The Company's sensitivity impact to foreign currency has increased during the current year end mainly due to the increase in quantum of exposure in USD as at the end of the reporting period.

b(ii) Interest rate risk Management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has not availed any borrowings as at March 31, 2025, hence the Company is not subject to interest rate risk.

b(iii) Price risks

The Company does not have any material investments designated at Fair Value through Other Comprehensive Income as at March 31, 2025, consequently the impact of change in equity price on non-current investment recorded at Fair value through Profit and Loss and other investment designated as Fair value Through Other Comprehensive Income is not significant.

c. Liquidity risk management

The Company's treasury under the guidance of Board of Directors have established an appropriate liquidity risk management framework. The Company manages liquidity risk through cash generation from business and have adequate banking facilities. The Company continuously forecasts and monitors actual cash flows and matches the maturity profiles of financial assets and liabilities.

Contractual maturities of financial liabilities

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2025:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Current financial liabilities						
Lease liabilities	-	-	-	-	-	-
Trade payables	1901.74	1901.74	-	-	-	1901.74
Other financial liabilities	631.36	631.36	-	-	-	631.36
Others						
Outstanding guarantees/letter of comfort given on behalf of subsidiaries and Joint venture	400.50	400.50	-	-	-	400.50

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial liabilities						
Current financial liabilities						
Lease liabilities	0.16	0.16	-	-	-	0.16
Trade payables	1774.43	1774.43	-	-	-	1774.43
Other financial liabilities	670.01	671.68	-	-	-	671.68
Outstanding guarantees/letter of comfort given on behalf of subsidiaries and Joint venture	298.43	298.43	-	-	-	298.43

Contractual maturities of financial assets

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2025:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial assets						
Other financial assets	201.61	-	98.53	-	103.08	201.61
Current financial assets						
Trade receivables	4519.11	4519.11	-	-	-	4519.11
Other receivables	116.49	116.49	-	-	-	116.49

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2024:

Particulars	Carrying amount / Exposure	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-Current financial assets						
Other financial assets	189.97	-	92.72	-	97.25	189.97
Current financial assets						
Trade receivables	3785.79	3785.79	-	-	-	3785.79
Other receivables	51.13	51.13	-	-	-	51.13

Maturity analysis of Derivative financial instruments

The Company has no outstanding foreign exchange derivative contracts as at March 31, 2025 and March 31, 2024.

The note below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

Financing facilities

Particulars	As at	
	31.03.2025	31.03.2024
Unsecured cash credit and other borrowings facility		
Amount used	-	-
Amount unused	4001.00	4001.00
	4001.00	**4001.00**
Secured cash credit and other borrowings facility		
Amount used	-	-
Amount unused	950.00	1070.00
	950.00	**1070.00**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	As at	
	31.03.2025	31.03.2024
Total facilities		
Amount used	-	-
Amount unused	4951.00	5071.00
	4951.00	**5071.00**

Borrowing facilities - both funded and non-funded are secured by a pari-passu charge on the current assets and immovable properties of the Company - both present and future.

(iii)Fair value measurements

This note provides information about how the Company determines fair value of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at		Fair value hierarchy	Valuation techniques & key inputs used
	31.03.2025	31.03.2024		
Investments in quoted instruments at FVTPL	13.46	13.85	Level 1	Quoted bid price in an active market
Investments in unquoted instruments at FVTPL	0.18	0.18	Level 3	Fair valuation - **(a)**
Investments in unquoted instruments at FVTOCI	11.30	11.30	Level 3	Fair valuation - **(a)**

There were no changes in the fair value hierarchy Levels in the above periods.

a) These investments in equity are not significant in value and hence additional disclosures are not presented.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at 31.03.2025		As at 31.03.2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets held at amortised cost					
Non-Current financial assets					
- Other financial assets - Security deposit	Level 3	201.61	189.95	189.97	179.00
Current financial assets					
- Trade receivables	Level 3	4519.11	4519.11	3785.79	3785.79
- Other receivables	Level 3	116.49	116.49	51.13	51.13
Financial liabilities held at amortised cost					
Current financial liabilities					
- Lease liabilities	Level 3	-	-	0.16	0.16
- Trade payables	Level 3	1901.74	1901.74	1774.43	1774.43
- Other financial liabilities	Level 3	631.36	631.36	670.01	670.01

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Financial instruments by Category

Particulars	As at 31.03.2025			As at 31.03.2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Non-Current						
Investments	13.64	11.30	-	14.03	11.30	-
Other financial assets	-	-	201.61	-	-	189.97
Current						
Trade receivables	-	-	4519.11	-	-	3785.79
Cash and Cash equivalent	-	-	857.97	-	-	1725.53
Bank balances other than above	-	-	24.03	-	-	23.99
Other financial assets	-	-	116.49	-	-	51.13
	13.64	**11.30**	**5719.21**	**14.03**	**11.30**	**5776.41**
Financial Liabilities						
Current						
Lease liabilities	-	-	-	-	-	0.16
Trade payables	-	-	1901.74	-	-	1774.43
Other financial liabilities	-	-	631.36	-	-	670.01
	-	**-**	**2533.10**	**-**	**-**	**2444.60**

Non Current Investment amounting ₹10970.63 million (Previous year: ₹10368.19 million) has been valued at Cost.

34. Related Party Disclosures

List of related parties

Related party relationships are as identified by the management and relied upon by the auditors.

I) Parties where control exists-subsidiaries

Direct holding:	
Net Access India Limited	[Net access]
Southern Energy Development Corporation Limited	[Sedco]
Sterling Abrasives Limited	[Sterling]
CUMI (Australia) Pty Limited	[CAPL]
CUMI International Ltd	[CIL]
PLUSS Advanced Technologies Limited	[PLUSS]
CUMI USA Inc. (Incorporated on October 02, 2024)	[CUI]
Holding through subsidiary:	
Volzhsky Abrasive Works	[VAW]
Foskor Zirconia (Pty) Ltd	[Foskor]
CUMI America Inc.	[CAI]
CUMI Middle East FZE	[CME]
CUMI Abrasives and Ceramics Co., Limited	[CACCL]
CUMI Europe s.r.o	[CE]
Pluss Advanced Technologies B.V.	[PLUSSBV]
CUMI Awuko Abrasives GmbH	[CAAG]
RHODIUS Abrasives GmbH	[RAG]

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Subsidiaries of Rhodius Abrasives GmbH	
Rhodius Nederland B.V.	
RHODIUS France S.A.R.L.	
Rhodius Korea Inc.	
RHODIUS SOUTH AMERICA ASSESSORIA TECNICA E COMERCIAL EM ABRASIVOS LTDA.	
Silicon Carbide Products LLC (w.e.f October 30, 2024)	[SCP]
II) Other related parties with whom transactions have taken place during the year.	
Joint ventures	
Murugappa Morgan Thermal Ceramics Limited	[MMTCL]
Ciria India Limited	[Ciria]
Associate and its subsidiary	
Wendt (India) Limited	[Wendt]
Subsidiary of Associate:	
Wendt Grinding Technologies Limited	[WGTL]
Key Managerial Personnel	
Mr. N. Ananthaseshan, Managing Director (till August 02, 2023)	[AN]
Mr. Sridharan Rangarajan, Managing Director (from August 03, 2023 and Director – Finance & Strategy till August 02, 2023)	[SR]
Non-Executive Directors	
Mr. M M Murugappan, Chairman	[MMM]
Mr. Sanjay Jayavarthanavelu (till July 31, 2024)	[SJ]
Mr. Aroon Raman (till July 31, 2024)	[AR]
Mr. P S Raghavan	[PSR]
Mr. Sujjain S Talwar	[ST]
Mrs. Soundara Kumar (till August 02, 2024)	[SK]
Mrs. Usha Rajeev (w.e.f August 01, 2024)	[UR]
Mr. Sriram Viji (w.e.f August 01, 2024)	[SV]
Mr. Muthiah Murugappan (w.e.f August 01, 2024)	[MM]
Other Related parties	
Ambadi Investments Limited (Shareholder with significant influence and promoter holding more than 10%)	[AIL]
Parry Enterprises India Limited (Subsidiary of AIL)	[PEIL]
Parry Agro Industries Limited (Subsidiary of AIL)	[PAL]
Carborundum Universal Employees Provident Fund	[CUEPF]
Retiral funds of Subsidiaries, Joint ventures, Associate and Other Related parties	

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

A. Transactions during FY 2024-25

Related Party	Income from Sales & Services	Royalty income	Dividend income	Purchase of goods	Purchase of power	Expenditure on other services #	Rental expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Investment made	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
Subsidiaries													
CAI	1115.19	-	-	0.15	-	0.18	-	-	-	-	-	-	-
Net Access	1.46	-	15.00	-	-	30.60	-	-	9.71	-	-	-	-
Sterling	193.07	-	27.00	0.36	-	-	-	-	-	-	-	-	-
Sedco	0.02	-	-	0.04	137.58	-	-	-	-	-	-	17.00	-
CAPL	599.57	5.59	128.00	-	-	-	-	-	-	-	-	-	-
CME	-	-	-	-	-	10.91	-	-	-	-	-	-	-
Foskor	54.04	-	-	324.39	-	-	-	-	-	-	-	233.50	-
VAW	117.50	-	-	607.74	-	-	-	-	-	-	-	-	-
PLUSS	0.12	-	-	0.02	-	-	-	-	-	-	10.30	-	-
CAAG	44.88	-	-	1.92	-	-	-	-	-	-	-	-	-
RAG	218.46	-	-	-	-	0.43	-	-	-	-	-	-	-
SCP	3.52	-	-	-	-	-	-	-	-	-	597.49	-	-
CACCL	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**2347.83**	**5.59**	**170.00**	**934.62**	**137.58**	**42.12**	**-**	**-**	**9.71**	**-**	**607.79**	**250.50**	**-**
Joint Ventures													
MMTCL	34.71	-	71.54	24.82	-	-	-	-	2.58	-	-	-	-
Ciria	32.11	-	51.00	-	-	-	-	-	-	-	-	150.00	-
Total	**66.82**	**-**	**122.54**	**24.82**	**-**	**-**	**-**	**-**	**2.58**	**-**	**-**	**150.00**	**-**
Associate & its subsidiary													
Wendt	50.70	-	37.50	21.87	-	4.49	4.47	-	9.30	-	-	-	-
WGTL	73.06	-	-	9.29	-	-	-	-	-	-	-	-	-
Total	**123.76**	**-**	**37.50**	**31.16**	**-**	**4.49**	**4.47**	**-**	**9.30**	**-**	**-**	**-**	**-**
Other related parties													
PEIL	-	-	-	0.02	-	49.71	-	-	-	-	-	-	-
PAL	-	-	-	-	-	0.42	-	-	-	-	-	-	-
CUEPF	-	-	-	-	-	-	-	-	-	272.91	-	-	-
Total	**-**	**-**	**-**	**0.02**	**-**	**50.13**	**-**	**-**	**-**	**272.91**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	Income from Sales & Services	Royalty income	Dividend income	Purchase of goods	Purchase of power	Expenditure on other services #	Rental expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Investment made	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
KMP													
SR	-	-	-	-	-	-	-	40.41	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**40.41**	**-**	**-**	**-**	**-**	**-**
Sitting Fees and commission paid to Non-Executive Directors													
MMM	-	-	-	-	-	-	-	-	-	-	-	-	10.64
SJ	-	-	-	-	-	-	-	-	-	-	-	-	0.71
AR	-	-	-	-	-	-	-	-	-	-	-	-	0.87
PSR	-	-	-	-	-	-	-	-	-	-	-	-	2.95
ST	-	-	-	-	-	-	-	-	-	-	-	-	2.41
SK	-	-	-	-	-	-	-	-	-	-	-	-	0.76
UR	-	-	-	-	-	-	-	-	-	-	-	-	1.46
SV	-	-	-	-	-	-	-	-	-	-	-	-	1.25
MM	-	-	-	-	-	-	-	-	-	-	-	-	1.26
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.31**
Grand Total	**2538.41**	**5.59**	**330.04**	**990.62**	**137.58**	**96.74**	**4.47**	**40.41**	**21.59**	**272.91**	**607.79**	**400.50**	**22.31**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

B. Transactions during FY 2023-24

Related Party	Income from Sales & Services	Royalty income	Dividend income	Purchase of goods	Purchase of power	Expenditure on other services	Rental expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Investment made	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
Subsidiaries													
CAI	1063.45	-	-	0.51	-	-	-	-	-	-	-	208.43	-
Net Access	1.46	-	30.00	-	-	26.25	-	-	16.85	-	-	-	-
Sterling	224.40	-	32.40	0.25	-	-	-	-	-	-	-	-	-
Sedco	-	-	-	-	169.34	-	-	-	0.19	-	-	-	-
CAPL	692.92	6.92	100.72	0.35	-	-	-	-	-	-	-	-	-
CME	7.59	-	-	-	-	-	-	-	-	-	-	-	-
Foskor	12.34	-	-	269.91	-	-	-	-	-	-	-	-	-
VAW	139.87	-	-	500.76	-	-	-	-	-	-	-	-	-
PLUSS	0.14	-	-	0.04	-	-	-	-	0.24	-	10.98	-	-
CAAG	12.55	-	-	5.14	-	-	-	-	2.26	-	-	-	-
RAG	157.96	-	-	3.17	-	-	-	-	15.87	-	-	-	-
Total	**2312.68**	**6.92**	**163.12**	**780.13**	**169.34**	**26.25**	**-**	**-**	**35.41**	**-**	**10.98**	**208.43**	**-**
Joint Ventures													
MMTCL	32.27	-	71.54	27.82	-	-	-	-	5.48	-	-	-	-
Ciria	40.95	-	111.00	-	-	-	-	-	-	-	-	-	-
Total	**73.22**	**-**	**182.54**	**27.82**	**-**	**-**	**-**	**-**	**5.48**	**-**	**-**	**-**	**-**
Associate & its subsidiaries													
Wendt	42.82	-	60.00	21.32	-	-	4.80	-	18.90	-	-	-	-
WGTL	77.71	-	-	5.08	-	-	-	-	-	-	-	-	-
Total	**120.53**	**-**	**60.00**	**26.40**	**-**	**-**	**4.80**	**-**	**18.90**	**-**	**-**	**-**	**-**
Other related parties													
PEIL	-	-	-	-	-	44.83	-	-	-	-	-	-	-
PAL	-	-	-	-	-	0.15	-	-	-	-	-	-	-
CUEPF	-	-	-	-	-	-	-	-	-	167.85	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	Income from Sales & Services	Royalty income	Dividend income	Purchase of goods	Purchase of power	Expenditure on other services	Rental expenses	Managerial remuneration	Purchases of Fixed asset	Contribution to Provident Fund	Investment made	Letter of Comfort/ Guarantee issued/ renewed	Sitting Fees and commission
Total	**-**	**-**	**-**	**-**	**-**	**44.98**	**-**	**-**	**-**	**167.85**	**-**	**-**	**-**
KMP													
AN	-	-	-	-	-	-	-	21.15	-	-	-	-	-
SR	-	-	-	-	-	-	-	30.90	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**52.05**	**-**	**-**	**-**	**-**	**-**
Sitting Fees and commission paid to Non-Executive Directors													
MMM	-	-	-	-	-	-	-	-	-	-	-	-	10.52
SJ	-	-	-	-	-	-	-	-	-	-	-	-	2.20
AR	-	-	-	-	-	-	-	-	-	-	-	-	2.19
PSR	-	-	-	-	-	-	-	-	-	-	-	-	2.85
ST	-	-	-	-	-	-	-	-	-	-	-	-	2.15
SK	-	-	-	-	-	-	-	-	-	-	-	-	2.15
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.06**
Grand Total	**2506.43**	**6.92**	**405.66**	**834.35**	**169.34**	**71.23**	**4.80**	**52.05**	**59.79**	**167.85**	**10.98**	**208.43**	**22.06**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

C. Outstandings

Related Party	As at 31.03.2025					As at 31.03.2024				
	Trade receivable	Deposit outstanding	Payables	Letter of comfort /Guarantee outstanding*	Advances given	Trade receivable	Deposit outstanding	Payables	Letter of comfort /Guarantee outstanding*	Advances given
Subsidiaries										
CAI	267.76	-	0.71	-	-	218.19	-	0.38	208.43	-
Net Access	0.37	-	1.49	-	-	0.29	-	2.11	-	-
Sterling	23.05	-	-	-	-	45.99	-	-	-	-
Sedco	1.28	-	1.60	17.00	84.34	0.52	-	1.38	-	59.15
CAPL	75.35	-	-	-	-	54.69	-	-	-	-
CME	-	-	3.50	-	-	9.31	-	-	-	-
Foskor	-	-	0.08	233.50	-	12.39	-	11.85	-	-
CACCL^	42.21	-	-	-	-	42.21	-	-	-	-
Pluss	0.15	-	-	-	-	0.14	-	-	-	-
VAW	17.18	-	195.09	-	-	38.40	-	188.58	-	-
CAAG	16.40	-	0.94	-	-	3.59	-	0.14	-	-
RAG	57.18	-	-	-	-	52.87	-	0.07	-	-
Total	**500.93**	**-**	**203.41**	**250.50**	**84.34**	**478.59**	**-**	**204.51**	**208.43**	**59.15**
Joint Ventures										
MMTCL	8.87	-	2.43	-	-	9.91	-	2.70	-	-
Ciria	17.22	-	-	150.00	-	15.66	-	-	90.00	-
Total	**26.09**	**-**	**2.43**	**150.00**		**25.57**	**-**	**2.70**	**90.00**	**-**
Associate & its subsidiary										
Wendt	35.42	1.00	12.19	-	-	24.59	1.00	6.67	-	-
WGTL	9.68	-	1.54	-	-	5.36	-	1.49	-	-
Total	**45.10**	**1.00**	**13.73**	**-**	**-**	**29.95**	**1.00**	**8.16**	**-**	**-**
Other related parties										
PEIL	-	-	-	-	8.66	-	-	0.32	-	-
PAL	-	-	0.08	-	-	-	-	-	-	-
CUEPF	-	-	15.74	-	-	-	-	14.20	-	-
Total	**-**	**-**	**15.82**	**-**	**8.66**	**-**	**-**	**14.52**	**-**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Related Party	As at 31.03.2025					As at 31.03.2024				
	Trade receivable	Deposit outstanding	Payables	Letter of comfort /Guarantee outstanding*	Advances given	Trade receivable	Deposit outstanding	Payables	Letter of comfort /Guarantee outstanding*	Advances given
KMP@										
AN	-	-	-	-	-	-	-	1.98	-	-
SR	-	-	10.32	-	-	-	-	7.85	-	-
Total	**-**	**-**	**10.32**	**-**	**-**	**-**	**-**	**9.83**	**-**	**-**
Non-Executive Directors										
MMM	-	-	10.00	-	-	-	-	10.00	-	-
SJ	-	-	0.50	-	-	-	-	1.50	-	-
AR	-	-	0.50	-	-	-	-	1.50	-	-
PSR	-	-	1.92	-	-	-	-	2.00	-	-
ST	-	-	1.58	-	-	-	-	1.50	-	-
SK	-	-	0.51	-	-	-	-	1.50	-	-
UR	-	-	1.00	-	-	-	-	-	-	-
SV	-	-	1.00	-	-	-	-	-	-	-
MM	-	-	1.00	-	-	-	-	-	-	-
Total	**-**	**-**	**18.01**	**-**	**-**	**-**	**-**	**18.00**	**-**	
Grand Total	**572.12**	**1.00**	**263.72**	**400.50**	**93.00**	**534.11**	**1.00**	**257.72**	**298.43**	**59.15**

Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services are at arm's length price.

*Issued towards customer guarantee / availment of banking facilities by the respective entities.

@Incentive payable to Managing Director is provisional and subject to determination by the Nomination and Remuneration Committee.

^ Gross of Provision for doubtful debts is ₹42.21 million (Previous year: ₹42.21 million).

includes reimbursement of expenses

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

D. Compensation to Key Management Personnel

The remuneration to Key Management Personnel for the years is given below:

Particulars	Year ended			
	31.03.2025	31.03.2024		
	SR	AN	SR	Total
Short term benefits	34.42	7.66	26.61	34.27
Post employment benefits	5.96	1.20	4.26	5.46
Amount presented under Note: 22	40.38	8.86	30.87	39.73
Other benefits	0.03	1.94	0.03	1.97
Retiral settlements	-	10.35	-	10.35
Total	**40.41**	**21.15**	**30.90**	**52.05**

a) The Remuneration to Key Management Personnel is determined by the Nomination and Remuneration Committee having regard to the performance of individual and market trends.

b) Excludes gratuity, compensated absences and share based compensation expenses since employee-wise valuation is not available.

35. ESOP Plan 2016

A.Summary of Status of ESOPs Granted

The position of the existing scheme is summarised as under -

S. No.	Particulars	ESOP 2016
I. Details of the ESOP Plan 2016		
1	Date of Shareholder's Approval	9th January 2017
2	Total Number of Options approved	3,772,000
3	Vesting Requirements	The vesting of options granted, is based on annual performance rating for each financial year and as per following schedule: Grant I, Grant IIB, Grant III, Grant IV, Grant VA, Grant VI, Grant VII, Grant VIII, Grant IX, Grant X, Grant XI, Grant XII, Grant XIII and Grant XIV: 20 percent each on expiry of 1 and 2 years from the date of grant and 30 percent each on expiry of 3 and 4 years from the date of grant. Grant IIA: 25 percent on expiry of 1 year from the date of grant and 37.5 percent each on expiry of 2 and 3 years from the date of grant. Grant VB: 50 percent on expiry of 1 year from the date of grant and 50 percent on expiry of 2 years from the date of the grant.
4	The Pricing Formula	The options carry a right to subscribe to equity shares at the latest available closing price on the stock exchange which reports the highest trading volume, prior to the date of grant of the options.
5	Maximum term of Options granted (years)	The Exercise period would commence from the date of vesting and will expire on completion of 5 (five) years from the date of respective vesting.
6	Method of Settlement	Equity
7	Source of shares	Primary
8	Variation in terms of ESOP	No variations

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

II. Options Movement during the year ended March 31, 2025

S. No	Particulars	No. of Options	Weighted average exercise Price	Grant I	Grant IIA	Grant IIB	Grant III	Grant IV	Grant VA	Grant VB	Grant VI	Grant VII	Grant VIII	Grant IX	Grant X	Grant XI	Grant XII	Grant XIII	Grant XIV	Grant XV	Grant XVI	Grant XVII
	Exercise Price per Option (in ₹)			**257.55**	**367.20**	**367.20**	**369.85**	**361.90**	**317.70**	**317.70**	**343.80**	**490.50**	**672.95**	**734.90**	**858.80**	**965.55**	**940.00**	**1107.95**	**1248.90**	**1506.60**	**1380.65**	**1017.85**
1	No. of Options Outstanding at the beginning of the year	1129724	731.24	84246	14508	-	36940	-	47730	-	72096	59104	372100	-	130800	43600	43600	73400	151600	-	-	-
2	Options Granted during the year	546070	1365.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115700	367980	62390
3	Options cancelled during the year	119082	1178.32	-	-	-	-	-	-	-	-	11082	-	-	-	-	-	-	108000	-	-	-
4	Options Forfeited / Surrendered during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Options Lapsed during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Options Exercised during the year	165110	330.00	44600	7254	-	7388	-	21690	-	72096	12082	-	-	-	-	-	-	-	-	-	-
7	Total number of shares arising as a result of exercise of options	165110	330.00	44600	7254	-	7388	-	21690	-	72096	12082	-	-	-	-	-	-	-	-	-	-
8	Money realised by exercise of options (₹ in million)	54.49	-	11.49	2.66	-	2.73	-	6.89	-	24.79	5.93	-	-	-	-	-	-	-	-	-	-
9	Number of Options outstanding at the end of the year	1391602	989.63	39646	7254	-	29552	-	26040	-	-	35940	372100	-	130800	43600	43600	73400	43600	115700	367980	62390
10	Number of Options exercisable at the end of the year	489100	641.14	39646	7254	-	29552	-	26040	-	-	24858	259870	-	52320	17440	17440	14680	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

II. Options Movement during the year ended March 31, 2024

S. No	Particulars	No. of Options	Weighted average exercise Price	Grant I	Grant IIA	Grant IIB	Grant III	Grant IV	Grant V A	Grant VB	Grant VI	Grant VII	Grant VIII	Grant IX	Grant X	Grant XI	Grant XII	Grant XIII	Grant XIV
	Exercise Price per Option (in ₹)			**257.55**	**367.20**	**367.20**	**369.85**	**361.90**	**317.70**	**317.70**	**343.80**	**490.50**	**672.95**	**734.90**	**858.80**	**965.55**	**940.00**	**1107.95**	**1248.90**
1	No. of Options Outstanding at the beginning of the year	1381558	580.37	150428	19344	-	36940	-	60630	111528	72096	66492	646100	0	130800	43600	43600	-	-
2	Options Granted during the year	225000	1202.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	73400	151600
3	Options cancelled during the year	163200	672.95	-	-	-	-	-	-	-	-	-	163200	-	-	-	-	-	-
4	Options Forfeited / Surrendered during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Options Lapsed during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Options Exercised during the year	313634	435.34	66182	4836	-	-	-	12900	111528	-	7388	110800	-	-	-	-	-	-
7	Total number of shares arising as a result of exercise of options	313634	435.34	66182	4836	-	-	-	12900	111528	-	7388	110800	-	-	-	-	-	-
8	Money realised by exercise of options (₹ in million)	136.55	435.34	17.05	1.78	-	-	-	4.10	35.43	-	3.62	74.56	-	-	-	-	-	-
9	Number of Options outstanding at the end of the year	1129724	731.24	84246	14508	-	36940	-	47730	-	72096	59104	372100	-	130800	43600	43600	73400	151600
10	Number of Options exercisable at the end of the year	461536	490.37	84246	14508	-	36940	-	47730	-	72096	14776	147640	-	26160	8720	8720	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

III. Weighted Average remaining contractual life

Range of Exercise Price	As at 31.03.2025		As at 31.03.2024	
	No. of Options outstanding	Weighted average contractual life (years)	No. of Options outstanding	Weighted average contractual life (years)
0 to 200	NIL	NA	NIL	NA
201 to 300	39646	0.85	84246	1.36
301 to 400	62846	1.87	171274	2.88
401 to 500	35940	3.83	59104	5.08
501 to 600	-	-	-	-
601 to 700	372100	4.05	372100	5.05
701 to 800	-	-	-	-
801 to 900	130800	5.28	130800	6.28
901 to 1000	87200	5.62	87200	6.62
1001 to 1100	-	-	-	-
1101 to 1200	73400	6.28	73400	7.28
1201 to 1300	43600	6.69	151600	7.69
1301 to 1400	367980	7.21	-	-
1401 to 1500	-	-	-	-
1501 to 1600	115700	6.79	-	-

Particulars		2024-25	2023-24
IV	Exercise price equals market price Weighted average Fair Value of Options granted during the year (₹)	515.67	358.10
V	The weighted average market price of options exercised during the year (₹)	1381.66	1136.44

VI Method and Assumptions used to estimate the fair value of options granted

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	Weighted Average	
	2024-25	2023-24
1. Risk Free Interest Rate (%)	6.72	7.08
2. Expected Life(in years)	4.37	4.04
3. Expected Volatility (%)	34.11	34.55
4. Dividend Yield (%)	0.28	0.29
5. Exercise Price (₹)	1365.89	1202.92
6. Price of the underlying share in market at the time of the option grant.(₹)	1365.89	1202.92

Assumptions:

Stock Price: Closing price on National Stock Exchange of India Ltd. as on the date prior to the date of the Nomination and Remuneration Committee approving the grant has been considered.

Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to public available information.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VII Effect of share-based payment transactions on the entity's Profit or Loss for the year:

Particulars	2024-25	2023-24
Employee Option plan expense	101.52	40.22

Particulars			For the year	
			2024-25	2023-24
36.	**a.**	**Value of Imports on CIF basis:**		
		Raw materials	5871.13	5303.01
		Components & Spare parts	879.31	728.92
		Stock in trade	765.35	628.78
		Capital goods	354.01	242.77
	b.	**Expenditure in foreign currency (on cash basis):**		
		Professional / Consultancy fees	32.45	43.82
		Commission	21.81	9.62
		Travel and other matters	58.35	30.89
37.	**Earnings in foreign exchange on account of:**			
	Value of exports on FOB basis		7557.61	6021.63
	Royalty		5.59	6.92
	Dividend		128.00	100.72
	Management fees		-	24.98
38.	**Auditors' Remuneration**			
	Statutory audit		6.93	6.30
	Tax Audit		1.10	1.00
	Other services		2.22	1.70
	Out of pocket expenses		1.03	0.31
			11.28	**9.31**
39.	**Research and Development expenditure:**			
	a)	**Revenue Expenditure (disclosed under the respective heads)**		
		Direct Material, Supplies and Consumables	64.68	60.24
		Employee Benefits Expenses	124.21	101.19
		Repairs & Maintenance	5.48	6.71
		Other Expenses	43.00	26.61
		Depreciation	18.65	20.99
		Total	**256.02**	**215.74**
	b)	**Capital Expenditure**		
		Property, plant and equipment		

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

Particulars	For the year	
	2024-25	2023-24
Buildings	-	2.78
Plant and equipment	26.96	13.43
Furniture and fittings & Others	-	0.53
	26.96	**16.74**
Intangible assets	0.21	0.10
Total	**27.17**	**16.84**
Capital Work-in-Progress (CWIP)	0.40	5.59
Total Capital Expenditure (including CWIP)	**27.57**	**22.43**

40. Details on list of Investments in Subsidiaries, joint ventures and associate as per Ind AS 27

Particulars	Principal place of business and Incorporation	Proportion of ownership interest	
		31.03.2025	31.03.2024
A. Investment in Subsidiaries			
CUMI International Ltd	Cyprus	100.00%	100.00%
Sterling Abrasives Limited	India	60.00%	60.00%
Southern Energy Development Corporation Limited	India	84.76%	84.76%
Net Access India Limited	India	100.00%	100.00%
CUMI (Australia) Pty Limited	Australia	51.22%	51.22%
PLUSS Advanced Technologies Limited*	India	74.06%	73.42%
CUMI USA Inc.	USA	100.00%	-
B. Investment in Joint ventures			
Murugappa Morgan Thermal Ceramics Limited	India	49.00%	49.00%
Ciria India Limited	India	30.00%	30.00%
C. Investment in Associate			
Wendt (India) Limited	India	37.50%	37.50%

* Effective ownership after excluding share held by PLUSS trust is 75.74 % (Previous year: ₹75.58%)

41. Donations given to Political parties during the year

Particulars	For the year	
	2024-25	2023-24
CPI (M) Ernakulam District Committee	0.50	-
United Democratic Front, State Committee	0.50	-
CPI (M) Thrissur District Committee	0.20	-
President District Congress Committee - Ernakulam	0.30	-
Indian National Congress- District Congress Committee- Pathanamthitta	0.05	-
Bharatiya Janata Party - Pathanamthitta	0.05	-
CPI (M) Local Committee, Koratty	0.05	-
Indian Union Muslim League	0.10	-
Indian National Congress(I) Pariyaram Block Committee	0.10	-
Total	**1.85**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

42. Corporate Social Responsibility: (Refer Corporate Social Responsibility Report)

During the year, the Company incurred an aggregate amount of ₹77.70 million (Previous year: ₹57.18 million) towards corporate social responsibility. In addition an amount of ₹0.68 million has been set off from the brought forward excess CSR spent in the earlier years and an amount of ₹0.15 million has been carried forward for adjustment in subsequent years. Thus fulfilling the current year's mandatory obligation of ₹78.23 million (Previous year: ₹63.38 million) to be spent as per provision of Section 135 of the Companies Act, 2013 read with relevant schedule and rules made thereunder.

The details of the CSR spend is given below:

Particulars	For the year	
	2024-25	2023-24
A. Expenditure incurred directly by the Company		
Skill Centre Development - Revenue expenditure	19.61	16.65
Local CSR expenses	-	2.53
Purchase of Ambulance for Kalamassery Municpality	2.24	-
IIT Madras	0.60	-
B. Expenditure incurred through Agencies		
AMM Foundation - AMM Vellayan Chettiyar Higher Secondary School	24.06	15.90
Shri A.M.M Murugappa Chettiar Research Centre	14.00	15.00
The Kuppuswamy Naidu Charity Trust for Education and Medical Relief	3.50	3.50
AMM Foundation - Rising Talent Scholarships	1.31	-
Sri Sathya Sai Health and Educational Trust	3.60	3.60
DR. A.K. Cherian Memorial Charitable Society	0.92	-
Rajagiri Outreach Society - ASK Centre	2.06	-
Cachar Cancer Hospital & Research Centre	5.80	-
Total	**77.70**	**57.18**
Add: Set off of brought forward excess CSR spend in earlier years	0.68	6.20
Less: Carry forward for adjustment in subsequent years	0.15	-
Total	**78.23**	**63.38**

Note 43: Events after the reporting period

Refer Note: 12 for the Final dividend recommended by the Directors which is subject to the approval of the shareholder in the ensuing Annual General Meeting.

Note 44: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, Plant and Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has 2 CICs as part of the Group.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

45. Ratios

Particulars	Numerator	Denominator	FY 2024-25	FY 2023-24	Variance in % Favourable/ (Adverse)	Remarks
(a) Current ratio	Current asset	Current liabilities	3.6	3.5	5%	Due to increase in working capital resulting from increase in inventory and trade receivables
(b) Debt-equity ratio	Borrowings	Total Equity	-	-	-	
(c) Debt service coverage ratio	Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc.	Interest and principal repayments including lease payments.	2205.5	101.2	2079%	Due to borrowings balance during the year FY 23-24
(d) Return on equity ratio	Net profit after tax	Average shareholder equity	13.2%	16.3%	(19%)	Due to decrease in profit
(e) Inventory turnover ratio	Sales	Average Inventory	6.9	7.0	(1%)	No significant variance
(f) Trade receivables turnover ratio	Sales	Average Receivable	6.7	6.8	(1%)	No significant variance
(g) Trade payables turnover ratio	Total purchase and Service received	Average Trade payables	13.2	11.1	19%	Due to increase in purchases compared to previous year
(h) Net capital turnover ratio	Net sales	Working capital	3.7	3.8	(4%)	No significant variance
(i) Net profit ratio	Net profit	Net Sales	11.6%	13.5%	(14%)	Due to decrease in profit
(j) Return on capital employed	Earning before interest and taxes	Capital employed = Tangible networth+Total debts+Deferred tax liability	16.7%	20.4%	(18%)	Due to decrease in profit
(k) Return on investment						Significant investments held by the Company are for strategic purposes. Benchmarking the return on an annual basis will not reflect yield from such investments.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2025 (in Indian Rupees million, unless otherwise stated)

46. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

47. Approval of financial statements

The financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their meeting held on May 12, 2025

In terms of our report attached

On behalf of the Board

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

M M Murugappan
Chairman
DIN: 00170478

Sridharan Rangarajan
Managing Director
DIN: 01814413

Baskar Pannerselvam
Partner
Membership Number: 213126
Chennai
May 12, 2025

Sushil Bendale
Chief Financial Officer

Rekha Surendhiran
Company Secretary

Notes:

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