



MAKING MATERIAL PROGRESS

Carborundum Universal Limited

69th Annual General Meeting

Wednesday, 02nd August 2023

 [cumi-1954](#)  www.cumi-murugappa.com

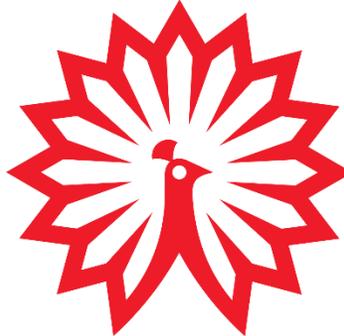
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Making a Material Difference

This presentation contains Statements relating to future business developments and economic performance that could constitute 'forward looking statements.'

While these forward-looking statements represent the Company's judgements and future expectations, a number of factors could cause actual developments and results to differ materially from expectations.

The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances. Further, investors are requested to exercise their own judgement in assessing various risks associated with the Company and also the effectiveness of the measures being taken by the Company in tackling them, as those enumerated in this presentation are only as perceived by the Management.



murugappa

A legacy of 123 years...

3

Sectors

29

Businesses

10

Listed Companies

99

Mfg. Locations - India

14

Mfg. Locations - Overseas

18

Mktg. Bases

INR 742 bn (USD 9.2 bn)
Turnover (FY22-23)

INR 2944 bn (USD 36.6 bn)
Market Capitalization (as on 30th June 2023)

73000+
Employees



Listed

Unlisted



Agriculture



Engineering



Financial Services



Diversified





M M Murugappan
Chairman
Expertise in Chemical and Environmental Science



Mr Sanjay Jayarathnavelu
Expertise in Engg. and Manufacturing Industries



Mr Aroon Raman
Material Scientist and Expertise in Fibre Science



Mr Ananthaseshan
Managing Director
Expertise in Material Science



Mr P Raghavan
Former Ambassador to Russia, Poland, Czech



Mr Sujjain Talwar
Expertise in Legal



Mr Sridharan Rangarajan
Director – Finance & Strategy
Expertise in Finance

Appointed as Managing Director, effective August 03, 2023



Ms Soundra Kumar
Expertise in Banking



Mr Ninad Gadgil
Head - Abrasives



Mr M V Sivakumaran
Head - Electrominerals



Mr Raghavendra Pai
Head - Refractories



Mr Prathap Kumar
Head - Ceramics



Mr Padmanabhan
CFO



Mr Bhaskaran Kannun
HR Head



Ms Rekha Surendran
Legal and Secretarial



Mr Srikanth C
Wendt India



Mr Nirav Parikh
Sterling Abrasives



Mr Samit Jain
Pluss



Mr Abhijit Kurundwadkar
MMTCL



Mr Denesh Kumar
SEDCO



Mr Trevor Allen
CUMI Australia



Mr Sergey Kostrov
VAW, Russia



Mr Gerrit van Wyk
FZL, South Africa



Mr Sergey Petrosyan
CUMI International Ltd



Mr Jürgen Neubert
CUMI Awuko & Rhodius



Mr Ernst Hanning Sager
Rhodius



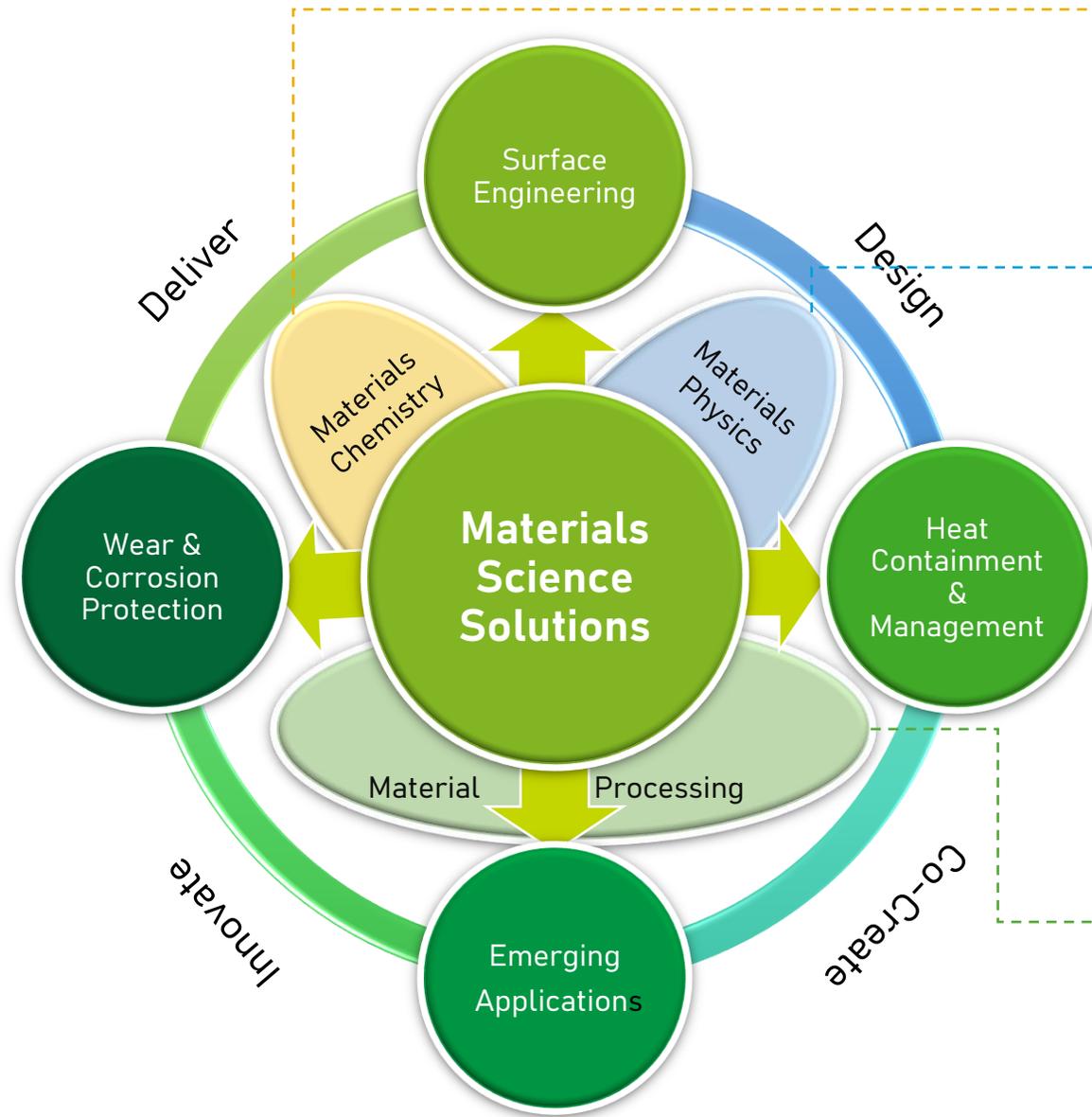
Mr Ralf Blechschmidt
CUMI Awuko



Mr Nitin Bichkar
CUMI USA-ABR



Ms Beth Gardner
CUMI USA-CER



Oxide Family

Aluminas | Silica | Zirconia

Carbides and Nitrides Family

Silicon Carbide | Boron Carbide | Boron Nitride | Diamond

Organics

Phenolics | Epoxies | Alkyds | Rubber

Hardness or scratchability | High Melting point | Refractoriness | Toughness | Impact Resistance | Wear Resistance | Lubricity | Dielectric property | Electrical Resistance | Corrosion Resistance | Non-wetting nature | Semi-Conducting | Phase change nature

Calcination | Electrical Fusion | Sintering | Mixing | Moulding | Drying | Coatings | Slip Casting | Thixotropic Casting | Pressing | Hot and Iso-Static Pressing | Cloth Processing | Conversion of fabrics to shapes | Needling - Non-woven | Brazing | Electroplating | Pultrusion | Extrusion | Hand lay-ups | Winding | Chemical Processing | Resin Processing | Heat Treatments | Communiton | Finishing and shaping of ceramic bodies | Firing of ceramics | Glazing | Resin Curing | 3D Printing



Abrasives

Hardness or Scratchability



RHODIUS



Electro-Minerals

Corrosion Resistance, Friction, Hardness, High Melting Point, Impact Resistance, Insulation, Refractoriness



Ceramics

Corrosion Resistance, Dielectric, Hardness, High Melting Point, Impact Resistance, Insulation, Refractoriness, Wear Resistance, Electrical Resistance,



Advanced Materials

Anti-Bacterial, Corrosion Resistance, Friction, Lubricity, Phase Change, Semi Conducting, Thermal Storage



PLUSS[®]



Purpose	Making a Material Difference
Vision	We will be a globally admired company driving innovations in Materials Science towards sustained value creation for people and our planet
Mission	We design, co-create and deliver sustainable solutions to make a significant difference to all our stakeholders



Largest single location producer of **Silicon Carbide globally**



One of the largest producers of the full range of **Electrominerals** worldwide



Among the market leaders in **abrasives**, in India, EU, US and Russia



World's second-largest player in **metallised cylinders**



Over 6
Decades in Business



1000+
Variety of Products



40+
Presence in Countries



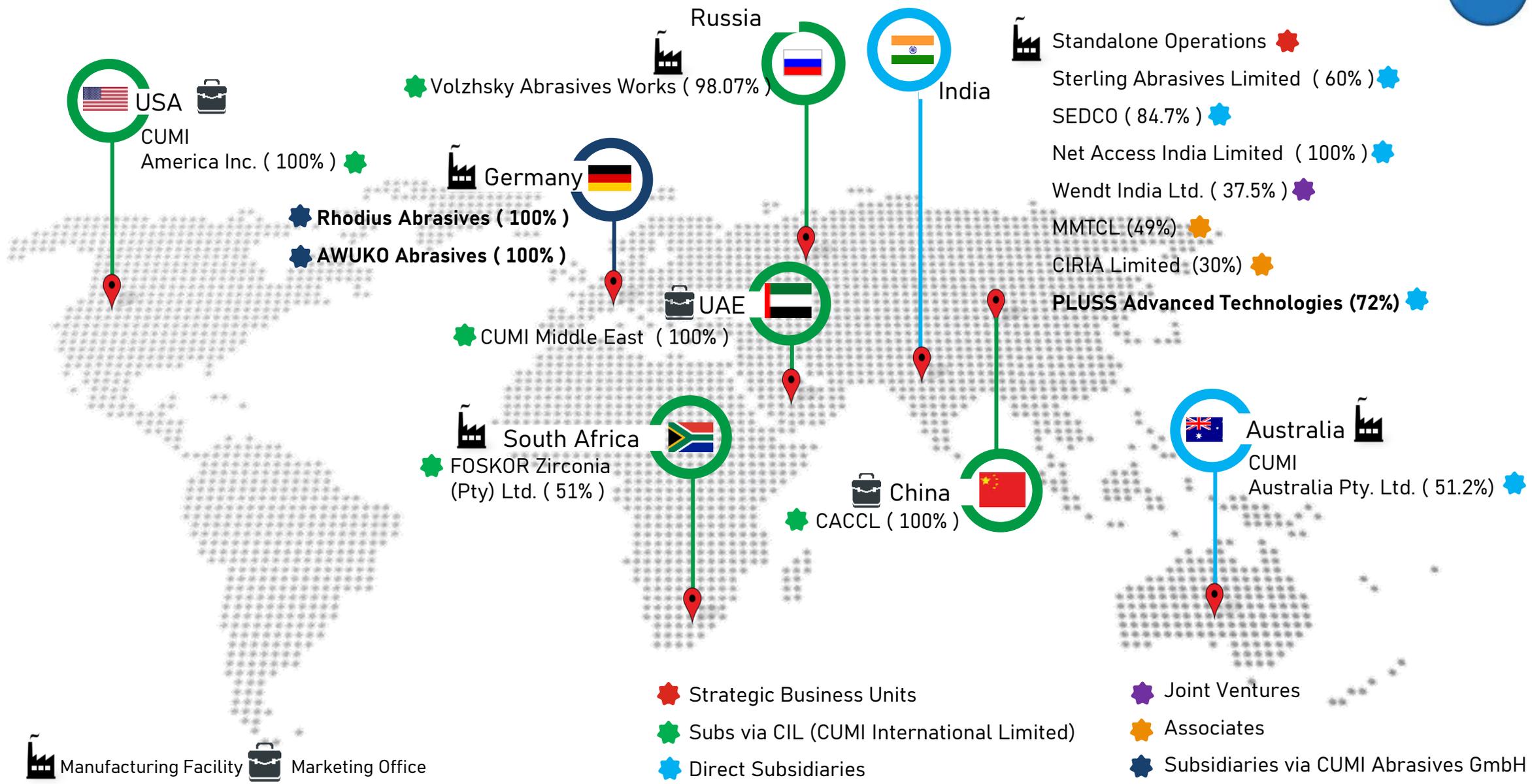
Over 1 lac
Happy Clients



DSIR
Certified R and D Centres



ISO
Certified Mfg. Location



Financial Progress - FY23 Performance

Stressed high levels of public and private debt, threatening the financial system

Pandemic-induced output contraction

Shockwaves continue to emanate from the Russia-Ukraine Conflict

Currency Depreciation

Higher Interest Rates

Accelerated existing inflationary pressures

Rapid & synchronous monetary policy tightening

- Asset Prices in broad, synchronous decline
- Investment growth has weakened substantially,
- Housing markets are worsening rapidly

Consumer Sentiment & Business Confidence fallen precipitously

China Slowdown

Slowed cross-border trade

Demand Pressure

Supply chain Disruptions

Availability of Key Commodities

Currency Depreciation

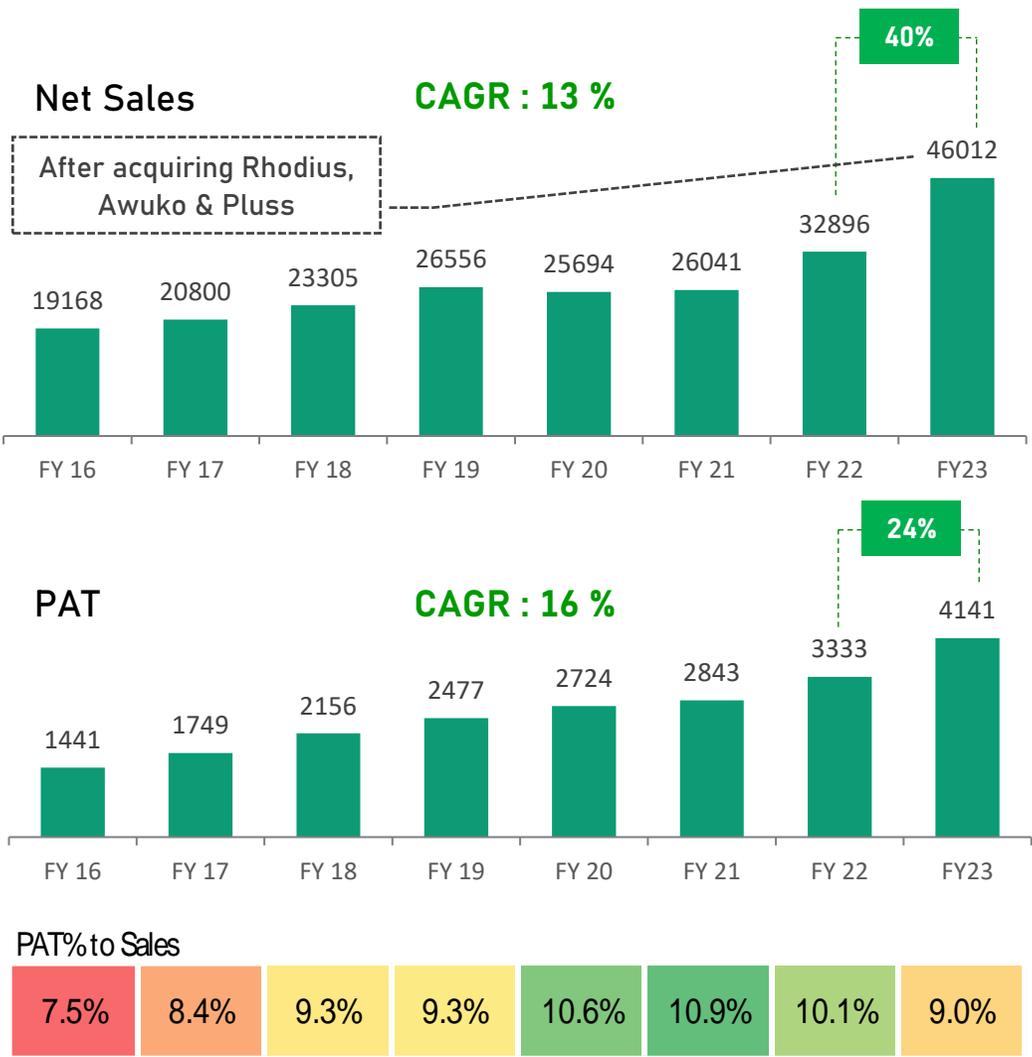
Higher Interest Rates

Energy Prices

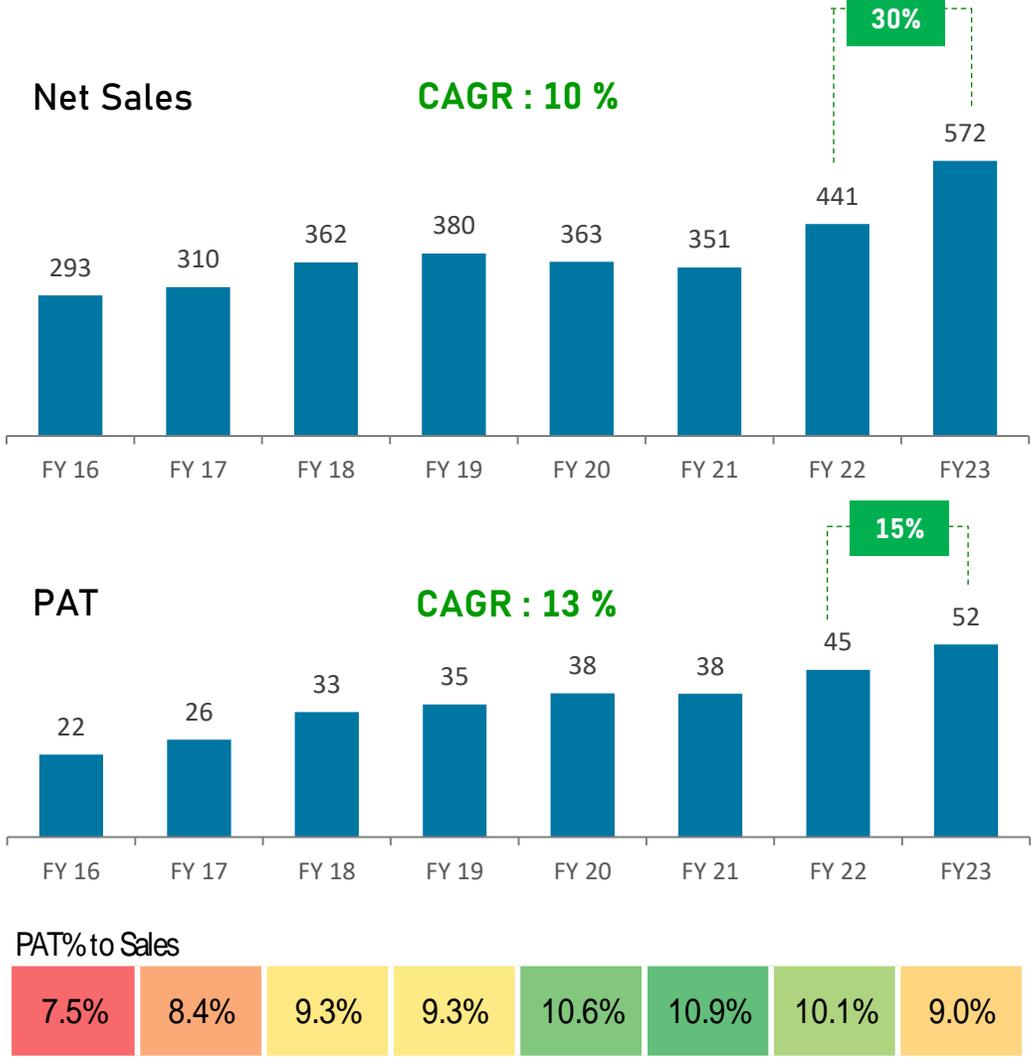
Commodity Markets



Values in INR Million

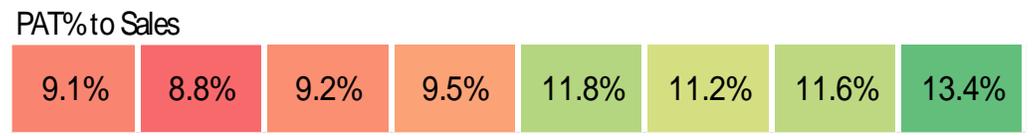
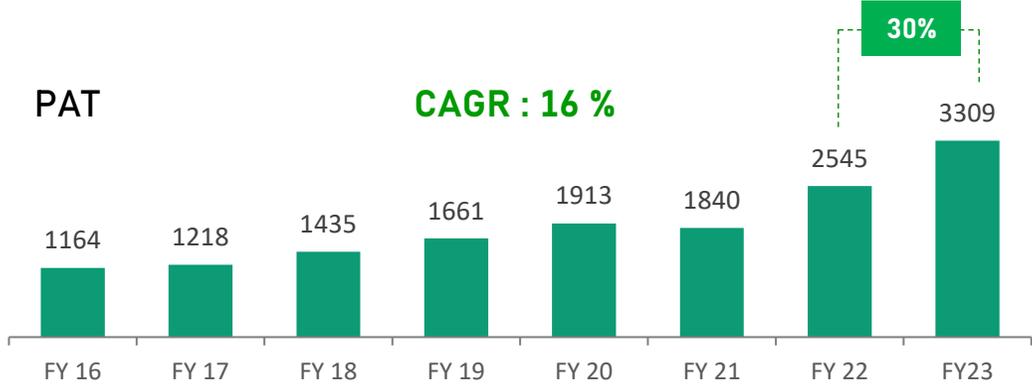
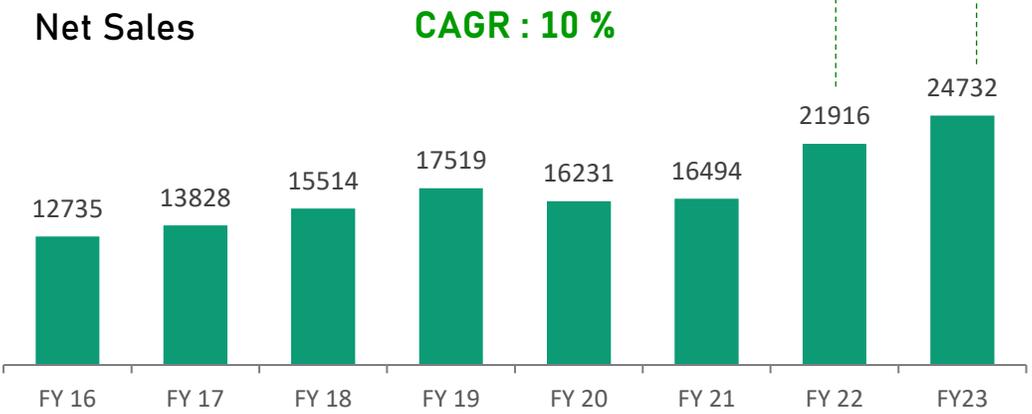


Values in USD Million

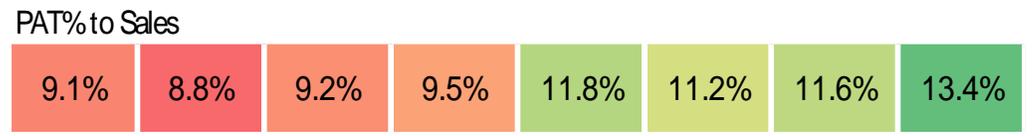
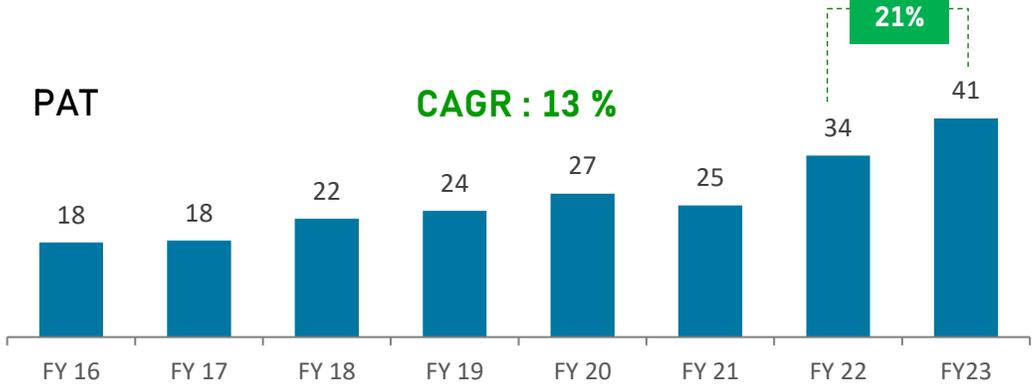
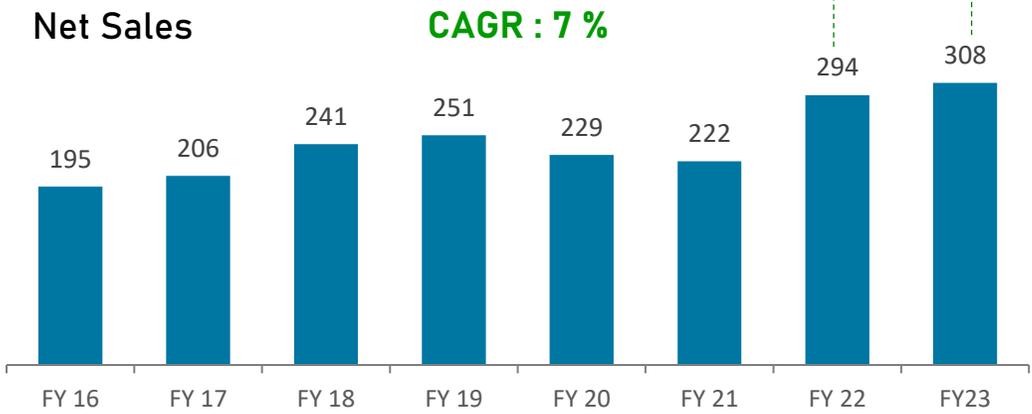




Values in INR Million



Values in USD Million



Segmental Performance for FY23 - Consolidated



Financial Year 22-23	Sales* ₹ 4601 Cr + 40% YoY	PBT ₹ 543 Cr + 19% YoY	PAT ₹ 414 Cr + 24% YoY
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Abrasives**

Sales ₹ 2035 Cr + 59 % YoY	EBIT ₹ 105 Cr - 33% YoY
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Electro-minerals**

Sales ₹ 1634 Cr + 25% YoY	EBIT ₹ 275 Cr + 42% YoY
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Ceramics**

Sales ₹ 1027 Cr + 29% YoY	EBIT ₹ 251 Cr + 57% YoY
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*After inter-segmental cancellations

**Before inter-segmental revenues, excludes 'Other' segments

Segmental Performance for FY23 - Standalone



Financial Year 22-23	Sales* ₹ 2473 Cr + 13% YoY	PBT ₹ 407 Cr + 18% YoY	PAT ₹ 331 Cr + 30% YoY
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Abrasives**

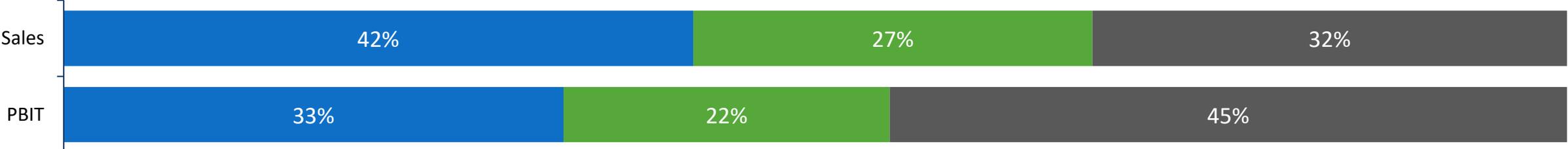
Sales ₹ 1107 Cr + 5 % YoY	EBIT ₹ 151 Cr - 7% YoY
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Electro-minerals**

Sales ₹ 702 Cr + 13% YoY	EBIT ₹ 99 Cr + 61% YoY
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Ceramics**

Sales ₹ 834 Cr + 26% YoY	EBIT ₹ 205 Cr + 56% YoY
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*After inter-segmental cancellations

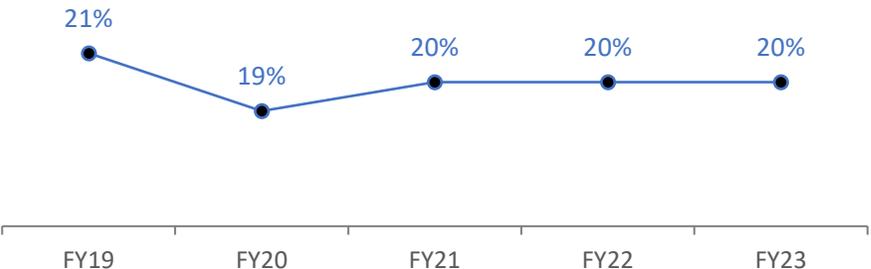
**Before inter-segmental revenues, excludes 'Other' segments

Reinvesting Capital with Accountability

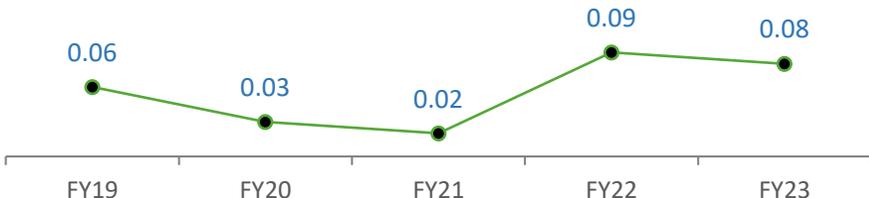


At Consolidated levels

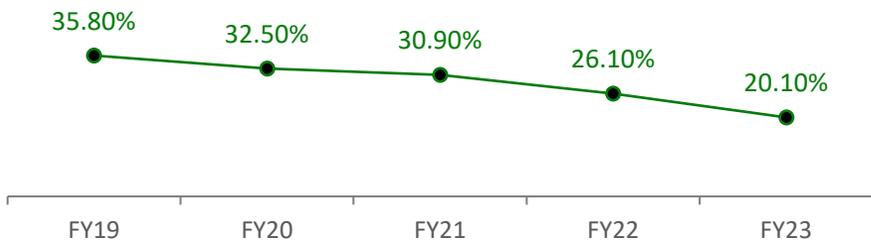
ROCE%¹



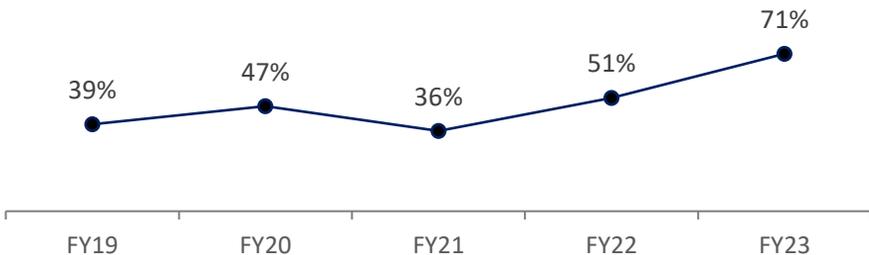
Debt-Equity (times)²



Dividend Payout%³



Reinvestment Ratio⁴



A1+

Credit Rating for Short-Term Borrowings by CRISIL

AA+

Credit Rating for Long-Term Borrowings by CRISIL

¹ROCE = PBIT / Average Capital Employed

²Debt-Equity (times) = Total Debt / Shareholders Funds

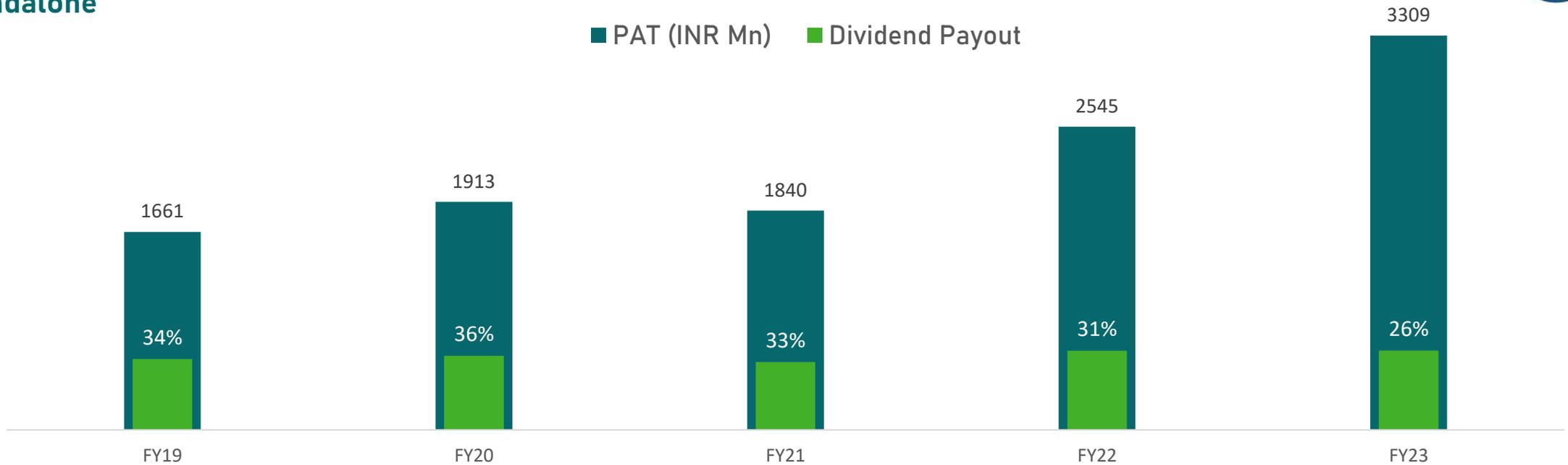
³Dividend Payout Ratio* = (Dividend per Share * Total no. of outstanding Share) / PAT

⁴Reinvestment Ratio = Capex / PAT

Unbroken Dividend Record Since Inception



CUMI Standalone



Rs per Share

	FY19	FY20	FY21	FY22	FY23
Interim	1.50	2.75	1.50	1.50	1.50
Final	1.25	-	1.50	2.00	2.00
Total Dividend	2.75	2.75	3.00	3.50	3.50

Final Dividend
350% on face value of Rs.1 per share

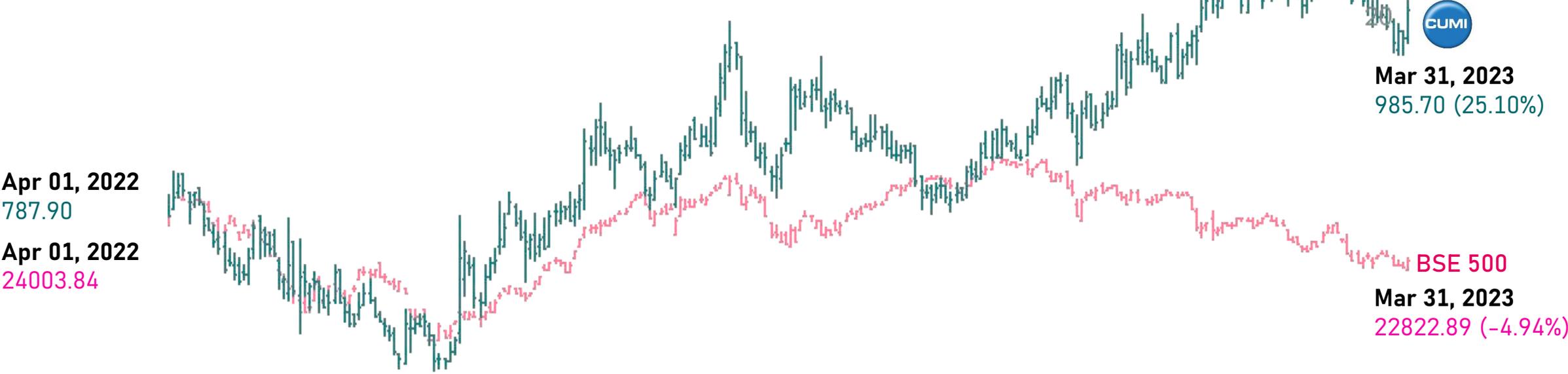
Dividend Payout Ratio = (Dividend per Share * Total no. of outstanding Share) / PAT*

**Excluding Dividend distribution tax*



INR 187 bn (USD 2.3 bn)

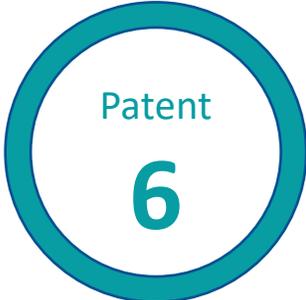
Market Capitalization (as on 31st March 2023)



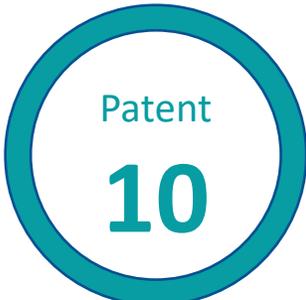
Total Shareholder Returns over period depicted above*: **25.55%**

*TSR = (Gains in share price + dividends) / Purchase price

IPR Filed



IPR Granted





Progress on Sustainability



Specific Energy Consumption

FY23 : 0.053

Energy intensity per rupee of turnover
(TJ/turnover in ₹ Million)

7% YoY ↓



Water

FY23 : 15

Water intensity per rupee of turnover
(KL/₹ million)

17% YoY ↓



Emissions

FY23 : 8.2

Emission intensity per rupee of turnover
(Mt CO2e/₹ Million)

13% YoY ↓



Waste

FY23 : 0.56

Waste intensity per rupee of turnover
(Mt /₹ Million)

4% YoY ↓

14,80,931

Units generated from 7 Solar Opex Projects during FY22-23



Installed
Capacity

~ 1.5 MW

Equivalent Consumption of
Energy from Cleaner Source

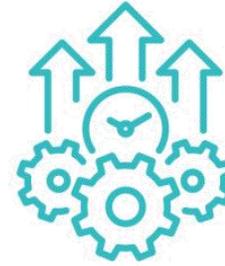
~ Rs.1.3 Cr

CO₂
Eliminated

598 Tons

Trees
Saved

17,329



Progress on Building Capabilities



Brown Fused Alumina furnace expansion and additional crude handling capabilities



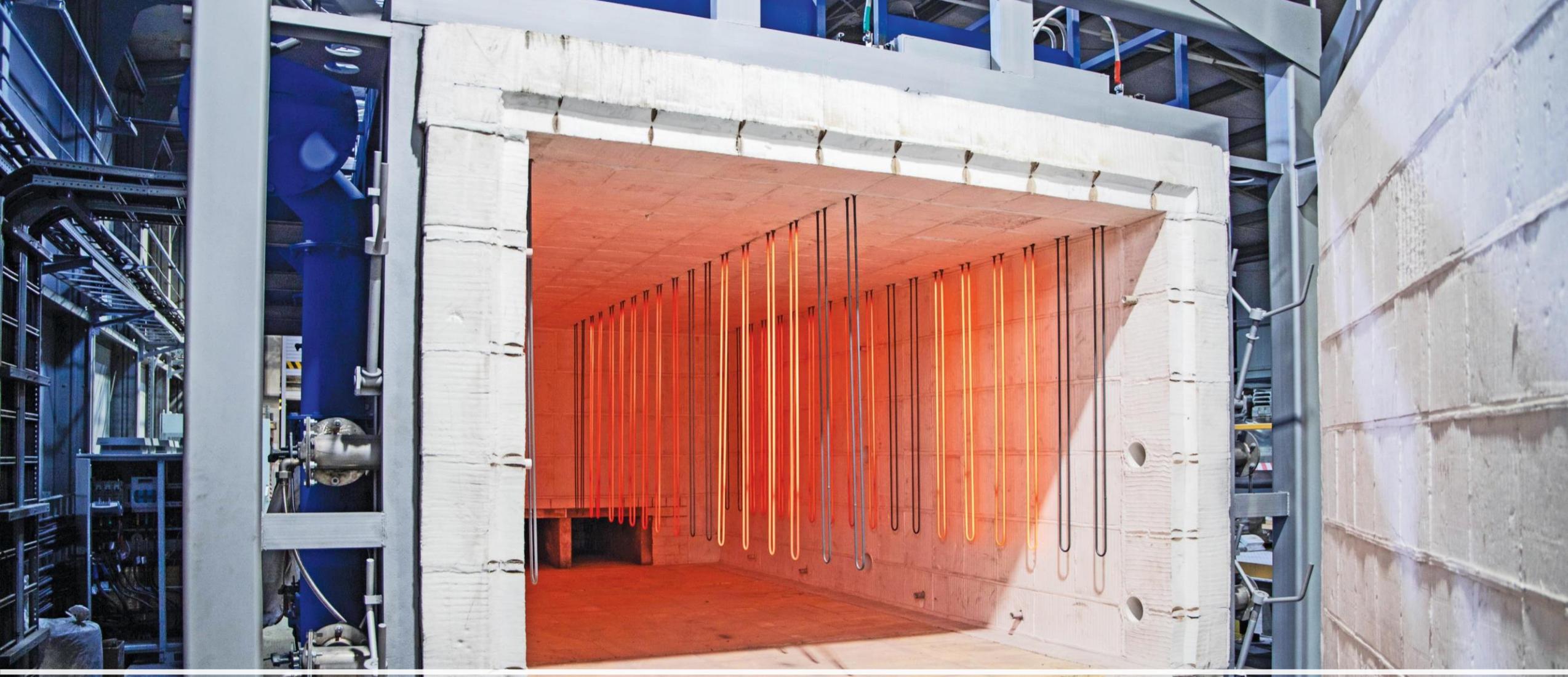
Microgrits line at VAWRussia



State-of-the-art hydraulic press enabling near-net forming of ceramic parts



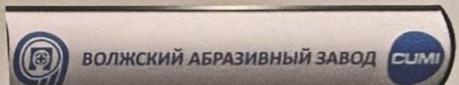
The AS9000 certified lab for manufacturing of composites for aerospace components



Kiln commissioned at VAWRussia to increase the Nitride Bonded Silicon Carbide capacities



ВОЛЖСКИЙ АБРАЗИВНЫЙ ЗАВОД



Retail outlet of VAW in Volzhsky



CUMI AWUKO Abrasives GmbH

The Lion Amongst Abr

ARITAS
Vinyl Pvt. Ltd

Design

www.aritasvinyl.com



HIGH QUALITY ABRASIVES
THE RIGHT SOLUTION
FOR EVERY CHALLENGE



COMING TOGETHER
TO BUILD EXCELLENCE



VERSATILE
ABRASIVE SOLUTIONS



REVITALISE YOUR LEATHER

Participation in domestic & International fairs/exhibitions

CUMI AWUKO Abrasives GmbH

A large, curved, orange exhibition stand with the word "RHODIUS" printed in white capital letters. The stand is part of a trade show booth. Below the stand, there are various display units, including a wall-mounted display of tires, a counter, and informational panels. The background is a dark, industrial-style ceiling with exposed pipes and lights.

RHODIUS

RH

Participation in domestic & International fairs/exhibitions



Progress on Product Innovation



Track grinding wheels for CV joints are made with high-performance micro-crystalline grains with induced porosity and ultra-new generation vitrified bond. The precision offered by these wheels enables smoother steering movement in automobiles.



Bevel Gear Grinding Wheels are made with micro-crystalline grains with excellent cutting action and minimal mechanical damage. This is crucial to maintain the gear efficiency in differential drives.



Stearated coated discs on fibre reinforced paper with special anti-loading properties improve the surface finish in the automotive aftermarket and composite applications.



CUMI Licorne is a Sintered Ceramic Alumina abrasives grain manufactured through a seeded sol-gel technology that provides cooler cutting and longer life. With Stabilised nanostructures, this grain provides a high performance suitable for vitrified, resinoid, and coated applications.



Monocrystalline Alumina is manufactured in an electric arc furnace using a selective grade of alumina with special additives. The unique processing method makes these self-sharpening grains with superior cool cutting and grinding required for abrasive applications.



3-Layer (Cr-Cu-Au) metalized Alumina substrate for flight use made with magnetron sputtering process qualified by Space Application Centre (SAC) - Indian Space Research Organisation (ISRO)



Tundish made of high-purity alumina to handle molten super alloy for the aerospace and defence industry



Engineered Carbon Fibre Composite parts for aerospace and defence



60-inch segmental design stone with black silicon carbide & vitrified bond



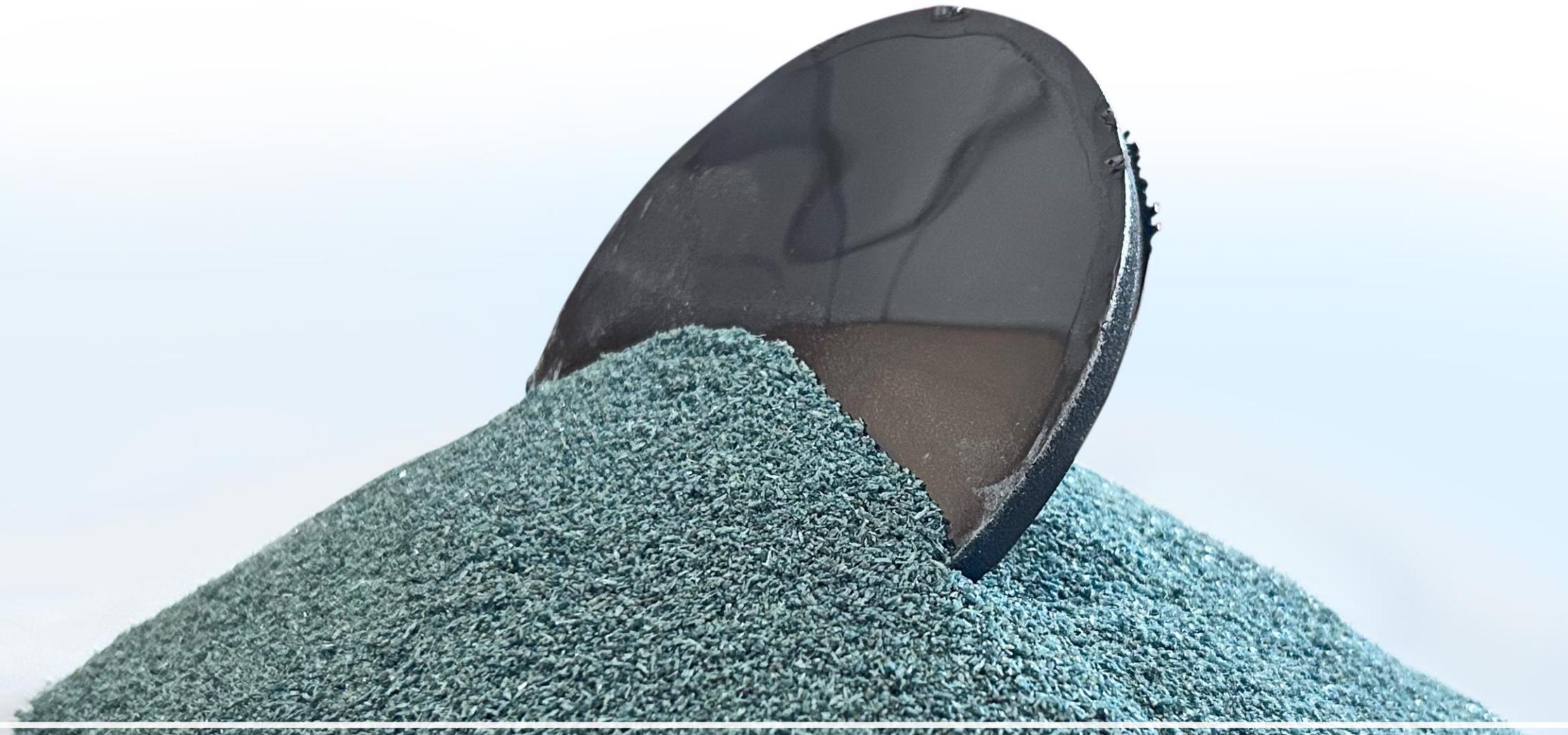
Vitrified CBN Wheels are made with cubic boron nitride and ceramic bond (a high-performance bonding system for hard-to-grind materials).



Progress on Advanced Materials



Graphene for use in specific areas such as composites, coatings and energy



HPSiC Powder for silicon carbide single crystals for use in power electronics



Progress on Corporate Social Responsibility

Education



CUMI supports Vellayan Chettiar School, Chennai and Murugappa Polytechnic, Chennai through AMM Foundation. Educates and trains approximately 8000 students



Community



CUMI Centre for Skill Development (CCSD) where economically disadvantaged students get holistic industrial training to make them employable

Health



Blood donation camps and health camps across location as part of Employee engagement. Support Ivan Stetford Hospital, Chennai through the AMM Foundation

CUMI has always allocated 1% to 2% of profits for CSR decades before it became mandatory in the Companies Act



Progress on Awards & Recognition



MMA (Madras Management Association) Award for Managerial Excellence 2022

13th CII National HR Excellence Award Confluence 2022-23

PREMIUM PARTNER



GOLD PARTNER



'Significant Achievement in HR excellence' certification from CII for 2022-2023



Industry Excellence award 2022 from Dr. Ponmudi, Minister of Education, Tamilnadu



Golden Award for “National Energy Management for 2021” in Minerals Category by SEEM



Kerala State Energy Conservation Award 2022 from Honorable CM of Kerala, Shri Pinarayi Vijayan



(Left) Ms. Romanenko Elena – Head of ISO certification and documentation posing with the Certificate

(Right) Foreign Economic Activity team posing with the diploma headed by Ms. Tolstaya Svetlana (Diploma award is signed by the Volgograd Governor HE Bocharov Andrei)



INDIA, MIDDLE EAST & AFRICA
SUPPLIER DAY 2022

Best Responsiveness Award – ETO

Carborundum Universal Limited

In Appreciation to your Company for Demonstrating a Significant Innovation adding Major Value to Schneider Electric

Daniel W. Bartel

Chief Procurement Officer

KL Koay

VP Procurement – International Region

Piyush Bharatiya

VP Procurement – India Zone

Bosch India Suppliers' Meet - 2022



Best Performance Award during the Supplier Meet of Bosch



Financial Progress - Q1 FY24 Performance



Q1 Financial Year 23-24	Sales* ₹ 1191 Cr + 6% QoQ	PBT ₹ 149 Cr + 42% QoQ	PAT ₹ 113 Cr + 44% QoQ
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Abrasives**

Sales ₹ 519 Cr + 1 % QoQ	EBIT ₹ 31 Cr + 75% QoQ
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Electro-minerals**

Sales ₹ 418 Cr + 3% QoQ	EBIT ₹ 74 Cr + 47% QoQ
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Ceramics**

Sales ₹ 287 Cr + 26% QoQ	EBIT ₹ 81 Cr + 39% QoQ
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*After inter-segmental cancellations

**Before inter-segmental revenues, excludes 'Other' segments



Q1 Financial Year 23-24	Sales* ₹ 659 Cr + 10% QoQ	PBT ₹ 120 Cr + 25% QoQ	PAT ₹ 93 Cr + 28% QoQ
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Abrasives**

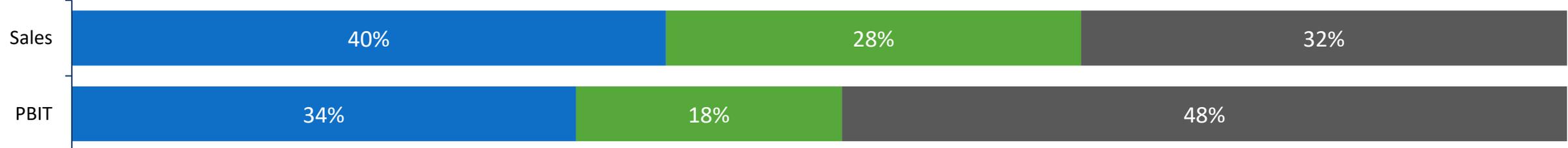
Sales ₹ 282 Cr + 5 % QoQ	EBIT ₹ 43 Cr + 33% QoQ
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Electro-minerals**

Sales ₹ 197 Cr + 10% QoQ	EBIT ₹ 23 Cr - 25% QoQ
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Ceramics**

Sales ₹ 231 Cr + 19% QoQ	EBIT ₹ 62 Cr + 38% QoQ
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**After inter-segmental cancellations*

***Before inter-segmental revenues, excludes 'Other' segments*

THANK YOU

Making a **Material** Difference