



13th February 2025

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

Stock Code: 513375

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

Stock Code: CARBORUNIV

Dear Sirs,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We refer to our letter dated 14th January 2025 intimating the inclusion, of M/s. Volzhsky Abrasive Works (VAW), Russia, a step-down Material subsidiary of the Company, Carborundum Universal Limited (CUMI), in the list of 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. We further intimated that VAW has no property or customers in the US. We further informed that the subsidiary will be assessing the impact of its designation and material updates, if any, will be informed post-completion of the assessment by VAW.

Further, most financial transactions involving US currency and transactions involving US persons are not possible for VAW unless authorized by a general or specific license issued by OFAC or exempt.

In this regard, today at their respective meetings, the Audit Committee and the Board of the Company considered the detailed assessment made by the Company 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 (31st December 2024) including the related goodwill at the immediate holding company, M/s. 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 INR 10,413 lakhs has been recognised under the heading exceptional items (before tax effect) in the financial results. Cash and cash equivalents of VAW amounting to Rs. 12,266 lakhs are not available for use by other entities within the Group due to temporary repatriation restrictions.

The Board based on the recommendation from the Audit Committee approved consolidated financial results duly considering/recognising the above.

The Auditors in their limited review report have drawn reference to the impairment expense under the Emphasis of matter and their opinion is not modified in respect of this matter.

The impact assessment is a continuing process and given the evolving nature of uncertainties associated, CUMI will continue to monitor all material changes to the internal and external environment and any material update will be informed in a continuous manner till this issue is resolved.

Please note that meeting of the Board of Directors of the Company commenced at 02:00 p.m and concluded at 04.45 p.m.

Kindly take the above information on record.

Thanking you

Yours faithfully,

For Carborundum Universal Limited

Rekha Surendhiran
Company Secretary