

30<sup>th</sup> October 2024

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

**Stock Code: 513375**

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

**Stock Code: CARBORUNIV-EQ**

Dear Sirs,

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

We refer to our earlier letter dated September 16, 2024, intimating the execution of a Purchase Agreement by the Company with M/s. Silicon Carbide Products Inc. ('SCP Inc'), Mr. Joshua J. Dahlman and Mr. Rick L Cleveland (the existing 'Equity holders' of SCP Inc) to acquire the membership interest in Silicon Carbide Products Inc., USA ('SCP Inc') through a Type-F reorganisation as provided under the US Internal Revenue Code (IRC) Section 368(a)(1)(F).

We further informed the Exchanges on October 2, 2024, that the Company has incorporated a wholly owned subsidiary in USA named CUMI USA Inc., in the State of Delaware, which will be the Special Purpose Vehicle for the transaction. Today, CUMI USA Inc., has completed the acquisition of the membership interest in M/s. Silicon Carbide Products LLC, (surviving entity formerly known as Silicon Carbide Products Acquisition LLC) which by virtue of its merger with SCP Inc consequent to the Type-F reorganisation, has acquired the operating business of SCP Inc.

The closing has been effected today by making a payment of USD 6.87 million to the sellers of the membership interest in the LLC. 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 reflects the adjustment for cash on hand, net working capital and transaction expenses at closing. The purchase consideration is based on the estimated financials as at 30<sup>th</sup> October 2024 ('Closing date'). This purchase price will be subject to a further adjustment after Closing based on the verification by the Purchaser of the Closing financial statements. To this effect a holdback amount of USD 0.65 million is being held in an independent escrow by the parties which will be released to the Sellers after the Closing adjustments and other obligations in terms of the Purchase Agreement.

Consequent to the consummation of the above acquisition, M/s. Silicon Carbide Products LLC., has become a wholly owned step down subsidiary of the Company.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023 is enclosed as Annexure.

Kindly take the above information on record.

Thanking you

Yours faithfully,  
**For Carborundum Universal Limited**

**Rekha Surendhiran**  
**Company Secretary**

Encl: As above

**Annexure**

	<b>Particulars</b>	<b>Information</b>
a.	Name of the target entity details in brief such as size, turnover etc.	<p>Silicon Carbide Products, LLC (SCP) situated in Horseheads, New York, United States of America.</p> <p>Background of the structural changes effected:</p> <p>Since the transaction was contemplated by F type re-organisation as permitted under the US Internal Revenue Code, the acquisition is in the form of acquiring the membership interest of an entity newly formed by the Sellers.</p> <p>The existing equity holders of Silicon Carbide Products Inc., (SCP Inc.) Mr. Joshua J Dahlman and Mr. Rick L Cleveland have newly formed a Holding Company viz., JDRC Holdings Inc.</p> <p>JDRC Holdings Inc., has formed Silicon Carbide Products Acquisition LLC., a limited liability company, which is a wholly owned subsidiary of JDRC Holdings Inc.</p> <p>Silicon Carbide Products Inc. and Silicon Carbide Products Acquisitions LLC have been merged on October 21, 2024, as per the terms of the Purchase Agreement. As part of the merger, on October 21, 2024, Silicon Carbide Products Acquisitions LLC has been renamed as Silicon Carbide Products LLC.</p> <p>As a result of the Merger, Silicon Carbide Products LLC succeeded to the assets of SCP Inc. and the resultant entity is the ultimate target entity now owning the business of SCP Inc which was a S Corp entity in the US.</p> <p>The structural changes have been effected pursuant to the Purchase Agreement and in compliance with Section 368(a)(1)(F) of the Internal Revenue Code (IRC).</p>
b.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length";	No.

c.	Industry to which the entity being acquired belongs;	Silicon Carbide Products LLC – erstwhile SCP Inc specialises in producing high quality Nitride Bonded Silicon Carbide (NBSiC) products. NBSiC ceramics have superior wear and thermal shock resistance. SCP has over three decades of experience in providing customised solutions to customers in the USA and globally. Their product range serves industries such as power generation, mining, material handling/processing, non-ferrous molten metal transfer, and petrochemical refineries. The details were furnished in our earlier letter dated 16 <sup>th</sup> September 2024 and there is no change in the information.
d.	Objects and effects of acquisition	As a part of the Ceramics Business, CUMI – the Company has been operating in the Refractories and Industrial Ceramics manufacturing space for over 5 decades. The products of CUMI and SCP will complement and significantly aid expansion of market share, geographical footprint beyond the Americas. The acquisition of SCP aligns with the strategic expansion plans of the Company.  Potential value is expected to be unlocked by utilizing the capabilities that reside across SCP and CUMI through technology co-operation between them and can deploy learnings, especially on process, forming, tooling, and application knowledge. The details were furnished in our earlier letter dated 16 <sup>th</sup> September 2024 and there is no change in the information.
e.	Brief details of any governmental or regulatory approvals required for the acquisition;	None
f.	Indicative time period for completion of the acquisition;	The acquisition is completed on October 30, 2024
g.	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration
h.	Cost of acquisition or the price at which the shares are acquired;	USD 6.87 million (approx. INR 59 Crores) which is subject to Post closing purchase price adjustments.
i.	Percentage of shareholding / control acquired and / or number of shares acquired;	100%
j.	Brief background about the entity acquired in terms of products/line of business acquired, date of	Line of business: Manufacturer offering the highest quality Silicon Nitride Bonded Silicon Carbide (NBSiC) products.  Date of incorporation: October 21, 2024

	incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	History of last 3 years turnover: Not applicable, it is a newly incorporated Company. However, since it has taken over the operating business of SCP Inc, the turnover details of SCP Inc in the last 3 years:  Turnover in USD `000s 2021 - 3,023 2022 - 4,390 2023 - 4,232 Country of incorporation: United States of America
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