

14th August 2026

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National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
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Dear Sir/Madam,

Sub: Transcript of the Investor Call

In continuation of our letter dated 10th August 2026 informing the upload of the audio recording of the Investor Call held with analysts/investors, please find enclosed the transcript of the said call.

The aforesaid transcript is also available on the Company's website and can be accessed at the following link:

[Transcript Link](#)

Request you to kindly take the above on record.

Thanking you

Yours faithfully
For **Carborundum Universal Limited**

Rekha Surendhiran
Company Secretary

Encl: As above

“Carborundum Universal Limited Q1 FY '27 Earnings Conference Call”

August 10, 2026



MANAGEMENT: **MR. SRIDHARAN RANGARAJAN - MANAGING
DIRECTOR, CARBORUNDUM UNIVERSAL LIMITED
MR. CHANDRAMOULI - ADVISOR, CARBORUNDUM
UNIVERSAL LIMITED**

MODERATOR: **MR. KUNAL SHAH - DAM CAPITAL ADVISORS
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Carborundum Universal Q1 FY '27 Earnings Conference Call hosted by DAM Capital Advisors Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Kunal Shah from DAM Capital Advisors Limited. Thank you and over to you, sir.

Kunal Shah: Yes, good afternoon everyone. Welcome to the 1Q FY '27 Earnings Call of Carborundum Universal Limited.

From the Management side today, we have Mr. Rangarajan – the Managing Director and Mr. Chandramouli – the Advisor.

At this point, I would like to hand over the call to the management for their opening remarks, post which we can take up the Q&A. Thanks and over to you sir.

G. Chandramouli: Good morning. I am Chandramouli.

Let us start the proceeding with the disclaimer:

During this call, we may make certain statements which reflect our outlook for the future, or which could be construed as forward-looking statements. These statements are based on management current expectations and are associated with uncertainties and risks are more fully detailed in our annual report which may cause the actual result to differ. Hence, these statements must be reviewed in conjunction with the risks that the company faces.

Thank you.

Sridharan Rangarajan: Thank you. Good morning to all of you and a very warm welcome to our first quarter earnings call. I hope you and your family members are safe and doing well. We will begin the call by providing an overview of the performance and then we will take up your questions.

To begin with, I will start with the standalone performance:

In Q1 FY'27, standalone sales were INR 846 crores compared to INR 698 crores in Q1 FY'26, which is a growth of 21.2%. Growth at standalone level was broad-based and driven by all three segments.

Electrominerals segment grew by 33%, Ceramics segment grew by 15.2%, and Abrasive segment grew by 14.7%.

On a sequential basis:

Standalone sales were INR 846 crores compared to INR 845 crores. So, almost flat. Sequential growth was driven by EMD which grew by 12.2%, but ceramic segments declined marking a decline of 1.6% and Abrasive also declined about 6.9%. Both are due to seasonality of the business.

Standalone profit after tax in Q1 FY'27:

Standalone PAT was INR 88 crores compared to INR 77 crores in Q1 FY'26 without the impact of one-time dividend of INR 68 crores received from a subsidiary in Q1 FY'26. This marks a growth of 14.3% on a like-to-like basis.

On a sequential basis, PAT declined by 28.3% from INR 120 crores in Q4 FY'26 to INR 88 crores in Q1 FY'27. Profit of Q4 FY'26 included dividend income of subsidiaries and JVs of INR 30.5 crores compared to a dividend income of INR 14.5 crores in Q1 FY'27. Besides this, it also reflects the seasonality of the business.

Consolidated sales in Q1 FY'27 were INR 1,411 crores compared to INR 1,207 crores in Q1 FY'26. This is a growth of 16.9%. On a sequential basis, the consolidated sales grew by 2% from INR 1,383 crores to INR 1,411 crores.

Consolidated profit after tax:

In Q1 FY'27, consolidated PAT was INR 76 crores compared to INR 62 crores in Q1 FY'26, which is a growth of 23.4%. Sequentially, the Company reported a PAT of INR 76 crores in Q1 FY'27 compared to a loss of INR 18 crores in Q4 FY'26. If you remember, consolidated PAT in Q4 FY'26 included exceptional items, costs of about INR 135 crores related to CUMI Awuko Abrasives and Foskor Zirconia (Pty) Limited.

Segment Results and PBIT of standalone I will cover now:

In Q1 FY'27, segment results of standalone increased by 24.1% from INR 106 crores in Q1 FY'26 to INR 132 crores. Electrominerals PBIT increased from INR 7 crores to INR 39 crores, while Ceramics and Abrasive PBIT declined marginally to INR 59 crores and INR 34 crores respectively. Standalone PBIT was INR 115 crores in Q1 FY'27 compared to INR 98 crores in Q1 FY'26, excluding the one-time dividend of INR 68 crores in Q1 FY'26.

On a sequential basis, segment results dropped by 9% from INR 145 crores to INR 132 crores as higher EBIT in EMD and ceramic was offset by decline in Abrasives. Electrominerals PBIT increased from INR 28 crores to INR 39 crores, Ceramics PBIT increased from INR 57 crores to INR 59 crores, while Abrasive PBIT declined from INR 60 crores to INR 34 crores.

Segment results and PBIT of consolidated I will cover now:

In Q1 FY'27, segment result was INR 133 crores compared to INR 89 crores in Q1 FY'26 and INR 112 crores in Q4 FY'26. In Q1 FY'27, consolidated PBIT was INR 114 crores compared to INR 81 crores in Q1 FY'26, marking a growth of 40.9%. On a sequential basis, consolidated PBIT increased by 11.6% from INR 102 crores in Q4 FY'26 to INR 114 crores in Q1 FY'27.

Now I will cover the segment performance:**We will take up first Abrasive segment:****Consolidated Abrasives:**

In Q1 FY'27, consolidated Abrasive sales were INR 610 crores compared to INR 508 crores in Q1 FY'26, which is a growth of 20.1%.

On a sequential basis, sales remained flat at INR 610 crores.

Standalone Abrasives:

In Q1 FY'27, Abrasive sales were INR 328 crores compared to INR 286 crores in Q1 FY'26, which is a growth of 14.7%. Growth was driven both from domestic as well as export.

On a sequential basis, sales declined by 6.9% from INR 353 crores in Q4 FY'26 to INR 328 crores in Q1 FY'27. On a quarter-on-quarter basis, all segments contributed to the growth. Growth was predominantly volume-driven and very small price increase.

I will now cover the Rhodius Abrasives:

In Q1 FY'27, Rhodius sales were EUR 15.6 million compared to EUR 13.2 million in Q1 FY'26, which is a growth of 18%. In Q1 FY'26, sales had been impacted by an operational transformation of logistics or warehouse facility in the company.

On a sequential basis, sales increased by 1.1% from EUR 15.5 million in Q4 FY'26 to EUR 15.6 million in Q1 FY'27. Growth was more pronounced in INR terms on account of the depreciation of INR against Euro. In INR terms, Q1 FY'27 sales were INR 172 crores compared to INR 128 crores in Q1 FY'26, marking a growth of 33.9%. On a sequential basis, sales increased by 4.3% from INR 165 crores to INR 172 crores.

In Q1 FY'27, Rhodius reported a loss after tax of EUR 0.7 million compared to loss after tax of EUR 1.6 million in Q1 FY'26, representing an improvement of EUR 0.9 million. In Q4 FY'26, Rhodius recorded a PAT of EUR 0.44 million. During the last call, we said Rhodius could grow by 5% in FY'27 and that there could be a small loss at the PAT level. We maintain the same guidance.

Now, I will move to CUMI Awuko Abrasives:

In Q1 FY'27, Awuko continued to operate to meet some of the fulfilling the existing orders that they have taken from the customers. Sales were EUR 2.89 million compared to EUR 2.6 million in Q1 FY'26, a growth of 11.1%.

On a sequential basis, sales increased by 9.9% from EUR 2.63 million in Q4 FY'26 to EUR 2.89 million in Q1 FY'27.

In Q1 FY'27, Awuko reported a loss after tax of EUR 1.69 million compared to loss of EUR 0.9 million in Q1 FY'26.

On a sequential basis, the loss after tax excluding exceptional items went from EUR 2.63 million in Q4 FY'26 to EUR 1.69 million in Q1 FY'27. In FY'26 Q4, CUMI International Limited, the holding company of Awuko had approved to initiate the closure of the company through a voluntary winding up process under the applicable laws in Germany.

Following this, exceptional items amounting to INR 119 crores were recognised in the consolidated P&L of CUMI in Q4 FY'26. We are trying our best to complete the process in a quarter or so. We will update you when we meet in the next quarter.

I will cover the Abrasives PBIT of standalone and consolidated:**At consolidated level:**

Q1 FY'27 PBIT was INR 40 crores compared to INR 11 crores in Q1 FY'26 and INR 32 crores in Q4 FY'26. PBIT for the quarter ended June 30, 2026, included a gain of INR 25 crores from Sterling Abrasives Limited, a subsidiary of the Company, arising from the transfer of leasehold rights of immovable property and related buildings.

At the standalone level, in Q1 FY'27, PBIT was INR 34 crores compared to INR 37 crores in Q1 FY'26. PBIT margin declined from 13.1% to 10.4%. On a sequential basis, PBIT declined from INR 60 crores in Q4 FY'26 to INR 34 crores in Q1 FY'27, while PBIT margin declined from 17.1% to 10.4%.

Last year full year, the PBIT margin of Abrasives standalone was 15.3%. Considering this, there is a drop of INR 15 crores to INR 16 crores of PBIT in this quarter. The US-Iran conflict started in end Feb '26. There was a truce in between, giving hope of normalisation. April saw a nominal cost push. May onwards, we began to see significant cost push. The overall cost push is around INR 16 crores. Besides this, raw material cost push, normal inflationary cost push and other costs were there. These were offset by the normal price increase realisation that we had. Compared to Q4, the drop in PBIT is due to volume drop and cost push. Normally, Q1 is a lower quarter compared to Q4 due to seasonality. The volume drop impact is around INR 8-9 crores. This along with the cost push are the reasons for the drop in PBIT.

I will cover now the EMD segmental performance:**Consolidated Electrominerals:**

Consolidated Electrominerals sales were INR 473 crores compared to INR 405 crores in Q1 FY'26, which is a growth of 16.8%. Growth was driven by standalone Electrominerals which saw strong demand both domestic and export.

On a sequential basis, sales increased by 10.7% from INR 427 crores to INR 473 crores.

Standalone Electrominerals in Q1 FY'27 sales were INR 282 crores compared to INR 212 crores in Q1 FY'26, marking a growth of 33%.

On a sequential basis, sales increased by 12.2% from INR 252 crores to INR 282 crores in Q1 FY'27. Growth was largely volume driven, predominantly exports centric.

VAW, Russia:

Sales of VAW Russia was about RUB 1.58 billion compared to RUB 1.84 billion in Q1 FY'26, marking a drop of 14.1%. In INR terms, Q1 FY'27 sales were INR 201 crores compared to INR 195 crores in Q1 FY'26, marking a growth of 3.1%.

On a sequential basis, sales increased by 24.1% from RUB 1.27 billion in Q4 FY'26 to RUB 1.5 billion in Q1 FY'27. In INR terms, on a sequential basis, sales increased by 34.4% from INR 149 crores to INR 201 crores. In Q1, PAT was RUB 52.1 million compared to RUB 71.5 million in Q1 FY'26.

I will move to now Foskor Zirconia:

In Q1 FY'27, Foskor recorded a sales of INR 107 million compared to INR 121 million in Q1 FY'26, marking a decline of 11.7%.

On a sequential basis, sales declined by 14.7% from ZAR 125 million in Q4 FY'26 to ZAR 107 million in Q1 FY'27. Foskor, a 51% subsidiary of CUMI International, Cyprus, was determined commercially unviable due to sustained loss, rising input costs and marketing pressures. Accordingly, in FY'26 Q4, the consolidated FY'26 financials included INR 16 crores of asset write-down of various assets of Foskor Zirconia. We are evaluating all options, and we expect to reach a solution in a quarter. When we meet in the next quarter, I will update you on the progress that we are making.

Electrominerals PBIT both standalone and consolidated:

In Q1 FY'27, standalone Electrominerals PBIT was INR 39 crores compared to INR 7 crores in Q1 FY'26. On a sequential basis, PBIT increased by 40.3% from INR 28 crores to INR 39 crores in Q1 FY'27.

Consolidated Electrominerals PBIT was INR 22 crores in Q1 FY'27 compared to INR 4 crores in Q1 FY'26. Consolidated PBIT of Q1 FY'27 had an impact of loss of INR 17 crores from Foskor Zirconia which I just explained.

On a sequential basis, consolidated PBIT increased by 14.9% from INR 19 crores to INR 22 crores.

Now I would move to Ceramics.

In Q1 FY'27 Consolidated ceramic sales were INR 349 crores compared to INR 300 crores in Q1 FY'26, which is a growth of 16.5%.

On a sequential basis, ceramic segment sales decreased marginally from INR 351 crores to INR 349 crores.

I will cover the standalone Ceramics now.

Standalone Ceramics sales were INR 274 crores in Q1 FY'27 compared to INR 238 crores in Q1 FY'26, which is a growth of 15.2%. Quarter-on-quarter growth was driven by industrial Ceramics as well as the refractories business.

On a sequential basis, standalone Ceramics sales declined by 1.6%. While industrial Ceramics grew well, refractories had a sequential drop. Refractories business is project based and besides this, Q1 in general is a lower quarter in refractories business.

I will now cover the Ceramics PBIT:

Q1 FY'27 consolidated Ceramics PBIT was INR 74 crores compared to INR 75 crores in Q1 FY'26, remaining broadly flat.

Standalone PBIT was INR 59 crores compared to INR 62 crores in Q1 FY'26. PBIT of IC remained flat despite the topline going up. The reasons are cost increase in fuel, alumina, unabsorbed cost in new lines of semicon and aerospace and defence capacities. We expect this to improve over the next few quarters. We feel we will be at higher end of the guidance at the full year.

On a sequential basis, consolidated Ceramics PBIT increased by 19.1% from INR 63 crores in Q4 FY'26 to INR 74 crores in Q1 FY'27.

Standalone Ceramics PBIT increased by 3.5% from INR 57 crores to INR 59 crores. While IC PBIT grew up well, this was offset by lower PBIT in refractories due to volume drop in line with the seasonality.

Consolidated CAPEX in Q1 FY'27 was INR 53 crores compared to INR 64 crores in Q1 FY'26. We gave a guidance of INR 400 crores for the full year FY'27 and we keep the same guidance. Consolidated debt-to-equity ratio is at 0.05.

Standalone unallocable expense of Q1 FY'27 was INR 17 crores compared to unallocable income of INR 60 crores in Q1 FY'26 and unallocable income of INR 11 crores in Q4 FY'26. The variance was primarily due to the dividend income received from subsidiary in the comparative periods and the foreign exchange loss of INR 3.3 crores in the current quarter as against the foreign exchange gain in the comparative period.

On a consolidated basis, unallocable expenses for Q1 FY'27 stood at INR 19 crores compared to INR 7.6 crores in Q1 FY'26 and INR 9.8 crores in Q4 FY'26. The increase was mainly attributed to foreign exchange loss in the current quarter compared to the foreign exchange gain in the comparative periods as well as the lower interest income during the current quarter.

I will quickly touch upon the guidance that we shared last time:

Consolidated Sales:

I communicated earlier that the consolidated sales could grow approximately 4% to 4.5% in FY'27. However, if we exclude the revenue contribution from Foskor Zirconia and Awuko which accounted for INR 343 crores in FY'26 and compared it with our business plan, the comparable growth will be 11% to 12%. This is what we communicated. Given our current order load and forecasts from customers, the growth could be 15% without the sales from Foskor and Awuko in both the periods.

Consolidated Abrasive sales:

I gave a guidance of 5.5% to 6%. However, if we exclude the revenue from Awuko which is about INR 108 crores, the sales growth will be 11% to 12%. I retained the same guidance.

Consolidated ceramic sales:

I earlier communicated that the growth could be in the range of 15% to 15.5%. We feel that this could go up to 23%-25%.

Consolidated Electrominerals sales:

The consolidated Electrominerals, I communicated sales decline of 6.5% to 7% on account of the closure of Foskor Zirconia which accounted for INR 235 crores in FY'26. However, if we exclude the revenue contribution from Foskor and compare it with what we are planning to do in FY'27, the growth will be 8% to 9%. This could be 9% to 10%. We retained the same guidance.

Consolidated Abrasive margins were expected to be around 9.5% to 10% . In FY'26, the reported margin was 4.3%. However, if we exclude the Awuko loss, the comparable margin for FY'26 would be 7.9%. So, we retained the earlier guidance.

Consolidated ceramic margins were expected to be 20.5% to 21%. We maintain our same guidance here.

Consolidated Electrominerals margins were expected to be 9% to 9.5%. In FY'26, the reported margin was 5.6%. However, if we exclude the loss of Foskor Zirconia and compare it, the FY'26 margin would be 9.1%. We retained the same guidance.

We retained our CAPEX guidance of about Rs 400 crores in FY'27.

So, to sum it, I would say that we are doing well in all the four businesses in standalone and the program related to the closure of the two businesses are well on track and probably we will update you in the next one quarter. All the long-term strategy programs are being pursued in full amidst the effort. CAPEX programs are going ahead as per plan.

So, that's a broad summary I would say and now we will open up for Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Ravi from Avendus Spark. Please proceed.

Ravi: Hi, sir. Thanks for taking my question. My first question is with respect to the standalone Abrasive business. We have seen mid teen kind of growth. If you could give a flavor of how much would have been the value growth, volume growth in that and additionally, from a business perspective, how is the traction going on for each of the major sub-segments which are there? Are we seeing market share gains from Chinese players given the fact that there were some changes in Chinese incentive numbers which were given from April 1 onwards? So, if you can give a broad flavor on directionally how this will pan out in this segment?

Sridharan Rangarajan: So, thank you, Ravi, for asking these questions. As I said, the growth is predominantly volume-driven. We had a very small price growth and the import competition from China, we just started seeing some easing out. But we need to really wait and see because there's a lot of moving factors like our exchange rate also is not helpful. So, there are multiple forces playing. So, we need to figure out what exactly is the reason for that. Is it withdrawal of the export benefit from China? Is the exchange rate becoming unfavorable, etc.? But overall, we see that it is a positive trend from our side.

Ravi: Got it, sir and the second question is with respect to the Ceramics business; you have upped the guidance in terms of growth for that. Obviously, there are businesses attributed to the domestic market and also international market within the Ceramics business, you have Wear Ceramics, Technical Ceramics, Metz Cylinders, etc. Out of these subcategories, where you are seeing better traction? Are you seeing better growth prospects from the traditional private CAPEX?

- Sridharan Rangarajan:** So, we see the growth optimism in all segments other than the wear segment, which is going to be a normal growth. I mean, definitely this quarter we have seen, after several quarters, the growth in Wear Ceramics as well. As you rightly said, the Metallized Cylinder, Engineered Ceramics, all segments are seeing increased growth momentum and hence we revised the guidance.
- Ravi:** Okay and the growth in Metz Cylinders and Engineered Ceramics is coming from domestic market or exports?
- Sridharan Rangarajan:** It is predominantly export. Our business itself is predominantly export driven, as you know. But those players who are international players having business in India also will form part of that trend.
- Moderator:** The next participant is from the line of Harshit Patel from Equirus Securities. Please proceed.
- Harshit Patel:** Thank you very much for the opportunity. My first question is on Ceramics. You have mentioned three key elements for our future Ceramics business. The components for semiconductor wafer fabrication equipment, aerospace and defense applications, and electronic substrates. Could you give some color on how FY'27 and FY'28 would look like in terms of revenue recognition from this segment? Because I believe major part of qualification as well as trials, I think we have already concluded.
- Sridharan Rangarajan:** Yes. So, thank you, Harshit. So, there are three broad segments and I think of this metallized substrate business, we are in the process of setting up the facility with one anchor customer with technology tie-up. This program is right now on. So, we should see this coming up in FY'27, completing this whole program and then the revenues would start coming in from FY'28 onwards. As far as the semiconductor wafer fabrication equipment components is concerned, I think we started supplying based on the qualifications so far what we have got. This year, it's going to be a very, very small part of the business. FY'27 will be small. FY'28, it will start picking up. I earlier communicated it will peak in FY'30. This is how we are expecting this. Aerospace and defense also will be slightly better in this year. But again, the whole program will start kicking in FY'28 onwards because we are going through various sets of our own qualification as well as working with anchor customers in terms of being part of their own product. So, hence this whole program will be spanning out like that.
- Harshit Patel:** Understood. Sir, is it right to understand that our whole guidance upgrade from 15% to 16% of Ceramics revenue growth in FY'27 to 23% to 25%, this entire upgrade is coming from the SOFC Ceramics? At least the major part of that, would that be the right understanding?
- Sridharan Rangarajan:** It will be a combination of Engineered Ceramics, Metallized Cylinder, and as well as this, SOFC Ceramics.
- Harshit Patel:** Understood. Sir, my second question is on Electrominerals. What are our plans for Zirconia-based products? The Calcia Stabilized Zirconia and the monoclinic zirconia. Will we make these

products in India once we have divested Foskor Zirconia? Also, if you could share the progress on the divestment of Foskor as well?

Sridharan Rangarajan: So, the Foskor, as we discussed in the last call, we found that it is no more viable for us to run the business. So, we wanted to explore options of how do we proceed further. So, we had a long discussion with our partners who are major players in South Africa - Foskor and based on that, we now have a couple of options that are there in front of us that we would start exploring and trying to close this by Q2. That is our next one more quarter. That's what is the current status that I can say and as far as the programs that you are describing about what we will do, I think maybe it will be a comprehensive update that I will provide once we complete this process so that it will have all elements of what we are planning to do.

Harshit Patel: Understood. Sir, just a small follow-up on Electrominerals. This time the standalone revenue grew a massive 33% Y-o-Y. Could you provide some broad mix between pricing mix and volume for this particular product?

Sridharan Rangarajan: It's again a big trend. A big portion of it is volume and there is some amount of mix which is also helping us because the treated product growth is on the higher side. So, that also will give the margin growth. But it's more driven as a product mix rather than as a price realisation. So, I would say sum and substance of this is volume driven. Very, very little or no price increase. Mix is contributing to this.

Harshit Patel: So, sir, if there is not too much of a price increase in the Electrominerals market, then why were our margins so much in pressure for the Abrasive segment? I understand that the energy related and other input costs as well were pretty much up. But did it have a major portion coming out of higher Electrominerals prices for our Abrasive segment? That is my last question.

Sridharan Rangarajan: Good. Very good question and I think of the cost of goods sold, somewhere between 80-85% will be grains and other related stuff and that did not grow much. Meaning, we had a cost growth of, let's call it 3-5%, which is predominantly offset by our own normal price increase. But the rest of the stuff, which is all predominantly oil-based one, could be resins and related products. That grew up significantly in the month of May and June, particularly after the brokerage rules fell, and then again heightened conflicts started, really the market went up and you all will know that the prices of oil went up during that time. Particularly in the month of May, it reached \$117 and then it slightly came down to \$107. So, those periods truly cost. So, a combination of this plus the fuel cost, which is again a significant portion, really contributed to the cost impact in Abrasives.

Moderator: Thank you. We take the next question from the line of Amit Anwani from PL Capital. Please proceed.

Amit Anwani: Hi, sir. Thank you for taking my question. So, first question on VAW. Now, it's almost one and a half year that the sanction is into effect on VAW. So, I wanted to understand strategically how one should think of VAW in the medium to long term and second, if you could touch upon the

performance of VAW for this quarter and earlier, I think the sales were mostly localised. So, what's the utilisation and update on sales? Any changes or any update you would like to give on VAW?

Sridharan Rangarajan: Good. Thank you, Amit, for asking these questions. No broader change in the way the Russian business is happening. It is predominantly domestic centric business and they continue to focus only on that. So, that no change since then. You were asking about what is our view on this business. I think we have shared this in the earlier calls also when you asked the similar question last time. I think from our point of view, it is too difficult to predict what would happen in this geopolitical conflict. Our aim is to stay put. Make sure that we comply with all laws. Make sure that we comply with the local rules and regulations and serve the domestic market and stay above the water and then see what happens to this. Fortunately, these people with even tough conditions, they are trying their best and doing it properly in terms of profitability and cash flow. So, that's what I would say at this point in time. It's tough times, but we need to kind of stay put and see what best we can do.

Amit Anwani: Second question, sir, on solid oxide fuel cells. Last time you updated about the opportunities there. I just wanted to understand; can we expect very strong growth if possible for you to highlight the contribution and growth which can come from SOFC this year in the Ceramics business?

Sridharan Rangarajan: Yes, I think when we earlier shared the guidance which was for the Ceramics business and now, right now, we said that we will make slightly up. You know, the reason for making it up is the combination of the business growth that we are expecting from solid oxide fuel cells, Ceramics, similarly, Metallized Cylinders and as well as the engineering Ceramics. So, that is what it represents and we are not sharing any individual details of how much of each of these businesses constitute.

Amit Anwani: Understood, sir. Sir, lastly on the guidance, comparable guidance of 11% to 12%. I just wanted to understand how much volume growth we are expecting here, and would there be, as you highlighted about the cost push, would there be any further scope of price increase? So, I wanted to understand volume versus price, what you are looking for the full year in your guidance?

Sridharan Rangarajan: Yes. So, right now, I think it is fully, we are looking at a normal price increases and predominantly a volume driven growth. It's going to be tough for us to guess how long this war and what is the kind of impact it does. Every day, it changes. When you go to sleep yesterday, it was different. Today morning, it is different. They are saying that, you know, no more, you know, we are not going to continue. So, it's going to be very tough and it's going to be tough for us to say that based on which we will start putting up price, etc., is also going to be tough. So, we will take it one quarter at a time and then we will have to handle it. I am not sure we will have any better model at this stage to start looking at this beyond at this point in time. So, the sum and substance of the answer is it's predominantly volume driven growth. Mix could help. Volume is the predominant part. Small price, which normally that what we would factor it.

- Moderator:** Thank you. We take the next question from the line of Varun Jain from Dolat Capital. Please proceed.
- Varun Jain:** Hi, good morning, sir. Most of my questions have been taken up. So, just if we exclude the 251 million Sterling gain, the consolidated Abrasive EBIT margin is close to 2.5% versus the guidance of 9%-10%. So, any comments on that?
- Sridharan Rangarajan:** So, my comment was largely based on the fact that the losses of Awuko is not there. So, I still feel the same way. If you exclude that, we are still fine with that because we still have the losses even in this quarter and hence you are looking at that way. But I still hold what I said.
- Varun Jain:** Sure, sir and, sir, of the 400 Cr. CAPEX, any breakdown of how much is going where for FY '27?
- Sridharan Rangarajan:** We gave a detailed listing last time in our earnings call, but I will quickly cover that. It includes expansion in advanced Ceramics for power electronics including substrate, metallized tubes, rings, brazed assemblies, expansion of brown-fused alumina, addition of integrated furnace facility for thermal spray powders, zirconia furnace, grain...
- Varun Jain:** My question was how much will be allocated to the various projects?
- Sridharan Rangarajan:** So, we wouldn't be able to share project-wise details, Varun. I think this is the broad guideline we can share.
- Varun Jain:** No problem. Sir, has CUMI received the SCOMET approval which is required for ballistic Ceramics?
- Sridharan Rangarajan:** We have set of approvals which are required as per the industry standards and those industry standards we have got already and both domestic as well as the international standard. Most of the customers expect us to be having those standards that we should have. So, that is what is required and we are going by that.
- Varun Jain:** Okay, sir.
- Sridharan Rangarajan:** Some of these are all like NIJ 3, 4 levels, similarly in terms of BIS Threat Level 5 and 6. These are the basic standards that we meet that your product should meet and that's what we have basically tested ourselves in laboratories outside of India.
- Varun Jain:** Got it. Sir, just last one. Sir, on a consol basis, unallocated expenses rose to close to 190 million for the quarter. So, what is the quarterly run rate we should incorporate? And for this quarter, was there some spike due to some one-off or something?
- Sridharan Rangarajan:** I covered in my earlier remark about what is that we are covering in the unallocated. Basically, this quarter INR 19 crores is mainly attributable to the foreign exchange laws whereas it was a gain in the last comparable period. So, that is the basic reason for that.

- Moderator:** Thank you. We take the next question from the line of Sajal Kapoor from Antifragile Thinking. Please proceed.
- Sajal Kapoor:** Thank you for the opportunity. I am just trying to understand the broad capital allocation mindset of the group. How do you distinguish a temporary setback worth persisting through from a signal to change course or even exit? Thank you.
- Sridharan Rangarajan:** So, good conceptual question. I think the examples of what we took call in terms of Awuko and Foskor is an example where we feel that it is not a temporary setback. We have given enough and more time for it to perform better. At that point, we took a call saying that it is no more an asset that we should own and perhaps we should find the right owner for that asset. So, that is practically an example that I can share. But temporarily, many businesses go through these types of cycles within our own business itself. Even though it is called for business, each business has got sub-elements of it, and we continuously monitor and take a call. Is it going to come back? We always wait at least four to eight quarters to see whether these are temporary trends or fundamentally things are changing. Then we take a call whether it is the right one to continue or not.
- Sajal Kapoor:** That's very helpful. Thank you for sharing that. My second question is, in areas like semiconductors, aerospace and defense where CUMI has no material operating history to draw on, how do you make decisions before pattern recognition is available?
- Sridharan Rangarajan:** I think, again a good question. We are not getting into semiconductor fab equipment manufacturing. We are going to get into supplying of Ceramics used in the semiconductor fab equipment. We have been manufacturing Ceramics for over 40-50 years, and we have gained many expertise as well as patterns and know-hows in this field. Then we work through anchor customers to prove ourselves. When the product goes through a qualification and they feel we have the capability etc., that is when we start working on an investment. We are not going without any experience. In both the fields, we have a very core experience based on which we get into the next step. It is more an adjacency that we get into it.
- Moderator:** Thank you. We take the next question from the line of Akshay Thakur from Helios Capital. Please proceed.
- Akshay Thakur:** Sir, on Metallized Cylinders, we are the world's second largest producers. How much of the current growth and CAPEX is driven by the global SS regulator phase-out which is pushing the switchgear from gas insulators to vacuum interrupters? Is that a structural trigger for medium-term and how do you see the demand for this?
- Sridharan Rangarajan:** I think the demand trend what we are seeing definitely in terms of generation and distribution coupled with the technology choices which are changing is a trend which is going to last for some time and so definitely this is based on that.

- Akshay Thakur:** Okay, sir. So my second question is in terms of tech developments, how do you see the silicon carbide products LLC acquisition helping the overall portfolio and within these three segments like Ceramics, Abrasives, and Electrominerals, the application of this can you quantify the same in which and how much how is it going to help us?
- Sridharan Rangarajan:** Yes, so we acquired this niche company largely for the NBSiC refractories this is the wherever there is going to be ware as well as impact-based application is required definitely this product stand out for better and compared to the traditional alumina-based product and that's where the role of you know SCP comes and they have been doing well both in terms of helping us securing certain critical businesses. We also feel that the other objective of them is to see how do we get an anchor into America using them as a you know key business focal point. That is work in progress we are progressing well towards that direction.
- Akshay Thakur:** Okay, thank you, sir. One last question on my part sir with respect to CRPS composites, we are currently making that products for drones. Do we have the capability or any plans for commercial aerospace applications?
- Sridharan Rangarajan:** No, not yet. That takes time I think right now we have this capability and we will look into it based on our opportunity as well as the capital allocation.
- Moderator:** Thank you We take the next question from the line of Aditya from Kotak Institutional Equities Please proceed
- Aditya:** Yes, this is Aditya from Kotak Institutional Equities I will just go ahead with my questions and thanks for the opportunity The first part of what I wanted to get a sense of is standalone EMD and the strong revenue growth that is coming in. Could you give us a sense of how much is exports in this segment we understand last year the salience had gone up just trying to get a sense of how much is exports and should we be looking at this number because the standalone sales if there is any interplay with inter-segmental and the growth is lower. It would be useful to get your comments on both these things.
- Sridharan Rangarajan:** So, the inter-segmental are always removed so that won't come into play. As far as the export saliency of this business is definitely has gone up you know, what we used to be roughly in the range of about kind of 20% we moved to last year to kind of 40% and now we are in that trajectory at this point in time So, last year 35% and we are getting into 40% trajectory.
- Aditya:** What I was asking was a related question that in the EMD side and exports a trajectory is it starting to benefit from let's say Europe and the duties being put on Chinese imports specifically on the alumina side and can that be a meaningful driver of export portfolio and that is the related question on the first one
- Sridharan Rangarajan:** So, the export growth of EMD is a consequence of long sustained effort that we have been making and reaching out to all the global players in Europe and it goes through a qualification process establishing ourselves, so it takes time and so that now with the coupled this opportunity

definitely helps us and we are definitely making use of it. We are also working similar effort in in U.S. as well as in Asia.

Aditya: The second question from my side would be on the semiconductor side of things. Now we understand that Ceramics for equipment is something that you are already working on in the annual report you also talked about two other things the first one being you having now a path towards 6N purity on the powder side and then you working on certain substrates and materials and having tie up with Mersen, so this is again linked to semicon. So could you give us a sense of how to think through these two different aspects which are an add-on to your current base equipment business.

Sridharan Rangarajan: So we have been communicating this for quite some time. As we said earlier we have established a 5N purity level and we now need to move to the 6N purity level. It is enough to have 5N purity level to get into some of the SiC based semiconductor products but it is always good to have the 6N purity for which we now have kind of worked on certain options and then we have kind of feel that comfortable that we should go ahead with that and that's what annual report clearly says that. As far as the metallized substrate that program we have been telling in the last few calls even in the earlier question that I said this will be a program where technology tie-up is on, anchor customer is on we are in the process of setting up the capability at this point in time and we should start seeing these benefits in FY'28 onwards.

Aditya: Is there a thought process for doing something inorganic on either of these three ventures. Let's say you start with the powder go to the wafer stage in the silicon carbide side. Is it something that the company thinks through?

Sridharan Rangarajan: Right now our focus is that we should be a raw material supplier and so we stay focused on that.

Moderator: Thank you We take the next question from the line of Pravesh Kochar from Four Line Capital. Please proceed.

Pravesh Kochar: Thank you for taking my question. A quick one on the refractory segment. I think you mentioned there is some volatility in terms of dispatches etc. and at the same time I think last time we guided we are expanding capacities over there so just some color on longer term opportunity that you are seeing versus the linear term headwinds in that segment? Thank you.

Sridharan Rangarajan: Thank you. I think it's even in this quarter we have comfortably grown there is absolutely no issues I was just saying compared to Q4 it's a seasonality, always Q4 it's a higher quarter in refractory business. Whatever we said communicated earlier in terms of capacity expansion programs very much on and we don't see any issues in that.

Moderator: Thank you We take the next question from the line of Akshay Thakur from Helios Capital. Please go ahead.

- Akshay Thakur:** Thank you. Thanks for taking my question again Sir, my question is with respect to the JV we have, Murugappa Morgan Thermal Ceramics Ltd. sir, the annual report mentions that we are serving thermal fire and EV applications Can you throw some light on the EV applications part?
- Sridharan Rangarajan:** So we serve the thermal surge application, and we are covering some of the leading auto players at this point in time and to the products that Morgan has got.
- Akshay Thakur:** Okay, sir. Any specific product like the substrates or anything?
- Sridharan Rangarajan:** No, it's a thermal paper which helps to address the surge of heat particularly in the battery section which is what is the product that we serve.
- Moderator:** Thank you. Ladies and gentlemen, we take that as the last question for the day and would now like to hand the questions over to the management for closing comments. Over to you, sir
- Sridharan Rangarajan:** Yes, so thank you for all of your participation. I just like to summarise that we had a good growth both in terms of standalone and consolidated. We have grown in all the three segments well. All the programs that we said we will do in terms of our long-term strategy is very much on. Some of them hit the road, started seeing the benefits. We have shared more details in our annual report; you could definitely go through this. We also feel that the CAPEX program that we laid out for this year will definitely very much on and all of them are being pursued well. At this point in time I see that we are tracking to our trajectory and we are growing well. We have slightly, you know, the growth rate that we have targeted and communicated last quarter we are slightly going up at this point in time. As we share more and probably in the next quarter, we will have more clarity, and we will share a better update at this point in time. So that's the broad summary I would like to leave it with you. Thank you.
- Moderator:** Thank you. On behalf of DAM Capital Advisors Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.