



## CARBORUNDUM UNIVERSAL LIMITED

CIN:L29224TN1954PLC000318

Registered Office: Parry House, 43 Moore Street, Chennai - 600001, India

Tel: +91-44-30006161; Fax: +91-44-30006149;

E-mail: investorservices@cumi.murugappa.com; Website: www.cumi-murugappa.com



**murugappa**

### NOTICE TO MEMBERS

**NOTICE** is hereby given that the Sixty Sixth Annual General Meeting (AGM) of the Members of the Company will be held at 3.00 p.m. Indian Standard Time on Wednesday, 29<sup>th</sup> July 2020 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 31<sup>st</sup> March 2020 and the Reports of the Board and Independent Auditor 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 31<sup>st</sup> March 2020 and the Independent Auditors' Report thereon be and are hereby considered, approved and adopted.

##### Item No.3 - Confirmation of Dividend

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

**RESOLVED THAT** the interim dividend of ₹2.75/- per equity share of ₹1/- each declared by the Board of Directors on 26<sup>th</sup> February 2020 and paid during the financial year ended 31<sup>st</sup> March 2020 be and is hereby confirmed as the final dividend for the financial year 2019-20.

##### Item No.4 - Re-appointment of Mr. M A M Arunachalam, Director

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

**RESOLVED THAT** Mr. M A M Arunachalam holding DIN 00202958, who retires by rotation and being eligible has offered himself 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 - Appointment of Mrs. Soundara Kumar as an Independent Director

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment thereof for the time being in force], Mrs. Soundara Kumar holding DIN 01974515 who was appointed as an Additional Director with effect from 3<sup>rd</sup> August 2019 by the Board pursuant to Section 161(1) of the Act and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of five (5) consecutive years from 3<sup>rd</sup> August 2019.

##### 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 including by way of commission for the financial year 2019-20 aggregating to a sum not exceeding ₹10 million excluding the sitting fees payable in respect of the meetings of the Board/Committees in which he would be participating during the financial year 2020-21.

**RESOLVED FURTHER THAT** the Board of Directors be and is 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 ₹4,50,000/- (Rupees Four lakh fifty thousand) 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 2020-21, 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,  
June 6, 2020

**Rekha Surendhiran**  
*Company Secretary*

#### Notes:

**1. In view of the prevailing lockdown situation across the country due to outbreak of COVID-19 pandemic and resultant travel restrictions as well as continuing Government guidelines to maintain social distancing, the Ministry of Corporate Affairs (MCA) vide its Circular No. 20/2020 dated 5<sup>th</sup> May 2020 read with Circular Nos. 14/2020 dated 8<sup>th</sup> April 2020 and 17/2020 dated 13<sup>th</sup> April 2020, has permitted companies to hold their Annual General Meetings (AGM) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') not requiring the physical presence of the Members at a common venue. Considering the health and safety of all stakeholders including the shareholders, the 66<sup>th</sup> AGM of the Company is being conducted through VC/OAVM 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 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 being dispensed with. Accordingly, the facility for 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.**

3. M/s. KFin Technologies Private Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent (RTA). With effect from 5<sup>th</sup> December 2019, the name of the Company's Registrar and Share Transfer Agent (RTA) has been changed from Karvy Fintech Private Limited to KFin Technologies Private Limited.

4. Corporate Members intending to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend the AGM and vote on their behalf.

5. The statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under item nos. 5 to 7 of the Notice to be transacted at the AGM is annexed hereto. The annexure also includes details relating to item no.4 which is an Ordinary business for information of Members.

6. As per the provisions of the Companies Act, 2013, facility for making nomination is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the RTA/Depository Participant (DP).

7. Dividends remaining unclaimed/unpaid for a period of seven (7) years is required to be transferred to the Investor Education Protection Fund (IEPF). The Company has transferred unclaimed/unencashed dividends up to the interim dividend for FY 2012-13 to the IEPF during the year ended 31<sup>st</sup> March 2020.

The Company has uploaded the details of unpaid and unclaimed amounts lying with it as on 31<sup>st</sup> March 2019 on the website [www.cumi-murugappa.com](http://www.cumi-murugappa.com) as 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 financial year 2012-13 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. During the year, the Company transferred 39,572 equity shares to IEPF Authority after issuing the requisite notice to the shareholders concerned intimating them of the impending transfer of shares.

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 <http://www.iepf.gov.in/IEPF/corporates.html>. Shareholders are requested to contact the Company's RTA or the Company in this regard.

Members are requested to note that pursuant to an amendment in the Finance Act, 2020, dividends declared and paid by the Company with effect from 1<sup>st</sup> April 2020 will be taxed in the hands of the recipient of dividend i.e. shareholders. All dividends declared after 1<sup>st</sup> April 2020 by the Company will be paid to the Members after 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, 1961. Hence, 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 at 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/> as well as <https://www.cumi-murugappa.com/investor-services/>. Members may contact the Company Secretary or any executive in the Secretarial team in case of any clarification in this regard.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market for registering transfers, transpositions, transmissions etc. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant with whom they maintain their demat accounts.

9. Members are advised to intimate the details of their bank account to facilitate electronic remittance of dividend or for being incorporated in the dividend warrants. This would help avoiding fraudulent encashment of the warrants. Members may follow the process detailed below for updation of their bank account for timely receipt of dividends:

| Type of holder | Process for updating bank account details  |
|----------------|--|
| Physical       | <p>Members can send a request to the Company's RTA at <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> by providing the following:</p> <ul style="list-style-type: none"> <li>- Scanned copy of the signed request letter mentioning the Folio No., and name of the Member;</li> <li>- Self-attested copy of PAN;</li> <li>- Self-attested copy of any address proof including Aadhar, Passport etc.;</li> <li>- Scanned copy of share certificate(s) (front and back);</li> <li>- Scanned copy of the cancelled cheque bearing the name of the first named shareholder;</li> <li>- Name and branch of the bank in which Members wish to receive the dividend, the bank account type, MICR Code Number and IFSC number.</li> </ul> |
| Demat          | <p>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.</p>   |

10. Members are requested to note that in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended from time to time), with effect from 1<sup>st</sup> 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](mailto:investorservices@cumi.murugappa.com) or the RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

**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 prevailing COVID-19 pandemic situation, MCA vide its Circular dated 5<sup>th</sup> May 2020 has exempted companies from sending Annual Reports in physical 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 also

available on the website of the Company. The Annual Report is also available on the Company's website <https://www.cumi-murugappa.com/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively as well as the website of RTA at <https://www.evoting.karvy.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 as well as to those specifically requesting for physical copy of the documents.

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

| Type of holder | Process to be followed for registration of e-mail address  |
|----------------|--|
| Physical       | Members may send an e-mail request to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> or <a href="mailto:rajkumar.kale@kfintech.com">rajkumar.kale@kfintech.com</a> or <a href="mailto:investorservices@cumi.murugappa.com">investorservices@cumi.murugappa.com</a> along with a :<br><ul style="list-style-type: none"> <li>- Scanned copy of the signed request letter mentioning the Folio No., name of the Member, e-mail address and mobile number;</li> <li>- Self-attested copy of PAN;</li> <li>- Self-attested copy of any address proof including Aadhar, Passport etc.;</li> <li>- Scanned copy of share certificate(s) (front and back).</li> </ul> |
| 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.   |

Alternatively, Members holding shares in physical or in electronic form who have not registered their e-mail address may temporarily get their e-mail address and mobile number registered with RTA by clicking the link: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) for enabling receipt of the Annual report electronically. Members are requested to follow the process stated in the link to register their e-mail address and mobile number. After due verification, RTA will forward the documents and the login credentials for voting and attending the AGM to the registered e-mail address.

Members can also send the abovementioned documents to M/s. KFin Technologies Private Limited at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.

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](mailto:einward.ris@kfintech.com) or [investorservices@cumi.murugappa.com](mailto:investorservices@cumi.murugappa.com) by quoting their Folio number or DP and Client ID.

12. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings in respect of the Directors seeking appointment/re-appointment at the AGM is furnished and forms part of the Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.

13. The business set out in the Notice will 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 is pleased to offer e-voting facility to Members to cast their votes electronically on all resolutions set forth in the Notice convening the 66<sup>th</sup> AGM. The Company has engaged the services of M/s. KFin Technologies Private Limited to provide remote e-voting facility and voting facility during the AGM (Instapoll) to enable Members to exercise their votes in a secured manner. The instructions for remote e-voting as well as Instapoll is provided in this Notice.

The Board of Directors have appointed Mr. R Sridharan or failing him Ms. Srinidhi Sridharan of M/s. R 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.

14. A shareholder satisfaction survey form is available on the website of the Company at <http://www.cumi-murugappa.com/survey/index.php>. Members who have not yet participated in the survey are requested to kindly give your valuable feedback by filling up the form in the above link.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send their share certificates to the RTA for consolidation into a single folio.

16. 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 (9.30 a.m. to 5.30 p.m.) on all working days upto the date of the AGM. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 and the certificate of the Statutory Auditors under SEBI (Share Based Employee Benefits)

Regulations, 2014 relating to the Company ESOP Scheme/Plan 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](mailto:investorservices@cumi.murugappa.com).

17. 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.

## **18. Instructions for attending the AGM and voting:**

### **18.1 Instructions for remote e-Voting before the AGM:**

Notwithstanding the fact that Members can vote electronically during the AGM, in case they wish to, they can also avail remote e-voting facility provided by the Company for voting before 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their votes electronically, through the e-voting services provided by M/s. KFin Technologies Private Limited (KFin) on all Resolutions set forth in this 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 (Instapoll).

Members may please follow the below instructions for remote e-voting:

A. In case a Member receives an e-mail from RTA [for Members whose e-mail addresses are registered with the Company/ Depository Participant(s)]:

- i. Launch internet browser by typing the URL: <https://www.evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be Event number 5354 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters

with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$ etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select e-voting event i.e., Carborundum Universal Limited. Now you are ready for e-voting as "cast vote" page opens.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF) of the Board Resolution/ Authorisation Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "CUMI - 66<sup>th</sup> AGM".

B. Members holding shares in dematerialised form whose e-mail addresses are not registered with the Company/DPs and Members holding shares in physical form:

- i. Please follow the steps provided in Note 11 in this Notice to obtain the User ID and password.
- ii. Please follow all steps from sl. no. (i) to sl. no. (xii) above to cast your vote by electronic means.

C. Other Instructions:

- i. Any person who becomes a Member of the Company after despatch of Notice of the Meeting and holding shares as on the cut-off date i.e., 22<sup>nd</sup> July 2020 may obtain the User ID and password by calling Toll Free No.1800 3454 001 or by sending an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com). If the Member is already registered with KFin's e-voting platform, then he/she can use the existing password for logging in. If the e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- ii. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Even Number + Folio No. or DP ID Client ID to 9212993399.  
  
Example for NSDL - MYEPWD <SPACE> IN12345612345678  
Example for CDSL - MYEPWD <SPACE> 1402345612345678  
Example for Physical - MYEPWD <SPACE> XXXX1234567890
- iii. The remote e-voting period commences on Saturday, 25<sup>th</sup> July 2020 (9.00 a.m. IST) and ends on Tuesday, 28<sup>th</sup> July 2020 (5.00 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. 22<sup>nd</sup> July 2020 may cast their vote electronically in the manner and process set out herein above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member will not be allowed to change it subsequently.
- iv. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).
- v. In case of any queries, you may refer Help & FAQ section in <https://evoting.karvy.com> (KFin website) or call KFin on 040-67162222; Toll Free No.1800 3454 001.

## 18.2 Instructions for attending the AGM through VC:

- a) Members can attend the AGM through the video conferencing facility provided by RTA. Members can access the facility at <https://emeetings.kfintech.com/> by using their remote e-voting credentials itself.
- b) Members are requested to follow the below procedure to join the AGM:
  - i. Launch internet browser (Chrome/Firefox/Safari) by typing the URL: <https://emeetings.kfintech.com>.
  - ii. Enter the login credentials (i.e., User ID and password for remote e-voting).
  - iii. After logging in, click on 'Video Conference' option.
  - iv. Click on Camera icon appearing against AGM event of Carborundum Universal Limited, to attend the Meeting.
- c) Please note that the Members who do not have the credentials for e-voting or have forgotten the Password can retrieve the same by following the remote e-voting instructions mentioned in point 18.1 of the Notice.
- d) The facility to join the AGM through VC/OAVM will be open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- e) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to participate and vote at the AGM.
- f) Please note that participants connecting from Mobile Devices or Tablets or through laptops or devices 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. Members are encouraged to join the Meeting through Laptop devices with Google Chrome for better experience.
- g) To join the meeting, Members will be required to permit the use of Camera, if any. It is suggested to use an internet facility with a good speed and bandwidth to avoid any disturbance during the meeting. The Company will not be responsible for any disruption in the proceedings caused due to technical issues relating to inadequate bandwidth or internet at the end of the shareholder.
- h) AGM queries to be sent in prior to the AGM: As the AGM is being conducted through VC/OAVM, Members who would like to express their views or ask questions can login to <https://emeetings.kfintech.com/>, click on 'Post your Questions' and post their queries in the window provided during the period

23<sup>rd</sup> July 2020 to 25<sup>th</sup> July 2020. Queries received by the Company on or before 25<sup>th</sup> July 2020 shall only be considered and responded to during the AGM.

- i) Registration as a Speaker at the AGM: Members who would like to express their views or ask questions during the AGM will have to register themselves as a Speaker by logging in <https://emeetings.kfintech.com/>, click on 'Speaker Registration' in the window provided in the link during the period 23<sup>rd</sup> July 2020 to 25<sup>th</sup> July 2020. Those Members who have registered themselves as a Speaker on or before 25<sup>th</sup> July 2020 will only be allowed to express their views or ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
- j) The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of 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 cut-off date.
- k) A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

Detailed instructions for joining the AGM through video conferencing is also available at <https://www.cumi-murugappa.com/investor-services>.

### **18.3 Instructions for voting during the AGM through Instapoll:**

- i) Only those Members present during the AGM through Video Conference facility and who have not cast their vote through remote e-voting earlier are eligible to vote through e-voting in the AGM. Members who have voted through remote e-voting will be eligible to attend the AGM but will not be permitted to vote again.
- ii) The facility to cast the vote at the AGM would be available on the left hand corner of the Video Conferencing screen in the form of a 'Thumb' sign and will be activated once the voting is announced by the Chairman during the Meeting. Members can click on the same to take them to the 'Instapoll' page.
- iii) On clicking 'Instapoll', Members will reach the Resolution page. Please follow the instructions given to vote on the resolutions.

19. The voting rights of Members shall be in proportion to their shareholding as on the cut-off date 22<sup>nd</sup> July 2020. 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.

The results will be declared not later than forty eight hours from the conclusion of the meeting. The results declared along with the Scrutiniser's Report will be placed on the Company's website [www.cumi-murugappa.com](http://www.cumi-murugappa.com), as well as the website of RTA i.e., <https://evoting.karvy.com> 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., 29<sup>th</sup> July 2020.
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.

## **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 nos. 4 to 7 of the accompanying Notice:

#### **Item No.4**

Mr. M A M Arunachalam (DIN: 00202958) 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. The Company has received the requisite consent and disclosure forms from him.

Mr. M A M Arunachalam'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.

Mr. M A M Arunachalam, also known as Mr. Arun Murugappan, aged 52 years is a Promoter of the Company. He is currently the Managing Director of Parry Enterprises India Limited and is also

on the Boards of Coromandel Engineering Company Limited, Ambadi Investments Limited and New Ambadi Estates Private Limited. He has played an instrumental role in establishing key alliances for the Murugappa Group Companies both in India and across the globe.

The Board considers that the continued association of Mr. M A M Arunachalam with the Company would be beneficial to the Company and hence it is desirable to continue to avail his services as a Director. Accordingly, the Board recommends the Resolution in relation to the re-appointment of Mr. M A M Arunachalam as a Director for approval by the Members of the Company.

#### **Memorandum of Interest**

Except Mr. M A M Arunachalam, being the appointee, 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**

Mrs. Soundara Kumar holding DIN 01974515 was appointed as an Additional Director with effect from 3<sup>rd</sup> August 2019 pursuant to Section 161(1) of the Companies Act, 2013 and holds office upto the date of the ensuing AGM. The Company has received a consent from her to be appointed as a Director of the Company along with other requisite disclosures including a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Mrs. Soundara Kumar, aged 65 years, holds a Bachelor's degree in Science (Mathematics) from the University of Madras and is a Certified Associate of the Indian Institute of Banking and Finance (CAIIB). She joined State Bank of India as a Direct Recruit Officer and served for more than 39 years both in India and overseas including as the Managing Director of State Bank of Indore from 2008 to 2010. She headed Wholesale Banking Credit Committee at Corporate Centre evaluating high value commercial credit proposals including project finance for infrastructure. She also headed Credit Committees at State Bank of Indore, SBI Bangalore Circle served on the Boards of SIDBI Ventures, SBICI (State Bank of India Commercial and International Bank Ltd.) and CERSAI (Central Registry of Securitization Asset Reconstruction and Securities Interest) etc. She was a permanent member of Corporate Centre Investment Committee and Credit Policies and Procedures Committee. She retired as Deputy Managing Director, Stressed Asset Management Group of State Bank of India. Her profile is provided in the Annual Report and the information under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings is provided in the annexure.

In the opinion of the Board, Mrs. Soundara Kumar satisfies the criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that she is independent of the Management. Accordingly, the Board of Directors have recommended her appointment as an Independent Director for a term of five (5) consecutive years from 3<sup>rd</sup> August 2019 in terms of Section 149(10) of the Act. The draft letter of appointment setting out the terms and conditions of her appointment is available on the website of the Company.

The Company has also received a notice under Section 160 of the Act from a Member proposing her candidature. Considering Mrs. Soundara Kumar's experience, expertise and stature would immensely benefit the Company, the Board recommends her appointment as an Independent Director for a term of five (5) consecutive years commencing from 3<sup>rd</sup> August 2019. As her appointment as an Additional Director is until the AGM and her appointment as an Independent Director of the Company requires the approval of the shareholders, the item is considered unavoidable in line with the General circular No. 20/2020 issued by MCA and forms part of this Notice.

#### **Memorandum of Interest**

Except Mrs. Soundara Kumar being the appointee, 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.6**

The shareholders at the 64<sup>th</sup> Annual General Meeting held on 3<sup>rd</sup> August 2018 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.

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 payment of commission up to one per cent of net profits 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 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 more than two 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 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 representing the Company. Under his Chairmanship, the Company has grown globally from ₹4060 million to over ₹26000 million. He is currently the Executive Chairman of the Murugappa Group.

Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 2019-20 with the approval of the shareholders vide special resolution passed at the 65<sup>th</sup> AGM held on 31<sup>st</sup> July 2019, Mr. M M Murugappan was paid a commission of ₹10 million (commission for the FY 2018-19) and a sitting fee of ₹0.39 million. Since the total remuneration payable to Mr. M M Murugappan during the FY 2020-21 including the commission payable for the FY 2019-20 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 believes that the remuneration payable to Mr. Murugappan is commensurate with the efforts taken by him and the time spent by him on matters concerning the Company. Accordingly, the Board recommends remuneration payable to Mr. M M Murugappan during the FY 2020-21 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. As approval of the shareholders is required to be obtained before payment of remuneration to the Non-Executive Directors for the FY 2019-20, this item is considered unavoidable in line with the General circular No. 20/2020 issued by MCA and forms part of this Notice.

### **Memorandum of Interest**

Except 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 resolutions 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 on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. S Mahadevan & Co., 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 2020-21 on a remuneration of ₹4,50,000/- excluding applicable taxes and out of pocket expenses incurred by them in connection with the audit.

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. Accordingly, this item is considered unavoidable in line with the General circular No. 20/2020 issued by MCA and forms part of this Notice.

### **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.

Chennai  
June 6, 2020

By Order of the Board  
**Rekha Surendhiran**  
Company Secretary

**Disclosure under Reg. 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings**

|  |  |   |
|--|--|---|
| <b>Name of Director</b>  | <b>M A M Arunachalam</b>   | <b>Soundara Kumar</b>   |
| DIN  | 00202958   | 01974515  |
| Date of Birth  | 18.06.1967   | 15.08.1954  |
| Date of Appointment (Initial)  | 28.10.2016   | 03.08.2019  |
| Qualification  | Bachelor's degree in Commerce from Loyola College, Chennai and is an MBA from the University of Chicago.   | Bachelor's degree in Science (Mathematics) from the University of Madras and is a Certified Associate of the Indian Institute of Banking and Finance (CAIIB).   |
| Expertise in specific functional areas   | Has close to three decades of experience in diverse areas of Business Development and strategic initiatives.   | Has over three decades of experience in banking, project finance, credit & risk management, asset reconstruction.   |
| Directorships in other companies (including foreign companies)                                     | Coromandel Engineering Company Limited<br>Parry Enterprises India Limited<br>Ambadi Investments Limited<br>New Ambadi Estates Private Limited<br>AR Lakshmi Achi Trust<br>Parry Murray & Company Ltd. UK<br>The Africa Under Canvas Safaris Limited, Tanzania              | Rajapalayam Mills Limited<br>Tamil Nadu Newsprint & Papers Limited<br>Shanthy Gears Limited<br>Ramco Systems Limited<br>Orchid Pharma Limited*<br>Sundaram Trustee Company Limited<br>Bank of Baroda  |
| Memberships in Board Committees of other companies (includes membership details of all Committees) | <b>Chairman</b><br>Stakeholders Relationship Committee - Coromandel Engineering Company Limited<br><br><b>Member</b><br>Audit Committee, Corporate Social Responsibility Committee - Coromandel Engineering Company Limited<br>Audit Committee - Parry Enterprises Limited | <b>Chairperson</b><br>Audit Committee, Corporate Social Responsibility Committee - Shanthy Gears Limited<br>Audit Committee - Ramco Systems Limited<br><br><b>Member</b><br>Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee - Tamil Nadu Newsprint & Papers Limited<br>Stakeholders Relationship Committee, Risk Management Committee - Shanthy Gears Limited<br>Audit Committee - Sundaram Trustee Company Limited |
| No. of shares in the Company   | 1,100,600 (holdings in individual capacity and as Karta of HUF)  | Nil   |
| Inter-se relationship with any other Directors or KMP of the Company                               | Nil  | Nil   |

Note: for further details, please refer the Corporate Governance Report section of the Annual Report.

\*referred to NCLT under the Insolvency and Bankruptcy Code, 2016.

## KEY DETAILS REGARDING THE ANNUAL GENERAL MEETING

In order to enable ease of participation of the Members, key details regarding the 66<sup>th</sup> AGM is provided for reference:

| Sl. No. | Particulars  | Details   |
|---------|--|---|
| 1.      | Date and Time of AGM   | 29 <sup>th</sup> July 2020 at 03.00 p.m. IST  |
| 2.      | Link for participation through Video Conferencing (VC)                             | <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>   |
| 3.      | Link for remote e-voting   | <a href="https://evoting.karvy.com">https://evoting.karvy.com</a>   |
| 4.      | Username and password for joining the meeting through Video Conferencing           | Members may attend the AGM through VC by accessing the link <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using the remote e-voting credentials. Please refer the instructions at page no.6 of this Notice for further information.  |
| 5.      | Cut-off date for e-voting  | 22 <sup>nd</sup> July 2020  |
| 6.      | E-voting period  | Commences at 9.00 a.m. IST on Saturday, 25 <sup>th</sup> July 2020 and ends at 5.00 p.m. IST on Tuesday, 28 <sup>th</sup> July 2020   |
| 7.      | Link for Members to temporarily update e-mail address to receive the AGM documents | <a href="https://ris.kfintech.com/email_registration/">https://ris.kfintech.com/email_registration/</a>   |
| 8.      | Registrar and Share Transfer Agent contact details                                 | Mr. Raj Kumar Kale, Senior Manager,<br>M/s. KFin Technologies Private Limited<br>E-mail: <a href="mailto:rajkumar.kale@kfintech.com">rajkumar.kale@kfintech.com</a> ;<br><a href="mailto:inward.ris@kfintech.com">inward.ris@kfintech.com</a> ;<br><a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a><br>Contact No: 040-67162222 |
| 9.      | Helpline number for VC participation and e-voting                                  | Contact: M/s. KFin Technologies Private Limited<br>at 1800-3454-001 or<br>write to them at <a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a>   |
| 10.     | Contact details of the Company   | E-mail: <a href="mailto:investorservices@cumi.murugappa.com">investorservices@cumi.murugappa.com</a> ;<br>Contact: 044-30006166   |