



CARBORUNDUM UNIVERSAL LIMITED

CIN:L29224TN1954PLC000318

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NOTICE TO MEMBERS

NOTICE is hereby given that the Sixty third Annual General Meeting (AGM) of the Members of the Company will be held at 3.00 p.m. IST on Monday, 31st July 2017 at TTK Auditorium (Main Hall), The Music Academy, New No. 168, TTK Road, Royapettah, Chennai 600 014 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 31st March 2017 and the Reports of the Board and Independent Auditors' 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 31st March 2017 and the Independent Auditors' Report thereon be and are hereby considered, approved and adopted.

Item No.3 - Declaration of Dividend

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

RESOLVED THAT a final dividend of ₹0.75 per equity share of ₹1/- each be declared for the financial year ended 31st March 2017 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on 31st July 2017 in case the shares are held in physical form and to the beneficial holders of the dematerialised shares as on 31st July 2017 as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in electronic form.

RESOLVED FURTHER THAT the interim dividend of ₹1/- per equity share of ₹1/- each declared by the Board of Directors and paid for the financial year ended 31st March 2017 be and is hereby confirmed.

Item No.4 - Re-appointment of Mr. M M Murugappan, Director

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

RESOLVED THAT Mr. M M Murugappan holding DIN 00170478, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.

Item No.5 - Appointment of Statutory Auditors

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

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 and any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N500016) as the Statutory Auditors of the Company to hold office from the conclusion of the 63rd AGM until the conclusion of the 68th AGM subject to ratification of the appointment by the Members at every AGM held after this AGM, if required under the relevant provisions of the Act on a remuneration of ₹38,66,000/- (excluding out of pocket expenses incurred by them in connection with the Audit and applicable taxes) for the FY 2017-18 be and is hereby approved and the Board may decide the remuneration payable to the Statutory Auditors for the subsequent years based on the recommendation of the Audit Committee.

SPECIAL BUSINESS

Item No.6 - Appointment of Mr. M A M Arunachalam as a Director

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

RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. M A M Arunachalam holding DIN 00202958 who was appointed as an Additional Director on 28th October 2016 by the

Board pursuant to Section 161(1) of the Act and 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 his candidature for office of Director, be and is hereby appointed as a Director liable to retire by rotation.

Item No.7 - Appointment of Mr. P S Raghavan 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 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. P S Raghavan holding DIN 07812320 who was appointed as an Additional Director on 9th May 2017 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 his 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 9th May 2017.

Item No.8 - Appointment of Mr. Sujain S Talwar 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 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sujain S Talwar holding DIN 01756539 who was appointed as an Additional Director on 9th May 2017 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 his 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 9th May 2017.

Item No.9 - Re-appointment of Mr. K Srinivasan as Managing Director

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. K Srinivasan holding DIN 00088424 be and is hereby re-appointed as the Managing Director of the Company for a term commencing from 23rd November 2017 till 22nd November 2019 on the following terms:

(i) Salary:

₹5,98,070/- per month. The Nomination and Remuneration Committee, may decide the increments in salary, from time to time, subject to a maximum of ₹7,50,000/- per month.

(ii) Allowances/Perquisites/Commission/Incentive:

In addition to salary, Mr. K Srinivasan will be entitled to:

- allowances like leave travel allowance, personal allowance, special allowance, grade allowance and/or any other allowance;
- perquisites such as furnished/unfurnished accommodation to be provided by the Company or house rent allowance in lieu thereof, reimbursement of medical expenses incurred for self and family, club fees, provision of car(s) and any other perquisites, benefits, amenities;
- commission/incentive;
- ESOPs in accordance with the Company's ESOPs Scheme as may be approved by the Nomination and Remuneration Committee from time to time subject to:
 - the allowances and perquisites not exceeding 100% of the salary and;
 - incentive/commission (at 100% levels) will be 25% of annual pay (annual pay includes salary, perquisites, allowances, incentive and retirement benefits).

(iii) Retirement benefits:

- Contribution to Provident Fund, Superannuation Fund, National Pension Scheme and Gratuity as per the rules of the Fund/Scheme in force from time to time.
- Encashment of leave as per the rules of the Company in force from time to time.

(iv) General:

- In the event of absence or inadequacy of profits in any financial year, Mr. K Srinivasan, shall be entitled to such remuneration as may be determined by the Board, which shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 2013 and Rules made thereunder or any statutory modification or re-enactment thereof.
- Perquisites shall be valued in terms of income tax rules or actual expenditure incurred by the Company in providing the benefit or generally accepted practice as is relevant. Provision of telephone (including at residence) shall not be reckoned as a perquisite.
- The aggregate remuneration (including salary, allowances, perquisites, incentive/commission and retirement benefits) for any financial year shall be subject to an overall ceiling of 5% of the net profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 2013.
- Mr. K Srinivasan will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.
- Mr. K Srinivasan will be subject to all other service conditions as applicable to any other employee of the Company.

Item No.10 - 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 re-enactment(s) thereof for the time being in force), the remuneration of ₹4,00,000 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 2017-18, excluding applicable taxes and out of pocket expenses incurred by them in connection with the Cost Audit be and is hereby ratified and confirmed.

Item No.11 - Approval of offer/invitation to subscribe to Non-Convertible Debentures on Private Placement basis

To consider and if deemed fit, to pass the following as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions of the Companies Act, 2013 (the Act) and the applicable Rules made thereunder

(including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the applicable SEBI Regulations, guidelines, circulars as amended from time to time and subject to such other approvals as may be required, consent of the shareholders of the Company be and is hereby accorded to offer, issue and allot in one or more series or tranches, secured/unsecured Redeemable Non-Convertible Debentures (NCDs), on private placement basis, during the period from the conclusion of 63rd AGM till the conclusion of 64th AGM to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds, individuals as the case may be, in such manner and wherever necessary or required, in consultation with merchant bankers/and or advisors or others, on such terms and conditions beneficial to the Company including rate of interest, tenure, security cover and for such purposes of the Company as the Board may in its absolute discretion decide at the time of issue of the NCDs, provided that the total amount so raised through issuance of such NCDs (including premium thereon, if any, as may be decided by the Board), shall not exceed an aggregate sum of ₹2500 million, within the overall borrowing limits of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all documents or writings, as may be necessary or proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body/ies and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of the Directors or any Director(s) or Officer(s) of the Company to the extent permitted under the Act and the Rules thereunder.

By Order of the Board

Chennai,
May 9, 2017

Rekha Surendhiran
Company Secretary

Notes:

1. **A Member entitled to attend and vote at the AGM is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself and the proxy need not be a Member. The proxy form in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate Resolutions/**

Authorisation, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. The proxy form for the AGM is enclosed.

During the period beginning twenty four (24) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three (3) days advance notice in writing is given to the Company.

Members/Proxies are requested to bring their duly filled in attendance slips enclosed herewith to attend the Meeting mentioning therein the details of their DP and Client ID/Folio number. The route map showing directions to the venue of the AGM is annexed.

2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under item nos. 4 to 11 (though not required for item no. 4 and 5) of the Notice to be transacted at the AGM is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th July 2017 to Monday, 31st July 2017 (both days inclusive) for the purpose of payment of final dividend for the financial year ended 31st March 2017. Subject to the provisions of the Act, the final dividend as recommended by the Board, if declared will be paid by 7th August 2017.
5. 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 Registrar and Share Transfer Agent (RTA)/Depository Participant (DP).
6. Dividends remaining unclaimed/unpaid for a period of seven (7) years shall be transferred to the Investor Education Protection Fund. The Company has transferred unclaimed/unencashed dividends up to FY 2008-09 to the

Investor Education Protection Fund during the year ended 31st March 2017.

The Company has uploaded the details of unpaid and unclaimed amounts lying with it as on 3rd August 2016 (date of last AGM) on the website of the Company www.cumi-murugappa.com as also on the website of the Ministry of Corporate Affairs. 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 in financial year 2009-10 and subsequent dividends thereon may write to the Company Secretary or RTA immediately for claiming their dividends.

Pursuant to the notification of Section 124(6) of the Companies Act, 2013 read with the 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. The Company has issued a notice to the shareholders concerned intimating them of the impending transfer of shares and has simultaneously published a notice in leading dailies. The Company has also uploaded the details of the same on its website for the benefit of the shareholders. In view of the impending transfer of such shares to the IEPF, Members are requested to verify the status in the Company's website https://www.cumi-murugappa.com/investor_services.html.

7. 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 Participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
8. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment and 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.
9. Electronic copy of the Annual Report is being sent to all the Members holding shares in dematerialised mode and whose e-mail IDs are available with the Depository Participant(s) and to all the Members holding shares in physical mode

whose e-mail IDs are registered with the Company/RTA for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report for FY 2016-17 is being sent through the permitted mode.

10. The business set out in the Notice will be transacted through electronic voting system. 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 the Members to cast their votes electronically on all resolutions set forth in the Notice convening the 63rd AGM. The Company has engaged the services of M/s. Karvy Computershare Private Limited to provide remote e-voting facility to enable Members to exercise their votes in a secured manner. The instructions for remote e-voting is provided at the end of this section.

The Board of Directors have appointed Mr. R Sridharan or failing him Mr. G Subramaniam 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 e-voting along with Attendance Slip and Proxy Form is being sent in electronic form to all the Members whose e-mail IDs are registered with the Company/their DPs for communication purposes unless any Member has requested for a hard copy of the same.

For Members who have not registered their e-mail address, physical copies of the aforesaid documents is being sent in the permitted mode. Members may also note that the Notice of the 63rd AGM and the Annual Report 2016-17 will also be available on the Company's website www.cumi-murugappa.com. Physical copies of the aforesaid documents will also be available at the registered office of the Company for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive the communication in physical form, upon making a request for the same. Members may please send in their requests to the Company's investor e-mail ID: investorservices@cumi.murugappa.com.

11. Members are requested to send their queries, if any, on the accounts or operations of the Company in advance to the Registered Office of the Company

addressed to the Company Secretary or by e-mail to investorservices@cumi.murugappa.com to enable us to keep the information ready.

12. Members holding shares in physical form are requested to avail dematerialisation facility to eliminate all risks associated with holding in physical form and for ease in portfolio management. For further information, please contact us at investorservices@cumi.murugappa.com or contact the RTA.
13. 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.
14. 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.
15. All documents referred to in the accompanying Notice and the statement under Section 102 of the Act, shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days upto the date of the AGM.
16. Members holding shares in physical form are requested to address all correspondence relating to their shareholding in the Company to M/s. Karvy Computershare Private Limited, RTA. Members holding shares in dematerialised form may send such correspondence to their respective DPs.
17. 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. Members holding shares in dematerialised form, may send such communication to their respective DPs and those holding shares in physical form, may send such communication to the RTA. Even after registering for e-communication, Members are entitled to receive communication in physical form upon making a request for the same.
18. Instructions for remote e-voting:
- 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 vote electronically, through the e-voting services provided by M/s. Karvy Computershare Private Limited (Karvy) on all Resolutions set forth in this Notice.

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

- A. In case a Member receives an e-mail from Karvy [for Members whose e-mail IDs are registered with the Company/ Depository Participants(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 3136 (refer the Event number in the Attendance Slip) 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 Karvy 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 ID 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 not exceeding 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 accounts.
 - 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 with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "CUMI - 63rd AGM".
- B. Members holding shares in dematerialised form whose e-mail IDs are not registered with the Company/DPs and Members holding shares in physical form:
- (i) E-Voting Event Number - 3136 (EVEN), User ID and Password is provided in the Attendance Slip.
 - (ii) Please follow all steps from sl. no. (i) to sl. no. (xii) above to cast your vote by electronic means.
- C. Voting at AGM: Members who have not cast their vote electronically through remote e-voting, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the Venue.
- D. 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., 24th July 2017 may obtain the user ID and password by calling Toll Free No.1800 3454 001 or by sending an e-mail request to evoting@karvy.com.

- (ii) In case of any queries, you may refer Help & FAQ section in <https://evoting.karvy.com> (Karvy website) or call Karvy on 040-6716222; Toll Free No.1800 3454 001.
- (iii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (iv) The voting rights of Members shall be in proportion to their shareholding as on the cut-off date 24th July 2017.
- (v) The e-voting period commences on Thursday, 27th July 2017 (9.00 a.m. IST) and ends on Sunday, 30th July 2017 (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., 24th July 2017, 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.

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 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 shall be declared on the date of the Meeting or not later than three days from the conclusion of the meeting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.cumi-murugappa.com, as well as the website of Karvy 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.

Voting facility will be provided to the Members who are not able to cast their vote electronically at the AGM venue. A Member can opt for only one mode of voting i.e. either through remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and the voting at AGM shall be treated as invalid. However, Members who have cast their vote by

remote e-voting prior to the meeting can attend the meeting though they will not be entitled to cast their vote again.

Resolutions passed through e-voting would be deemed to have been passed as on the date of the AGM i.e., 31st July 2017.

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 11 of the accompanying Notice:

Item No.4

Mr. M M Murugappan 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. Murugappan'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. Murugappan has been associated with the Company as a Director for more than 2 decades now. He took over as Chairman of the Company in 2004 and under his Chairmanship, the Company has grown globally from ₹406 crores to over ₹2100 crores. Given the size and nature of the Company's operations and also the rich experience that the Chairman possesses in the field of engineering, a considerable amount of time is spent by him in connection with the affairs 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.

The Board considers that the continued association of Mr. Murugappan including as a Chairman would be of immense benefit 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. Murugappan as a Director for approval by the Members of the Company.

Memorandum of Interest

Except Mr. Murugappan, 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

As per the provisions of Section 139 of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014, listed entities can appoint an audit firm as its Statutory Auditors for not more than two terms of five (5) consecutive years each. At the time of commencement of the Act, M/s. Deloitte Haskins & Sells, (firm regn.no.008072S), Chartered Accountants, Chennai, the Company's Auditors since FY 2005-06 had completed nine (9) years in office. Pursuant to the transitional period provided in the Companies (Audit & Auditors) Rules, 2014, they were eligible to hold office for a further period of three (3) consecutive years. Hence, the shareholders had initially appointed them as the Statutory Auditors of the Company pursuant to the provisions of Section 139 of the Act for a two (2) year period from the conclusion of the 60th AGM till the conclusion of the 62nd AGM subject to annual ratification at every AGM. Considering their eligibility to continue for one more year, the shareholders at the 62nd AGM held on 3rd August 2016 had appointed M/s Deloitte Haskins & Sells as the Company's Statutory Auditors at a remuneration of ₹42,00,000/- excluding out of pocket expenses and applicable taxes until the conclusion of this AGM. As their office as Statutory Auditors of the Company will be expiring at the conclusion of the forthcoming AGM, it is proposed to seek the shareholder's approval for appointment of a new Auditor at the meeting.

The Board of Directors based on the recommendation of the Audit Committee, at their meeting held on 9th May 2017 has considered the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N500016) as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the 63rd AGM (subject to ratification of the appointment by the Members at every AGM as required under applicable laws).

M/s. Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N500016) have furnished their consent to act as

Statutory Auditors in terms of Section 139 of the Act and have also provided a certificate to the effect that their appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act.

The Board recommends their appointment and accordingly, the approval of the Members is being sought by means of an Ordinary Resolution. Further, M/s. Deloitte Haskins & Sells who hold office as Statutory Auditors of the Company till the conclusion of this AGM would be conducting the limited review on the financial results of the Company for Q1 of the FY 2017-18.

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.

Item No.6

Mr. M A M Arunachalam holding DIN 00202958 was appointed as an Additional Director on 28th October 2016 pursuant to Section 161(1) of the Companies Act, 2013 and holds office upto the date of the ensuing AGM. The Company has received the requisite consent and disclosure forms from him. The Company has also received a notice in writing from a Member under Section 160 of the Act along with the deposit of ₹1,00,000/- in respect of Mr. M A M Arunachalam's appointment.

Mr. M A M Arunachalam, also known as Mr. Arun Murugappan, aged 49 years is a Promoter of the Company. He is currently the Managing Director of Parry Enterprises India Limited and is also on the Board of Coromandel Engineering Company Limited. He has played an instrumental role in establishing key alliances for the Murugappa Group Companies both in India and across the globe. His profile is provided in the Annual Report. The information under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings is provided in the annexure.

The Board considers that his association with the Company would be beneficial to the Company and recommends his appointment as a Director liable to retire by rotation 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.7

Mr. P S Raghavan holding DIN 07812320 was appointed as an Additional Director on 9th May 2017 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 in writing from him to be appointed as a Director of the Company along with other requisite disclosures including a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Mr. P S Raghavan, aged 61 years, holds a Bachelor's degree in Physics from St. Stephen's College, Delhi as well as in Electronics & Communications Engineering from the Indian Institute of Science, Bangalore. Mr. Raghavan joined the Indian Foreign Service in 1979 and has held several esteemed positions such as Secretary in the Ministry of External Affairs and as the Indian Ambassador to countries like Russia, Ireland and Czech Republic etc. He is presently, the Convenor of National Security Advisory Board of India of the National Security Council Secretariat of the Government of India. His 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, Mr. Raghavan satisfies the criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that he is independent of the Management. Accordingly, the Board of Directors have recommended his appointment as an Independent Director for a term of five (5) consecutive years from 9th May 2017 in terms of Section 149(10) of the Act. The draft letter of appointment setting out the terms and conditions of his appointment is available on the website of the Company and would also be available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on any working day upto the date of the AGM.

The Company has also received a notice under Section 160 of the Act along with the deposit of ₹1,00,000/- from a Member proposing his candidature. Considering that Mr. Raghavan's global experience, expertise and stature would immensely benefit the Company, the Board recommends his appointment as an Independent Director for a term of five (5) consecutive years commencing from 9th May 2017.

Memorandum of Interest

Except Mr. P S Raghavan 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.8

Mr. Sujain S Talwar holding DIN 01756539 was appointed as an Additional Director on 9th May 2017 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 in writing from him to be appointed as a Director of the Company along with other requisite disclosures including a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Mr. Sujain S Talwar aged 53 years is a qualified solicitor in India and England & Wales. He has over 25 years of experience as a corporate and infrastructure solicitor in India and abroad. He is the founding partner of Economics Law Practice and has worked in the past with reputed law firms such as Crawford Bayley, Pinsent Masons etc. His 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, Mr. Sujain Talwar satisfies the criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that he is independent of the Management. Accordingly, the Board of Directors have recommended his appointment as an Independent Director for a term of five (5) consecutive years from 9th May 2017 in terms of Section 149(10) of the Act. The draft letter of appointment setting out the terms and conditions of his appointment is available on the website of the Company and would also be available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on any working day upto the date of the AGM.

The Company has also received a notice under Section 160 of the Act along with the deposit of ₹1,00,000/- from a Member proposing his candidature. Considering that Mr. Talwar's vast legal experience and professional expertise would immensely benefit the Company, the Board recommends his appointment as an Independent Director of the Company for a term of five (5) consecutive years commencing from 9th May 2017.

Memorandum of Interest

Except Mr. Sujain S Talwar 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.9

The shareholders at the 61st AGM held on 3rd August 2015 had re-appointed Mr. K Srinivasan as the Managing Director of the Company till 22nd November 2017. Further, at the last AGM held on 3rd August 2016, the shareholders granted approval for revision in his terms of remuneration. Considering that Mr. Srinivasan's term as Managing Director would be expiring at the close of business hours on 22nd November 2017, the Board of Directors at their meeting held on 9th May 2017, based on the recommendation of the Nomination and Remuneration Committee, considered his re-appointment as the Managing Director for a further term of two (2) years commencing from 23rd November 2017 till 22nd November 2019.

Mr. K Srinivasan aged 59 years was appointed as President and Wholetime Director in February 2005. Under his able leadership, the turnover of the Company multiplied from ₹406 crores to ₹2255 crores and profits grew from ₹48 crores to ₹184 crores. Mr. Srinivasan was instrumental in concluding several strategic alliances for the Company forming the basis for its successful global operations today. Mr. Srinivasan's 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. The Board considers that the continued association of Mr. Srinivasan as its Managing Director would be of immense benefit to the Company. The Company has grown multifold and global under his leadership and in the best interest of the Company, it is desirable to continue to avail his services. The required consent and disclosure forms have been received from Mr. Srinivasan.

Mr. Srinivasan currently holds 357,530 equity shares in the Company. The details of his remuneration for the FY 2016-17 as well as Stock Options granted to him under the Company's ESOP Scheme 2007/ESOP 2016 are available in the Annual Report of the Company.

The Board recommends Mr. Srinivasan's re-appointment for approval by the Members of the Company.

Memorandum of Interest

Except Mr. K Srinivasan 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.10

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 2017-18 on a remuneration of ₹4,00,000/- 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.10 is placed before the Members for ratification and the Board recommends the same.

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.

Item No.11

The Companies Act, 2013 (the Act) has brought in significant changes in the provisions and procedures relating to raising of funds through private placement of securities.

The Company in the ordinary course of business raises funds to meet its funding requirements through long term borrowings in the

form of term loans, inter-corporate deposits, external commercial borrowings etc. Funding requirements can also be addressed by raising funds through private placement of securities including by issue of debentures. In 2015, the Company had sought the approval of the shareholders to raise upto ₹2500 million by issue of redeemable Non-Convertible Debentures (NCDs) on private placement basis which was renewed at the last AGM as per the requirements of the Act. Since then, the Company has not utilised the same and has not made any specific offer of NCDs on private placement basis.

The Act mandates that the Company shall obtain prior approval of its shareholders by means of special resolution in respect of borrowings through NCDs during the year. Hence, the approval granted by the shareholders in the last AGM is required to be renewed if the Company chooses to raise funds through issue of Debentures. Accordingly, approval of the Members is sought by way of special resolution under the applicable provisions of the Act and the Rules made thereunder for issue of the NCDs on private placement basis, for a maximum amount of

₹2500 million, including any premium thereon, if any, as may be decided by the Board and at such interest rates as may be negotiated, as a part of the long term borrowing programme of the Company, during the period commencing from the conclusion of the 63rd AGM till the date of conclusion of the 64th AGM. Members are also requested to grant necessary authorisations to the Board (including any Committee thereof) for offering the NCDs in one or more tranches within its overall borrowing limits.

The Board recommends the Special Resolution contained in item no.11 for approval of the Members of the Company.

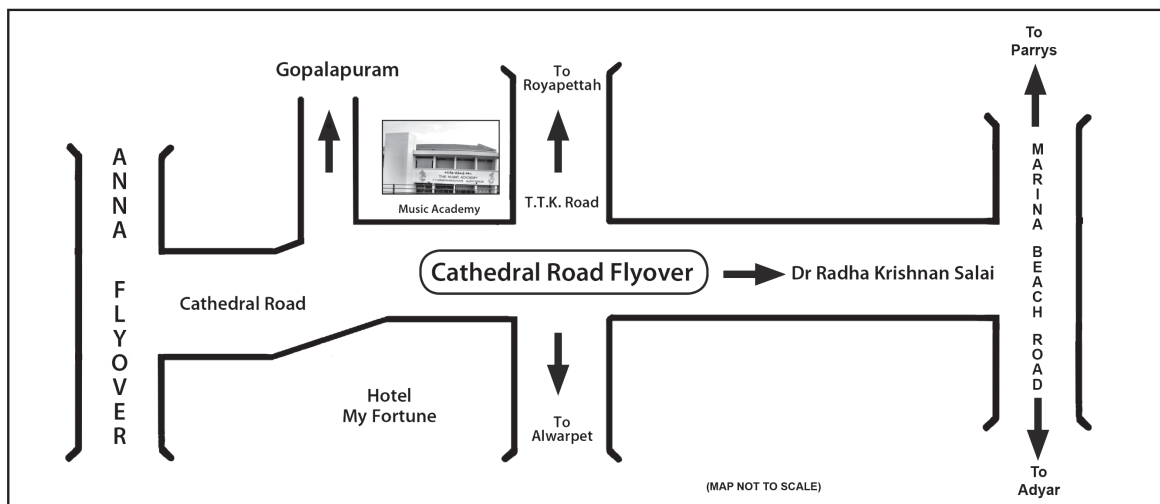
Memorandum of Interest

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the aforesaid Special Resolution.

By Order of the Board
Rekha Surendhiran
Company Secretary

Chennai
 May 9, 2017

ROUTE MAP TO AGM VENUE



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

Name of Director	M M Murugappan	M A M Arunachalam	P S Raghavan	Sujain S Talwar	K Srinivasan
DIN	00170478	00202958	07812320	01756639	00088424
Date of Birth	12.11.1955	18.06.1967	19.07.1955	22.03.1964	22.11.1957
Date of Appointment (Initial)	17.10.1996	28.10.2016	09.05.2017	09.05.2017	01.02.2005
Qualification	Bachelor of Technology in Chemical Engineering from the University of Madras, Masters degree in Chemical Engineering from the University of Michigan, USA.	B.Com degree from Loyola College and an MBA from the University of Chicago.	Bachelor's degree in Physics from St. Stephen's College, Delhi & Electronics & Communications Engg. from the Indian Institute of Science, Bangalore.	Qualified solicitor in India and England & Wales	Bachelor of Technology in Mechanical Engineering from the Regional Engineering College, Surathkal
Expertise in specific functional areas	Has over 39 years of experience in diverse areas of Technology, Research & Development, Strategy & Business Development and Human Resources.	Has 25 years of experience in diverse areas of Business Development and strategic initiatives.	Has over 35 years of experience in Indian Foreign service.	Has over 25 years of experience as Corporate and Infrastructure Solicitor.	Has about 37 years of experience in the machine tools and Abrasives industries in Marketing, Technical, Production, and General Management.
Directorships in other companies (including foreign companies)	<p>Mahindra & Mahindra Limited</p> <p>Cyient Limited</p> <p>Tube Investments of India Limited</p> <p>Wendt (India) Limited</p> <p>Cholamandalam Investment & Finance Co. Limited</p> <p>Shanthi Gears Limited</p> <p>Murugappa Morgan Thermal Ceramics Limited</p>	<p>Murugappa Holdings Limited</p> <p>M M Muthiah Research Foundation</p> <p>Ambadi Investments Private Limited</p> <p>Idea Lab (India) Private Limited</p> <p>IIT Madras, Research Park</p> <p>Murugappa Organo Water Solutions Private Limited</p> <p>Volzshky Abrasive Works, Russia</p>	Nil	<p>Integrated Mumbai Business Park (India) Private Limited</p> <p>Destimoney India Services Private Limited</p> <p>Integrated Chennai Business Park (India) Private Limited</p> <p>ELP Advisory Services Private Limited</p> <p>Diamond Terminals Management Services Private Limited</p> <p>New Day Employee Trustee Private Limited</p> <p>Veco Engineering Ltd. (Alternate Director)</p> <p>Veco India Ltd. (Alternate Director)</p>	<p>Wendt India Limited</p> <p>Sterling Abrasives Limited</p> <p>CUMI America Inc.</p> <p>CUMI Middle East FZE</p> <p>Volzshky Abrasive Works</p> <p>Foskor Zirconia Ply Limited</p> <p>Thukela Refractories</p> <p>Isithebe Ply Limited</p> <p>CUMI Australia Ply Limited</p> <p>CUMI Abrasives and Ceramic Co. Limited</p>
Memberships in Board Committees of other companies (includes membership details of all Committees)	<p>Chairman</p> <p>Stakeholders Relationship Committee - Wendt (India) Limited.</p> <p>Stakeholders Relationship Committee - Tube Investments of India Limited</p> <p>Audit Committee, Risk Management Committee - Cyient Limited</p> <p>R & D Committee & Governance, Nomination and Remuneration Committee - Mahindra and Mahindra Limited</p> <p>Corporate Social Responsibility Committee - Cholamandalam Investment & Finance Co. Ltd.</p> <p>Member</p> <p>Audit Committee, Risk Management Committee - Mahindra & Mahindra Limited</p> <p>Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee - Shanthi Gears Limited</p> <p>Audit Committee, Stakeholders Relationship Committee & Borrowing Committee - Murugappa Holdings Limited</p> <p>Audit Committee, Corporate Social Responsibility Committee, Borrowing Committee - Ambadi Investments Private Limited</p> <p>Share Transfer Debuture Committee, Nomination and Remuneration Committee, Loans Committee - Tube Investments of India Limited</p> <p>Nomination and Remuneration Committee - Cyient Limited</p> <p>Nomination and Remuneration Committee & Business Committee - Cholamandalam Investment and Finance Co. Limited.</p>	<p>Chairman</p> <p>Stakeholders Relationship Committee - Coromandel Engineering Company Limited.</p> <p>Member</p> <p>Audit Committee, Corporate Social Responsibility Committee - Coromandel Engineering Company Limited</p>	Nil	Nil	<p>Member</p> <p>Stakeholders Relationship Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Wendt (India) Limited</p>
No. of shares in the Company	696,340	1,100,600	Nil	Nil	357,530
Inter-se relationship with any other Directors or KMP of the Company	Nil	Nil	Nil	Nil	Nil

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