



CARBORUNDUM UNIVERSAL LIMITED

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NOTICE TO MEMBERS

NOTICE is hereby given that the Fifty-ninth Annual General Meeting of the Company will be held on Tuesday, the 30th July 2013 at 2.30 P.M. at T T K Auditorium, The Music Academy, 168 (Old No.306), T T K Road, Royapettah, Chennai 600 014 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account for the financial year ended 31st March 2013 and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To declare a final dividend
A final dividend of Re.0.75/- (per equity share of Re.1/- each) has been recommended by the Board. An interim dividend of Re.0.50/- per equity share was paid in February 2013.
3. To elect a Director in the place of Mr. Subodh Kumar Bhargava who retires by rotation. Mr. Subodh Kumar Bhargava has expressed his desire to retire from the Board and therefore does not seek re-election. The vacancy is at present not proposed to be filled up.
4. To elect a Director in the place of Mr. T L Palani Kumar who retires by rotation and being eligible offers himself for reappointment.
5. To reappoint M/s Deloitte Haskins & Sells, Chartered Accountants, (FR No.008072S) Chennai as Auditors to hold office from the conclusion of the fifty-ninth annual general meeting till the conclusion of the sixtieth annual general meeting on a remuneration as may be decided by the Board.

SPECIAL BUSINESS

6. To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 309(4)(b) and other applicable provisions, if any, of the Companies Act, 1956, the Directors (including the Alternate Directors), who are neither in whole-time employment of the Company nor the Managing Director(s) of the Company, be paid for a period of five financial years commencing from 1st April 2013, remuneration by way of commission not exceeding 1% of the net profits of the Company computed in accordance with the provisions of the Companies Act, 1956 for each financial year.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to decide, from time to time, the quantum and manner of distribution of commission, to one or more Directors, including the Chairman within the limit of 1% prescribed above.

RESOLVED FURTHER THAT the aforesaid commission shall be in addition to the fees payable to such Directors for attending the meetings of the Board and Committees thereof.

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.

By Order of the Board

Chennai
29th April 2013

S Dhanvanth Kumar
Company Secretary

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **PROXIES, TO BE VALID, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 19th July 2013 to Tuesday, 30th July 2013 (both days inclusive).
4. The dividend, when declared will be paid to those members whose names appear in the Register of Members on 30th July 2013 and in case of shares in dematerialised form as per the details furnished by NSDL/CDSL. The dividend warrants will be posted by 3rd August 2013. In case of shareholders opting for NECS/ECS, the dividend would in the normal course would be credited to their accounts by 3rd August 2013.
5. Members holding shares in physical form are requested to notify change in their address, if any, immediately and not later than 12th July 2013 and in case of demat holders, it is latest by 17th July 2013, so that the dividend warrants can be sent to the latest address. Members are also advised to intimate the details of their bank account to enable electronic remittance of dividend or alternatively for being incorporated in the dividend warrants. This would help to avoid fraudulent encashment of dividend warrants. In case of shareholders holding shares in physical form, all intimations are to be sent to Karvy Computershare Private Ltd., Plot Nos. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad 500081 who are the Registrars and Share Transfer Agents of the Company.

In case of shareholders holding shares in demat form, all intimations are to be sent to their respective Depository Participants (DPs).

6. The Company offers two electronic platforms for credit of dividend i.e. (a) Electronic Clearing Service (ECS) and (b) National Electronic Clearing System (NECS). The advantages of NECS over ECS include faster credit of remittances to beneficiary's account and coverage of more bank branches. NECS operates on the unique bank account number (having not less than 10 digits) allotted by banks post implementation of the Core Banking Solutions (CBS).

The new (NECS compliant) account number is required to be intimated to your Depository Participant (in case your shares are in demat mode) or the Company's Registrar & Share transfer agents (M/s Karvy Computershare Pvt. Ltd. in case your shares are in physical mode) for us to effect the dividend payment through the NECS mode. All such intimations have to be done by 17th July 2013. For those shareholders, who have already registered their bank

account numbers for receiving dividend through ECS but their bank/branch has not implemented CBS, dividend payment would continue through the ECS facility.

7. As per the provisions of the Companies Act, facility for making nominations is available to individuals holding shares in the Company. The nomination form No.2B, prescribed by the government for the purpose, can be obtained from the Registrar & Share Transfer Agents / Depository Participants/ Company's website.
8. Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF. Accordingly, the Company has transferred to IEPF all unclaimed /paid dividends declared upto 31st March 2005. It may be noted that the unclaimed dividend relating to the Special Interim Dividend 2006 and Final Dividend 2006 are due for transfer to the IEPF during financial year 2013-14.

ANNEXURE TO THE NOTICE

A. Information pursuant to clause 49 of the Listing Agreement with Stock Exchanges

Item No. 4

Mr. T L Palani Kumar is 63 years of age and holds a Bachelor's degree in chemical engineering and a post graduate diploma in business administration from the Indian Institute of Management, Ahmedabad. He joined the Board in October 2000. He has held senior positions in the industry like Senior Vice President of TI Cycles of India, Chief Executive of Escorts Tractors Ltd and Managing Director of Bharat Aluminium Ltd.

The details of his directorship and membership of committees in other companies as on 31.03.2013 are as follows:-

Directorships:

Position	Name of the Company
Director	SBI Mutual Fund Trustee Company Private Limited

Committee Memberships:

Company	Name of the Committee	Position
SBI Mutual Fund Trustee Company Private Limited	Audit Committee	Member

Mr. T L Palani Kumar does not hold any shares in the Company.

B. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956:

Item No. 6

Commission to non executive directors

At the fifty-fourth Annual General Meeting held in July 2008, payment of commission to resident non wholtime directors upto 1% of the net profits of the Company was approved by the members for a period of 5 years commencing from 1st April 2008. This approval expired on 31st March 2013 and a fresh approval of the members is necessary for a further term. The proposed resolution authorises payment of commission to all non wholtime directors upto a maximum of 1% of the net profits of the company computed in accordance with the Companies Act, 1956 for a period of five years commencing from 1st April 2013.

The resolution also authorises the Board to determine the actual quantum within the 1% ceiling and also the allocation of the commission amongst various directors.

Accordingly, the special resolution set out under item 6 of the notice is submitted for approval of the members..

Interest of Directors

All Directors (other than Mr K Srinivasan, being a Managing Director) are interested in this resolution to the extent of the commission they may receive.

By Order of the Board

Chennai
29th April 2013

S Dhanvanth Kumar
Company Secretary