



MRF LIMITED

Registered Office : 114, Greams Road, Chennai 600006
Tel: 044-28292777 Fax: 91-44-28295087 Email : mrfshare@mrfmail.com
CIN : L25111TN1960PLC004306 Website: www.mrftyres.com

NOTICE OF THE POSTAL BALLOT

PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

To,

The Members of MRF Limited,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) that the resolutions appended below are proposed to be passed through postal ballot.

The explanatory statement pursuant to Section 102 of the Companies Act, 2013, pertaining to the resolutions setting out the material facts and the reasons thereof is annexed hereto along with the postal ballot form for your consideration.

The Board vide its Resolution passed on 22.04.2014 appointed Mr. N C Sarabeswaran, Chartered Accountant, as Scrutinizer for conducting the Postal Ballot (physical and e-voting) process in accordance with law and in a fair and transparent manner.

Further, the Company in compliance with the provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matter included in the postal ballot by electronic means i.e. through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting period commences on 27.05.2014 (09.00 am) and ends on **26.06.2014 (05.30 pm)**. Please read carefully and follow the instructions on e-voting as printed in this Notice.

However, those members, who do not have access to e-voting facility can send, their assent or dissent in writing on the postal ballot form, attached herewith.

Members are requested to carefully read the instructions printed on the postal ballot form and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutiniser before the **close of working hours (05.30 p.m.) on the 26th day of June, 2014**. Please note that any postal ballot form(s) received after the said date will be treated as not having been received.

The Scrutiniser will be submitting his report to the Chairman & Managing Director or in his absence, any person authorised by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results will be announced by the Chairman & Managing Director of the Company or in his absence, any person authorised by him, on **the 30th day of June, 2014 at 03:00 p.m.** at the Registered Office of the Company at 114 Greams Road, Chennai 600006. The results of the Postal Ballot will also be displayed at the said office and posted on the Company's website www.mrftyres.com & NSDL e-voting website www.evoting.nsdl.com besides communicating to the Stock Exchanges where the Company's shares are listed. The results of the postal ballot shall also be announced through newspaper advertisement. The resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

The members are requested to consider and if thought fit, to pass the following Resolutions as Special Resolution:

1. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Ordinary resolution passed by the members in the Annual General Meeting of the Company held on 07.02.2013 in terms of provisions of Section 293(1)(d) of the Companies Act, 1956, the consent of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors to borrow (excluding temporary loans obtained from the Banks in the ordinary course of business) for the purpose of the business of the Company, such sum(s) of money (in foreign currency or Indian rupee) from time to time with or without security on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the money or monies to be borrowed by the Company together with the money already borrowed and remaining outstanding at any time may exceed the aggregate of the paid up capital and free reserves of the Company provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs. 4000 crore (Rupees Four thousand crore only)."

2. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Ordinary resolution passed by the members in the Annual General Meeting of the Company held on 07.02.2013 in terms of provisions of Section 293(1)(a) of the Companies Act, 1956, the consent of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a committee thereof) to create such mortgages/ charges/ hypothecation in addition to the mortgages/ charges/ hypothecation created/ to be created by the Company or executing a declaration of a trust or other appropriate document on such terms and conditions as the Board may think fit, on the whole or substantially the whole of the Company's undertakings or any part thereof, including the present and future properties, whether movable or immovable and assets of all kinds of the Company, both present and future, to or in favour of Financial institution(s), bank(s) and/ or any other person or entity and/ or the agents or trustees of the debenture holders to secure the borrowings availed/ to be availed by the Company and/ or its Subsidiary Companies by way of loan (in foreign currency and/ or Indian Rupee) and/ or securities (comprising fully/ partly convertible debentures and/ or non-convertible debentures) or other instruments issued/ to be issued by the Company and/ or its subsidiary Companies from time to time for an amount not exceeding Rs. 4000 crore (Rupees Four thousand crore only) together with interest, costs, charges, expenses, remuneration of trustees and all other monies payable.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to finalise and execute the documents between the Company on the one part and the Financial institution(s), Banks, and/ or individuals/ Institutions who may be appointed as the agents, trustees for the debenture holders, on the other part."

3. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 73 and Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite/ accept/ renew from time to time unsecured/ secured deposits from public and/ or members of the Company upto permissible limits as prescribed under Rule 3(4) of the Companies (Acceptance of Deposits) Rules, 2014.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do such acts, deeds, things and matters as the Board of Directors may in its absolute discretion consider necessary or appropriate for such invitation/ acceptance / renewal of Deposits by the Company”.

Chennai
22.04.2014

By Order of the Board
RAVI MANNATH
Company Secretary

Annexure to the Notice

The Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No.1 & 2:

The Members of the Company at the Annual General Meeting of the Company held on 07.02.2013, approved by way of an Ordinary resolution under Section 293(1)(d) of the Companies Act, 1956 to borrow any sums in excess of the limits specified under the Section upto an amount not exceeding Rs. 4000 crore (Rupees Four thousand crore only).

Further consent was also accorded at the Annual General Meeting of the Company held on 07.02.2013 by way of an Ordinary Resolution for creation of mortgage / charges/ hypothecation or otherwise in terms of Section 293(1)(a) of the Companies Act, 1956 its movable and/ or immovable properties, the whole or substantially the whole of the undertaking(s) or any other assets of the Company (both present and future) in favour of the financial institutions/ Banks/ other lender(s)/ Trustees for a sum not exceeding Rs 4000 Crore (Rupees Four thousand Crore only) .

However, as per the provisions of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013, notified effective from 12th September, 2013 and based on the clarifications issued by Ministry of Corporate Affairs (MCA), the Board of Directors shall not borrow any sums of money in excess of the limits specified and/ or creation of security on assets of the Company, except with the consent of the members accorded by way of a Special Resolution

Hence the resolution(s) passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to the borrowings and / or creation of security on assets of the Company, will require fresh consent of members by way of a Special Resolution.

It is therefore necessary for the Company to obtain Members' approval by way of special resolution(s) under Section 180(1) (c) and Section 180(1)(a) of the Companies Act, 2013 as set out in item No. 1 &2 of the Notice of Postal Ballot.

The Board of Directors of your Company has approved this item in the Board Meeting held on 22nd April, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No.3:

The members are hereby apprised that the Company had been accepting deposits in a limited way from its shareholders, employees and other sections of public as permissible under the provisions of Companies Act, 1956 read with the corresponding Companies (Acceptance of Deposits) Rules, 1975, earlier in force.

However, with the commencement of Companies Act, 2013 ('the 2013 Act') deposits are now governed by the provisions of Sections 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of deposits) Rules, 2014 and approval of shareholders is therefore required for inviting/ accepting/ renewing deposits. Under Rule 3(4) of the Companies (Acceptance of Deposits) Rules, 2014, an eligible Company shall accept or renew deposits (a) From its members not exceeding 10% of the aggregate of the paid up share capital and free reserves of the Company (b) Other deposits not exceeding 25% of the aggregate of the paid up share capital and free reserves of the Company.

The members may kindly note that under the provisions of the 2013 Act, any Company inviting/ accepting/ renewing deposits is required to obtain credit rating from a recognised credit rating agency and deposit insurance towards deposits as may be accepted by it. The Company upon obtaining approval of the shareholders will proceed to comply with the requirements stipulated under Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, before inviting / accepting / renewing deposits.

The Board of Directors of your Company recommend the resolution as set out in the accompanying notice for the approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their deposit holding and / or their shareholding in the Company, if any.

Chennai
22.04.2014

By Order of the Board
RAVI MANNATH
Company Secretary

INSTRUCTIONS

Member(s) can opt for only one mode for voting i.e. either by Physical Ballot or e-voting. In case you are opting for e-voting, then do not vote by Physical Ballot and vice versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then voting done through Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.

The Notice will be sent to all the Members, whose names appear on the Register of Members and / list of Beneficial Owners as received from National Securities Depository Ltd (NSDL)/Central Depository Services (India) Ltd (CDSL) on Friday, 16th May, 2014. The voting rights shall be reckoned in proportion to the paid-up equity share capital held by the Member as on 16.05.2014.

Electronic copy of the Postal Ballot Notice *inter-alia* indicating the process and manner of e-voting along with Postal Ballot Form is being sent to all the members whose email ID is registered with the Company/Depository Participant for communication purpose unless any member has requested for a hard copy of the same. Members who have received postal ballot notice by e-mail and who wish to vote through physical postal ballot form can download postal ballot form from www.mrfityres.com or seek duplicate postal ballot form. For members who have not registered their e-mail address, physical copy of the Notice of the postal ballot *inter-alia* indicating the process and manner of e-voting along with Postal Ballot Form is being sent in the permitted mode.

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

1. A member desiring to exercise his/her vote by Postal Ballot may complete this postal ballot form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope before the close of working hours (5.30p.m.) on or before 26th June, 2014. Postage will be borne by the Company. However, envelopes containing postal ballots, if deposited in person or sent by courier/registered post at the expense of the member, will also be accepted.
2. The self-addressed business reply envelope is addressed to the Scrutinizer appointed by the Board of the Company.
3. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other Form or photo copy of the form is permitted. A member may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the scrutinizer not later than the date specified in Sl. No.1 above
4. This Postal ballot form should be completed and signed by the member or members. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company/Depository Participant) by the first named member and in his/her absence, by the next named member.
5. Incomplete, unsigned and incorrect postal ballot form will be rejected. The scrutinizer's decision on the validity of the postal ballot shall be final and binding.
6. In case the shares held by bodies corporate, trusts, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution/Authorisation together with the attested specimen signature of the Authorised signatories.
7. Members are requested not to send any other paper (other than Board Resolution / Authorisation as mentioned in the Sl. No.6 above) along with the postal ballot form in the enclosed self-addressed business reply envelope addressed to the scrutinizer. If any extraneous paper is found in such envelope, it would be destroyed by the scrutinizer.
8. In case holders of Power of Attorney sign the postal ballot form, reference of Power of Attorney registration by the Company should be mentioned in the postal ballot form. If the Power of Attorney has not been registered with the Company, the holders should enclose a certified copy of the Power of Attorney with the postal ballot.
9. **Duly completed postal ballot forms should reach the Scrutinizer before the close of working hours (05.30 p.m.) on 26th June, 2014. Postal Ballot Form(s) received after this date will be strictly treated as if the reply from such member has not been received.**
10. Votes in a postal ballot cannot be exercised by a proxy.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

1. The Company also offers e-Voting facility. Please see the instructions below for details.

(a) In case of Members receiving e-mail from NSDL:

- (i) Open e-mail and then open PDF file viz., "MRF Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-Voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL in the address bar: www.evoting.nsd.com
- (iii) Click on "Shareholder" – "Login"
- (iv) Enter User ID and password as initial password noted in step (i) above. Click "Login".
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
- (vi) Home page of "e-Voting" opens. Click on "e-Voting" icon and select "Active E-voting Cycles".
- (vii) Select "EVEN" of MRF Limited.
- (viii) Now you are ready for "e-Voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once the member has voted on the resolution, such member will not be allowed to modify their vote.
- (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authorisation letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail jandsca@gmail.com with a copy marked to evoting@nsdl.co.in & mrfshare@mrfmail.com.

(b) In case of members receiving Postal Ballot Form by post:

- (i) Initial password is provided below the Postal Ballot Form. Please check in the Postal Ballot Form.
 - (ii) Please follow all steps from Sl.No. (ii) to Sl.No. (xii) of item No. 1(a) above, to cast vote.
- (c) In case of any queries, members may refer to the "Frequently Asked Questions (FAQs) for Members" and "e-voting user manual for Members" available at the "Download" section of www.evoting.nsd.com or contact NSDL at the following Telephone No: 022-24994600.
 - (d) If members are already registered with NSDL for e-voting, then they can use their existing user ID and password for casting the vote.
 - (e) Members can also update their mobile number and e-mail id in the user profile details which may be used for sending communication(s) regarding NSDL e-voting system in future.
2. The e-voting period commences on 27.05.2014 (09.00 am) and ends on 26.06.2014 (05.30 pm). During this period, shareholders of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date ie. 16.05.2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to modify it subsequently.



MRF

MRF Limited, Regd. Office : 114, Greams Road, Chennai 600 006.

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CIN : L25111TN1960PLC004306; Website : www.mrftyres.com

S.No	Calendar of events	Date
1	Date on which consent is given by the Scrutinizer to act as Scrutinizer	21.04.2014
2	Date of approval of the Board of Directors for seeking approval	22.04.2014
3	Date of appointment of the Scrutinizer	22.04.2014
4	Date of completion of despatch of notice along with Postal Ballot Form	26.05.2014
5	Publication of notice in English & vernacular newspaper for completion of despatch of postal ballot notice along with form.	27.05.2014
6	Voting start date	27.05.2014
7	Last date for receiving of postal ballot forms by the scrutinizer	26.06.2014
8	Date of submission of report of the postal ballot by the Scrutinizer	28.06.2014
9	Date of declaration of the results by the Chairman and the results to be informed to the Stock Exchanges	30.06.2014

Thanking you,

Yours faithfully,
For MRF LIMITED,

COMPANY SECRETARY