



# MRF

MRF Limited, Regd. Office : 114, Greams Road, Chennai 600 006  
E-mail : mrfshare@mrfmail.com; Tel.: 044-28292777; Fax : 91-44-28295087  
CIN : L25111TN1960PLC004306; Website: www.mrftyres.com

071/SH/AGM/AUGUST-2018/KGG  
17<sup>th</sup> July, 2018

National Stock Exchange of India Ltd Exchange Plaza 5 <sup>th</sup> Floor Plot No.C/1G Block Bandra-Kurla complex Bandra (E), Mumbai 400 051	Bombay Stock Exchange Ltd Floor 24 P J Towers Dalal Street Mumbai 400 001
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Dear Sir,

**Annual General Meeting - Notice & Remote e-voting cut-off date**

Please refer to our earlier letter dated 3<sup>rd</sup> May, 2018 informing that the 57<sup>th</sup> Annual General Meeting of the Company will be held on 9<sup>th</sup> August, 2018.

Please find enclosed herewith a copy of Notice of Annual General Meeting scheduled to be held on 9<sup>th</sup> August, 2018.

We would like to inform you that in compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended, the Company has fixed Thursday, 2<sup>nd</sup> August, 2018, as the cut-off date for the purpose of offering remote e-voting facility to the Members in respect of resolutions to be transacted at the Annual General Meeting scheduled to be held on 9<sup>th</sup> August, 2018.

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For MRF LIMITED,

  
S DHANVANTH KUMAR  
ASST COMPANY SECRETARY



**MRF LIMITED**, Regd. Office: No. 114, Greams Road, Chennai 600 006, CIN: L25111TN1960PLC004306, Tel: 044-28292777, Fax: 91-44-28295087, E-mail: mrfshare@mrfmail.com, Website: www.mrf tyres.com

## NOTICE

NOTICE is hereby given that the Fifty Seventh Annual General Meeting of the shareholders of MRF Limited will be held on Thursday, the 9th August, 2018, at 11.00 A.M. at TTK Auditorium, "The Music Academy", No.168, TTK Road, Chennai 600 014, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Auditors thereon.
2. To declare a final dividend on equity shares.
3. To appoint a Director in place of Dr.(Mrs) Cibi Mammen (DIN: 00287146), who retires by rotation and being eligible, offers herself for re- appointment.
4. To appoint a Director in place of Mrs. Ambika Mammen (DIN: 00287074), who retires by rotation and being eligible, offers herself for re- appointment.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 196, 197 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013, and pursuant to Article 107 and other applicable Articles of the Articles of Association of the Company, approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Arun Mammen (DIN: 00018558) as Vice Chairman and Managing Director of the Company for a period of 5 years commencing from 01.04.2018 on the remuneration, terms and conditions as set out in the explanatory statement annexed to the Notice.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the terms of remuneration of Mr. Arun Mammen, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be necessary, expedient or proper to give effect to the above resolution."

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

"RESOLVED THAT in accordance with the provisions of Sections 42,71 and all other applicable provisions, if any, of the Companies Act,2013(including any statutory modification(s) or re-enactment thereof for the time being in force) read with the rules made thereunder, the SEBI (Issue & Listing of Debt Securities) Regulations, 2008, other applicable SEBI Regulations and guidelines, including any amendment, modification or re-enactment thereof, the provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be necessary, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to raise funds not exceeding ₹ 500 Crores through private placement of Secured / Unsecured Redeemable Non-Convertible Debentures within the overall borrowing limits of the Company, in one or more series/ tranches, to such eligible investors, as the Board of Directors of the Company [the "Board"] or any duly constituted Committee of the Board, may in its sole discretion decide and on such terms and conditions as may be finalized by the Board or any duly constituted committee of the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the private placement of Secured/Unsecured Redeemable Non-Convertible Debentures, the Board or any duly constituted committee of the Board, be and is hereby authorised to determine the terms of the issue, including the class of investors to whom the debentures are to be allotted, the number of Debentures to be allotted in each series/ tranches, issue price, tenor, interest rate, listing, creation of security, appointment of debenture trustee (s) and to do all other acts, execute deeds, documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of the Board, Director(s) and / or officer(s) of the Company.

RESOLVED FURTHER THAT the above resolution shall be valid for a period of one year from the date of passing the resolution."

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the

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Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, Mr. C. Govindan Kutty, Cost Accountant (Membership No. 2881), appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2019, be paid a remuneration of ₹ 7,00,000/- (Rupees Seven lakhs only) (excluding taxes, as applicable) in addition to reimbursement of out of pocket expenses and conveyance as recommended by the audit committee and approved by the Board of Directors of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution”.

By Order of the Board,  
RAVI MANNATH  
Company Secretary

Chennai  
25th May, 2018

**Notes:**

- a) The information required to be provided as per section 102 of Companies Act, 2013, secretarial standard - 2 on General Meetings issued by The Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are furnished in the explanatory statement which is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) A person can act as proxy on behalf of members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
- d) The register of members and transfer books of the Company will remain closed from 3rd August, 2018 to 9th August, 2018, both days inclusive, for the purpose of payment of final dividend.
- e) If final dividend on the equity shares as recommended by the Directors is declared at the meeting, the payment will be made on or after 17th August, 2018 to the shareholders whose names appear on the Company's Register of Members on 9th August, 2018 and in case of shares held in demat form as per the beneficiary details furnished by NSDL and CDSL.
- f) In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
- g) Members are requested to notify immediately and change in their address/change in bank details or demise of any member as soon as possible to the Company's registered office quoting their ledger folio number. In respect of shares held in electronic form, members may notify these changes to their depository participants.
- h) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank account details by every participant in securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form are required to submit their PAN and Bank account details to Company in terms of SEBI Circular dated 20th April, 2018.
- i) Institutional Members/Corporate Members (i.e. other than individuals, HUF, NRI etc.) intending to send their authorised representatives to attend annual general meeting are requested to submit before the commencement of annual general meeting a duly certified copy of their board resolution.
- j) Members holding shares in electronic form may please note that their bank details as furnished by the respective depositories to the Company will be printed on the dividend warrants as per the applicable regulations of the depositories and the Company will not entertain any direct request from such member for change/deletion in such bank details. Members may therefore give instructions regarding bank accounts to their respective depository participants only.
- k) The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits Companies to send soft copies of the annual report to all those shareholders who have registered their e-mail address with the Company/depository participants. To support this green initiative, the shareholders holding shares both in physical/demat form are requested to register/update their e-mail address with the Company/depository participants. Accordingly, the Annual Report for the financial year ended 31st March, 2018, notice for Annual General Meeting etc, are being sent in electronic mode to those shareholders who have registered their e-mail address with the Company/depository participants. For those shareholders who have not opted for the above, the same are being sent in physical form.



- l) As per the provisions of the Companies Act, 2013, facility for making nominations is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the Company. Members holding shares in electronic form may forward nomination form duly filled to their respective depository participants only.
- m) The Company is also extending the facility of NACH for the receipt of dividend. In case you wish to avail of this facility, please send NACH mandate form, (which could be obtained from the Company) duly filled in, to the registered office of the Company at the earliest. Members holding shares in electronic form may forward their details to their respective depository participants only.
- n) Under section 124 of the Companies Act, 2013, 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. Accordingly, unclaimed dividend amounts upto final dividend 2009-2010 have been transferred to the said fund. The shareholders are advised to forward all unencashed dividend warrants from interim dividend 2010-2011 to the registered office of the Company for revalidation and encash the same before the respective due date of transfer to IEPF.

Last date for claiming unclaimed dividend from the Company is given below :

Year	Dividend	Date of Declaration	Last date for claiming unclaimed dividend
2010-2011	I-Interim	28-07-2011	28-08-2018
	II-Interim	20-10-2011	20-11-2018
	Final	09-02-2012	09-03-2019
2011-2012	I-Interim	25-07-2012	25-08-2019
	II-Interim	25-10-2012	25-11-2019
	Final	07-02-2013	07-03-2020
2012-2013	I-Interim	25-07-2013	25-08-2020
	II-Interim	24-10-2013	24-11-2020
	Final	06-02-2014	06-03-2021
2013-2014	I-Interim	23-07-2014	23-08-2021
	II-Interim	30-10-2014	30-11-2021
	Final	12-02-2015	12-03-2022
2014-2016	I-Interim	27-07-2015	27-08-2022
	II-Interim	29-10-2015	29-11-2022
	Final	11-08-2016	11-09-2023

Year	Dividend	Date of Declaration	Last date for claiming unclaimed dividend
2016-2017	I-Interim	27-10-2016	27-11-2023
	II-Interim	03-02-2017	03-03-2024
	Final	04-08-2017	04-09-2024
2017-2018	I-Interim	10-11-2017	10-12-2024
	II-Interim	01-02-2018	01-03-2025

- o) With respect to dividends which remain unclaimed for a period of 7 years or more, the Company in due compliance with Section 124 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, equity shares held both in physical and in demat form were transferred to IEPF Authority upto the financial year 2009-2010. Details of shares transferred to the IEPF Authority are available on the website of the Company, [www.mrfityres.com](http://www.mrfityres.com) and on the website of the IEPF Authority, [www.iepf.gov.in](http://www.iepf.gov.in).

Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the web link <http://iepf.gov.in/IEPFA/refund.html> or Contact Secretarial Department of the Company for lodging claim for refund of shares and/or dividend from the IEPF Authority.

- p) All relevant documents referred to in the accompanying notice and explanatory statement are available for inspection at the registered office of the Company during working hours upto the date of Annual General meeting.
- q) Annual Report of the Company circulated to the members of the Company is also available on Company's website: [www.mrfityres.com](http://www.mrfityres.com) and also on the website of the respective Stock Exchanges.
- r) E-Voting:

In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means.

The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).



The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

The remote e-voting period commences on 6th August,2018 (10.00 A.M.) and ends on 8th August,2018, (5.00 P.M.). During this period, shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date of 2nd August 2018, may cast their vote by remote e-voting.

The remote 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 change it subsequently.

The process and manner for e-voting are as under:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 108560 then user ID is 108560001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system ?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which is 108560.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jandsca@gmail.com](mailto:jandsca@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

4. 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).
5. The voting rights of members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date i.e., 2nd August,2018.
6. Any person, who acquires shares of the Company and become member of the Company after despatch of the notice and holding shares as of the cut-off date i.e, 2nd August,2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
7. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
8. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/ voting at the Annual General Meeting through ballot paper.
9. Mr. N C Sarabeswaran, Chartered Accountant, will be acting as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
10. Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility will be permitted to vote on the resolutions by use of ballot paper.
11. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall prepare, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
12. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company, [www.mrfityres.com](http://www.mrfityres.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to BSE Limited & National Stock Exchange of India Limited.

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## EXPLANATORY STATEMENT

### Item No. 3

In compliance with the provisions of section 152 of the Companies Act, 2013, Dr.(Mrs) Cibi Mammen retires by rotation at the ensuing annual general meeting of the Company. Dr.(Mrs) Cibi Mammen being eligible has offered herself for re-appointment.

Dr. (Mrs) Cibi Mammen aged about 47 years, is on the Board of the Company since 12th February, 2015. Dr. (Mrs) Cibi Mammen is a BDS graduate from Dr MGR University, Chennai. She is on the Board of Funkskool (India) Limited, a leading toy Company in India offering wide range of brands. She has good experience in administration and in Management. She has moderated forums in the spouses wing of the Young Presidents' Organisation. She is a member of the Indian Women's Association (IWA).

Dr.(Mrs) Cibi Mammen holds directorships in Devon Machines Private Limited, Pearl Investments & Finance Co Ltd, Comprehensive Investment & Finance Company Private Limited, Funkskool (India) Ltd, Peninsular Investments Private Limited, Coastal Rubber Equipment Private Limited, Tranquil Investments P Ltd, Avittam Investments Private Limited and V A Investments P Ltd. Dr.(Mrs) Cibi Mammen is not a member/chairman of any committees of the Board in which she is a Director.

Dr.(Mrs) Cibi Mammen holds 500 shares in the Company. During the last financial year, Dr.(Mrs) Cibi Mammen attended all the 4 Board meetings of the Company.

Dr.(Mrs) Cibi Mammen and her spouse Mr Arun Mammen, Vice Chairman and Managing Director and their relatives may be deemed to be concerned or interested in the above resolution.

None of the other Directors and key managerial personnel and their relatives are concerned or interested, financially or otherwise, in the above resolution.

### Item No. 4

In compliance with the provisions of section 152 of the Companies Act, 2013, Mrs. Ambika Mammen retires by rotation at the ensuing annual general meeting of the Company. Mrs. Ambika Mammen being eligible has offered herself for re-appointment.

Mrs. Ambika Mammen aged about 63 years is on the Board of the Company since 23rd April, 2015. Mrs. Ambika Mammen is a Commerce Graduate and graduated with honors from Kolkatta University. She did her schooling in Loreto House, Kolkatta. She has rich experience in administration and management. She is associated with various social associations and involved in social activities.

Mrs. Ambika Mammen holds directorships in Devon Machines Private Limited, Pearl Investments & Finance Co Ltd, Comprehensive Investment & Finance Company Private Limited, Funkskool (India) Ltd, Peninsular Investments Private

Limited, Coastal Rubber Equipment Private Limited, Tranquil Investments P Ltd., Kandathil Investments P Ltd and JCEE Manufacturing and Services Private Limited. Mrs. Ambika Mammen is not a member/chairman of any committees of the Board in which she is a Director.

Mrs. Ambika Mammen holds 2489 shares in the Company. During the last financial year, Mrs. Ambika Mammen attended all the 4 Board meetings of the Company.

Mrs. Ambika Mammen and her spouse Mr K M Mammen, Chairman and Managing Director and her sons Mr. Rahul Mammen Mappillai, Managing Director and Mr Samir Thariyan Mappillai, Whole-Time Director and their relatives may be deemed to be concerned or interested in the above resolution.

None of the other Directors and key managerial personnel and their relatives are concerned or interested, financially or otherwise, in the above resolution.

### Item No. 5

The shareholders may recall the re-appointment of Mr Arun Mammen as Managing Director of the Company with effect from 01.04.2013 for a period of 5 years at the Annual General Meeting held on 07.02.2013. The above resolution was amended by a resolution passed by shareholders through Postal Ballot on 30.09.2013 and by a resolution passed by the shareholders at the Annual General Meeting of the Company held on 12.02.2015 and on 04.08.2017. He presently serves as Vice Chairman and Managing Director of the Company.

As the latest term of appointment of Mr Arun Mammen was expiring on 31.03.2018, the Board of Directors had at their meeting held on 1st February, 2018, subject to the approval of the shareholders, re-appointed Mr Arun Mammen as Vice Chairman and Managing Director of the Company with effect from 01.04.2018 for a period of 5 years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee, as set out herein.

Mr Arun Mammen aged about 53 years is on the Board of the Company since 29.03.1990. He is a graduate from the Madras Christian College. After graduation, he went to USA and obtained his Master's Degree in Business Administration (MBA) from the Ashland University. During his stay in USA, he underwent training from M/s. B F Goodrich Tire & Co., and Uniroyal Goodrich Tire & Co., who were the leading manufacturers in the world. He became the Whole-time Director of the Company in the year 1990. Mr. Arun Mammen has great passion towards cricket and motorsports.

The Board of Directors considered his contribution to the overall progress of the Company and after taking into consideration the responsibilities handled by him, industry remuneration benchmarks, the Board based on the recommendation of the nomination and remuneration committee



approved the proposal to re-appoint Mr Arun Mammen as Vice Chairman and Managing Director of the Company for a further period of 5 years, subject to approval of the shareholders.

The terms of remuneration payable to Mr Arun Mammen with effect from 01.04.2018 is as follows:

- A) Salary: ₹ 29,00,750/- per month with annual increment of ₹ 1,00,000/-
- B) Residential accommodation: Shall be provided free furnished residential accommodation.
- C) Perquisites and allowances: In addition to the above salary and residential accommodation, he shall be entitled to the following perquisites and allowances restricted to an amount equal to two times his annual salary in a financial year:
  - i) Gas, electricity, water, furnishing and other amenities, repairs, house maintenance expenses, servant(s), cook(s), security guard(s), etc., at his residence;
  - ii) Leave travel concession : For self and family once in a year incurred in accordance with the rules of the company;
  - iii) Facility of car with driver;
  - iv) Allowances and other perquisites: Special allowance and / or any other allowances or perquisites as determined by the Nomination and Remuneration Committee.

The above perquisites and allowances shall be evaluated as per Income-Tax Rules, wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost.

- D) Other Benefits :
  - i) Contribution to provident fund, pension / superannuation / gratuity fund schemes in accordance with the Company's rules and regulations in force from time to time;
  - ii) One month's leave with full salary for every 11 months of service. Leave accumulated but not availed will be allowed to be encashed. Leave encashment at the end of the tenure will be as per the rules of the Company;
  - iii) Reimbursement of actual medical expenses incurred in India or abroad for self and family including hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding / lodging, travel etc., for self and family and attendant;
  - iv) Medical / Personal accident/ Travel insurance : Actual premium to be paid by the Company for self & family ;
  - v) Free telephone facility at residence including mobile phone & other suitable communication facilities;
  - vi) Club Fees : Actual fees of clubs will be reimbursed;

The above other benefits will not be included in the computation of the ceiling on perquisites and allowances.

- E) Commission: In addition to the above, an amount by way of commission calculated at a rate not exceeding 1% of the net profits of the Company, subject to a ceiling of 36 months' salary and subject also to the overall ceilings laid down in Section 197 read with Section 198 of the Companies Act, 2013.
- F) Minimum remuneration: Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Arun Mammen, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to the maximum in accordance with the applicable provisions of Schedule V to the Companies Act, 2013, as minimum remuneration.

As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, approval of Central Government is not required for this re-appointment.

The details of remuneration paid to Mr. Arun Mammen for the year 2017-2018 are provided in the financial statements of the Company and in the Corporate Governance Report.

Apart from MRF, Mr. Arun Mammen also holds directorship in other Companies, including Funskool (India) Limited, leading toy Company in India offering wide range of brands, MRF Corp Limited, manufacturers of speciality coating and polyurethane finishes, finding use in decorative and industrial applications, MRF International Limited, M.M. Housing Pvt.Ltd, MRF Lanka Pvt Limited, Chennai Wellington Corporate Foundation and MRF SG Pte Ltd, Singapore.

Mr. Arun Mammen holds 27560 shares of the Company. He is the Chairman of Audit Committee of MRF Corp Limited and Funskool (India) Limited. During the last financial year, Mr Arun Mammen attended all the 4 Board meetings of the Company.

Mr. Arun Mammen and his spouse Dr.(Mrs) Cibi Mammen, Director and Mr. K M Mammen, Chairman and Managing Director (Brother) and their relatives may be deemed to be concerned or interested in the above resolution. None of the other Directors and key managerial personnel and their relatives are concerned or interested, financially or otherwise, in the above resolution.

#### **Item No. 6**

Shareholders will recall the approval granted for issue of Non-Convertible Debentures for ₹ 500 Crores through Postal Ballot on 16th March, 2017. The approval granted by the shareholders is valid only for a period of one year. Since the Company could not go ahead with the proposal to issue Non-Convertible Debentures for ₹ 500 Crores, the approval granted by the shareholders lapsed.



In order to retain the option to avail funding by issue of Non-Convertible Debentures of ₹500 crores, through private placement, the Board of Directors of the Company at its Meeting held on 3rd May, 2018, has approved the proposal to issue Non-Convertible Debentures for a sum not exceeding ₹ 500 Crores in one or more series/ tranches on a private placement basis, inter alia, to augment the long term finance for future capital expenditure on such terms and conditions as may be determined by the Board. The above issue of ₹ 500 Crores will be within the borrowing limits prescribed under Section 180 of the Companies Act, 2013.

As per the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to the securities has been previously approved by the shareholders of the Company by way of a Special Resolution. The Special Resolution shall be valid for a period of one year from the date of passing of the resolution.

Approval of the shareholders is therefore sought for the proposed issue of Non-Convertible Debentures on a private placement basis, in one or more series/ tranches, during a period of one year from the date of passing of the resolution, within the overall borrowing limits of the Company and for authorising the Board to issue Non-Convertible Debentures, on the terms and conditions as may be deemed appropriate by it.

The Board recommends the resolution for approval of the shareholders of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the above Special Resolution.

**Item No. 7**

The Board at its meeting held on 3rd May, 2018, on the recommendations of the Audit Committee, has appointed Mr. C Govindan Kutty, Cost Accountant as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 on a remuneration of ₹7,00,000/- (Rupees Seven lakhs only) (excluding taxes, as applicable) plus reimbursement of out of pocket expenses.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the shareholders.

None of the Directors and key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the above resolution.

By Order of the Board,  
  
RAVI MANNATH  
Company Secretary

Chennai  
25th May, 2018

