

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE EXTRA ORDINARY GENERAL MEETING NO. MRL/EGM-01/2018-19 OF THE MEMBERS OF MRL TYRES LIMITED WILL BE HELD ON MONDAY, THE 30<sup>th</sup> DAY OF JULY, 2018 AT 2:30 P.M. AT THE REGISTERED OFFICE 70/50A, 1ST FLOOR, RAMA ROAD, INDUSTRIAL AREA, NAJAFGARH ROAD, NEW DELHI - 110015 TO TRANSACT THE FOLLOWING SPECIAL BUSINESS:

### **1. Increase in the Authorised Share Capital from Rs. 4,90,00,000 to Rs. 9,90,00,000**

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

"**RESOLVED THAT** pursuant to the provisions of Section 13, 62 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and reenactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the Members be and is hereby accorded to increase the Authorized Share Capital of the Company from the present Rs.4,90,00,000/- (Rupees Four Crore Ninety Lakhs only) divided into 49,00,000 (Forty Nine Lakhs) equity shares of Rs. 10/- each to Rs. 9,90,00,000/- (Rupees Nine Crore Ninety Lakhs only) divided into 99,00,000 (Ninety Nine Lakhs) equity shares of Rs. 10/- each.

**FURTHER RESOLVED THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V The Authorised Share Capital of the Company is Rs. 9,90,00,000/- (Rupees Nine Crore Ninety Lakhs only) divided into 99,00,000 (Ninety Nine Lakhs) equity shares of Rs. 10/- each.

**RESOLVED FURTHER THAT** Mr. G.K.Malhotra, Managing Director of the company be and is hereby authorised to do all such act(s), deed(s) and things including all forms, documents filing with Registrar of Companies as may be necessary and incidental to give effect to the aforesaid Resolution."

### **2. Issuing of Bonus Shares**

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

"**RESOLVED THAT** upon recommendation of the Board of Directors of the Company, and pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and Article 134 of the Articles of Association of the Company and subject to the guidelines issued by Securities Exchange Board of India (SEBI) in this behalf and subject to such approvals, consents, permissions, and sanctions as may be necessary from appropriate authorities, consent of the members be and is hereby accorded to Board of Directors of the Company (the



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Board' which term shall be deemed to include any committee thereof) for capitalizing a sum not exceeding Rs. 60,43,410/- (Rupees Sixty Lakhs Forty Three Thousand Four Hundred and Ten Only) out of the sum standing to the credit of Securities Premium Account/General Reserves or any other permitted reserves/ surplus of the Company and the said amount be applied for allotment of new equity shares of face value of Rs. 10/- each of the company as fully paid-up "Bonus Shares" at par in proportion of 1 (one) such new Equity share for every 8 (Eight) existing equity share, held by such members as on the Record Date, to be hereafter fixed by Board and the Bonus Shares so distributed shall for all purpose be treated as an increase in the paid-up share capital of the Company held by each such member, and not as income or in lieu of dividend.

**FURTHER RESOLVED THAT** the new Equity Shares shall be allotted subject to the Memorandum and Articles of Association of the Company and shall rank in all respects pari passu with the existing fully paid up Equity shares of the company and shall be entitled to participate in any dividend declared after the allotment.

**FURTHER RESOLVED THAT** no allotment letters shall be issued in respect of said Bonus Shares and the share certificates in respect of the Bonus Shares shall be dispatched, within such time frame as stipulated as per Companies Act, 2013 from the date of allotment thereof by the Board of Directors of the Company or a committee of directors, as the case may be with such extended time as may be allowed by appropriate authorities.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, any of the Directors be and are hereby authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion, deem necessary to settle any question or difficulty whatsoever (including a question or difficulty in connection with any deceased or insolvent Member or a member suffering from any disability) that may arise in regard to issue and distribution of new Equity Shares as they think fit and its decision shall be final and binding on all members and other interested persons."

### **3. Revision in the remuneration of Mr. G.K.Malhotra, Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval be and is hereby accorded for revision in the remuneration of Mr. G.K Malhotra (holding DIN 00515546), Managing Director of the Company. Mr. G.K Malhotra will be paid at a consolidated remuneration not exceeding Rs.86 Lakhs per annum inclusive of any remuneration directly or otherwise or by way of salary and perquisites, performance based rewards/ incentives for the remaining period, w.e.f 1st August, 2018.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified

above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration as the minimum remuneration by way of salary as specified above and subject to receipt of the requisite approvals, if any.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

Date : July 02, 2018  
Place : Delhi

**BY ORDER OF THE BOARD  
MRL TYRES LIMITED**

  
G.K. Malhotra  
Managing Director  
DIN: 00515546  
B-20, Kirti Nagar, Delhi-11015

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The proxies in order to be effective should reach the company atleast 48 hours before the time of the meeting.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Extra-ordinary General Meeting in respect of item no. 1 to 5 is annexed hereto and forms part of notice.
3. Members/proxies should bring the enclosed attendance slip duly filed in, for attending the meeting.
4. All documents referred in the accompanying notice are open for inspection at the registered office of the company on all working days between 11:00 a.m to 2:00 p.m up to the date of extraordinary general meeting, except on sundays and other holidays.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

**Item No. 1**

The Current Authorized Capital of the Company is Rs. 4,90,00,000/- (Rupees Four Crore Ninety Lakhs only) and the paid up share capital of the Company is Rs. 4,83,47,260 (Rupees Four Crore Eighty Three Lakhs Forty Seven Thousand Two Hundred and Sixty only). The Company proposes to increase its authorized share capital to Rs. 9,90,00,000/- (Rupees Nine Crore Ninety Lakhs only) to facilitate any fund raising via bonus and rights issue of equity shares of the company.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company.

Pursuant to Section 13 and 62 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Directors recommend the Resolution set out in the Notice for the approval of the Members.

No Director, Manager, other key managerial personnel and relatives of the same are concerned or interested in the passing of this Resolution.

**Item No.2**

The Board of Directors of the Company in its meeting held on July 2, 2018, has recommended for approval of the shareholders, issue of bonus shares to the holders of equity shares of the Company in the proportion of One bonus equity share of Rs.10/- for every eight fully paid up equity shares of Rs.10/- each held by increasing the Issued, Subscribed and Paid-up Share Capital of the Company to a sum not exceeding Rs.5,43,90,670/- (Rupees Five Crore Forty Three Lakhs Ninety Thousand Six Hundred and Seventy only), after capitalizing a sum not exceeding Rs. 60,43,410/- (Rupees Sixty Lakhs Forty Three Thousand Four Hundred and Ten Only) from the Securities Premium Account, General Reserves or any other permitted reserves/ surplus of the Company.

The fully paid-up Bonus Shares shall be distributed to the Members of your Company, whose names shall appear on its Register of Members on the Record Date to be determined by the Board of Directors of your Company (which term shall be deemed to include any Committee thereof) for the purpose of issue of Bonus Shares, in the proportion of 1(one) Bonus Share of Rs.10/- for every 8 (Eight) Equity Shares of Rs.10/- each held by them on the Record Date.

The Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as existing on the Record Date fixed for the purpose of issue of such Bonus shares, save and except that they shall not participate in any dividend that may be declared before the 'Record Date'.

Directors of your Company are interested in this Resolution to the extent of their respective shareholdings in the Company.

The Board of Directors of your Company recommends this Resolution for your approval.



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### **Item No.3**

The Nomination and Remuneration Committee, in its meeting held on July 01, 2018 recommended and the Board of Directors, in its meeting held on July 02, 2018, approved the payment of remuneration of Rs.86 Lakhs per annum to Mr. G.K.Malhotra, as Managing Director of the Company with effect from August 1, 2018, for remainder of duration of appointment upto December 31, 2020 subject to the approval of the shareholders in the General Meeting as set out in the resolution being item no 3 of the accompanying notice for the remaining period of his tenure.

#### **A brief profile of Mr. G.K.Malhotra is given below:**

Mr. G,K,Malhotra is the Promoter of the Company and founder and CEO of MRL Group. He holds a bachelor degree in commerce, is associated with the Company since incorporation and has over 40 years of experience in the rubber industry, and business operations. He has excellent grasp and thorough knowledge of not only in technology but also of general management. Also he is the member of Audit Committee of the company.

During his tenure, he formulated and successfully executed the Company's global strategy and several key strategic transitions. He was responsible for formulating and deploying full services strategy, expanding the plethora of Company's service offerings.

The payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Managing Director of the Company.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment from August 1, 2018 to Mr. G.K.Malhotra as Managing Director of the Company.

Mr. G.K.Malhotra and his relatives shall be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Mr. G.K.Malhotra under the resolution.

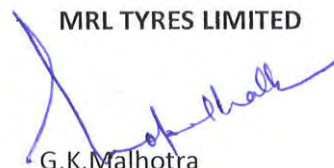
With his vast experience in industry, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

None of the Directors except Mr. G.K.Malhotra himself is concerned or interested in the resolution. No other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**BY ORDER OF THE BOARD**

**MRL TYRES LIMITED**



G.K.Malhotra  
Managing Director

DIN: 00515546

B-20, Kirti Nagar, Delhi-11015

Date : July 02, 2018

Place : Delhi