



REPORT ON CORPORATE GOVERNANCE

1. Company’s Philosophy on Code of Governance

Your Company has always adhered to good corporate governance practices and maintained the highest levels of fairness, transparency, accountability, ethics and values in all facets of its operations.

Your Company’s Corporate Governance framework is all about maintaining valuable relationship and trust with all stakeholders. We ensure that timely and accurate disclosure on all material matters including the financial situation, performance and regulatory requirements, leadership and governance of the company are shared with all the stakeholders. It encourages cooperation between the Company and the stakeholders for better participation in the Corporate Governance processes.

Your Company believes that good corporate governance is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholders.

2. Board of Directors

(a) Composition of the Board

The Board comprises of 14 Directors which includes a Chairman & Managing Director, a Vice Chairman and Managing Director, a Managing Director, 2 Whole-time Directors, 2 Non-Executive Directors and 7 Independent Directors. None of the Directors on the Board is a member of more than 10 committees or act as Chairman of more than 5 committees across all listed Companies and unlisted public limited Companies in which he/she is a Director.

(b) Attendance of Directors at Board Meetings during the financial year ended 31.03.2020 and at the last Annual General Meeting, outside directorships and board committee memberships and number of shares held as on 31.03.2020:

Name	Composition and Category	No. of Directorships in other Public Ltd. Companies	No. of Board Meetings attended during the financial year ended 31.03.2020	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in other Public Limited Companies	Attended last AGM held on 09.08.2019	No. of Shares held
Mr. K M Mammen Chairman & Managing Director	Promoter Executive Director	4	4	Nil	Nil	Yes	16048
Mr. Arun Mammen Vice Chairman and Managing Director	Promoter Executive Director	3	4	Nil	1 –Chairman	Yes	27560
Mr. Rahul Mammen Mappillai Managing Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	4538
Mr. Samir Thariyan Mappillai Whole-time Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	4470

Name	Composition and Category	No. of Directorships in other Public Ltd. Companies	No. of Board Meetings attended during the financial year ended 31.03.2020	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in other Public Limited Companies	Attended last AGM held on 09.08.2019	No. of Shares held
Mr. Varun Mammen Whole-time Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	8706
Mr. Ashok Jacob*	Independent Director	Nil	2	Nil	Nil	Yes	1856
Mr. V Sridhar*	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Mr. Vijay R Kirloskar*	Independent Director	4	2	i. Kirloskar Electric Company Limited - Executive Chairman ii. BATLIBOI Limited - Non-Executive Independent Director	1	No	355
Mr. Ranjit I Jesudasen*	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Dr. Salim Joseph Thomas*	Independent Director	Nil	3	Nil	Nil	Yes	Nil
Mr. Jacob Kurian*	Independent Director	Nil	4	Nil	Nil	Yes	129
Dr. (Mrs.) Cibi Mammen	Promoter Non-Executive Director	2	3	Nil	Nil	Yes	500
Mrs. Ambika Mammen	Promoter Non-Executive Director	2	4	Nil	Nil	Yes	2489
Mrs. Vimla Abraham	Independent Director	Nil	4	Nil	Nil	Yes	Nil



Persons who have ceased to be directors during the financial year:

Name	Composition and Category	No. of Board Meetings attended during the financial year ended 31.03.2020	Attended last AGM held on 09.08.2019	No. of Shares held
Mr. N Kumar **	Independent Director	0	No	NA
Mr. M Meyyappan **	Independent Director	2	Yes	NA

* Re-appointed as Independent Directors for another term of five years, w.e.f. 29.09.2019 at the AGM held on 09.08.2019.

**Ceased as Independent Directors w.e.f 28.09.2019.

For Committee memberships, the chairmanship and membership in Audit / Stakeholders Relationship Committee in all public limited Companies, alone are considered. The Committee memberships of Directors are within the limits prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulations").

Mr K M Mammen and Mr Arun Mammen are brothers. Mrs Ambika Mammen is the wife of Mr K M Mammen. Dr. (Mrs) Cibi Mammen is the wife of Mr Arun Mammen. Mr Rahul Mammen Mappillai and Mr Samir Thariyan Mappillai are the sons of Mr K M Mammen and Mrs Ambika Mammen. None of the other Directors are related to any Board Member.

(c) Dates of Board meetings

During the financial year ended 31st March, 2020, four Board Meetings were held on 02.05.2019, 09.08.2019, 08.11.2019 and 10.02.2020.

(d) Information placed before the Board

The Board of Directors periodically reviews reports regarding operations, capital expenditure proposals, statutory compliance and other required information as enumerated in Part A of Schedule II of the Listing regulations and as required under relevant provisions of the Companies Act, 2013.

(e) Familiarization Programme

Presentations/briefings are made at the meeting of the Board of Directors/Committees by KMP's/ Senior Executives of the Company on industry scenario, Company's operating and financial performance, raw material scenario, industrial relations status, risk management etc. The details of familiarization programme are available on the Company's web site at <http://www.mrftyres.com/downloads/download.php?filename=familiarisation-programme-for-independent-directors.pdf>.

3. Audit Committee

(i) Reference

The powers, role and terms of reference of the Audit Committee covers the areas as mentioned under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. These, inter alia, include oversight of Company's financial reporting process, internal financial controls, reviewing the adequacy of the internal audit function, reviewing with management the quarterly/ annual financial statements before submission to the Board, recommending the appointment of statutory auditors and fixation of their remuneration, approval of related party transactions, evaluation of risk management systems etc.

(ii) Composition

The Audit Committee comprises of 3 Directors and all of them being Non-Executive Independent Directors. The members of the Committee are as follows:

Mr. Jacob Kurian	Chairman
Mr. V Sridhar	Member
Mr. Ranjit I Jesudasen	Member

Mr. S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee.

Mr. K M Mammen, Chairman & Managing Director, Mr. Arun Mammen, Vice Chairman and Managing Director and Mr. Rahul Mammen Mappillai, Managing Director are permanent invitees. The Vice President Finance, Head of Internal Audit, Statutory Auditors and other Executives, as considered appropriate, also attend the meetings by invitation.

(iii) Meetings and Attendance

During the financial year ended 31st March, 2020, the Audit Committee met on the following dates: 02.05.2019, 08.08.2019, 08.11.2019 and 10.02.2020. All the members of the Committee were present for all the meetings.

4. Nomination and Remuneration Committee

(i) Reference

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the terms of reference of the Committee include the following namely formulation of criteria for determining qualifications, positive attributes and independence of director, recommending to the Board a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of directors performance, devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria

laid down and recommend to the Board their appointment and removal and also recommend to the Board remuneration payable to Senior Management.

(ii) Composition

The Committee comprises of 3 Non-Executive Independent Directors and an Executive Director. The Chairman is a Non-Executive Independent Director. The Committee comprises of:

Mr. Ranjit I Jesudasen	Chairman
Mr. V Sridhar	Member
Mr. Jacob Kurian	Member
Mr. K M Mammen	Member

Mr. S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee.

(iii) Meetings and Attendance

During the financial year ended 31st March, 2020, the Committee met on 02.05.2019 and 08.08.2019. All the members of the Committee were present for all the meetings.

5. Criteria for determining the qualifications, positive attributes and Independence of a Director

Candidates for the position of a Director shall be a person of integrity and possess requisite education, experience and capability to make a significant contribution to the deliberations of the Board of Directors. Apart from the above, the Board candidate should be of the highest moral and ethical character. The candidate must exhibit independence, objectivity and be capable of serving as a representative of the stakeholder. The candidate should have the personal qualities to be able to make an active contribution to Board deliberations. These qualities include intelligence, inter-personal skills, independence, communication skills and commitment. The Board candidate should not have any subsisting relationships with any organization which is a competitor to the Company. The Board candidate should be able to develop a good working relationship with other Board members. This apart, the Directors must satisfy



the qualification requirements laid down under the Companies Act, 2013, the Listing Regulations and any other applicable law and in case of Independent Directors, the criteria of independence as laid down in those laws.

6. Performance evaluation of Independent Directors

The criteria for evaluation of the Independent Directors is attendance, participation in deliberations, understanding the Company's business and that of the industry and guiding the Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013 and fulfillment of independence criteria and independence from management.

The Board carried out evaluation of the performance of the Independent Directors on the basis of the criteria laid down. The evaluation was done by the Board of Directors except the Director who was evaluated.

7. Remuneration of Directors

a. Remuneration Policy:

A policy on remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management and other staff was put in place by Nomination and Remuneration Committee on 23.07.2014 and approved by the Board of Directors at its meeting held on 30.10.2014.

The Policy provides as follows:

(i) Non-Executive Directors:

The Non-Executive Directors (including Independent Directors) may be paid remuneration by way of sitting fees for attending meetings of Board or Committee thereof.

The Directors may also be reimbursed any expenses in connection with attending the meetings of the Board or Committee or in connection with the business of the Company.

The quantum of fees shall be determined, from time to time, by the Board subject to ceiling / limits as provided under Companies Act, 2013 and rules made thereunder.

(ii) Chairman & Managing Director, Managing Director(s) / Whole-time Director(s):

The level and composition of remuneration will be reasonable and sufficient to attract, retain and motivate directors of quality to run the Company successfully. The remuneration package should adequately compensate them for the high level of responsibilities shouldered by them and sensitivity of the position held. The level of remuneration shall take into consideration the professional expertise, past credentials and potential of the person concerned. The compensation package may comprise of a fixed compensation package in the nature of monthly and annual pay-out, provision of perquisites, contribution to retirement benefits, health and insurance and any other benefits (including provision of loans on such terms as to interest, repayment and security as determined by the Board) and commission on profits, in such proportion and quantum as decided from time to time based on the Company's business needs and requirements and prevailing practices in industry.

Besides the above, the remuneration to be paid to Chairman & Managing Director, Managing Director(s) and Whole-time Director(s) shall be governed by the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

(iii) KMP's (other than MD's and WD's), Senior Management Personnel and other Staff:

The level and composition of remuneration will be reasonable and sufficient to attract, retain and motivate persons of the quality required to handle appropriate management roles in the Company successfully. The level of remuneration may be based on the qualification,

experience and expertise and potential of the person concerned and also the responsibilities to be shouldered, criticality of the job to the Company's business and any other criteria as considered appropriate. The compensation package may comprise of a fixed compensation package in the nature of monthly and annual payout, provision of perquisites, contribution to retirement benefits, health and insurance and any other benefits (including provision of loans on such terms as to interest, repayment and security as determined by the Board) and variable pay (having a clear relationship to performance which will meet appropriate benchmarks relevant to the working of the Company and its goals), in such proportion and quantum as decided from time to time based on the Company's business needs and requirements and prevailing practices in industry.

(iv) Directors and Officers Insurance:

Where any insurance is taken by the Company on behalf of its Directors, KMP's / Senior Management Personnel, Staff etc., for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

b. Details of Remuneration to all the Directors for the financial year ended 31.03.2020

(i) The aggregate value of salary and perquisites and commission paid to the Chairman and Managing Director/Vice Chairman and Managing Director/Managing Director and Whole-time Directors for the financial year ended 31.03.2020 are as follows:

(a) Name (b) Designation (c) Salary and perquisites (₹)
(d) Commission (₹) (e) Total (₹)

(a) Mr. K M Mammen (b) Chairman & Managing Director (c) 168702513 (d) 116325000 (e) 285027513

(a) Mr Arun Mammen (b) Vice Chairman and Managing Director (c) 123315821 (d) 108027000 (e) 231342821

(a) Mr Rahul Mammen Mappillai (b) Managing Director (c) 107333049 (d) 94370400 (e) 201703449 (a) Mr Samir Thariyan Mappillai (b) Whole-time Director (c)23871286 (d) 18000000 (e) 41871286 (a) Mr Varun Mammen (b) Whole-time Director (c) 23858709 (d) 18000000 (e) 41858709.

Note: Salary and perquisites include all elements of remuneration i.e., salary, allowances and benefits but excluding gratuity and leave benefits. The Company has not issued any stock options to any of the directors. The Chairman and Managing Director/ Vice Chairman and Managing Director/ Managing Director/ Whole-time Directors are appointed by shareholders for a period of five years at a time.

(ii) The sitting fees paid for the financial year ended 31.03.2020 to Non-Executive Directors are as follows:

(a) Name (b) Sitting fees (₹)

(a) Mr Ashok Jacob (b)40000; (a) Mr V Sridhar (b) 200000; (a) Mr Vijay R Kirloskar (b) 50000; (a) Mr N Kumar (b)Nil; (a) Mr Ranjit I Jesudasan (b) 240000; (a) Dr. Salim Joseph Thomas (b) 70000; (a) Mr Jacob Kurian (b) 190000; (a) Mr M Meyyappan (b) 40000; (a) Dr. (Mrs) Cibi Mammen (b) 65000; (a) Mrs Ambika Mammen (b) 90000; (a) Mrs Vimla Abraham (b) 90000.

Sitting fees are paid to Non-Executive Directors within the limits prescribed under the Companies Act, 2013.

There were no material pecuniary relationships or transactions by Non-Executive Directors vis-a-vis the Company as per the materiality threshold laid down in Listing Regulations and also as per the Policy on Materiality of Related Party Transactions framed pursuant to the said Regulations.

As required under the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance



(D&O) on behalf of all Directors including Independent Directors of the Company.

8. Stakeholders' Relationship Committee

(i) Reference

The Committee looks into redressal of grievances of the investors namely shareholders and other security holders. The Committee deals with grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of dividend, dematerialisation / rematerialisation of shares, complaint letters received from Stock Exchanges, SEBI, etc. The Board of Directors has delegated the power of approving transfer/transmission of shares.

(ii) Composition

The Committee comprises of 3 Directors. The Chairman of the Committee is a Non-Executive Independent Director. The members of the Committee are:

Mr. V Sridhar	Chairman
Mr. Ranjit I Jesudasan	Member
Mr. K M Mammen	Member

Mr S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee.

(iii) Meeting and Attendance

During the financial year ended 31st March, 2020, the Stakeholders' Relationship Committee met on 02.05.2019. All the members of the Committee were present for the meeting. 20 investor complaints were received during the financial year ended 31.03.2020. All the complaints were redressed and no complaints were pending at the year end.

9. Risk Management Committee

In compliance with Regulation 21 of the Listing Regulations, the Company constituted a Risk Management Committee. The Committee comprises of three Directors and two senior executives who are as follows:

Mr. K M Mammen	Chairman
Mr. Arun Mammen	Member
Mr. Rahul Mammen Mappillai	Member
Mr. S Dhanvanth Kumar*	Member
Mr. Madhu P Nainan	Member

* Mr. S Dhanvanth Kumar was included as member in the place of Mr. Ravi Mannath w.e.f. 09.08.2019.

The Committee's role inter-alia is to monitor and review the risk management process of the Company. The Committee's composition is in compliance with the provisions of Regulation 21 of the Listing Regulations.

The Committee met on 29th May, 2020. All the members of the Committee were present for the meeting.

10. General Body Meetings

a. The Company held its last Three Annual General Meetings as under:

AGM for the Year	Date	Time	Venue
2016-2017	04-08-2017	11.00 A.M	TTK Auditorium, 'The Music Academy' No.168, TTK Road, Chennai - 600 014
2017-2018	09-08-2018	11.00 A.M	- do -
2018-2019	09-08-2019	11.00 A.M	- do -

b. Details of Special resolution passed during the last 3 Annual General Meetings:

Date of AGM	Particulars of Special Resolution passed
04-08-2017	(i) Amendments to the Articles of Association. (ii) Approval for increasing the strength of the Board beyond 15.
09-08-2018	Approval for issue of Secured/Unsecured Non-Convertible Debentures for an amount not exceeding ₹ 500 Crores on a private placement basis.

Date of AGM	Particulars of Special Resolution passed
09-08-2019	(i) Re-appointment of Mr. Vijay R Kirloskar as an Independent Director for 2nd term of 5 consecutive years. (ii) Re-appointment of Mr. V Sridhar as an Independent Director for 2nd term of 5 consecutive years. (iii) Re-appointment of Mr. Ranjit I Jesudasan as an Independent Director for 2nd term of 5 consecutive years. (iv) Re-appointment of Dr. Salim Joseph Thomas as an Independent Director for 2nd term of 5 consecutive years. (v) Re-appointment of Mr. Jacob Kurian as an Independent Director for 2nd term of 5 consecutive years. (vi) Re-appointment of Mr. Ashok Jacob as an Independent Director for 2nd term of 5 consecutive years.

c. No Postal Ballot was conducted during the year.

11. Means of Communication

Quarterly/half yearly results are disclosed to Stock Exchanges and also published in daily newspapers viz., Business Standard (all over India) and Makkal Kural (Vernacular). As per the requirements of Regulation 46 of the Listing Regulations, the quarterly/half yearly results and the press release issued annually are displayed on the Company's website www.mrfityres.com. The Company provides information to the Stock Exchanges as per the requirements of the Listing Regulations. No presentations were made to institutional investors / analysts. The Company has a designated e-mail address viz., mrshare@mrfmail.com, exclusively for investor servicing.

12. Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations, the Company is required to formulate a dividend distribution policy which shall be disclosed in its annual report and on its website.

The objective of this policy is to provide the dividend distribution

framework to the stakeholders of the Company. A decision of the Board of Directors to recommend/ declare dividend would be based on the financial parameters and the internal and external factors namely current year's profits after tax of the Company, operating cash flows and treasury position keeping in view total debt to equity ratio, accumulated reserves, future capital expenditure / expansion, strategic investments and working capital requirements, providing for unforeseen events and contingencies with financial implications, overall macro-economic scenario / regulatory environment, future business prospects and industry outlook, past dividend trends, any other financial parameter or factor as considered relevant or appropriate by the Board of Directors.

Based on the decision of the Board of Directors, from time to time, the retained earnings will be utilised to meet the Company's long term financial requirements (including capital expenditure, debt service obligations, other liabilities etc.), improve financial ratios, declaration of dividend, issue of bonus shares, buy-back of shares and any other purpose permitted by the Companies Act, 2013.

Based on the financial parameters and other factors mentioned above, the shareholders may/may not expect dividend for any year. The Board of Directors may declare interim dividend(s) as and when they consider it fit, and recommend final dividend to the shareholders for their approval in the general meeting of the Company. Presently, the authorised capital of the Company comprises of only one class of shares. In the event of the Company issuing any other class of shares, this policy would be suitably amended.

The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder, Listing Regulations and other legislations governing dividend, as in force from time to time.

13. General Shareholder Information

a) Annual General Meeting:

Date and Time : Thursday, 24th September 2020 at 11 a.m.

Venue : The Company is conducting meeting through Video Conference (VC) / Other Audio Visual Means (OAVM) .

b) Financial Year : 1st April to 31st March.



c) Dividend payment date:

Interim Dividend : 29.11.2019

₹ 3 per share (30%)

II Interim Dividend : 03.03.2020

₹ 3 per share (30%)

Final Dividend : 16.10.2020, ₹ 94/- per share (940%),
(Subject to approval of shareholders)

d) Listing on Stock Exchanges:

- National Stock Exchange of India Ltd., (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, 5 G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.
- Bombay Stock Exchange Ltd., (BSE) Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai 400 001.

Equity ISIN : INE883A01011

Listing fees upto the year ending 31st March, 2021 have been paid to the above mentioned Stock Exchanges

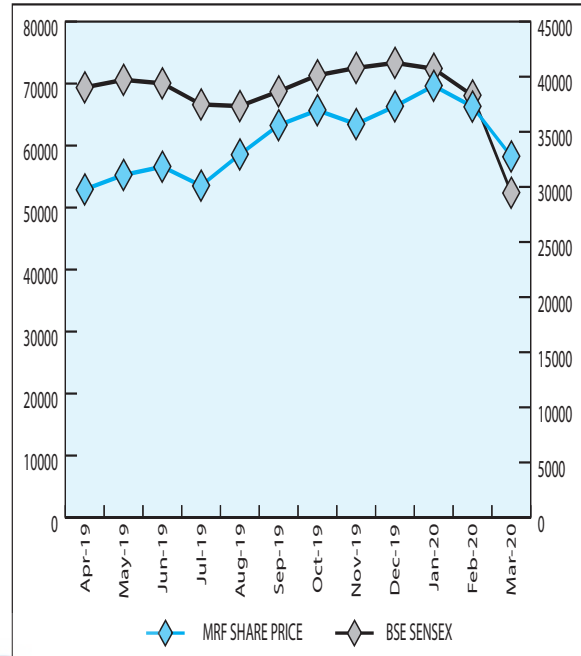
e) Stock Code

Bombay Stock Exchange	Code	500290
National Stock Exchange	Symbol	MRF

f) Market Price Data

Month	Bombay Stock Exchange [BSE]			National Stock Exchange [NSE]		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
April-2019	61500.00	52550.15	9439	61684.00	52500.00	126442
May-2019	57890.00	51850.00	15693	57928.05	51586.30	169596
June-2019	58279.95	54161.90	9494	57741.05	54114.90	114041
July-2019	57050.00	52701.00	10218	57147.95	52636.55	107665
August-2019	59460.00	52500.00	6950	59499.00	52411.15	110742
September-2019	67425.00	57501.70	8017	67467.00	57495.05	139631
October-2019	66300.00	60355.00	5896	66300.00	60283.55	108463
November-2019	66399.05	62421.15	5437	66495.60	62400.00	95125
December-2019	66906.80	61219.00	9001	66990.00	61252.00	103800
January-2020	70964.55	64285.35	12019	70999.95	64300.00	183014
February-2020	73500.00	65304.95	7846	73565.70	65315.00	168515
March-2020	68448.85	50000.00	13796	68558.35	49915.10	314798

g) Stock Performance: (Monthly Closing Price) Performance in comparison to BSE Sensex



h) Registrars and Transfer Agents: In-house Share Transfer
MRF Limited
No. 114, Greams Road,
Chennai - 600 006

In terms of SEBI Circular No. O&CC/FITTC/CIR-15/2002 dated 27th December, 2002, your Company is carrying out both physical share registry work as well as electronic connectivity, in-house.

In-house Investor relations department provides various services viz., dematerialisation and rematerialisation of shares, share transfers/transmissions, disbursement of dividend, unclaimed shares, IEPF, issue of duplicate share certificates, dissemination of information etc. Members are therefore requested to communicate on matters pertaining to physical shares to Secretarial Department, MRF Limited, No. 114, Greams Road, Chennai 600 006.

i) Share Transfer System

SEBI has mandated that, effective from 1st April, 2019, no share can be transferred in physical mode. However, shares which were lodged for transfer prior to this date and were rejected for technical reasons can be transferred subsequently upon the removal/satisfaction of the technical defects/requirements. The average time taken for processing and registration of such transfer requests is less

than 12 days. All dematerialisation requests are normally processed within 10 days.

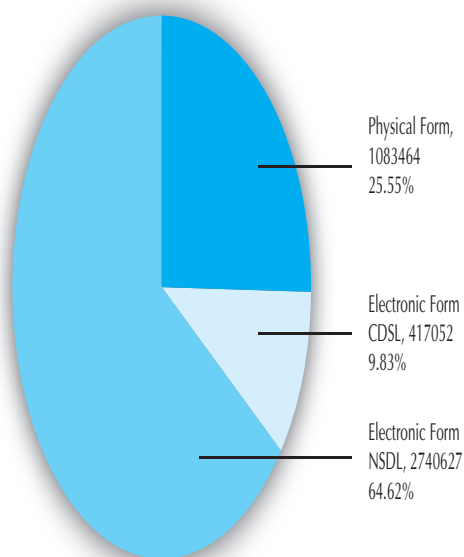
j) **Distribution of shareholding: (as at 31.03.2020)**

Shareholding	No. of Shareholders	%	No. of Shares	%
Upto 500	62848	99.38	705075	16.63
501 - 1000	127	0.20	91239	2.15
1001 - 2000	90	0.14	129291	3.05
2001 - 3000	38	0.06	94263	2.22
3001 - 4000	13	0.02	45579	1.07
4001 - 5000	21	0.03	97139	2.29
5001 - 10000	45	0.07	314499	7.42
10001 and above	61	0.10	2764058	65.17
TOTAL	63243	100.00	4241143	100.00

k) **Dematerialization of Shares and Liquidity**

74.45% of total equity capital is held in dematerialized form with NSDL and CDSL as on 31st March, 2020. All requests for dematerialization of shares were processed within the stipulated time period and no share certificates were pending for dematerialization.

Trading in equity shares of the Company is permitted only in dematerialized form w.e.f. 17-01-2000 as per notification issued by the Securities and Exchange Board of India (SEBI).



l) **Outstanding GDR/Warrants/any other convertible instruments**

The Company does not have any outstanding GDR / Warrants / any other convertible instruments.

m) **Debenture Trustee:** Axis Trustee Services Limited
The Ruby, 2nd Floor, (SW),
29, Senapati Bapat Marg, Dadar West
Mumbai - 400 028

n) **Commodity price risk or foreign exchange risk and hedging activities:**

As per SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15/11/2018, we give below the disclosures regarding Commodity risks faced by the Company in the format given below:

i) Risk Management Policy of the Company with respect to commodities including through hedging:

The Company's purchasing strategy does not involve hedging activities and speculative buying. The risks are limited by sourcing from different countries and regions and having long term contracts with prices linked to well accepted market indices and published reports.

ii) Exposure of the Company to commodity risks faced by the entity throughout the year.

A) Total exposure of the Company to commodities in INR: ₹ 3074.54 Crores

B) Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Natural Rubber	₹ 3074.54 Crores	225801 MT	NIL	NIL	NIL	NIL	NIL

iii) Foreign Currency Risks:

The Company's policy on hedging foreign currency risks is explained in the notes to the financial statements.



o) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i. Number of complaints filed during the financial year: Nil
- ii. Number of complaints disposed of during the financial year: Nil
- iii. Number of complaints pending as on end of the financial year: Nil

p) Plant Locations

1. Tiruvottiyur — Tiruvottiyur, Chennai, Tamil Nadu.
2. Kottayam — Vadavathoor, Kottayam, Kerala.
3. Goa — Usgao, Ponda, Goa.
4. Arkonam — Ichiputhur, Arkonam, Tamil Nadu.
5. Medak — Sadasivapet, Sangareddy, Telangana.
6. Puducherry — Eripakkam Village, Nettapakkam Commune, Puducherry.
7. Ankenpally — Sadasivapet, Sangareddy, Telangana.
8. Perambalur — Naranamangalam Village & Post, Alathur Taluk, Perambalur District (near Trichy), Tamil Nadu.
9. Dahej — Plot No.D-2/16, Dahej Industrial Area, Taluka Vagra, Galenda Village, Bharuch Dist., Gujarat

q) Address for Correspondence: MRF Limited
No. 114, Grems Road,
Chennai – 600 006.
Tel : (044) 28292777
Fax: (044) 28295087
E-mail : mrfshare@mrfmail.com

14. Other Disclosures

- (a) As required under applicable Listing Regulations, your Company has adopted a policy on related party transactions and a Policy on materiality of related party transactions, which were approved by the Board of Directors and

uploaded on the Company's Website: <https://www.mrfityres.com/downloads/download.php?filename=Related-Party-Transaction-Policy.pdf>, <http://www.mrfityres.com/downloads/download.php?filename=policy-fordetermination-of-materiality.pdf>, <https://www.mrfityres.com/downloads/download.php?filename=policy-on-materiality-of-related-partytransactions.pdf>. Requisite approvals from the Audit Committee / Board have been obtained for the transactions as stipulated under applicable law.

The details of related party transactions during the financial year ended 31st March, 2020 are given in note 27d of the financial statements.

During the year under review, your Company has entered into transactions with MRF SG PTE. LTD, a wholly owned subsidiary of your Company for purchase of raw materials and the total value of transactions executed during financial year 2019-2020 exceed the materiality threshold adopted by the Company. These transactions were in the ordinary course of business and were on an arms length basis, details of which are provided in Annexure V of the Board's Report as required under section 134(3)(b) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

There are no transactions with any person or entity belonging to the promoters/promoter group which hold(s) 10% or more shareholding in the Company.

- (b) The Company has complied with the requirements of the Stock Exchanges/SEBI and statutory authority on all matters related to capital markets during the last three years. No penalties, strictures were imposed on the Company by the Stock Exchange/SEBI or any other statutory authority in respect of the same.
- (c) The Company has established a vigil mechanism pursuant to the requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. No personnel have been denied access to the chairman of the Audit Committee to report genuine concerns. Establishment of vigil mechanism is hosted on the website of the Company

under the web link: <http://www.mrftyres.com/downloads/download.php?filename=vigil-Mechanism.pdf>.

- (d) The Company has complied with the mandatory requirements of Corporate Governance prescribed in Schedule II, Part A to D of the Listing Regulations.
- (e) The Company has complied with all the applicable mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- (f) The Board has laid down a Code of Conduct for all Directors and senior management staff of the Company. The code suitably incorporates for the Independent Directors their duties as Independent Directors as laid down in Schedule IV of the Companies Act, 2013. The code of conduct is available on the website: www.mrftyres.com. All Directors and members of the senior management have affirmed their compliance with the code of conduct.

Your Company has also adopted a Code of Conduct to regulate, monitor and report trading by Designated persons as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and designated persons who could have access to unpublished price sensitive information of the Company are governed by the Code. An annual disclosure was taken from the Directors and designated persons, as at the end of the year.

- (g) The Audit Committee reviews the financial statements of the unlisted Subsidiary Companies. The minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board meeting of the Company.

Your Company has formulated a policy on material subsidiary as required under Regulation 16 of the Listing Regulations and the policy is hosted on the website of the Company under the web link: <http://www.mrftyres.com/downloads/download.php?filename=material-subsidary-policy.pdf>. The Company does not have any material unlisted subsidiary Company.

- (h) The Company has issued a formal letter of appointment to all the Independent Directors. The terms and conditions of their appointment have been disclosed on the Company's

website under the web link: <http://www.mrftyres.com/downloads/download.php?filename=Terms-and-Conditions-of-Appointment-of-Independent-Directors.pdf>.

During the year, a meeting of the Independent Directors was held as prescribed under applicable Listing Regulations and the Companies Act, 2013. In the opinion of the Board, Independent Director(s) fulfills the conditions specified in the Listing Regulations and are Independent of the Management.

- (i) As required under the SEBI (Listing Obligations & Disclosures) Regulations, 2015, the Board of Directors have identified the following core skills / expertise / competencies as required in the context of its business and sector for it to function effectively.

Core skills / expertise / competencies
General Business / Industry awareness
Functional Knowledge / General Management / Administration
Communication and collaborative approach

The Board collectively has the abovementioned skills / expertise / competence. The names of directors and the skills they possess are given below:

Name of the Director	General Business/ Industry awareness	Functional knowledge/ General Management/ Administration	Communication and Collaborative approach
Mr. K M Mammen	✓	✓	✓
Mr. Arun Mammen	✓	✓	✓
Mr. Rahul Mammen Mappillai	✓	✓	✓
Mr Samir Thariyan Mappillai	✓	✓	✓
Mr. Varun Mammen	✓	✓	✓
Mr. Ashok Jacob	✓	✓	✓
Mr. V Sridhar	✓	✓	✓
Mr. Vijay R Kirloskar	✓	✓	✓
Mr. Ranjit I Jesudasan	✓	✓	✓



Name of the Director	General Business/ Industry awareness	Functional knowledge/ General Management/ Administration	Communication and Collaborative approach
Dr. Salim Joseph Thomas	✓	✓	✓
Mr. Jacob Kurian	✓	✓	✓
Dr. (Mrs) Cibi Mammen	✓	✓	✓
Mrs. Ambika Mammen	✓	✓	✓
Mrs. Vimla Abraham	✓	✓	✓

- (j) A Certificate has been received from Mr K Elangovan, Elangovan Associates, Company Secretaries, Chennai, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.
- (k) Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr K Elangovan, Elangovan Associates, Company Secretaries, Chennai, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.
- (l) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors for the Financial year ended 31st March, 2020 is ₹ 0.97 Crores.
- (m) List of Credit rating obtained by the Company:
The Ratings given by CARE Ratings Limited for Long term Bank Facilities (Working Capital Fund Based) to the extent of ₹ 2000 crores and Short term Bank Facilities (Working Capital Non Fund Based) to the extent of ₹ 550 crores of the Company are CARE AAA; Stable [Triple A; Outlook: Stable] and CARE A1+ [A One Plus], respectively.

For the Non-Convertible debentures (NCD) of ₹ 340 crores, CARE Ratings Limited has given a rating of CARE AAA; Stable [Triple A; Outlook: Stable] and ICRA Limited has given a rating of [ICRA] AAA (Stable).

For the Term Loan/NCD of ₹ 100 crores, CARE Ratings Limited has given a rating of CARE AAA; Stable [Triple A; Outlook: Stable].

For the proposed NCD issue of ₹ 500 crores, CARE Ratings Limited has given a rating of CARE AAA; Stable [Triple A; Outlook: Stable] and for the proposed NCD issue of ₹ 260 crores, ICRA Limited has given a rating of [ICRA] AAA (Stable).

All the above credit ratings were reaffirmed by CARE Ratings Limited and ICRA Limited.

- (n) There was no preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.
- (o) There was no instance during the financial year 2019-2020, where the Board of Directors has not accepted the recommendation of any committee of the Board which it was mandatorily required to accept.
- (p) Your Company has formulated a policy for determination of materiality of any event or information as required under Regulation 30 of the Listing Regulations and the policy is hosted on the website of the Company under the web link: <https://www.mrfityres.com/downloads/download.php?filename=Policy-for-determination-of-Materiality.pdf>

15. Discretionary requirements as specified in Part E of Schedule II of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

a. Maintaining Non-Executive Chairman's Office:

Not Applicable as the Chairman is an Executive Director.

b. Shareholder Rights:

The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website: www.mrfityres.com and in Stock Exchange websites namely www.connect2nse.com and listing.bseindia.com. Therefore,

no individual communications are sent to the shareholders in this regard.

c. Audit Qualification:

There are no qualifications in the Auditors' Report on the accounts for the financial year ended 31.03.2020.

d. The internal audit head presents the internal audit observation to the audit Committee.

16. CEO / CFO Certification

Mr. Rahul Mammen Mappillai, Managing Director and Mr. Madhu P Nainan, Vice President Finance, have certified to the Board regarding the financial statements for the financial year ended 31st March, 2020 in accordance with Regulation 17(8) of Listing Regulations.

17. Equity shares in MRF - Unclaimed Suspense Account

As required by the provisions of Regulation 39 (4) read with Schedule V (F) of Listing Regulations, the Company has transferred the unclaimed shares lying in possession of the Company to MRF - Unclaimed Suspense Account. The status of unclaimed shares lying in MRF - Unclaimed Suspense Account as on 31.03.2020 are as under:

Particulars	Number of Members	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the financial year.	288	7427
Number of shareholders who approached the Company for transfer of the shares from suspense account during the FY 2019-20	15	342
Shareholders to whom shares were transferred from the suspense account during the year	15	342
Shares transferred to Investor Education and Protection Fund Authority as required by Section 124 (6) of the Companies Act, 2013 read with rules thereunder.	13	384

Particulars	Number of Members	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 31.03.2020	260	6701

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

18. Transfer of shares to Investor Education and Protection Fund (IEPF)

Pursuant to the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), dividends that are unpaid or unclaimed for a period of seven (7) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the financial year 2019-2020 the Company has transferred to IEPF, the following unclaimed dividends and corresponding shares thereto:

Particulars	Amount of Dividend (in ₹)	Number of Shares
1st Interim Dividend for the year ended 30.09.2012	239655	603
2nd Interim Dividend for the year ended 30.09.2012	255783	63

The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

19. Declaration

As required by Para D of Schedule V to the Listing Regulations, it is hereby confirmed and declared that all the members of the Board and senior management have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2020.

On behalf of the Board of Directors

Place: Chennai
Date: 29th June, 2020

K M MAMMEN
Chairman & Managing Director