

MRF LIMITED

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Rs.Crores

Statement of Standalone Audited Financial Results for the Quarter and Year ended 31st March,2020

PARTICULARS	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 2)	Unaudited	Audited (Refer Note 2)	Audited	Audited
I Revenue from Operations	3,625.18	4,008.89	4,073.45	15,991.14	15,837.00
II Other Income	57.48	73.34	109.47	330.50	417.47
III Total Income(I + II)	3,682.66	4,082.23	4,182.92	16,321.64	16,254.47
IV Expenses					
a) Cost of materials consumed	2,137.89	2,312.82	2,588.21	9,461.73	10,220.40
b) Purchase of stock-in-trade	6.67	4.25	2.80	22.30	29.86
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	(72.14)	76.19	(109.33)	24.88	(608.60)
d) Employee benefits expense	344.09	337.95	286.37	1,320.51	1,144.28
e) Finance costs	69.15	70.44	57.31	274.26	247.79
f) Depreciation and amortisation expense	266.45	248.97	214.56	980.62	806.27
g) Other expenses	638.74	667.48	734.17	2,838.02	2,805.58
Total expenses(IV)	3,390.85	3,718.10	3,774.09	14,922.32	14,645.58
V Profit before Exceptional Items and Tax (III-IV)	291.81	364.13	408.83	1,399.32	1,608.89
VI Exceptional Items	-	-	-	-	-
VII Profit before Tax	291.81	364.13	408.83	1,399.32	1,608.89
VIII Tax expense (Refer Note 11) :					
(1) Current Tax	73.80	101.00	56.00	401.80	330.00
(2) Deferred Tax	(451.46)	26.50	59.00	(397.46)	182.02
IX Profit for the period from Continuing Operations (VII - VIII)	669.47	236.63	293.83	1,394.98	1,096.87
X Other Comprehensive Income(OCI)					
A(i) Items that will not be reclassified to profit or loss	(2.92)	(8.22)	(6.74)	(26.82)	(9.74)
(ii) Incometax relating to items that will not be reclassified to profit or loss	(1.60)	2.87	2.35	6.75	3.40
B(i) Items that will be reclassified to profit or loss	9.34	(0.87)	(10.94)	13.98	(16.56)
(ii) Incometax relating to items that will be reclassified to profit or loss	(1.90)	0.31	3.82	(3.52)	5.79
XI Total Comprehensive Income for the Period/Year	672.39	230.72	282.32	1,385.37	1,079.76
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital *	340.00	340.00	500.00	340.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):					
Basic (Rs. Per Share)	1,578.51	557.94	692.82	3,289.16	2,586.26
Diluted (Rs. Per Share)	1,578.51	557.94	692.82	3,289.16	2,586.26
XV Other Equity excluding Revaluation Reserve	-	-	-	12,000.11	10,649.06
XVI Debenture Redemption Reserve	-	75.53	115.53	-	115.53
XVII Net Worth				12,004.35	10,653.30
XVIII Debt-Equity Ratio **				0.10	0.14
XIX Debt service coverage Ratio ***				4.03	6.43
XX Interest service coverage Ratio ****				10.62	10.65

See accompanying Notes to the financial results

Standalone Statement of Assets and Liabilities		Rs.Crores	
Particulars	Standalone		
	As at 31.03.2020 Audited	As at 31.03.2019 Audited	
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	8,820.72	6,751.32	
(b) Capital Work-in-Progress	1,734.56	1,403.19	
(c) Other Intangible Assets	28.46	16.20	
(d) Financial Assets			
(i) Investments	26.53	1,078.00	
(ii) Loans	12.22	0.31	
(iii) Other financial assets	18.22	16.03	
(e) Non Current Tax Asset(Net)	232.22	207.44	
(f) Deferred Tax Asset(Net)	-	-	
(g) Other non-current assets	323.37	434.69	
(2) Current Assets			
(a) Inventories	2,852.69	2,950.93	
(b) Financial Assets			
(i) Investments	1,513.65	2,770.39	
(ii) Trade Receivables	2,257.03	2,361.62	
(iii) Cash and cash Equivalents	1,104.23	57.52	
(iv) Bank balances other than Cash and Cash Equivalents	2.62	2.55	
(v) Loans	2.89	0.61	
(vi) Other financial assets	50.75	33.91	
(c) Other current assets	173.95	142.77	
(d) Assets Classified as held for Sale	-	0.20	
TOTAL ASSETS	19,154.11	18,227.68	
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	4.24	4.24	
(b) Other Equity	12,000.11	10,649.06	
Total Equity	12,004.35	10,653.30	
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	779.03	1,054.73	
(ii) Other Financial Liabilities	327.48	-	
(b) Provisions	189.16	167.80	
(c) Deferred Tax Liabilities (Net)	427.83	839.20	
(d) Other non-current liabilities	250.64	76.29	
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	241.99	408.86	
(ii) Trade Payables:			
(A) total outstanding dues of micro enterprises and Small enterprises and	17.02	21.25	
(B) total outstanding dues of creditors other than micro enterprises and Small enterprises	2,323.12	2,306.39	
(iii) Other Financial Liabilities	730.63	761.65	
(b) Other Current Liabilities	1,709.78	1,781.13	
(c) Provisions	153.08	149.23	
(d) Current Tax Liabilities (Net)	-	7.85	
Total Liabilities	7,149.76	7,574.38	
TOTAL EQUITY AND LIABILITIES	19,154.11	18,227.68	

MRF LIMITED
AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees Crores)

	Year ended	
	31st March 2020	31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	1,399.32	1,608.89
Adjustment for :		
Depreciation	980.62	806.27
Reversal of Impairment of Assets / Financial Assets	(0.09)	(0.10)
Unrealised Exchange (Gain) / Loss	(7.27)	1.61
Government Grant Accrued	(0.02)	-
Impairment of Financial Assets	0.14	-
Finance Cost	274.26	247.79
Interest Income	(15.27)	(10.39)
Dividend Income	(0.12)	(0.13)
Loss / (Gain) on Sale / Disposal of Property Plant and Equipment	(0.54)	5.90
Fair Value changes in Investments	(239.43)	(294.86)
Fair Value changes in Financial Instruments	59.62	41.96
Loss / (Gain) on Sale of Investments	(13.28)	(9.13)
Bad Debts written off	0.02	0.25
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	1,038.64	789.17
	2,437.96	2,398.06
Trade receivables	118.73	(230.46)
Other receivables	(56.36)	13.28
Inventories	98.24	(778.86)
Trade Payable and Provisions	3.94	343.40
Other liabilities	(89.04)	39.50
	75.51	(613.14)
CASH GENERATED FROM OPERATIONS	2,513.47	1,784.92
Direct Taxes paid	(434.43)	(404.70)
NET CASH FROM OPERATING ACTIVITIES	2,079.04	1,380.22
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(2,732.29)	(1,960.32)
Proceeds from sale of Property Plant and Equipment	2.39	0.42
Purchase of Investments	(2,064.74)	(2,116.46)
Proceeds from sale of Investments	4,625.66	2,718.50
Fixed Deposits with Banks matured	0.78	38.39
Loans (Financial assets) given	(12.88)	0.89
Interest Income	12.65	8.62
Dividend income	0.12	0.13
NET CASH USED IN INVESTING ACTIVITIES	(168.31)	(1,309.83)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / Proceeds from Working Capital Facilities (Net)	(166.47)	178.68
Proceeds from Term Loans	-	150.00
Proceeds from SIPCOT Loan	80.92	-
Repayment of Term Loans	(242.57)	(150.42)
Repayment of Debentures	(160.00)	-
Government Grant Accrued	0.02	-
Repayment of Fixed Deposits	-	(3.57)
Sales Tax Deferral	-	(8.79)
Deferred payment Credit	(0.54)	(0.48)
Payment of Lease Liability	(85.58)	-
Interest paid	(259.14)	(246.42)
Dividend and Dividend Distribution Tax	(30.66)	(30.66)
NET CASH FROM FINANCING ACTIVITIES	(864.02)	(111.66)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,046.71	(41.27)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	57.52	98.79
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	1,104.23	57.52

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

Notes:

(1) The above standalone financial results for the Quarter and Year ended 31st March, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th June, 2020.

(2) The auditors have issued audit report for standalone financial results with unmodified opinion for the year ended 31st March 2020 in terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016.

(3) The figures for the Quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.

(4) These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of SEBI Circular dated 5th July, 2016.

(5) The Company is dealing mainly in rubber products and has no other reportable segment.

(6) The Board of Directors has recommended a final dividend of Rs.94/- per share which along with two interim dividends of Rs.3 each already paid works out to Rs.100/- per share for the year ended 31st March, 2020.

(7) The Company's rating agencies, i.e. CARE and ICRA has reaffirmed its rating of "CARE AAA" / " [ICRA] AAA" for Non Convertible Debentures: CARE has also reaffirmed the rating of "CARE AAA" for Long term Banking Facility and, " CARE A1+" for Short term Banking Facility.

(8) The Company has adopted Ind AS 116 effective from 1st April, 2019 using modified retrospective method, and recognising the cumulative impact on the date of initial application i.e. 1st April, 2019. Accordingly, the comparative figures relating to the previous periods / year have not been restated. The net impact of adoption of this standard on the Profit After Tax for the Current Quarter and Year ended 31st March, 2020 is not material.

(9) The Listed Secured Redeemable Non Convertible Debentures of the Company aggregating to Rs.340 Crore as on 31st March, 2020 are secured by way of legal mortgage of Company's Land at Taluka Kadi, District Mehsana, Gujarat, India and hypothecation by way of first charge on Plant & Machinery at the Company's Plants at Perambalur, Trichy, Tamilnadu, equivalent to the outstanding amount.

(10) Details of Secured Non-Convertible Debentures as on 31st March, 2020 are as follows:

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 340 Crs	27 th May 2019	27 th May 2019	27 th May 2020	27 th May 2020

(11) The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for Income Tax for the year ended 31st March, 2020 and re-measured the Deferred Tax Liabilities / Assets on the rates prescribed in the said section.

(12) COVID 19 pandemic has severely affected the business environment and the economy. In order to reduce the impact of the pandemic, a nationwide lockdown was announced by the Government on 24th March 2020 and consequently, the Company's Plants, offices and godowns were closed. On account of the lockdown, March '20 Quarter has witnessed a drop in Total Income of Rs. 399.57 Cr as against the December '19 Quarter and a drop of Rs. 500.26 Cr as compared to the March '19 Quarter. Post lifting of lockdown most of the Company's operations have resumed. As on the date of the approval of the financial statements, the Company has a strong Net Worth and has serviced all its debt obligations in a timely manner. It does not foresee any incremental risk regarding recoverability of assets and ability to service financial obligations.

(13)The figures for the previous periods/year have been regrouped/restated wherever necessary.

* Paid up Debt Capital represents Secured Redeemable Non-Convertible Debentures.

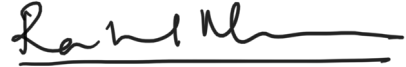
** Debt to Equity Ratio : Long Term Debts/(Total Net Worth - Debenture Redemption Reserve)

*** Debt Service Coverage Ratio : EBDIT/(Interest + Principal Repayment during the period)

**** Interest Service Coverage Ratio : EBDIT/Interest Expenses

Place: Chennai
Date: 29th June, 2020

For MRF LIMITED



RAHUL MAMMÉN MAPPILLAI
Managing Director

MRF LIMITED

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Rs.Crores

Statement of Consolidated Financial Results for the Quarter and Year ended 31st March,2020

PARTICULARS	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 2)	Unaudited	Audited (Refer Note 2)	Audited	Audited
I Revenue from Operations	3,685.16	4,075.75	4,137.67	16,239.36	16,062.46
II Other Income	60.05	74.01	111.79	335.38	421.73
III Total Income(I + II)	3,745.21	4,149.76	4,249.46	16,574.74	16,484.19
IV Expenses					
a) Cost of materials consumed	2,177.69	2,340.39	2,622.85	9,577.04	10,292.57
b) Purchase of stock-in-trade	6.67	4.34	2.80	22.59	30.60
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	(76.27)	76.52	(124.03)	17.40	(613.83)
d) Employee benefits expense	349.24	344.86	291.11	1,344.93	1,165.28
e) Finance costs	72.48	76.58	61.71	292.82	267.31
f) Depreciation and amortisation expense	267.00	249.33	214.90	982.32	807.60
g) Other expenses	644.58	687.43	761.62	2,903.39	2,882.48
Total expenses(IV)	3,441.39	3,779.45	3,830.96	15,140.49	14,832.01
V Profit before Exceptional Items and Tax (III-IV)	303.82	370.31	418.50	1,434.25	1,652.18
VI Exceptional Items	-	-	-	-	-
VII Profit before Tax	303.82	370.31	418.50	1,434.25	1,652.18
VIII Tax expense (Refer Note 10) :					
(1) Current Tax	76.16	102.49	65.19	409.07	339.17
(2) Deferred Tax	(451.36)	26.50	59.38	(397.39)	182.40
IX Profit for the period from Continuing Operations (VII - VIII)	679.02	241.32	293.93	1,422.57	1,130.61
X Other Comprehensive Income(OCI)					
A(i) Items that will not be reclassified to profit or loss	(2.85)	(8.22)	(6.63)	(26.75)	(9.63)
(ii) Incometax relating to items that will not be reclassified to profit or loss	(1.62)	2.87	2.32	6.73	3.37
B(i) Items that will be reclassified to profit or loss	17.04	8.70	(10.97)	13.88	(0.30)
(ii) Incometax relating to items that will be reclassified to profit or loss	(1.90)	0.31	3.85	(3.52)	5.79
XI Total Comprehensive Income for the year attributable to:					
Owners of the Company	689.68	244.98	282.49	1,412.90	1,129.83
Non Controlling Interest	0.01	-	0.01	0.01	0.01
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital *	340.00	340.00	500.00	340.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):					
Basic (Rs. Per Share)	1,601.03	569.00	693.05	3,354.20	2,665.82
Diluted (Rs. Per Share)	1,601.03	569.00	693.05	3,354.20	2,665.82
XV Other Equity excluding Revaluation Reserve	-	-	-	12,210.47	10,833.11
XVI Debenture Redemption Reserve	-	75.53	115.53	-	115.53
XVII Net Worth				12,214.84	10,837.47
XVIII Debt-Equity Ratio **				0.09	0.14
XIX Debt service coverage Ratio ***				4.00	6.29
XX Interest service coverage Ratio ****				10.08	10.11

See accompanying Notes to the financial results

Consolidated Statement of Assets and Liabilities		Rs.Crores	
Particulars	Consolidated		
	As at 31.03.2020 Audited	As at 31.03.2019 Audited	
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	8,841.27	6,769.77	
(b) Capital Work-in-Progress	1,740.94	1,403.47	
(c) Other Intangible Assets	28.49	16.23	
(d) Financial Assets			
(i) Investments	5.58	1,057.00	
(ii) Loans	12.25	0.36	
(iii) Other financial assets	96.67	88.05	
(e) Non Current Tax Asset(Net)	232.22	207.44	
(f) Deferred Tax Asset(Net)	-	0.06	
(g) Other non-current assets	333.88	435.08	
(2) Current Assets			
(a) Inventories	2,905.18	2,993.20	
(b) Financial Assets			
(i) Investments	1,513.75	2,797.68	
(ii) Trade Receivables	2,299.40	2,382.71	
(iii) Cash and cash Equivalents	1,178.52	101.95	
(iv) Bank balances other than Cash and Cash Equivalents	2.62	2.55	
(v) Loans	2.89	0.61	
(vi) Other financial assets	52.58	34.92	
(c) Other current assets	196.10	149.98	
(d) Assets Classified as held for Sale	-	0.20	
TOTAL ASSETS	19,442.34	18,441.26	
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	4.24	4.24	
(b) Other Equity	12,210.47	10,833.11	
Non Controlling Interest			
	0.13	0.12	
Total Equity	12,214.84	10,837.47	
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	779.03	1,054.73	
(ii) Other Financial Liabilities	327.48	-	
(b) Provisions	189.72	168.11	
(c) Deferred Tax Liabilities (Net)	428.86	840.20	
(d) Other non-current liabilities	250.17	76.32	
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	731.03	1,047.66	
(ii) Trade Payables:			
(A) total outstanding dues of micro enterprises and Small enterprises and	17.02	21.25	
(B) total outstanding dues of creditors other than micro enterprises and Small enterprises	1,888.32	1,688.13	
(iii) Other Financial Liabilities	732.39	763.32	
(b) Other Current Liabilities	1,727.14	1,783.82	
(c) Provisions	153.53	149.48	
(d) Current Tax Liabilities (Net)	2.81	10.77	
Total Liabilities	7,227.50	7,603.79	
TOTAL EQUITY AND LIABILITIES	19,442.34	18,441.26	

MRF LIMITED		
AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020		
(Rupees Crores)		
	Year ended	
	31st March 2020	31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	1,434.25	1,652.18
Adjustment for :		
Depreciation	982.32	807.60
Reversal of Impairment of Assets / Financial Assets	(0.09)	(0.10)
Unrealised Exchange (Gain) / Loss	(7.27)	16.26
Government Grant Accrued	(0.02)	-
Impairment of Financial Assets	0.20	0.07
Finance Cost	292.82	267.31
Interest Income	(21.92)	(13.09)
Dividend Income	(0.03)	(0.03)
Loss / (Gain) on Sale / Disposal of Property Plant and Equipment	(0.54)	5.90
Fair Value changes in Investments	(237.74)	(296.58)
Fair Value changes in Financial Instruments	57.09	41.96
Loss / (Gain) on Sale of Investments	(13.28)	(9.13)
Bad Debts written off	0.05	0.29
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	1,051.59	820.46
	2,485.84	2,472.64
Trade receivables	97.38	(237.65)
Other receivables	(72.37)	29.52
Inventories	88.02	(795.87)
Trade Payable and Provisions	187.92	117.35
Other liabilities	(72.37)	82.49
	228.58	(804.16)
CASH GENERATED FROM OPERATIONS	2,714.42	1,668.48
Direct Taxes paid	(441.81)	(415.63)
NET CASH FROM OPERATING ACTIVITIES	2,272.61	1,252.85
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(2,752.36)	(1,963.76)
Proceeds from sale of Property Plant and Equipment	2.47	0.42
Purchase of Investments	(2,065.74)	(2,122.46)
Proceeds from sale of Investments	4,650.90	2,718.50
Fixed Deposits with Banks matured	(5.71)	(30.82)
Loans (Financial assets) given	(12.86)	0.90
Interest Income	19.58	11.04
Dividend income	0.03	0.03
NET CASH USED IN INVESTING ACTIVITIES	(163.69)	(1,386.15)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / Proceeds from Working Capital Facilities (Net)	(313.02)	356.30
Proceeds from Term Loans	-	150.00
Proceeds from SIPCOT Loan	80.92	-
Repayment of Term Loans	(242.56)	(150.42)
Repayment of Debentures	(160.00)	-
Government Grant Accrued	0.02	-
Repayment of Fixed Deposits	-	(3.57)
Sales Tax Deferral	-	(8.79)
Deferred payment Credit	(0.54)	(0.48)
Payment of Lease Liability	(85.58)	-
Interest paid	(280.91)	(270.17)
Dividend and Dividend Distribution Tax	(30.68)	(30.68)
NET CASH FROM FINANCING ACTIVITIES	(1,032.35)	42.19
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,076.57	(91.11)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	101.95	193.06
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	1,178.52	101.95
Note:		
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.		

Notes:

- (1) The above consolidated financial results for the Quarter and Year ended 31st March, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th June, 2020.
- (2) The auditors have issued audit report for consolidated financial results with unmodified opinion for the year ended 31st March 2020 in terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016.
- (3) The figures for the Quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.
- (4) These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of SEBI Circular dated 5th July, 2016.
- (5) The group except for MRF Corp Ltd, is engaged in the manufacture of rubber products such as Tyre, Tubes, Flaps, Tread Rubber and / or Trading in Rubber and Rubber Chemicals. In the context of IND-AS 108 operating segment are considered to constitute one single primary segment. MRF Corp Ltd is engaged in the manufacture of Speciality Coatings and its revenues, results and assets do not meet the criteria specified for reportable segment prescribed in the IND-AS. The group's operations outside India do not exceed the quantitative threshold for disclosure envisaged in the IND-AS. Non-reportable segments have not been disclosed as unallocated reconciling item in view of their materiality. In view of the above, primary and secondary reporting disclosures for business/geographical segment are not applicable.
- (6) The Holding Company's rating agencies, i.e. CARE and ICRA has reaffirmed its rating of "CARE AAA" / "[ICRA] AAA" for Non Convertible Debentures: CARE has also reaffirmed the rating of "CARE AAA" for Long term Banking Facility and, "CARE A1+" for Short term Banking Facility.
- (7) The Group has adopted Ind AS 116 effective from 1st April, 2019 using modified retrospective method, and recognising the cumulative impact on the date of initial application i.e. 1st April, 2019. Accordingly, the comparative figures relating to the previous periods / year have not been restated. The net impact of adoption of this standard on the Profit After Tax for the current quarter and year ended 31st March, 2020 is not material.
- (8) The Listed Secured Redeemable Non Convertible Debentures of the Holding Company aggregating to Rs.340 Crore as on 31st March, 2020 are secured by way of legal mortgage of Holding Company's Land at Taluka Kadi, District Mehsana, Gujarat, India and hypothecation by way of first charge on Plant & Machinery at the Holding Company's Plants at Perambalur, Trichy, Tamilnadu, equivalent to the outstanding amount.
- (9) Details of Secured Non-Convertible Debentures as on 31st March, 2020 are as follows:

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 340 Crs	27 th May 2019	27 th May 2019	27 th May 2020	27 th May 2020

- (10) The Group (except for Foreign Subsidiaries) elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group has recognized provision for Income Tax for the year ended 31st March, 2020 and re-measured the Deferred Tax Liabilities / Assets on the rates prescribed in the said section.
- (11) COVID 19 pandemic has severely affected the business environment and the economy. In order to reduce the impact of the pandemic, a nationwide lockdown was announced by the Government on 24th March 2020 and consequently, the Group's Plants, offices and godowns were closed. On account of the lockdown, March '20 Quarter has witnessed a drop in Total Income of Rs. 404.55 Cr as against the December '19 Quarter and a drop of Rs. 504.25 Cr as compared to the March '19 Quarter. Post lifting of lockdown most of the Group's operations have resumed. As on the date of the approval of the financial statements, the Group has a strong Net Worth and has serviced all its debt obligations in a timely manner. It does not foresee any incremental risk regarding recoverability of assets and ability to service financial obligations.

(12)The figures for the previous periods have been regrouped wherever necessary.

* Paid up Debt Capital represents Secured Redeemable Non-Convertible Debentures.

** Debt to Equity Ratio : Long Term Debts/(Total Net Worth - Debenture Redemption Reserve)

*** Debt Service Coverage Ratio : EBDIT/(Interest + Principal Repayment during the period)

**** Interest Service Coverage Ratio : EBDIT/Interest Expenses

Place: Chennai
Date: 29th June, 2020

For MRF LIMITED



RAHUL MAMMEN MAPPILLAI
Managing Director