

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MRF INTERNATIONAL LIMITED**

**1. Opinion**

We have audited the separate financial statements (also known as Standalone Financial Statements) of **MRF International Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, and amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2020, and its profit (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

**3. Information other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





#### **4. Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **5. Auditor's Responsibility for the audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **6. Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

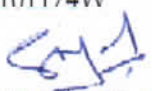
As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- g) The Company has not paid nor provided for any remuneration to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) There are no pending litigations which will have an impact on its financial position in its financial statements as at the end of the year;
  - ii) There are no long-term contracts including derivative contracts and hence no provision is required for any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SCA AND ASSOCIATES  
Chartered Accountants  
FRN 101174W

  
Shivratna Agarwal  
Partner

Membership No. 104180  
UDIN: 20104180AAAADV4259  
June 26 2020  
Mumbai.






**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF MRF INTERNATIONAL LIMITED**

1. The Company had no fixed asset at any time during the year and accordingly Para 3 (i) (a) to (c) of the order are not applicable.
2. The Company had not carried any inventories at any time during the year. Accordingly, the Para 3 (ii) of the order are not applicable.
3. The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the Para 3 (iii) (a) to (c) of the order are not applicable.
4. The Company has not granted any loan, neither made any investments, nor given any guarantee or security, during the year, covered by the provisions of Sections 185 and 186 of the Act.
5. The Company has not accepted any deposit during the year and accordingly the question of complying with Section 73 to 76 of the Act does not arise. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal on the Company.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding, as at 31st March, 2020 for a period of more than six months from the date they became payable.  
b) There are no dues of income tax and other statutory dues which have not been deposited on account of any dispute.
8. The Company has not taken any loans from a financial institution, bank or by way of debentures and accordingly Para 3 (viii) of the order is not applicable.
9. The Company has not raised any moneys by way of Initial public offer or further Public offer (Including debt instruments) or by way of Term loans. Accordingly Para 3 (ix) of the order is not applicable.
10. On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. During the year, the Company has not paid any managerial remuneration requiring approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



12. The Company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
13. On the basis of our examination and according to the information and explanations given to us, we report that section 177 of the Act is not applicable to the Company and there are no transactions with the related parties during the year.
14. The Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year and accordingly provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly provisions of clause (xv) of Para 3 of the Order are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions clause (xvi) of Para 3 of the Order are not applicable to the Company.

**For SCA AND ASSOCIATES**  
Chartered Accountants  
FRN 101174W

  
Shivratan Agarwal  
Partner  
Membership No. 104180  
UDIN: 20104180AAAADV4259  
June 26 2020  
Mumbai.





**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF MRF INTERNATIONAL LIMITED.**

**1. REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING  
UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013  
("the Act")**

We have audited the internal financial controls over financial reporting of MRF INTERNATIONAL LIMITED ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**2. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

**3. AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by Institute of Chartered accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



#### 4. MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### 5. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### 6. OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For SCA AND ASSOCIATES  
Chartered Accountants  
FRN 101174W



Shivratna Agarwal  
Partner  
Membership No. 104180  
UDIN: 20104180AAAADV4259  
June 26 2020  
Mumbai.





**MRF INTERNATIONAL LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2020**

(Rupees)

| Particulars               | Note | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---------------------------|------|------------------------|------------------------|
| <b>ASSETS</b>             |      |                        |                        |
| <b>Non-Current Assets</b> |      |                        |                        |
| Financial Assets          |      |                        |                        |
| Other Financial Assets    | 2    | 2,21,22,310            | 2,21,22,310            |
| <b>Current Assets</b>     |      |                        |                        |
| Financial Assets          |      |                        |                        |
| Cash and Cash Equivalents | 3    | 24,95,601              | 13,85,983              |
| Other Financial Assets    | 2    | 52,389                 | 53,910                 |
| Current Tax Assets (Net)  |      | 6,788                  | 8,256                  |
| <b>TOTAL ASSETS</b>       |      | <b>2,46,77,088</b>     | <b>2,35,70,459</b>     |

**EQUITY AND LIABILITIES**

**Equity**

|                      |      |                    |                    |
|----------------------|------|--------------------|--------------------|
| Equity Share Capital | SOCE | 56,25,000          | 56,25,000          |
| Other Equity         | SOCE | 1,90,04,888        | 1,79,21,859        |
| <b>TOTAL EQUITY</b>  |      | <b>2,46,29,888</b> | <b>2,35,46,859</b> |

**Liabilities**

**Current Liabilities**

|                               |   |               |               |
|-------------------------------|---|---------------|---------------|
| Other Current Liabilities     | 4 | 47,200        | 23,600        |
| Current Tax Liabilities (Net) |   |               |               |
| <b>TOTAL LIABILITIES</b>      |   | <b>47,200</b> | <b>23,600</b> |

|                                     |  |                    |                    |
|-------------------------------------|--|--------------------|--------------------|
| <b>TOTAL EQUITY AND LIABILITIES</b> |  | <b>2,46,77,088</b> | <b>2,35,70,459</b> |
|-------------------------------------|--|--------------------|--------------------|

Significant Accounting Policies

1

The Notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date

**For SCA AND ASSOCIATES**

Chartered Accountants

*(Signature)*



(Shivratan Agarwal)  
Partner

Place: Mumbai

Date: June 26, 2020

*(Signature)*

K.M.Mammen  
Director  
DIN: 00020202

*(Signature)*

Arun Mammen  
Director  
DIN: 00018558

**MRF INTERNATIONAL LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020**

|  | (Rupees)                    |                             |
|--|-----------------------------|-----------------------------|
| Particulars  | Year Ended<br>31 March 2020 | Year Ended<br>31 March 2019 |
| <b>INCOME</b>  |                             |                             |
| Revenue from Contract with Customers                               | -                           | -                           |
| Other Income - Interest Income                                     | 14,92,749                   | 14,23,809                   |
| <b>TOTAL INCOME</b>  | <b>14,92,749</b>            | <b>14,23,809</b>            |
| <b>EXPENSES</b>  |                             |                             |
| Other Expenses   |                             |                             |
| - Audit Fee  | 23,600                      | 24,200                      |
| - Filing Fees  | 1,200                       | 600                         |
| - Legal & Professional Charges                                     | 16,860                      | 5,000                       |
| - Other Expenses   | 649                         | 1,180                       |
| <b>TOTAL EXPENSES</b>  | <b>42,309</b>               | <b>30,980</b>               |
| <b>PROFIT / LOSS BEFORE TAX</b>                                    | <b>14,50,440</b>            | <b>13,92,829</b>            |
| <b>TAX EXPENSE</b>   |                             |                             |
| Current Tax  |                             |                             |
| - Current Tax relating to current reporting period                 | 3,67,411                    | 3,60,523                    |
| <b>TOTAL TAX EXPENSE</b>   | <b>3,67,411</b>             | <b>3,60,523</b>             |
| <b>PROFIT / LOSS FOR THE PERIOD</b>                                | <b>10,83,029</b>            | <b>10,32,306</b>            |
| <b>OTHER COMPREHENSIVE INCOME</b>                                  |                             |                             |
| - Items that will not be reclassified to Profit or Loss            | -                           | -                           |
| - Items that may be reclassified to Profit or Loss                 | -                           | -                           |
| <b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b> | <b>-</b>                    | <b>-</b>                    |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>                   | <b>10,83,029</b>            | <b>10,32,306</b>            |
| <b>EARNINGS PER EQUITY SHARE</b>                                   |                             |                             |
| Basic  | 1.93                        | 1.84                        |
| Diluted  | 1.93                        | 1.84                        |

Significant Accounting Policies

Note 1

The Notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

**For SCA AND ASSOCIATES**

Chartered Accountants

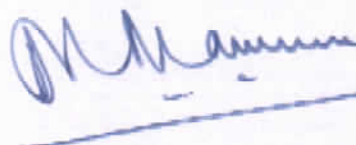


(Shivratn Agarwal)  
Partner

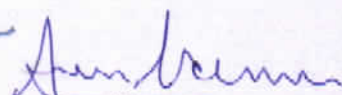
Place: Mumbai

Date: July 26, 2020





K.M. Mammen  
Director  
DIN: 00020202



Arun Mammen  
Director  
DIN: 00018558



**MRF INTERNATIONAL LIMITED**

**STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH 2020**

| A. EQUITY SHARE CAPITAL                          | Numbers | (Rupees)               |                        |
|--|---------|------------------------|------------------------|
|  |         | As at<br>31 March 2020 | As at<br>31 March 2019 |
| Authorised Share Capital                         | 1000000 | 1,00,00,000            | 1,00,00,000            |
| Issued Share Capital                             | 562500  | 56,25,000              | 56,25,000              |
| Subscribed Share Capital                         | 562500  | 56,25,000              | 56,25,000              |
| Fully Paid-up Share Capital                      | 562500  | 56,25,000              | 56,25,000              |
| Balance at the beginning of the year             | 562500  | 56,25,000              | 56,25,000              |
| Changes in equity share capital during the year: |         | -                      | -                      |
| Balance at the end of the reporting period       | 562500  | 56,25,000              | 56,25,000              |

**Rights, preferences and restrictions attaching to each class of shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

| Shares in the Company held by each shareholder holding more than five per cent shares | 31.03.2020 |        | 31.03.2019 |        |
|---|------------|--------|------------|--------|
|   | No.        | %      | No.        | %      |
| MRF Limited - (Holding Company)   | 5,32,470   | 94.66% | 5,32,470   | 94.66% |

| B. OTHER EQUITY  | (Rupees)                   |                   |             |
|--|----------------------------|-------------------|-------------|
|  | Capital Redemption Reserve | Retained Earnings | TOTAL       |
| Balance at the beginning of the comparative reporting period - 1st April 2018    | 43,75,000                  | 1,25,14,553       | 1,68,89,553 |
| Profit for the Comparative Period ending 31st March 2019                         |                            | 10,32,306         | 10,32,306   |
| Other Comprehensive Income for the Comparative Period ending 31st March 2019     |                            | -                 | -           |
| Total Comprehensive Income for the Comparative Period                            |                            | 10,32,306         | 10,32,306   |
| Balance at the end of the comparative reporting period ending 31st March 2019    | 43,75,000                  | 1,35,46,859       | 1,79,21,859 |
| Profit for the Current Reporting year ending 31st March 2020                     |                            | 10,83,029         | 10,83,029   |
| Other Comprehensive Income for the Current Reporting year ending 31st March 2020 |                            | -                 | -           |
| Total Comprehensive Income for the Comparative Period                            |                            | 10,83,029         | 10,83,029   |
| Balance at the end of the reporting year ending 31st March 2020                  | 43,75,000                  | 1,46,29,888       | 1,90,04,888 |

| Nature and Purpose of each component of equity | Nature and Purpose   |
|--|--|
| Capital Redemption Reserve                     | Capital Redemption Reserve represents statutory reserve created upon buyback of equity shares in the earlier years and shall not be reclassified to the Statement of Profit or Loss in the subsequent years. |

The Notes are an integral part of these Financial Statements

This is the Statement of Changes in Equity referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants

(Shivratan Agarwal)  
Partner

Place: Mumbai

Date: June 26, 2020



*K.M. Mammen*

K.M.Mammen  
Director  
DIN: 00020202

*Arun Mammen*

Arun Mammen  
Director  
DIN: 00018558

**MRF INTERNATIONAL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | Year Ended<br>31 March 2020 | Year Ended<br>31 March 2019 |
|--|-----------------------------|-----------------------------|
| <b>(Rupees)</b>  |                             |                             |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>        |                             |                             |
| NET PROFIT BEFORE TAX                                  | 14,50,440                   | 13,92,829                   |
| Adjustment for :                                       |                             |                             |
| Interest   | (14,92,749)                 | (14,23,809)                 |
| OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES | (42,309)                    | (30,980)                    |
| Increase / (decrease) in Trade & Other Payables        | 23,600                      | (23,000)                    |
| CASH GENERATED FROM OPERATIONS                         | (18,709)                    | (53,980)                    |
| Direct Taxes paid                                      | 3,65,943                    | 4,07,599                    |
| NET CASH FROM OPERATING ACTIVITIES                     | (3,84,652)                  | (4,61,579)                  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>          |                             |                             |
| Fixed Deposit made with Bank (Net)                     | -                           | (1,22,310)                  |
| Interest Income  | 14,94,270                   | 15,19,118                   |
|  | 14,94,270                   | 13,96,808                   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>          |                             |                             |
| Interest paid  | -                           | -                           |
| NET CASH FROM FINANCING ACTIVITIES                     | -                           | -                           |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS   | 11,09,618                   | 9,35,229                    |
| CASH AND CASH EQUIVALENTS AS AT 31.03.2019             | 13,85,983                   | 4,50,754                    |
| CASH AND CASH EQUIVALENTS AS AT 31.03.2020             | 24,95,601                   | 13,85,983                   |

Note: The above Cash Flow Statement has been prepared under the Indirect Method

This is the Cash Flow Statement referred to in our attached report of even date

For SCA AND ASSOCIATES

Chartered Accountants

*(Signature)*

(Shivratan Agarwal)

Partner

Place: Mumbai

Date: June 26/2020



*(Signature)*

K.M.Mammen

Director

DIN: 00020202

*(Signature)*

Arun Mammen

Director

DIN: 00018558



# MRF INTERNATIONAL LIMITED

## Notes to the Financial Statement as at 31st March 2020

### Note 2

#### Other Financial Assets

| Particulars                                     | Non-Current            |                        | Current                   |                        |
|---|------------------------|------------------------|---------------------------|------------------------|
|   | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>31 March<br>2020 | As at<br>31 March 2019 |
| Bank deposits with more than 12 months maturity | 2,21,22,310            | 2,21,22,310            | -                         | -                      |
| Interest accrued on Bank Deposits               | -                      | -                      | 52,389                    | 53,910                 |
| <b>Total</b>                                    | <b>2,21,22,310</b>     | <b>2,21,22,310</b>     | <b>52,389</b>             | <b>53,910</b>          |

### Note 3

#### Cash and Cash Equivalents

| Particulars         | As at<br>31 March<br>2020 | As at<br>31 March 2019 |
|---------------------|---------------------------|------------------------|
| Balances with Banks | 24,95,601                 | 13,85,983              |
| <b>Total</b>        | <b>24,95,601</b>          | <b>13,85,983</b>       |

### Note 4

#### Other Liabilities

| Particulars      | Non-Current            |                        | Current                   |                        |
|------------------|------------------------|------------------------|---------------------------|------------------------|
|                  | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>31 March<br>2020 | As at<br>31 March 2019 |
| Expenses payable | -                      | -                      | 47,200                    | 23,600                 |
| <b>Total</b>     | <b>-</b>               | <b>-</b>               | <b>47,200</b>             | <b>23,600</b>          |



*[Signature]*

*[Signature]*

# MRF INTERNATIONAL LIMITED

## Notes to the Financial Statement as at 31st March 2020

### Note - 5 - Earning per Share

|   | Current Year<br>Rs. | Previous Year<br>Rs. |
|---|---------------------|----------------------|
| Profit for the year   | 10,83,029           | 10,32,306            |
| Number of Equity Shares<br>Outstanding as at the end of the year<br>(paid up value of Rs. 10/-) | 5,62,500            | 5,62,500             |
| Basic & diluted EPS   | Rs. 1.93            | 1.84                 |

### Note - 6 - Operating Segment

The company is mainly engaged in the export of traded goods which constitutes one single primary segment. As there are no exports during the year, no segment information is considered necessary.

### Note 7 - Disclosure of Related Parties:

| Name of the related party | Nature of relationship |
|---------------------------|------------------------|
| MRF Limited               | Holding Company        |
| MRF Corp Ltd              | Fellow subsidiary      |
| MRF (Lanka) Pvt Ltd       | Fellow subsidiary      |
| MRF SG Pte. Ltd.          | Fellow subsidiary      |

The company has not entered into any related party transactions during the year.

### Note - 8 - Risk Management

- Capital Management** - Capital Management includes issued equity capital. The primary objective of the company's capital management is to maximise shareholder value. To maintain the capital structure the company may adjust dividend payments to its shareholders.
- Credit Risk** - Credit Risk from balances with banks and other financial assets is managed in accordance with the Company's policy. Investment of surplus funds are made only with Public Sector Banks to minimise risk.

### Note - 9

Previous year's Figures have been regrouped/ rearranged, wherever necessary.

### For SCA AND ASSOCIATES

Chartered Accountants

*Shivratn Agarwal*

(Shivratn Agarwal)

Partner

Place: Mumbai

Date: June 26, 2020



*K.M. Mammen*

K.M. Mammen

Director

DIN: 00020202

*Arun Mammen*

Arun Mammen

Director

DIN: 00018558