



INDEPENDENT AUDITOR'S REPORT

To the Members **MRF CORP LIMITED, CHENNAI.**

Report on the Ind AS Financial Statements:

We have audited the annexed Ind AS Financial Statements of **MRF CORP LIMITED** ('The Company') which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred as "IndAS Financial statements").

Management's Responsibility for the Financial Statements:

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian accounting standards (Ind AS) specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the IndAS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IndAS:

- i) Of the financial position of the Company as at 31st March, 2017.
- ii) Its financial performance including other comprehensive income.
- iii) Its cash flows and changes in equity for the year ended on that date.

I) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 purpose 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, cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the IndAS Financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to other matters to be included in the Auditors' Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i) The company has disclosed the impact of pending litigation on its financial position in its financial statements-Refer note No.8 to the Ind AS financial statements.
 - ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
 - iii) There has been no delay in transferring the amounts, required to be transferred to Investor Education & Protection Fund by the company; and
 - iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No.3 to the Ind AS financial statements.

For S.G.KESHAVAMURTHY & CO.
Chartered Accountants
Firm's registration number: 0017795

Place: Chennai
Date: 04.05.2017

S K Nagachandra
Partner
Membership Number: 022961



Annexure to the Independent Auditors' Report:

The Annexure referred to in our Independent Auditor's report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

1.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) The title deed in respect of immovable property is held in the name of the company.
2. As explained to us, physical verification of inventories has been conducted by management at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories by the management as compared to inventory records. However the discrepancies noticed on such verification have been properly dealt in the books of account by the management.
3. As explained to us no party has been listed in the Register maintained under section 189 of The Companies Act, 2013; The Company has not granted/taken any loans secured or unsecured to/from companies/firms/LLP or other parties covered in the register maintained under section 189 of the companies Act 2013.
4. The Company has not granted any loans or provided any guarantee and security to persons specified under section 185 of the Companies Act 2013. The investments made by the company are in conformity with the provisions of section 186 of the companies Act 2013.
5. The company has not accepted any deposits from the public.
6. The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act. We have broadly reviewed the accounts & records of the company in this regard and we are of the opinion that accounts and records have been made and maintained. We have however not made a detailed examination of the same.

7.

(a) As informed to us there are no undisputed amounts payable in respect of Provident Fund, ESI, Income Tax, Sales tax, , Service tax ,duty of custom, duty of excise, Value Added Tax, cess and other statutory dues which were outstanding as at 31 March 2017 for a period of more than six months from the date on which the same became payable.

(b) There is a disputed liability of Rs. 45.47 lakhs towards Income Tax for the Assessment Years 2012-13 & 2013-14 and the appeals are pending before the first appellate authority viz., Commissioner of Income Tax (Appeals)-Chennai.

8. The Company has not defaulted the repayment of its dues to financial institution, Bank, Government or Debenture holders.
9. The company did not raise any money by way of Initial Public offer or further Public Offer and the company has not taken any term loans.
10. On the basis of our examination and according to the information and explanations given to us no fraud on or by the company has been noticed or reported during the year.
11. The company has not paid or provided any remuneration as per the provisions of section 197 of the Companies Act.
12. The company is not a Nidhi Company.
13. The company has transactions with its Holding company and the details of the same are shown in notes forming part of the financial statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.

16. The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For S.G.KESHAVAMURTHY & CO.
Chartered Accountants
Firm's registration number: 001779S

Place: Chennai
Date: 04.05.2017

S K Nagachandra
Partner
Membership Number: 022961

MRF Corp Limited				
Balance Sheet as at 31 March 2017				
(Rs.)				
Particulars	Note Reference	31.03.2017	31.03.2016	01.04.2015
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	1	120246234	112791792	57814830
(b) Capital Work-in-Progress	1	145923	-	-
(c) Other Intangible Assets	2	1	154420	308840
(d) Financial Assets				
(i) Investments	3	4687105	3685141	3420950
(ii) Loans	4	1893800	2487100	2429775
(iii) Others financial assets	5	-	341399	341399
(e) Other non-current assets	6	2071149	188487	227914
(2) Current Assets				
(a) Inventories	7	319600074	239143554	247706995
(b) Financial Assets				
(i) Investments	3	89347349	117924478	102664235
(ii) Trade Receivables	8	83093844	62165025	62271254
(iii) Cash and cash Equivalents	9	60711854	38004013	52408867
(iv) Others financial assets	5	614000	-	-
(c) Other current assets	6	35203217	16333678	12184767
TOTAL ASSETS		717614550	593219087	541779826
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	SOCE	501000	501000	501000
(b) Retained Earnings	SOCE			
(c) Other Equity	SOCE	449624146	350776896	278183762
Total Equity		450125146	351277896	278684762
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	10	-	67231530	107927841
(b) Deferred Tax Liabilities (Net)	11	8323419	6078303	4632074
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	12	175154895	109799850	118076328
(ii) Other Financial Liabilities	13	15868671	15195973	3355003
(b) Other Current Liabilities	14	52415318	30714736	26173590
(c) Provisions	15	7367903	5934591	-
(d) Current Tax Liabilities (Net)	16	8359198	6986208	2930228
Total Liabilities		267489404	241941191	263095064
TOTAL EQUITY AND LIABILITIES		717614550	593219087	541779826
This is the Balance Sheet referred to in our report of even date.				
For S.G.KESHAVAMURTHY & Co., Chartered Accountants,				
S.K.NAGACHANDRA Partner Membership No:22961	K.M.MAMMEN Director DIN:00020202	ARUN MAMMEN Director DIN:00018558		
Place : Chennai Dated: 04/05/2017				

MRF Corp Limited			
Statement of Profit and Loss for the period ended 31 March 2017			
			(Rs.)
Particulars	Note Reference	31.03.2017	31.03.2016
I INCOME			
(1) Revenue from Operations	17	1733506685	1581504230
(2) Other Income	18	15676523	13852425
TOTAL INCOME		1749183208	1595356655
II EXPENSES			
(1) Cost of materials consumed	19	920223794	815428779
(2) Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(58603680)	6873441
(3) Employee Benefit expenses	21	141815371	121281006
(4) Finance Costs	22	6328092	9313770
(5) Depreciation and Amortisation expenses	1, 2	9079040	8399757
(6) Excise Duty		198018378	182831006
(7) Other Expenses	23	371161891	331239879
TOTAL EXPENSES		1588022886	1475367638
PROFIT / LOSS BEFORE TAX		161160322	119989017
III TAX EXPENSE			
(1) Current Tax	24	55000000	45700000
(2) Deferred Tax	24	(1147662)	1166680
(3) Deferred Tax- Ind AS Adjustments-2016-17 P&L	24	3392778	-
TOTAL TAX EXPENSE		57245116	46866680
PROFIT / LOSS FOR THE PERIOD		103915206	73122337
IV OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurements of Defined benefit plans	25	(3865606)	952696
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD		(3865606)	952696
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		100049600	74075033
V EARNINGS PER EQUITY SHARE			
(a) Basic		1997	1479
(b) Diluted		1997	1479
This is the Statement of Profit & Loss referred to in our report of even date.			
For S.G.KESHAVAMURTHY & Co., Chartered Accountants,			
S.K.NAGACHANDRA Partner Membership No:22961	K.M.MAMMEN Director DIN:00020202	ARUN MAMMEN Director DIN:00018558	
Place : Chennai Dated: 04/05/2017			

MRF CORP LIMITED

Cash Flow Statement for the year ended 31st March 2017

	Year 2016-17		Year 2015-16	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation and Exceptional items	157294716		120941713	
Adjustments for:				
Depreciation	9079040		8399757	
Operating Profit before Working Capital Changes		166373756		129341470
Adjustments for changes in Working Capital:				
Trade receivables	(20928819)		106229	
Inventories	(80456520)		8563441	
Prepaid expenses & accrued interest	(1735083)		(30225)	
Other Current Assets including financial assets	(19289719)		(4079259)	
Loans & advances	593300		(57325)	
Trade Payable	65355045		(8276478)	
Other Current Liabilities including financial liabilities	23806592		22316707	
		(32655204)		18543090
CASH GENERATED FROM OPERATIONS		133718552		147884560
Direct Taxes paid	(53627010)		(41644020)	
		(53627010)		(41644020)
NET CASH FROM OPERATING ACTIVITIES		80091542		106240540
(B) CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase)/Sale of Investment	25905900		(10000000)	
Investment (Fair Value Impact-IND AS)	1669265		(5524434)	
Purchase of/additions to Fixed Assets	(16524986)		(63222299)	
NET CASH FROM INVESTING ACTIVITIES		11050179		(78746733)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Dividend & Corporate Dividend Tax paid	(1202350)		(1202350)	
Repayment of Loan (MRF Ltd)	(73558787)		(50000000)	
MRF Loan (Fair Value Impact-IND AS)	6327257		9303689	
NET CASH FROM FINANCING ACTIVITIES		(68433880)		(41898661)
NET DECREASE/INCREASE IN CASH (A+B+C)		22707841		(14404854)
Opening balance of Cash & Cash Equivalents		38004013		52408867
Closing balance of Cash & Cash Equivalents		60711854		38004013

This is the Cash Flow Statement referred to in our report of even date.
For S.G.KESHAVAMURTHY & Co.,
Chartered Accountants,

S.K.NAGACHANDRA
Partner
Membership No:22961

K.M.MAMMEN
Director
DIN: 00020202

ARUN MAMMEN
Director
DIN: 00018558

Place :Chennai
Dated:04/05/2017

MRF Corp Limited

Background and Significant Accounting Policies

1) Background:

MRF Corp Limited is a company limited by shares, incorporated and domiciled in India. The company is engaged in manufacturing of paints and thinners. The company operates through a network of exclusive and non-exclusive dealers.

2) Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for MRF Corp Limited (the 'Company').

2.1 BASIS OF PREPARATION:

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. **Refer note.7** for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical cost convention

(a) The financial statements have been prepared on a historical cost basis, except for the following:

- (i) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- (ii) assets held for sale – measured at fair value less cost to sell;
- (iii) defined benefit plans – plan assets measured at fair value;

2.2 USE OF ESTIMATES:

The preparation of financial statements require estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Difference between the actual results and estimates are recognised in the period in which the results are known or materialise.

MRF Corp Limited

Background and Significant Accounting Policies

2.3 SEGMENT REPORTING:

The Company operates mainly in one business segment, i.e. Paints; accordingly sales and stock in trade represent paints.

2.4 FOREIGN CURRENCY TRANSACTIONS:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction.

Monetary items, denominated in foreign currencies at the yearend are re-stated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the yearend rate and the contracted rate is recognized as exchange difference. Premium paid on forward contracts has been recognized over the life of the contract. Non-monetary foreign currency items are carried at cost.

2.5 REVENUE RECOGNITION:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Sale of goods and services are recognised when risks and rewards of ownership are passed on to the customers which generally coincide with delivery and when the services are rendered.

2.6 INCOME TAX:

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of the Income Tax Act. 1961.

Tax adjustments are also made for deferred tax impact on account of differences between Indian GAAP and Ind AS after taking into account, deductible and taxable temporary differences.

2.7 EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods dispatched and also provision made for goods lying in bonded warehouses.

2.8 RESEARCH AND DEVELOPMENT:

Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss, the year in which it is incurred. Capital expenditure on Research and Development is included as additions to Fixed Assets.

MRF Corp Limited

Background and Significant Accounting Policies

2.9 DIVIDEND:

Under Ind AS, dividend to equity shareholders is recognized as liability in the period in which obligation to pay is established. In Indian GAAP, dividend payable is recorded as liability in the period to which it relates.

2.10 EMPLOYEE BENEFITS:

The Company's contribution to the Provident Fund is remitted to a Trust established for this purpose based on fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss. The company is liable for annual contributions and any shortfall in the fund assets, based on the Government specified minimum rate of return, and recognises such contributions and shortfall, if any, as an expense in the year incurred. The Company also contributes to Regional Provident Fund on behalf of some of its employees who are not part of the above Trust and such contributions are charged to the Statement of Profit and Loss.

The Company also contributes to a Government administered Pension Fund on behalf of its employees, which are charged to the Statement of Profit and Loss.

In Indian GAAP, actuarial gains and losses are recognized in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized as Other comprehensive Income in Profit & loss.

2.11 LEASES:

Lease payments under operating leases are recognised as expenses on straight line basis over the lease term in accordance with the period specified in respective agreements.

2.12 IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2.13 CASH AND CASH EQUIVALENTS:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 INVENTORY:

Inventory consisting of stores & spares, raw material, work-in-progress and finished goods are valued at lower of cost and net realisable value.

The cost is computed on FIFO basis and is net of credit under Cenvat / VAT schemes.

Work-in-Progress and Finished Goods inventory include materials, labour cost and other related overheads.

2.15 INVESTMENTS:

In Indian GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less Diminution in value. Under Ind AS, investment in debt securities have been measured at fair value with changes in fair value accounted in other comprehensive income. All other investments other than Debt securities have been measured at fair value to profit and loss.

2.16 PROPERTY, PLANT AND EQUIPMENT:

- a. Fixed Assets are stated at cost net of credits under Cenvat/VAT Schemes. All costs relating to the acquisition including freight and installation of Fixed Assets are capitalised.
 - b. Plant, Equipment and property valued at cost less Depreciation as per earlier Indian GAAP. Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (Book value) as deemed cost.
 - c. Depreciation:
 - i) Effective 1st April 2014, depreciation on Buildings has been provided on straight line method as specified in Schedule II to the Companies Act, 2013.
 - ii) The estimate of the useful life of other class of assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.
 - (iii) Assets acquired/purchased costing less than Rupees five thousand have been depreciated at the rate of 100%.
 - (iv) Intangible Assets are amortised over 5 years commencing from the year in which the expenditure is incurred.
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MRF Corp Limited

Background and Significant Accounting Policies

2.17 BORROWING COSTS:

Borrowing Costs that are attributable to the acquisition of or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit and loss.

2.18 PROVISIONS AND CONTINGENT LIABILITIES:

A provision is recognised when there is a present obligation as a result of a past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent Liability is disclosed for

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligations or reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial (subject to fair valuation assets as required by Ind AS) since this may result in the recognition of income that may never be realised.

3. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs):

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBN's and other notes as per the notification is given below:

Particulars	SBN's	other denomination Notes	Total
Closing cash in hand as on Nov 8, 2016	- 67,500	46,213	1,13,713
Add: Permitted receipts	-	2,63,000	2,63,000
Less: Permitted Payments	-	2,51,599	2,51,599
Amount deposited in Banks	- <u>67,500</u>	---	<u>67,500</u>
Closing cash in hand as on Dec 30,2016	- ---	57,614	57,614

MRF Corp Limited

Background and Significant Accounting Policies

4. NOTE - OTHER ADDITIONAL INFORMATION.

a) The Company has adopted as per IndAS 12 "Income Taxes"; and the net deferred tax liability amounting to Rs.83,23,419/- pertaining to the current year has been recognized.

	<u>Current Year</u> <u>31/03/2017</u> (Rs.)	<u>Year ended</u> <u>31/03/2016</u> (Rs.)
Liability:		
Taxable Temporary Difference:		
Property, Plant, Equipment & Intangible	85,02,011	66,47,306
Asset:		
Deductible Temporary Difference:		
Expenses allowable on payment basis	1,76,677	5,69,003
Intangible Assets	1,915	---
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Net Deferred Tax Liability	83,23,419	60,78,303
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5. RELATED PARTY DISCLOSURES:

(i) Names of related parties and nature of relationship where control exists are as under:

Holding Company: **MRF Limited**

(ii) Transactions with related parties:

<u>Nature of transactions</u>	<u>Current Year</u> <u>31/03/2017</u> (Rs.)	<u>Year ended</u> <u>31/03/2016</u> (Rs.)
Sale of Finished Goods (Paints & Thinners)	2,96,50,608	1,97,84,214
Dividend paid	10,02,000	10,02,000
Lease Rent paid	13,27,200	13,09,581
Expenditure reimbursed	3,36,363	25,57,973
Deposit repaid	---	2,00,000
Loan repaid	7,35,58,787	5,00,00,000
<u>Outstanding:</u>		
Loan Payable	---	7,35,58,787
Trade Receivable	28,51,859	32,69,699
Other Payable	---	59,34,591

MRF Corp Limited

Background and Significant Accounting Policies

6. EMPLOYEE BENEFITS:

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	<u>Current Year</u> <u>31/03/2017</u> (Rs.)	<u>Year ended</u> <u>31/03/2016</u> (Rs)
i) Employer's contribution to Provident Fund & Family Pension Fund	53,84,320	47,16,235
ii) Employer's contribution to Superannuation Fund * *(Included in 'Contribution to Provident and Other Funds')	21,73,940	19,79,713
iii) Defined benefit obligation:		
a) Gratuity Funded	35,02,297	68,87,287
Service Cost	-	-
Interest Cost	-	-
Expected return of plan assets	-	-
Actuarial (Gain)/Loss	-	-
Net Cost	35,02,297	68,87,287
iv) Other Long Term Employee Benefits:		
a) Leave encashment – Non Funded	58,54,585	53,44,075

7. IMPACT OF IND AS:

Reconciliation to the effect of Transition to Ind AS from IGAAP in accordance with Ind AS 101 is attached separately.

8. Contingent liability not provided for:

- (i) Income Tax demand for AY 2012-13 Rs. 35,89,880/-
- (ii) Income Tax demand for AY 2013-14 Rs. 9,57,840/-

9. The Previous year figures have been regrouped wherever necessary to make them comparable with current year figures.

MRF Corp Limited

Background and Significant Accounting Policies

Vide our Report of even date
For S.G.KESHAVAMURTHY & Co.,
Chartered Accountants

S.K.NAGACHANDRA
Partner
Membership No:22961

K.M.MAMMEN
Director
DIN:00020202

ARUN MAMMEN
Director
DIN:00018558

Place:Chennai
Dated:

Reconciliation of Statement of Profit & Loss as previously reported under IGAAP to Ind AS

	IGAAP	Ind As	IGAAP	Effect of • Reclassification in IGAAP	IGAAP After Reclassification	Effects of Transition to Ind-AS	IND AS
Particulars	Note No	Note No	For the year ended 31 March 2016				For the year ended 31 March 2016
Revenue from Operations (Net)	19	17	1451324521	130179709	1581504230		1581504230
Other Income	20	18	8327991		8327991	5524434	13852425
			1459652512		1589832221		1595356655
Expenses:							
(a) Cost of materials consumed	21	19	815428779		815428779		815428779
(b) Changes in inventory of finished goods, work-in-progress and stock in trade	22	20	6873441		6873441		6873441
(c) Employee benefits expense	23	22	120328310		120328310	952696	121281006
(d) Finance cost	24		602214	-592133	10081	9303689	9313770
(e) Depreciation and amortization expense	9	1, 2	8399757		8399757		8399757
(f) Other expenses	25	23	383299043	-52059164	331239879		331239879
(g) Excise Duty				182831006	182831006		182831006
			1334931544		1465111253		1475367638
Profit before exceptional/extraordinary items and tax			124720968		124720968		119989017
Tax expense							
(a) Current tax		24	45700000		45700000		45700000
(b) Deferred Tax		24	1166680		1166680		1166680
Profit / (Loss) for the year			77854288		77854288		73122337
IV OTHER COMPREHENSIVE INCOME							
A (i) Items that will not be reclassified to Profit or Loss							
(a) Remeasurements of Defined benefit plans						952696	952696
			77854288		77854288		74075033

Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS

	IGAAP	Ind As	IGAAP	Effect of Reclassification in IGAAP	IGAAP After Reclassification	Effects of Transition to Ind-AS	IND AS	IGAAP	Effect of Reclassification in IGAAP	IGAAP After Reclassification	Effects of Transition to Ind-AS	IND AS
Particulars	Note No	Note No	As at 31 March 2016				As at 31 March 2016	As at 31 March 2015				As at 31 March 2015
(1) Non-current assets:												
(a) Fixed Assets												
(i) Tangible Assets	9	1	112791792		112791792		112791792	57814830		57814830		57814830
(ii) Intangible Assets	9	2	154420		154420		154420	308840		308840		308840
(b) Non-current investments	10	3	88829		88829	3596312	3685141	88829		88829	3332121	3420950
(c) Deferred Tax Assets (Net)	5		---		---		0	19018		19018	-19018	0
(d) Long Term Loans and Advances	11	4	2532527	-45427	2487100		2487100	4266444	-1836669	2429775		2429775
Other Financial Assets		5		341399	341399		341399		341399	341399		341399
(e) Other Non-Current Assets	12	6	529886	-341399	188487		188487	448886	-220972	227914		227914
(2) Current assets:												
(a) Current Investments	13	3	105905900		105905900	12018578	117924478	95905900		95905900	6758335	102664235
(b) Inventories	14	7	239143554		239143554		239143554	247706995		247706995		247706995
(c) Trade Receivables	15	8	62165025		62165025		62165025	62271254		62271254		62271254
(d) Cash and Cash Equivalents	16	9	38004013		38004013		38004013	52408867		52408867		52408867
(e) Short Term Loans and Advances	17		15046417	-15046417	0		0	9256917	-9256917	0		0
(f) Other Current Assets	18	6	1241833	15091845	16333678		16333678	1211608	10973159	12184767		12184767
TOTAL			577604196	1	577604197	15614890	593219087	531708388	0	531708388	10071438	541779826
(1) Shareholder's Funds:												
(a) Share Capital	2	SOCE	501000		501000		501000	501000		501000		501000
(b) Reserves and Surplus	3	SOCE	332563040	1202350	333765390	17011506	350776896	255911102	1202350	257113452	21070310	278183762
(c) Dividend												
(2) Non-Current Liabilities:												
(a) Long Term Borrowings	4	10	73558787		73558787	-8327257	67231530	123558787		123558787	-15630946	107927841
(b) Deferred Tax Liabilities (Net)	5	11	1147662		1147662	4930641	6078303	-		0	4632074	4632074
(3) Current Liabilities:												
(a) Trade Payables	6	12	110390365	-590515	109799850		109799850	113336802	4739526	118076328		118076328
(b) Other Current Liabilities	7	14	45910709	-15195973	30714736		30714736	29528591	-3355001	26173590		26173590
(c) Short Term Provisions	8	13	13532633	1663340	15195973		15195973	8872106	-5517103	3355003		3355003
(c) Provisions		15		5934591	5934591		5934591		2930228	2930228		2930228
(c) Current Tax Liabilities (Net)		16		6986208	6986208		6986208					
TOTAL			577604196	1	577604197	15614890	593219087	531708388	0	531708388	10071438	541779826

MRF Corp Limited**Statement of Changes in Equity for the period ended 31 March 2017**

(Rs.)

A. EQUITY SHARE CAPITAL	Note Reference	31.03.2017		31.03.2016		01.04.2015	
		No.	Amount	No.	Amount	No.	Amount
Authorised Share Capital		50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued Share Capital		50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Subscribed Share Capital		50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Fully Paid-up Share Capital		50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Subscribed but not fully paid-up							
Balance at the beginning of the year		50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Balance at the end of the reporting period		50,100	5,01,000	50,100	5,01,000	50,100	5,01,000

Shares held by Holding, Ultimate Holding, Subsidiaries and Associates of Holding, Subsidiaries and Associates of Ultimate Holding	31.03.2017		31.03.2016		01.04.2015	
	No.	Amount	No.	Amount	No.	Amount
Shares held by holding company	50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Total	50,100	5,01,000	50,100	5,01,000	50,100	5,01,000

Shares in the Company held by each shareholder holding more than five per cent shares	31.03.2017		31.03.2016		01.04.2015	
	No.	Amount	No.	Amount	No.	Amount
Entire capital is held by MRF Limited (100%) - Holding Company	50,100	5,01,000	50,100	5,01,000	50,100	5,01,000
Total	50,100	5,01,000	50,100	5,01,000	50,100	5,01,000

(Rs.)

B. OTHER EQUITY	Note Reference	Reserves and Surplus		TOTAL
		General Reserve	Retained Earnings	
Balance at the beginning of the comparative reporting period-01/04/2015		29313726	227799726	257113452
Changes in Accounting Policy or Correction of Prior Period Errors		-	21070310	21070310
Restated balance at the beginning of the comparative reporting period		29313726	248870036	278183762
Profit for the Comparative Period		-	73122337	73122337
Other Comprehensive Income for the Comparative Period		-	952696	952696
Total Comprehensive Income for the Comparative Period		-	74075033	74075033
Transactions with owners in their capacity as owners:				
- Dividends (Dividend per share Rs. 20/-)		-	(1202350)	(1202350)
Transfer to General Reserve		-	(12472097)	(12472097)
Transfer from Retained Earnings		12472097		12472097
Changes in Accounting Policy or Correction of Prior Period Errors-15-16		-	(279549)	(279549)
Balance at the end of the comparative reporting period		41785823	308991073	350776896
Profit for the Current Reporting Period		-	103915206	103915206
Other Comprehensive Income for the Current Reporting Period		-	(3865606)	(3865606)
Total Comprehensive Income for the Comparative Period		-	100049600	100049600
Transactions with owners in their capacity as owners:				
- Dividends (Dividend per share Rs. 20/-)		-	(1202350)	(1202350)
Transfer to General Reserve		-	-	-
Transfer from Retained Earnings		-	-	-
Balance at the end of the reporting period		41785823	407838323	449624146

Note 1
Property, Plant and Equipment

(Rs)

Particulars	Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Other Assets	Total
	Owned	Owned	Owned	Owned	Owned	Owned	Owned	Owned	
Gross Block:									
At cost or fair value as at 01.04.2015	-	2138829	37550265	1889382	10021186	2970267	2054356	19803822	76428107
Additions	22169015	261044	34044479	450643	1517001	-	805848	3974269	63222299
At cost or fair value as at 31.03.2016	22169015	2399873	71594744	2340025	11538187	2970267	2860204	23778091	139650406
Additions	-	191022	11935446	700121	427026	1088311	139260	1897877	16379063
At cost or fair value as at 31.03.2017	22169015	2590895	83530190	3040146	11965213	4058578	2999464	25675968	156029469
Depreciation Block:									
As at 01.04.2015	-	233069	5120835	743972	6351146	1326758	1115336	3722161	18613277
Depreciation for the period		68556	2190756	374558	2062681	546062	654488	2348236	8245337
Accumulated depreciation and impairment as at 31.03.2016	-	301625	7311591	1118530	8413827	1872820	1769824	6070397	26858614
Depreciation for the year		78673	3485779	483329	1104985	495836	581775	2694244	8924621
Accumulated depreciation and impairment as at the 31.03.2017	-	380298	10797370	1601859	9518812	2368656	2351599	8764641	35783235
Net Block:									
As at 01.04.2015	-	1905760	32429430	1145410	3670040	1643509	939020	16081661	57814830
As at 31.03.2016	22169015	2098248	64283153	1221495	3124360	1097447	1090380	17707694	112791792
As at 31.03.2017	22169015	2210597	72732820	1438287	2446401	1689922	647865	16911327	120246234
Capital Work-in-Progress:									
As at 01.04.2015	-	-	-	-	-	-	-	-	-
As at 31.03.2016	-	-	-	-	-	-	-	-	-
As at 31.03.2017	-	-	145923	-	-	-	-	-	145923

Note 2

Other Intangible Assets

(Rs)

Particulars	Computer software	Total
Gross Block:		
At cost or fair value as at 01.04.2015	772100	772100
At cost or fair value as at 31.03.2016	772100	772100
<i>At cost or fair value as at 31.03.2017</i>	772100	772100
Amortisation Block:		
<i>As at 01.04.2015</i>	463260	463260
Amortisation for the period	154420	154420
<i>Accumulated amortisation and impairment as at 31.03.2016</i>	617680	617680
Amortisation for the year	154419	154419
<i>Accumulated Amortisation and impairment as at the 31.03.2017</i>	772099	772099
Net Block:		
As at 01.04.2015	308840	308840
As at 31.03.2016	154420	154420
<i>As at 31.03.2017</i>	1	1
Intangible Assets under Development		
As at 01.04.2015	-	-
As at 31.03.2016	-	-
As at 31.03.2017	-	-

Note 3

Financial Assets - Non-Current Investments

Name of the Body Corporate	Subsidiaries / Associates / Joint Ventures / Structured Entities / Others	No. of Shares and Face Value of Shares						Quoted / Unquoted	Partly Paid / Fully paid	Amount (Rs)			Measured as at Cost / Amortised Cost / FVOCI / FVPL	Impairment loss
		31.03.2017		31.03.2016		01.04.2015				31.03.2017	31.03.2016	01.04.2015		
		Nos.	Face Value	Nos.	Face Value	Nos.	Face Value							
Investments in Equity Instruments														
'Akzo Nobel India Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	2688	2688	2688	Not Applicable	
'Asian Paints Ltd'	Others	3840	1	3840	1	3840	1	Quoted	Fully paid	12742	12742	12742		
'Bakelite Hylam Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	2912	2912	2912		
'Baroda Rayon Corporation Ltd'	Others	5	10	5	10	5	10	Quoted	Fully paid	2875	2875	2875		
'Bayer CropScience Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	4175	4175	4175		
'Camphor & Allied Products Ltd'	Others	70	10	70	10	70	10	Quoted	Fully paid	4175	4175	4175		
'Century Enka Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	13500	13500	13500		
'Forbes & Co Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	12250	12250	12250		
'Gujarat Carbon & Industries Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	2787	2787	2787		
'J K Synthetics Ltd'	Others	15	10	15	10	15	10	Quoted	Fully paid	5050	5050	5050		
'Nirion Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	1088	1088	1088		
'NOCIL'	Others	100	10	100	10	100	10	Quoted	Fully paid	6825	6825	6825		
'Phillips Carbon Black Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	1775	1775	1775		
'SRF Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	1725	1725	1725		
'Synthetics & Chemicals Ltd'	Others	50	10	50	10	50	10	Quoted	Fully paid	2562	2562	2562		
'Tata Steel Ltd'	Others	20	10	20	10	20	10	Quoted	Fully paid	11700	11700	11700		
Total										88829	88829	88829		
Equity Investment - Ind AS	Others									4598276	3596312	3332121		
Total (Including Fair value)										4687105	3685141	3420950	FVPL	

Note 3

Financial Assets - Current Investments

Name of the Body Corporate	Subsidiaries / Associates / Joint Ventures / Structured Entities / Others	No. of Units and Face Value						Quoted / Unquoted	Partly Paid / Fully paid	Amount (Rs)			Measured at Cost / Amortised Cost / FVOCI / FVPL	Impairment loss
		31.03.2017		31.03.2016		01.04.2015				31.03.2017	31.03.2016	01.04.2015		
		Units.	Face Value	Units.	Face Value	Units.	Face Value							
Investments in Mutual Funds														
							Quoted		-	-	10000000			
							Quoted		-	-	12500000			
							Quoted		-	-	10000000			
							Quoted		-	-	17500000			
							Quoted		-	-	10000000			
							Quoted		5000000	20000000	15000000			
							Quoted		-	30905900	10905900			
							Quoted		10000000	10000000	10000000			
							Quoted		-	10000000	-			
							Quoted		15000000	15000000	-			
							Quoted		-	15000000	-			
							Quoted		-	5000000	-			
							Quoted		15000000	-	-			
							Quoted		10000000	-	-			
							Quoted		5000000	-	-			
							Quoted		20000000	-	-			
									80000000	105905900	95905900			
									9347349	12018578	6758335			
									89347349	117924478	102664235	FVPL		
Total (including Fair value)														

Not Applicable

Note 4**Loans**

(Rs)

Loans	Non-Current			Current		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Loans to Employees:						
Secured, considered good	1893800	2487100	2429775	-	-	-
Total	1893800	2487100	2429775	-	-	-

Note 5**Other Financial Assets**

(Rs)

Particulars	Non-Current			Current		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Bank deposits with more than 12 months maturity	-	341399	341399	-	-	-
Deferred Staff Cost - IND AS	-	-	-	614000	-	-
Total	-	341399	341399	614000	-	-

Note 6**Other Assets (Non-Current / Current)**

(Rs)

Other Assets	Non-Current			Current		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
(i) Capital Advances	1860662	-	120427	1920662	-	149868
(ii) Advances other than capital advances:						
Security Deposits(Electricity & Others)	210487	188487	107487	-	-	-
(iii) Others						
(i) Advances - Sales Tax	-	-	-	2145398	1409642	2033380
(ii) Advance with Excise Authorities	-	-	-	20676981	2045557	1102359
(iii) Advances - Employees	-	-	-	299154	561985	490719
(iv) Advances - Raw materials	-	-	-	994658	3480763	359014
(v) Advances - Rent	-	-	-	5876700	6001700	5542827
(vi) Prepaid Insurance	-	-	-	2976916	1241833	1211608
(vii) Other Advances	-	-	-	312748	1592198	1294992
Total	2071149	188487	227914	35203217	16333678	12184767

Note 7**Inventories****(Rs)**

Particulars	31.03.2017	31.03.2016	01.04.2015
(i) Raw materials - in possession	102094674	79337326	82385525
(ii) Work-in-progress	5737418	1885475	2640388
(iii) Finished goods - in possession	191142583	140148524	157687051
(iv) Stock-in-trade (in respect of goods acquired for trading) - in possession	18673445	14915767	3495767
(v) Stores and spares - in possession	66002	78272	105132
(vi) Production consumables - in possession	1510265	2151592	1092874
(vii) Fuel - in possession	269995	499260	203622
(viii) Engineering consumables - in possession	105692	127338	96636
Total	319600074	239143554	247706995

Note 8**Trade Receivables****(Rs)**

Particulars	31.03.2017	31.03.2016	01.04.2015
	Amount	Amount	Amount
Current trade receivables:			
Unsecured, considered good	83093844	62165025	62271254
Unsecured, considered doubtful	2252713	1973536	1595854
Less: Provision for doubtful debts	(2252713)	(1973536)	(1595854)
Total	83093844	62165025	62271254

Note 9**Cash and Cash Equivalents****(Rs)**

Particulars	31.03.2017	31.03.2016	01.04.2015
	Amount	Amount	Amount
(i) Cheques, drafts on hand	8336793	6630838	14185028
(ii) Cash on hand	114952	123371	83602
(iii) Balance at Bank (In Current Account)	50671632	30405790	37966237
(iv) Funds in Transit (In Collection account)	1419977	672514	-
(v) Imprest account	168500	171500	174000
Total	60711854	38004013	52408867

Note 10**Financial Liabilities - Borrowings**

Particulars	Non-Current		
	Secured		
	31.03.2017	31.03.2016	01.04.2015
Loans from MRF Ltd., - Holding Company	-	73558787	123558787
Discounting Gain - Fair Value IND AS	-	(6327257)	(15630946)
Total	-	67231530	107927841

Note 11**Deferred Tax Liabilities / (Assets) - Net****(Rs.)**

Particulars	31.03.2017	31.03.2016	01.04.2015
(i) Deferred Tax Assets			
-Deductible Temporary Difference:			
-Expenses allowable on payment basis	(176677)	(569003)	(277699)
-Intangible Assets	(1915)	-	-
(i) Deferred Tax Liabilities			
-Taxable Temporary Difference:			
-Property, Plant&Equipment, Intangible Assets	8502011	6647306	4909773
Total	8323419	6078303	4632074

Note 12**Trade Payables****(Rs.)**

Particulars	31.03.2017	31.03.2016	01.04.2015
Payables within next 12 months	175154895	109799850	118076328
Total	175154895	109799850	118076328

Note 13**Financial Liabilities - Other Financial Liabilities****(Rs)**

Particulars	Current		
	31.03.2017	31.03.2016	01.04.2015
(i) Liabilities for Expenses	212920	162539	159414
(ii) Payables - Employee Benefits	687632	547665	474679
(iii) Other Liabilities	14968119	14485769	2720910
Total	15868671	15195973	3355003

Note 14**Other Current Liabilities****(Rs.)**

Particulars	Current		
	31.03.2017	31.03.2016	01.04.2015
(i) Excise Duty payable	17996171	-	-
(ii) Sales Tax payable	18768623	16673757	14513152
(iii) TDS payable	1818470	1987704	1415170
(iv) Advances from Customers	13808733	12030275	10043088
(v) Other Liabilities	23321	23000	202180
Total	52415318	30714736	26173590

Note 15**Provisions****(Rs.)**

Particulars	Current		
	31.03.2017	31.03.2016	01.04.2015
Provision for employee benefits	7367903	5934591	-
Total	7367903	5934591	-

Note 16**Current Tax Liabilities-Net****(Rs.)**

Particulars	Current		
	31.03.2017	31.03.2016	01.04.2015
Income Tax payable(Net of Adv. Tax / TDS)	8359198	6986208	2930228
Total	8359198	6986208	2930228

Note 17**Revenue from Operations****(Rs.)**

Particulars	31.03.2017	31.03.2016
Sale Of Products (Including Excise Duty)	1731383183	1578810853
Other Operating Revenues:		
- Scrap Sales	2123502	2693377
Total	1733506685	1581504230

Note 18**Other Income****(Rs.)**

Particulars	31.03.2017	31.03.2016
(i) Gain on Investments	14503821	13283561
(ii) Interest Income- 2016-17 P&L - Ind AS	315000	-
(iii) Interest on Deposits	72727	-
(iv) Dividend Income	36723	19887
(v) Profit on Sale of Assets	329574	4785
(vi) Insurance Claims	45556	-
(vii) Miscellaneous Income	373122	544192
Total	15676523	13852425

Note 19**Cost of Materials consumed****(Rs.)**

Particulars	31.03.2017	31.03.2016
Opening Stock of Raw Materials	79337326	82385525
Purchases during the period	942981142	812380580
Closing Stock of Raw Materials	102094674	79337326
Total	920223794	815428779

Note 20**Changes in inventories of finished goods, stock-in-trade and work-in-process****(Rs.)**

Particulars	31.03.2017	31.03.2016
A. Stock-in-Trade		
Opening Stock of Stock-in-Trade	14915767	3495767
Closing Stock of Stock-in-Trade	18673445	14915767
B. Work-in-Process		
Opening Work-in-Process	1885475	2640388
Closing Work-in-Process	5737418	1885475
C. Finished Goods		
Opening Stock of Finished Goods	140148524	157687052
Closing Stock of Finished Goods	191142583	140148524
Total	(58603680)	6873441

Note 21**Employee Benefits Expense****(Rs.)**

Particulars	31.03.2017	31.03.2016
Salaries and Wages	123272590	100857919
Contribution to provident and other funds	7618676	6727004
Staff welfare expenses	10924105	13696083
Total	141815371	121281006

Note 22**Finance Costs****(Rs.)**

Particulars	31.03.2017	31.03.2016
Interest	835	10081
Discounting Loss - MRF Loan	6327257	9303689
Total	6328092	9313770

Note 23**Other Expenses****(Rs.)**

Particulars	31.03.2017	31.03.2016
Stores and Spares Consumed	7072113	7054795
Power and Fuel	2363983	1913449
Processing Expenses	33937418	27286186
Rent	20025689	18182592
Rates and Taxes	3802974	3398663
Insurance	1595549	1142083
Printing and Stationery	1916448	2049297
Repairs & Maintenance - Building	515538	508348
Repairs & Maintenance - Plant and Machinery	2221639	1915947
Repairs & Maintenance - Other Assets	1893485	2616283
Travelling & Conveyance	10558344	10437521
Communication Expenses	2978282	3011934
Vehicle Expenses	2225055	1932554
Auditor's Remuneration:		
(i) For audit	115000	116140
(ii) For taxation matters	28750	28500
(iii) For reimbursement of expenses	134900	137600
Advertisement	81653970	68289238
Sales Tax absorbed	148312	122892
Bad Debts written off	279177	411161
Commission & Discount	58016284	55871877
Freight and Forwarding	87531492	77022456
Net Loss / (Gain) on Foreign Currency transactions	501	150613
Miscellaneous Expenses	51557949	47047617
Bank Charges	589039	592133
Total	371161891	331239879

Note 24**Tax Expense****(Rs.)**

Particulars	31.03.2017	31.03.2016
Current Tax relating to current reporting period	55000000	45700000
Deferred Tax- Ind AS Adjustments-2016-17 P&L	3392778	-
Deferred Tax relating to previous period	(1147662)	1166680
Total	57245116	46866680

Note 25

Other Comprehensive Income

Items of OCI	2016			2017		
	Gain / Loss	OCI before Tax as presented in the Statement of Profit and Loss	OCI for the period	Gain / Loss	OCI before Tax as presented in the Statement of Profit and Loss	OCI for the period
(a) Remeasurements of Defined benefit plans	(952696)	(952696)	(952696)	3865606	3865606	3865606
Total Other Comprehensive Income	(952696)	(952696)	(952696)	3865606	3865606	3865606