

## MRF LIMITED

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Rs.Crore

### Statement of Standalone Unaudited Results for the Quarter and Six months ended 30th September, 2016

PARTICULARS	Quarter ended			Six months ended	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1 Income from Operations</b>					
(a) Gross Sales/Income from Operations	3,591.17	3,863.34	3,630.03	7,454.51	7,486.51
(b) Other Operating Income	23.46	19.03	22.75	42.49	45.66
<b>Total income from operations</b>	<b>3,614.63</b>	<b>3,882.37</b>	<b>3,652.78</b>	<b>7,497.00</b>	<b>7,532.17</b>
<b>2 Expenses</b>					
a) Cost of materials consumed	1,914.53	1,725.45	1,879.44	3,639.98	3,698.11
b) Purchase of stock-in-trade	9.09	9.99	7.29	19.08	11.07
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(128.86)	160.21	(102.62)	31.35	16.22
d) Employee benefits expense	254.86	224.84	208.50	479.70	420.43
e) Depreciation and amortisation expense	150.70	142.12	124.58	292.82	242.01
f) Excise Duty	365.14	400.40	379.42	765.54	781.64
g) Other expenses	542.98	521.46	491.36	1,064.44	989.86
<b>Total expenses</b>	<b>3,108.44</b>	<b>3,184.47</b>	<b>2,987.97</b>	<b>6,292.91</b>	<b>6,159.34</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>506.19</b>	<b>697.90</b>	<b>664.81</b>	<b>1,204.09</b>	<b>1,372.83</b>
4 Other income	122.07	73.56	60.83	195.63	103.45
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>628.26</b>	<b>771.46</b>	<b>725.64</b>	<b>1,399.72</b>	<b>1,476.28</b>
6 Finance costs	62.55	59.98	52.85	122.53	104.68
<b>7 Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>565.71</b>	<b>711.48</b>	<b>672.79</b>	<b>1,277.19</b>	<b>1,371.60</b>
8 Exceptional Items	-	-	-	-	-
<b>9 Profit from ordinary activities before tax (7±8)</b>	<b>565.71</b>	<b>711.48</b>	<b>672.79</b>	<b>1,277.19</b>	<b>1,371.60</b>
10 Tax expense	180.42	220.55	222.87	400.97	442.13
<b>11 Net Profit from ordinary activities after tax (9-10)</b>	<b>385.29</b>	<b>490.93</b>	<b>449.92</b>	<b>876.22</b>	<b>929.47</b>
12 Extraordinary items (net of tax expense Rs.Nil)	-	-	-	-	-
<b>13 Net Profit for the period (11±12)</b>	<b>385.29</b>	<b>490.93</b>	<b>449.92</b>	<b>876.22</b>	<b>929.47</b>
14 Other Comprehensive Income(net of tax)	(2.34)	(2.67)	(7.00)	(5.01)	(10.92)
15 Total Comprehensive Income(after tax) ( 13+14)	382.95	488.26	442.92	871.21	918.55
16 Paid-up Equity Share Capital (Face value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24
17 Paid-up Debt Capital *	500.00	500.00	570.00	500.00	570.00
18 Reserve excluding Revaluation Reserves as per Balance sheet of previous accounting year	-	-	-	-	-
19 Debenture Redemption Reserve	81.24	77.53	83.96	81.24	83.96
20i Earnings Per Share( before extraordinary items) (of Rs.10/- each) (not annualised):					
Basic and diluted (Rs. Per Share)	908.46	1,157.54	1,060.85	2,066.00	2,191.55
20ii Earnings Per Share( after extraordinary items) (of Rs.10/- each) (not annualised):					
Basic and diluted (Rs. Per Share)	908.46	1,157.54	1,060.85	2,066.00	2,191.55
21 Net Worth	-	-	-	7,984.69	6,327.47
22 Debt Equity Ratio**	-	-	-	0.20	0.25
23 Debt Service Coverage Ratio***	-	-	-	17.79	22.38
24 Interest Service Coverage Ratio****	-	-	-	13.88	16.49

See accompanying Notes to the financial results

<b>Standalone Statement of Assets and Liabilities</b>		<b>As at 30.09.2016</b>
<b>Particulars</b>	<b>Unaudited</b>	
<b>ASSETS</b>		
<b>(1) Non-Current Assets</b>		
(a) Property, Plant and Equipment	4,953.26	
(b) Capital Work-in-Progress	945.58	
(c) Other Intangible Assets	12.34	
(d) Financial Assets		
(i) Investments	1,452.65	
(ii) Loans	21.23	
(iii) Others financial assets	13.78	
(e) Other non-current assets	238.70	
<b>(2) Current Assets</b>		
(a) Inventories	1,819.10	
(b) Financial Assets		
(i) Investments	1,857.16	
(ii) Trade Receivables	1,926.27	
(iii) Cash and cash Equivalents	571.14	
(iv) Bank balances other than (iii) above	1.38	
(v) Others financial assets	5.64	
(c) Other current assets	189.93	
<b>TOTAL ASSETS</b>	<b>14,008.16</b>	
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	4.24	
(b) Retained Earnings-Surplus in statement of Profit and Loss	871.21	
(c) Other Equity	7,109.24	
<b>Total Equity</b>	<b>7,984.69</b>	
<b>Liabilities</b>		
<b>(1) Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	1,320.88	
(b) Provisions	132.88	
(c) Deferred Tax Liabilities (Net)	339.71	
(d) Other non-current liabilities	1,239.87	
<b>(2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	341.07	
(ii) Trade Payables	1,538.77	
(iii) Other Financial Liabilities (other than those specified in provisions)	518.25	
(b) Other Current Liabilities	299.46	
(c) Provisions	104.42	
(d) Current Tax Liabilities (Net)	188.16	
<b>Total Liabilities</b>	<b>6,023.47</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,008.16</b>	

**Notes:**

(1)The above unaudited standalone financial results for the Quarter and Six months ended Sep 30, 2016 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27th October, 2016. The same have also been subjected to Limited Review by the Statutory Auditors.

(2)These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34-Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of SEBI Circular dated July 05, 2016. The Ind AS compliant standalone financial result for the corresponding Quarter and Six months ended September 30, 2015 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

(3)Reconciliation of Net profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the Quarter and Six months ended September 30, 2015 is as under:

Sr.No	Particulars	Unaudited ( Refer Note 2)		Rs.Crore
		Quarter ended Sep 30,2015	Six months ended Sep 30, 2015	
	Net profit under Previous Indian GAAP	460.73		907.54
(a)	Measurement of Investments at Fair Value	(8.79)		9.65
(b)	Reclassification of Actuarial gains/Losses to Other Comprehensive Income	4.10		8.43
(c)	Others	(0.25)		1.68
	Deferred tax on above adjustments(net)	(5.87)		2.17
	Profit after tax as per Ind AS	449.92		929.47
	Other Comprehensive Income(net of tax)	(7.00)		(10.92)
	Total Comprehensive Income	442.92		918.55

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

(5)The Board of Directors has approved the payment of interim dividend of Rs.3/-per share payable to Shareholders as on the record date 09.11.2016

(6)The Company has retained its domestic credit rating of AAA for Long-term and Short-term Banking facilities and Non Convertible Debentures, from CARE. Further ICRA has revised its rating from AA+ to AAA for Non Convertible Debentures.

(7)The Listed Secured Redeemable Non Convertible Debentures of the Company aggregating to Rs.500 Crore as on Sep 30,2016 are secured by way of legal mortgage of Company's Land at 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.

(8)Details of Secured Non-Convertible Debentures are as follows:

SI No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 500 Crs	-	27 <sup>th</sup> May 2016	27 <sup>th</sup> May 2019	29 <sup>th</sup> May 2017

(9)The figures for the previous period have been regrouped wherever necessary.

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

\*\* Debt to Equity : Long Term Debts/Total Net Worth

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

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

**For MRF LIMITED**

**Place: Chennai**  
**Date: 27th October, 2016**

**(ARUN MAMMEN)**  
**Managing Director**

**Vide our Report dated 27th October,2016**