

MRF LIMITED

Regd.Office: 114, Greams Road, Chennai - 600 006

CIN: L25111TN1960PLC004306; Website: www.mrftyres.com; Email: mrfshare@mrffmail.com; Ph: 044-28292777 FAX: 28295087

Rs.Crores

Statement of Unaudited Standalone Financial Results for the Quarter ended 30th June,2023

PARTICULARS	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Unaudited	Audited (Refer Note 3)	Unaudited	Audited
I Revenue from Operations	6,323.28	5,725.39	5,598.92	22,578.23
II Other Income	73.88	67.80	34.08	248.21
III Total Income(I + II)	6,397.16	5,793.19	5,633.00	22,826.44
IV Expenses				
a) Cost of materials consumed	3,722.03	3,619.85	4,043.31	15,526.90
b) Purchase of stock-in-trade	4.10	8.81	12.61	35.23
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	141.72	(22.70)	(218.13)	(339.63)
d) Employee benefits expense	413.03	400.95	365.09	1,558.87
e) Finance costs	78.04	83.94	63.54	298.06
f) Depreciation and amortisation expense	331.73	328.46	296.92	1,248.60
g) Other expenses	928.16	875.39	917.77	3,459.54
Total expenses(IV)	5,618.81	5,294.70	5,481.11	21,787.57
V Profit before Exceptional Items and Tax (III-IV)	778.35	498.49	151.89	1,038.87
VI Exceptional Items (Refer Note 6)	-	80.33	-	80.33
VII Profit before Tax	778.35	578.82	151.89	1,119.20
VIII Tax expense :				
(1) Current Tax	184.49	171.01	49.90	309.10
(2) Deferred Tax	12.41	(2.85)	(10.37)	(6.13)
IX Profit for the period from Continuing Operations (VII - VIII)	581.45	410.66	112.36	816.23
X Other Comprehensive Income(OCI)				
A) Items that will not be reclassified to profit or loss,net of tax	(3.00)	(8.15)	2.99	(1.80)
B) Items that will be reclassified to profit or loss,net of tax	1.92	(11.85)	(5.99)	(19.21)
XI Total Comprehensive Income for the Period/Year	580.37	390.66	109.36	795.22
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital	150.00	150.00	-	150.00
XIV Earnings Per Share for Continuing Operations of Rs.10/- each (not annualised):				
Basic (Rs. Per Share)	1,370.98	968.29	264.94	1,924.56
Diluted (Rs. Per Share)	1,370.98	968.29	264.94	1,924.56
XV Other Equity excluding Revaluation Reserve	-	-	-	14,504.63

See accompanying Notes to the financial results

Notes:

(1) The above unaudited standalone financial results for the Quarter ended 30th June, 2023 were reviewed by the Audit Committee on 03rd August, 2023 and approved by the Board of Directors at its meeting held on 03rd August, 2023. 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 prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of SEBI Circular dated 5th July, 2016.

(3) The figures for the Quarter ended 31st March, 2023 is the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.

(4) The Competition Commission of India (CCI) had on 2nd February, 2022 released its order dated 31st August, 2018, imposing penalty on certain Tyre Manufacturers including the Company and also the Automotive Tyre Manufacturers' Association, concerning the breach of the provisions of the Competition Act 2002, during the year 2011-12 and imposed a penalty of Rs.622.09 Crores on the Company. The appeal filed by the company before National Company Law Appellate Tribunal (NCLAT) has been disposed off by remanding the matter to CCI for review after hearing the parties. CCI has in February 2023 filed an appeal against the Order of NCLAT before the Hon'ble Supreme Court. Pending disposal of the same, the Company is of the view that no provision is considered necessary in respect of this matter in the Standalone Financial Statements.

(5) The Company is engaged inter alia in the manufacture of Rubber Products such as Tyres, Tubes, Flaps, Tread Rubber. These in the context of IND AS - 108 - 'Operating Segment' are considered to constitute one single primary segment. The Company's operations outside India do not exceed the quantitative threshold for disclosure envisaged in the IND AS. Non-reportable segments has not been disclosed as unallocated reconciling item in view of its materiality. In view of the above, operating segment disclosures for business/geographical segment are not applicable to the Company.

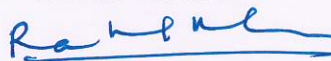
(6) Exceptional Item

Consequent to the Bilateral Advance Pricing Agreement (BAPA) signed by the Company with the Central Board of Direct Taxes (CBDT) for the financial years 2015-16 to 2023-24, with respect to Arm's Length Price (ALP) of the transactions under the Income Tax Act, with MRF SG PTE. LTD (MRF SG), the wholly owned subsidiary, the amount determined as payable by MRF SG to the Company is Rs. 80.33 Crores (net of interest on tax of Rs.2.10 Crores), which has since been received by the company.

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

(8) Revenue from Operations for the Quarter ended 30th June, 2023 includes Rs.7.28 Crores being subsidy/incentive received from State Governments, corresponding figures for the Quarter ended 31st March 2023 and 30th June 2022 is Rs.4.56 Crores and Rs.7.21 Crores respectively and for the Year ended 31st March, 2023 is Rs.17.70 Crores.

For MRF LIMITED



RAHUL MAMMEN MAPPILLAI
Managing Director

Place: Chennai
Date: 03rd August, 2023

Other Disclosures :

S.No.	Particulars	Quarter Ended		Year Ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
(a)	Net worth (Rs. Crores)	15,089.24	14,508.87	13,886.62	14,508.87
Ratios :					
(a)	Debt equity ratio (in times) [Long Term Debt/Shareholders Equity]	0.07	0.07	0.08	0.07
(b)	Long term debt to working capital (in times) [Long term debt / working capital]	0.55	0.62	0.40	0.62
(c)	Total debts to total assets ratio (in %) [Total debts / Total assets]	6.89%	8.30%	8.04%	8.30%
(d)	Debt service coverage ratio (not annualised except for year end March) [EBITDA and exceptional item / (Interest Expenses + Principal Repayments)]	17.92	13.11	9.34	4.71
(e)	Interest service coverage ratio (in times) (not annualised except for year end March) [(EBITDA and exceptional item) / (Interest Expenses)]	17.97	13.15	9.37	10.20
(f)	Current ratio (in times) (Current assets / Current liabilities)	1.24	1.22	1.39	1.22
(g)	Bad debts to account receivable ratio (in %)(not annualised except for year end March) [Bad debts / Average Trade Receivables]	-	-	-	-
(h)	Current liability ratio (in %) [Current liabilities / Total liabilities]	77.57%	77.26%	78.46%	77.26%
(i)	Debtors turnover (in times) (annualised) [Net Credit Sales / Average trade receivables]	10.28	9.39	9.47	9.55
(j)	Inventory turnover (in times) (annualised) [Cost of sales / Average inventory]	5.80	5.28	5.58	5.49
(k)	Operating margin (in %) [(EBIT (Excl Other income and exceptional item)/ Revenue from Operations]	12.38%	8.99%	3.24%	4.82%
(l)	Net profit margin (in %) [Profit after tax / Total Income]	9.09%	7.09%	1.99%	3.58%

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Rs. Crores

Statement of Unaudited Consolidated Financial Results for the Quarter ended 30th June, 2023

PARTICULARS	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Unaudited	Audited (Refer Note 3)	Unaudited	Audited
I Revenue from Operations	6,440.29	5,841.72	5,695.93	23,008.50
II Other Income	74.69	69.79	34.44	252.67
III Total Income(I + II)	6,514.98	5,911.51	5,730.37	23,261.17
IV Expenses				
a) Cost of materials consumed	3,780.67	3,680.86	4,114.06	15,751.09
b) Purchase of stock-in-trade	4.60	8.77	12.33	35.40
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	133.02	(28.15)	(240.63)	(346.91)
d) Employee benefits expense	424.21	410.22	373.59	1,595.38
e) Finance costs	84.22	92.46	66.02	319.00
f) Depreciation and amortisation expense	333.26	329.64	298.08	1,253.05
g) Other expenses	967.94	916.46	943.18	3,584.42
Total expenses(IV)	5,727.92	5,410.26	5,566.63	22,191.43
V Profit before Exceptional Items and Tax (III-IV)	787.06	501.25	163.74	1,069.74
VI Exceptional Items	-	-	-	-
VII Profit before Tax	787.06	501.25	163.74	1,069.74
VIII Tax expense :				
(1) Current Tax	185.53	162.54	50.98	306.15
(2) Deferred Tax	12.78	(1.96)	(10.84)	(5.37)
IX Profit for the period from Continuing Operations (VII - VIII)	588.75	340.67	123.60	768.96
X Other Comprehensive Income(OCI)				
A) Items that will not be reclassified to profit or loss, net of tax	(3.00)	(8.05)	2.99	(1.70)
B) Items that will be reclassified to profit or loss, net of tax	23.91	(19.08)	(7.13)	(27.73)
XI Total Comprehensive Income for the year attributable to:				
Owners of the Company	609.66	313.53	119.46	739.52
Non Controlling Interest	-	0.01	-	0.01
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital	150.00	150.00	-	150.00
XIV Earnings Per Share for Continuing Operations of Rs.10/- each (not annualised):				
Basic (Rs. Per Share)	1,388.19	803.26	291.44	1,813.10
Diluted (Rs. Per Share)	1,388.19	803.26	291.44	1,813.10
XV Other Equity excluding Revaluation Reserve	-	-	-	14,703.42

See accompanying Notes to the financial results

Notes:

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

(3) The figures for the Quarter ended 31st March, 2023 is the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.

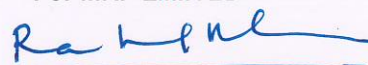
(4) The group except for MRF Corp Ltd, is engaged in the manufacture of rubber products such as Tyre, Tubes, Flaps, Tread Rubber and / or dealing in Rubber and Rubber Chemicals. In the context of IND-AS 108 operating segment are considered to constitute one single primary segment. MRF Corp Ltd is engaged in the manufacture of Speciality Coatings and its revenues, results and assets do not meet the criteria specified for reportable segment prescribed in the IND-AS. The group's operations outside India do not exceed the quantitative threshold for disclosure envisaged in the IND-AS. Non-reportable segments have not been disclosed as unallocated reconciling item in view of their materiality. In view of the above, primary and secondary reporting disclosures for business/geographical segment are not applicable.

(5) The Holding Company's rating agency, i.e. CARE has provided its rating of "CARE AAA" for Unsecured Non Convertible Debentures: CARE has also reaffirmed the rating of "CARE AAA" for Long term Banking Facility and, "CARE A1+" for Short term Banking Facility.

(6) The Competition Commission of India (CCI) had on 2nd February, 2022 released its order dated 31st August, 2018, imposing penalty on certain Tyre Manufacturers including the Company and also the Automotive Tyre Manufacturers' Association, concerning the breach of the provisions of the Competition Act 2002, during the year 2011-12 and imposed a penalty of Rs.622.09 Crores on the Holding Company. The appeal filed by the Holding Company before National Company Law Appellate Tribunal (NCLAT) has been disposed off by remanding the matter to CCI for review after hearing the parties. CCI has in February 2023 filed an appeal against the Order of NCLAT before the Hon'ble Supreme Court. Pending disposal of the same, the Holding Company is of the view that no provision is considered necessary in respect of this matter in the Consolidated Financial Statements.

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S.No.	Particulars	Quarter Ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
(a)	Net worth (Rs. Crores)	15,317.48	14,707.82	14,151.36	14,707.82
Ratios :					
(a)	Debt equity ratio (in times) [Long Term Debt/Shareholders Equity]	0.06	0.07	0.08	0.07
(b)	Long term debt to working capital (in times) [Long term debt / working capital]	0.51	0.58	0.38	0.58
(c)	Total debts to total assets ratio (in %) [Total debts / Total assets]	8.76%	10.04%	10.65%	10.04%
(d)	Debt service coverage ratio (not annualised except for year end March) [EBITDA / (Interest Expenses + Principal Repayments)]	16.60	11.81	9.20	4.63
(e)	Interest service coverage ratio (in times) (not annualised except for year end March) [(EBITDA) / (Interest Expenses)]	16.65	11.85	9.23	9.61
(f)	Current ratio (in times) (Current assets / Current liabilities)	1.26	1.23	1.40	1.23
(g)	Bad debts to account receivable ratio (in %)(not annualised except for year end March) [Bad debts / Average Trade Receivables]	-	-	-	-
(h)	Current liability ratio (in %) [Current liabilities / Total liabilities]	77.91%	77.58%	78.78%	77.58%
(i)	Debtors turnover (in times) (annualised) [Net Credit Sales / Average trade receivables]	10.23	9.46	9.45	9.51
(j)	Inventory turnover (in times) (annualised) [Cost of sales / Average inventory]	5.75	5.26	5.54	5.47
(k)	Operating margin (in %) [(EBIT (Excl Other income)/ Revenue from Operations]	12.37%	8.97%	3.43%	4.94%
(l)	Net profit margin (in %) [Profit after tax / Total Income]	9.04%	5.76%	2.16%	3.31%