

# MRF LIMITED

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(Rupees Crores)

## Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended 31st March, 2017

PARTICULARS	Standalone					Consolidated	
	Quarter ended			Year ended	18 months period ended	Year ended	18 months period ended
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
<b>Income from Operations</b>							
I Revenue from Operations	3,712.84	3,533.14	3,772.04	14,742.99	22,162.04	14,922.80	22,491.02
II Other Income	65.39	74.00	66.98	335.02	321.17	337.38	323.59
<b>III Total Income( I + II )</b>	<b>3,778.23</b>	<b>3,607.14</b>	<b>3,839.02</b>	<b>15,078.01</b>	<b>22,483.21</b>	<b>15,260.18</b>	<b>22,814.61</b>
<b>IV Expenses</b>							
a) Cost of materials consumed	2,119.94	1,919.26	1,727.79	7,679.19	11,162.91	7,765.96	11,337.68
b) Purchase of stock-in-trade	10.15	13.15	8.47	42.38	38.89	(43.17)	(48.80)
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	(132.60)	(120.83)	135.17	(222.08)	(14.95)	(227.70)	(14.49)
d) Employee benefits expense	252.78	250.67	222.08	983.14	1,258.91	1,000.36	1,285.21
e) Finance costs	61.52	61.47	58.29	245.52	345.44	251.47	352.56
f) Depreciation and amortisation expense	162.19	154.13	139.91	609.15	734.76	610.58	737.12
g) Excise Duty	374.40	357.24	385.56	1,497.18	2,274.80	1,516.98	2,310.78
h) Other expenses	565.42	547.30	566.87	2,177.16	3,076.50	2,276.33	3,198.65
<b>Total expenses(IV)</b>	<b>3,413.80</b>	<b>3,182.39</b>	<b>3,244.14</b>	<b>13,011.64</b>	<b>18,877.26</b>	<b>13,150.81</b>	<b>19,158.71</b>
<b>V Profit before Exceptional Items and Tax ( III-IV)</b>	<b>364.43</b>	<b>424.75</b>	<b>594.88</b>	<b>2,066.37</b>	<b>3,605.95</b>	<b>2,109.37</b>	<b>3,655.90</b>
VI Exceptional Items	-	-	-	-	-	-	-
<b>VII Profit before Tax</b>	<b>364.43</b>	<b>424.75</b>	<b>594.88</b>	<b>2,066.37</b>	<b>3,605.95</b>	<b>2,109.37</b>	<b>3,655.90</b>
VIII Tax expense:							
(1) Current Tax	1.50	102.99	115.00	422.50	1,019.00	430.56	1,032.45
(2) Deferred Tax	76.16	33.68	56.42	192.79	113.05	192.59	114.02
<b>IX Profit for the period from Continuing operations ( VII - VIII)</b>	<b>286.77</b>	<b>288.08</b>	<b>423.46</b>	<b>1,451.08</b>	<b>2,473.90</b>	<b>1,486.22</b>	<b>2,509.43</b>

PARTICULARS	Quarter ended			Year ended	18 months period ended	Year ended	18 months period ended
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
X Other Comprehensive Income:							
A(i) Items that will not be reclassified to profit or loss	(5.02)	(4.25)	(4.64)	(17.70)	(25.02)	(18.09)	(24.92)
(ii) Incometax tax relating to items that will not be reclassified to profit or loss	1.74	1.47	1.61	6.13	8.66	6.13	8.66
B(i) Items that will be reclassified to profit or loss	4.23	(13.05)	2.98	(8.06)	(9.29)	(8.06)	(9.29)
(ii) Incometax tax relating to items that will be reclassified to profit or loss	(1.46)	4.52	(1.04)	2.79	3.21	2.79	3.21
XI Total Comprehensive Income for the year attributable to;							
- Owners of the Company	286.26	276.77	422.37	1,434.24	2,451.46	1,468.99	2,487.09
- Non Controlling Interest	-	-	-	-	-	-	(0.01)
XII Paid up Equity Share Capital ( Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24	4.24	4.24
XIII Paid-up Debt Capital *	500.00	500.00	500.00	500.00	500.00	500.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):							
Basic and diluted (Rs. Per Share)	676.17	679.26	998.45	3,421.43	5,833.04	3,461.85	5,916.87
XV Other Equity excluding Revaluation Reserve	-	-	-	8,540.18	7,156.97	8,636.52	7,220.08
XVI Debenture Redemption Reserve	88.62	84.93	73.84	88.62	73.84	88.62	73.84
XVII Net Worth	-	-	-	8,544.42	7,161.21	8,640.76	7,224.32
XVIII Debt Equity Ratio**				0.18	0.22	0.18	0.22
XIX Debt Service Coverage Ratio***				11.18	8.35	11.11	8.35
XX Interest Service Coverage Ratio****				11.97	13.58	11.88	13.48
See accompanying Notes to the financial results							

<b>Standalone and Consolidated Statement of Assets and Liabilities</b>		<b>(Rupees Crores)</b>			
Particulars	Standalone		Consolidated		
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	
	Audited	Audited	Audited	Audited	
<b>ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Property, Plant and Equipment	5,474.35	4,584.74	5,489.01	4,599.21	
(b) Capital Work-in-Progress	846.96	1,058.40	847.93	1,059.28	
(c) Other Intangible Assets	13.23	9.06	13.23	9.08	
(d) Financial Assets					
(i) Investments	1,080.57	1,044.64	1,059.39	1,023.36	
(ii) Loans	3.68	10.05	3.87	3.58	
(iii) Others financial assets	14.13	12.16	16.10	14.17	
(e) Deferred Tax Asset (Net)	-	-	0.31		
(f) Other non-current assets	339.22	226.06	339.49	226.14	
<b>(3) Current Assets</b>					
(a) Inventories	2,392.92	1,879.74	2,425.27	1,899.81	
(b) Financial Assets					
(i) Investments	2,313.78	2,102.75	2,322.71	2,114.54	
(ii) Trade Receivables	1,959.95	1,831.72	1,969.00	1,838.72	
(iii) Cash and cash Equivalents	178.35	77.36	246.54	121.14	
(iv) Bank balances other than Cash and Cash Equivalents	96.07	3.09	96.07	3.09	
(v) Others financial assets	10.08	10.39	10.15	10.35	
(c) Other current assets	236.33	319.59	243.90	331.34	
<b>TOTAL ASSETS</b>	<b>14,959.62</b>	<b>13,169.75</b>	<b>15,082.97</b>	<b>13,253.81</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	4.24	4.24	4.24	4.24	
(b) Other Equity	8,540.18	7,156.97	8,636.52	7,220.10	
(c) Non Controlling Interest	-	-	0.12	0.12	
<b>Total Equity</b>	<b>8,544.42</b>	<b>7,161.21</b>	<b>8,640.88</b>	<b>7,224.46</b>	
<b>Liabilities</b>					
<b>(1) Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	1,238.32	1,486.45	1,238.32	1,486.45	
(b) Provisions	137.26	125.13	137.49	125.32	
(c) Deferred Tax Liabilities (Net)	535.67	351.79	536.50	352.52	
(d) Other non-current liabilities	27.74	36.24	27.74	36.24	
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	573.34	488.43	834.13	885.59	
(ii) Trade Payables	1,677.08	1,528.82	1,408.37	1,126.15	
(iii) Other Financial Liabilities	550.85	442.26	576.05	458.19	
(b) Other Current Liabilities	1,491.62	1,455.86	1,496.42	1,459.27	
(c) Provisions	120.88	89.65	121.62	89.65	
(d) Current Tax Liabilities (Net)	62.44	3.91	65.45	9.97	
<b>Total Liabilities</b>	<b>6,415.20</b>	<b>6,008.54</b>	<b>6,442.09</b>	<b>6,029.35</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,959.62</b>	<b>13,169.75</b>	<b>15,082.97</b>	<b>13,253.81</b>	

**Notes:**

- 1) The above Financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 4th May ,2017.
- 2) Results for the Quarter / Year ended 31 March 2017 are in compliance with the Indian Accounting Standards (IND-AS) notified by the Ministry of Corporate affairs. Consequently, results for the Quarter and Previous period ended 31 March 2016 have been restated to comply with IND-AS. The figures for the Quarter Ended 31 March 2017 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.
- 3) Reconciliation of Net profit and Other Equity on transition from Indian GAAP to Ind AS is as under:

(Rupees Crores)

Particulars	Standalone			Consolidated	
	Profit Reconciliation		Other Equity	Profit Reconciliation	Other Equity
	Quarter ended March 31,2016	18 Months ended March 31,2016	As at 31.03.2016	18 Months ended March 31,2016	As at 31.03.2016
Net profit/Other Equity as per Previous Indian GAAP	375.90	2,327.72	6,790.09	2,366.01	6,851.52
(a) Measurement of Investments at Fair Value	64.65	167.70	363.10	168.25	364.66
(b) Reclassification of Actuarial gains/Losses to Other Comprehensive Income	4.64	25.02	25.02	25.12	25.12
(c) Others	(0.31)	2.96	58.09	(0.12)	50.52
Deferred tax on above adjustments(net)	(21.42)	(49.50)	(62.07)	(49.84)	(49.38)
Profit after tax as per Ind AS	423.46	2,473.90	-	2,509.42	-
Other Comprehensive Income(net of tax)	(1.09)	(22.44)	(17.26)	(22.34)	(22.34)
Total Comprehensive Income/Equity as per Ind AS	422.37	2,451.46	7,156.97	2,487.08	7,220.10

- 4) The Group, except for MRF Corp Ltd, a subsidiary company, is engaged interalia in the manufacture of Rubber Products such as Tyres, Tubes, Flaps, Tread Rubber and Conveyor Belt. These 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 Finance Act, 2017 has inserted sub-section 2C to section 115 JB of the Income Tax Act, 1961 relating to Minimum Alternative Tax (MAT), prescribing the treatment of transitional adjustments with respect to first time adoption of IND-AS while computing the "Book Profits" under section 115JB. The Company has considered the said provisions for calculating the tax liability under MAT.
- 6) The Board of Directors has recommended a final dividend of Rs.54/- per share which along with two interim dividends of Rs.3 each already paid works out to Rs 60/- per share for the year ended 31st March,2017.
- 7) 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.
- 8) The Listed Secured Redeemable Non Convertible Debentures of the Company aggregating to Rs.500 Crore as on March 31, 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.
- 9) In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27 May, 2016 the Company hereby declares that the auditors have issued audit reports both for standalone and consolidated financial results with unmodified opinion for the year ended 31 March 2017
- 10) Details of Secured Non-Convertible Debentures are as follows:

Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
	Principal	Interest	Principal (Part redemption)	Interest
10.09% Non-Convertible Debentures - 500 Crores	-	27 <sup>th</sup> May 2016	27 <sup>th</sup> May 2019	29 <sup>th</sup> May 2017

- 11) 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: 4th May, 2017

RAHUL MAMMEN MAPPILLAI  
Managing Director

Vide our Report dated 4th May,2017