



MRF

MRF Limited, Regd. Office : 114, Greams Road, Chennai 600 006
E-mail : mrfshare@mrfmail.com; Tel.: 044-28292777; Fax : 91-44-28295087
CIN : L25111TN1960PLC004306; Website: www.mrftyres.com

071/SH/SE/BOARD/JUNE-2020/KGG/1
29th June, 2020 ✓

National Stock Exchange of India Ltd
Exchange Plaza 5th Floor
Plot No.C/1G Block Bandra-Kurla
Complex Bandra (E) Mumbai 400 051 ✓

Bombay Stock Exchange Ltd
Floor 24 P J Towers
Dalal Street Mumbai 400 001 ✓

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2020 ✓

Dear Sir,

Please refer to our letter dated 18th June, 2020. ✓

Pursuant to the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the following:

1. Audited financial results (standalone and consolidated) for the year ended 31st March, 2020 as approved by the Board of Directors in the Board Meeting held today. Declaration with respect to Auditors' Report with unmodified opinion is given in Audited financial results. ✓
2. Auditors' Report for audited financial results for both standalone and consolidated for the year ended 31st March, 2020. ✓
3. The Board of Directors have recommended a final dividend of Rs.94/- each per share on paid-up equity share capital of the Company. The Company has already declared and paid two interim dividends of Rs.3/- each per share for the financial year ended 31st March, 2020. With the recommendation of final dividend of Rs.94/- per share, the total dividend for the above period works out to Rs.100/- per equity share of Rs 10/- each. ✓



In accordance with the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 granting relaxation from the provisions of Regulation 47 of the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the above financials results will not be advertised in the newspapers. However, the same will be available on Company's website.

The meeting of the Board of Directors of the Company commenced at 11.00 am and concluded at ~~12.25 P.m.~~

Kindly take the same on record. ✓

Thanking you.
Yours faithfully
For MRF LIMITED


S DHANVANTH KUMAR
COMPANY SECRETARY

SCA AND ASSOCIATES
501 D, POONAM CHAMBERS, A WING
Dr. ANNIE BESANT ROAD, WORLI
MUMBAI - 400 018.

MAHESH, VIRENDER & SRIRAM
"BADHE HOUSE" 6-3-788/36&37A,
DURGANAGAR COLONY
AMEERPET
HYDERABAD - 500 016

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
MRF LTD.

Report on the Audit of Standalone Annual Financial Results

Opinion

1. We have audited the accompanying Standalone annual financial results ("the Statement") of MRF Ltd ("the Company") for the year ended 31st March, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:
 - a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - b) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

Emphasis of Matter

4. We draw your attention to note 12 to the Statement of Standalone Annual Financial Results for the year ended March 31, 2020, which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.



Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

5. These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.
6. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

9. Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone annual financial results, 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 control 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

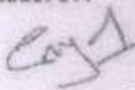
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Other Matters

11. The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For SCA AND ASSOCIATES
Chartered Accountants
FRN 101174W



(SHIVRATAN AGARWAL)

Partner

M. No. 104180

UDIN: 20104180AAAAGY9266

Mumbai,

29th June, 2020



For MAHESH, VIRENDER & SRIRAM
Chartered Accountants
FRN 001939S



(B R MAHESH)

Partner

M. No. 18628

UDIN: 20018628AAAAM2790

Hyderabad,

29th June, 2020



MRF LIMITED

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

CIN: L25111TN1960PLC004306; Website: www.mrf tyres.com; Email: mrfshare@mrfmail.com; Ph: 044-28292777 FAX: 28295087

Rs.Crores

Statement of Standalone Audited Financial Results for the Quarter and Year ended 31st March,2020

PARTICULARS	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 2)	Unaudited	Audited (Refer Note 2)	Audited	Audited
I Revenue from Operations	3,625.18	4,008.89	4,073.45	15,991.14	15,837.00
II Other Income	57.48	73.34	109.47	330.50	417.47
III Total Income(I + II)	3,682.66	4,082.23	4,182.92	16,321.64	16,254.47
IV Expenses					
a) Cost of materials consumed	2,137.89	2,312.82	2,588.21	9,461.73	10,220.40
b) Purchase of stock-in-trade	6.67	4.25	2.80	22.30	29.86
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	(72.14)	76.19	(109.33)	24.88	(608.60)
d) Employee benefits expense	344.09	337.95	286.37	1,320.51	1,144.28
e) Finance costs	69.15	70.44	57.31	274.26	247.79
f) Depreciation and amortisation expense	266.45	248.97	214.56	980.62	806.27
g) Other expenses	638.74	667.48	734.17	2,838.02	2,805.58
Total expenses(IV)	3,390.85	3,718.10	3,774.09	14,922.32	14,645.58
V Profit before Exceptional Items and Tax (III-IV)	291.81	364.13	408.83	1,399.32	1,608.89
VI Exceptional Items	-	-	-	-	-
VII Profit before Tax	291.81	364.13	408.83	1,399.32	1,608.89
VIII Tax expense (Refer Note 11) :					
(1) Current Tax	73.80	101.00	56.00	401.80	330.00
(2) Deferred Tax	(451.46)	26.50	59.00	(397.46)	182.02
IX Profit for the period from Continuing Operations (VII - VIII)	669.47	236.63	293.83	1,394.98	1,096.87
X Other Comprehensive Income(OCI)					
A(i) Items that will not be reclassified to profit or loss	(2.92)	(8.22)	(6.74)	(26.82)	(9.74)
(ii) Incometax relating to items that will not be reclassified to profit or loss	(1.60)	2.87	2.35	6.75	3.40
B(i) Items that will be reclassified to profit or loss	9.34	(0.87)	(10.94)	13.98	(16.56)
(ii) Incometax relating to items that will be reclassified to profit or loss	(1.90)	0.31	3.82	(3.52)	5.79
XI Total Comprehensive Income for the Period/Year	672.39	230.72	282.32	1,385.37	1,079.76
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital *	340.00	340.00	500.00	340.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):					
Basic (Rs. Per Share)	1,578.51	557.94	692.82	3,289.16	2,586.26
Diluted (Rs. Per Share)	1,578.51	557.94	692.82	3,289.16	2,586.26
XV Other Equity excluding Revaluation Reserve	-	-	-	12,000.11	10,649.06
XVI Debenture Redemption Reserve	-	75.53	115.53	-	115.53
XVII Net Worth				12,004.35	10,653.30
XVIII Debt-Equity Ratio **				0.10	0.14
XIX Debt service coverage Ratio ***				4.03	6.43
XX Interest service coverage Ratio ****				10.62	10.65

See accompanying Notes to the financial results

Standalone Statement of Assets and Liabilities		Rs.Crores	
Particulars	Standalone		
	As at 31.03.2020 Audited	As at 31.03.2019 Audited	
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	8,820.72	6,751.32	
(b) Capital Work-in-Progress	1,734.56	1,403.19	
(c) Other Intangible Assets	28.46	16.20	
(d) Financial Assets			
(i) Investments	26.53	1,078.00	
(ii) Loans	12.22	0.31	
(iii) Other financial assets	18.22	16.03	
(e) Non Current Tax Asset(Net)	232.22	207.44	
(f) Deferred Tax Asset(Net)	-	-	
(g) Other non-current assets	323.37	434.69	
(2) Current Assets			
(a) Inventories	2,852.69	2,950.93	
(b) Financial Assets			
(i) Investments	1,513.65	2,770.39	
(ii) Trade Receivables	2,257.03	2,361.62	
(iii) Cash and cash Equivalents	1,104.23	57.52	
(iv) Bank balances other than Cash and Cash Equivalents	2.62	2.55	
(v) Loans	2.89	0.61	
(vi) Other financial assets	50.75	33.91	
(c) Other current assets	173.95	142.77	
(d) Assets Classified as held for Sale	-	0.20	
TOTAL ASSETS	19,154.11	18,227.68	
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	4.24	4.24	
(b) Other Equity	12,000.11	10,649.06	
Total Equity	12,004.35	10,653.30	
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	779.03	1,054.73	
(ii) Other Financial Liabilities	327.48	-	
(b) Provisions	189.16	167.80	
(c) Deferred Tax Liabilities (Net)	427.83	839.20	
(d) Other non-current liabilities	250.64	76.29	
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	241.99	408.86	
(ii) Trade Payables:			
(A) total outstanding dues of micro enterprises and Small enterprises and	17.02	21.25	
(B) total outstanding dues of creditors other than micro enterprises and Small enterprises	2,323.12	2,306.39	
(iii) Other Financial Liabilities	730.63	761.65	
(b) Other Current Liabilities	1,709.78	1,781.13	
(c) Provisions	153.08	149.23	
(d) Current Tax Liabilities (Net)	-	7.85	
Total Liabilities	7,149.76	7,574.38	
TOTAL EQUITY AND LIABILITIES	19,154.11	18,227.68	

MRF LIMITED
AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees Crores)

	Year ended	
	31st March 2020	31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	1,399.32	1,608.89
Adjustment for :		
Depreciation	980.62	806.27
Reversal of Impairment of Assets / Financial Assets	(0.09)	(0.10)
Unrealised Exchange (Gain) / Loss	(7.27)	1.61
Government Grant Accrued	(0.02)	-
Impairment of Financial Assets	0.14	-
Finance Cost	274.26	247.79
Interest Income	(15.27)	(10.39)
Dividend Income	(0.12)	(0.13)
Loss / (Gain) on Sale / Disposal of Property Plant and Equipment	(0.54)	5.90
Fair Value changes in Investments	(239.43)	(294.86)
Fair Value changes in Financial Instruments	59.62	41.96
Loss / (Gain) on Sale of Investments	(13.28)	(9.13)
Bad Debts written off	0.02	0.25
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	1,038.64	789.17
	2,437.96	2,398.06
Trade receivables	118.73	(230.46)
Other receivables	(56.36)	13.28
Inventories	98.24	(778.86)
Trade Payable and Provisions	3.94	343.40
Other liabilities	(89.04)	39.50
	75.51	(613.14)
CASH GENERATED FROM OPERATIONS	2,513.47	1,784.92
Direct Taxes paid	(434.43)	(404.70)
NET CASH FROM OPERATING ACTIVITIES	2,079.04	1,380.22
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(2,732.29)	(1,960.32)
Proceeds from sale of Property Plant and Equipment	2.39	0.42
Purchase of Investments	(2,064.74)	(2,116.46)
Proceeds from sale of Investments	4,625.66	2,718.50
Fixed Deposits with Banks matured	0.78	38.39
Loans (Financial assets) given	(12.88)	0.89
Interest Income	12.65	8.62
Dividend income	0.12	0.13
NET CASH USED IN INVESTING ACTIVITIES	(168.31)	(1,309.83)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / Proceeds from Working Capital Facilities (Net)	(166.47)	178.68
Proceeds from Term Loans	-	150.00
Proceeds from SIPCOT Loan	80.92	-
Repayment of Term Loans	(242.57)	(150.42)
Repayment of Debentures	(160.00)	-
Government Grant Accrued	0.02	-
Repayment of Fixed Deposits	-	(3.57)
Sales Tax Deferral	-	(8.79)
Deferred payment Credit	(0.54)	(0.48)
Payment of Lease Liability	(85.58)	-
Interest paid	(259.14)	(246.42)
Dividend and Dividend Distribution Tax	(30.66)	(30.66)
NET CASH FROM FINANCING ACTIVITIES	(864.02)	(111.66)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,046.71	(41.27)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	57.52	98.79
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	1,104.23	57.52

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

Notes:

(1) The above standalone financial results for the Quarter and Year ended 31st March, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th June, 2020.

(2) The auditors have issued audit report for standalone financial results with unmodified opinion for the year ended 31st March 2020 in terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016.

(3) The figures for the Quarter ended 31st March, 2020 and 31st March, 2019 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.

(4) 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.

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

(6) The Board of Directors has recommended a final dividend of Rs.94/- per share which along with two interim dividends of Rs.3 each already paid works out to Rs.100/- per share for the year ended 31st March, 2020.

(7) The Company's rating agencies, i.e. CARE and ICRA has reaffirmed its rating of "CARE AAA" / " [ICRA] AAA" for 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) The Company has adopted Ind AS 116 effective from 1st April, 2019 using modified retrospective method, and recognising the cumulative impact on the date of initial application i.e. 1st April, 2019. Accordingly, the comparative figures relating to the previous periods / year have not been restated. The net impact of adoption of this standard on the Profit After Tax for the Current Quarter and Year ended 31st March, 2020 is not material.

(9) The Listed Secured Redeemable Non Convertible Debentures of the Company aggregating to Rs.340 Crore as on 31st March, 2020 are secured by way of legal mortgage of Company's Land at Taluka Kadi, District Mehsana, 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.

(10) Details of Secured Non-Convertible Debentures as on 31st March, 2020 are as follows:

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 340 Crs	27 th May 2019	27 th May 2019	27 th May 2020	27 th May 2020

(11) The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for Income Tax for the year ended 31st March, 2020 and re-measured the Deferred Tax Liabilities / Assets on the rates prescribed in the said section.

(12) COVID 19 pandemic has severely affected the business environment and the economy. In order to reduce the impact of the pandemic, a nationwide lockdown was announced by the Government on 24th March 2020 and consequently, the Company's Plants, offices and godowns were closed. On account of the lockdown, March '20 Quarter has witnessed a drop in Total Income of Rs. 399.57 Cr as against the December '19 Quarter and a drop of Rs. 500.26 Cr as compared to the March '19 Quarter. Post lifting of lockdown most of the Company's operations have resumed. As on the date of the approval of the financial statements, the Company has a strong Net Worth and has serviced all its debt obligations in a timely manner. It does not foresee any incremental risk regarding recoverability of assets and ability to service financial obligations.

(13)The figures for the previous periods/year have been regrouped/restated wherever necessary.

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

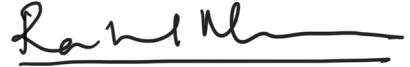
** Debt to Equity Ratio : Long Term Debts/(Total Net Worth - Debenture Redemption Reserve)

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

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

Place: Chennai
Date: 29th June, 2020

For MRF LIMITED



RAHUL MAMMÉN MAPPILLAI
Managing Director

SCA AND ASSOCIATES
501 D, POONAM CHAMBERS, A WING
Dr. ANNIE BESANT ROAD, WORLI
MUMBAI - 400 018.

MAHESH, VIRENDER & SRIRAM
"BADHE HOUSE" 6-3-788/36&37A
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AMEERPET
HYDERABAD - 500 016

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
MRF LTD.

Report on the audit of Consolidated Annual Financial Results

Opinion

1. We have audited the accompanying Consolidated annual financial results of MRF Ltd (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31st March, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate audited financial statements of the subsidiary, the aforesaid consolidated annual financial results:
 - a) include the annual financial results of the following entities;

Name of the Entity	Relationship
MRF Corp Limited	Wholly Owned Subsidiary
MRF Lanka (Private) Limited	Wholly Owned Subsidiary
MRF SG PTE Ltd.	Wholly Owned Subsidiary
MRF International Limited	Subsidiary

- b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31st March 2020

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.



Emphasis of Matter

4. We draw attention to note 11 to the Statement of Standalone Annual Financial Results for the year ended 31st March, 2020, which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

5. These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements
6. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

9. Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 consolidated annual financial results.



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

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 control 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the consolidated financial results made by the Management and Board of Directors
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entity included in the consolidated annual financial results, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.



We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

a) The consolidated annual financial results include the audited financial results of certain Subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 801.89 Crores as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 1881.17 Crores and total net profit after tax (before consolidation adjustments) of Rs. 26.78 Crores and net cash inflows of Rs 29.75 Crores for the year ended on that date, as considered in the consolidated annual financial results, which has been audited by its independent auditor. The independent auditors' report on financial statements of this entity have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

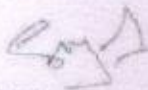
Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor

b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For SCA AND ASSOCIATES

Chartered Accountants

FRN 101174W



(SHIVRATAN AGARWAL)

Partner

M. No. 104180

UDIN: 20104180AAAAGZ8097

Mumbai,

29th June, 2020



For MAHESH, VIRENDER & SRIRAM

Chartered Accountants

FRN 001939S



(B R MAHESH)

Partner

M. No. 18628

UDIN: 20018628AAAAAN3747

Hyderabad,

29th June, 2020



MRF LIMITED

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

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

Rs.Crores

Statement of Consolidated Financial Results for the Quarter and Year ended 31st March,2020

PARTICULARS	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 2)	Unaudited	Audited (Refer Note 2)	Audited	Audited
I Revenue from Operations	3,685.16	4,075.75	4,137.67	16,239.36	16,062.46
II Other Income	60.05	74.01	111.79	335.38	421.73
III Total Income(I + II)	3,745.21	4,149.76	4,249.46	16,574.74	16,484.19
IV Expenses					
a) Cost of materials consumed	2,177.69	2,340.39	2,622.85	9,577.04	10,292.57
b) Purchase of stock-in-trade	6.67	4.34	2.80	22.59	30.60
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	(76.27)	76.52	(124.03)	17.40	(613.83)
d) Employee benefits expense	349.24	344.86	291.11	1,344.93	1,165.28
e) Finance costs	72.48	76.58	61.71	292.82	267.31
f) Depreciation and amortisation expense	267.00	249.33	214.90	982.32	807.60
g) Other expenses	644.58	687.43	761.62	2,903.39	2,882.48
Total expenses(IV)	3,441.39	3,779.45	3,830.96	15,140.49	14,832.01
V Profit before Exceptional Items and Tax (III-IV)	303.82	370.31	418.50	1,434.25	1,652.18
VI Exceptional Items	-	-	-	-	-
VII Profit before Tax	303.82	370.31	418.50	1,434.25	1,652.18
VIII Tax expense (Refer Note 10) :					
(1) Current Tax	76.16	102.49	65.19	409.07	339.17
(2) Deferred Tax	(451.36)	26.50	59.38	(397.39)	182.40
IX Profit for the period from Continuing Operations (VII - VIII)	679.02	241.32	293.93	1,422.57	1,130.61
X Other Comprehensive Income(OCI)					
A(i) Items that will not be reclassified to profit or loss	(2.85)	(8.22)	(6.63)	(26.75)	(9.63)
(ii) Incometax relating to items that will not be reclassified to profit or loss	(1.62)	2.87	2.32	6.73	3.37
B(i) Items that will be reclassified to profit or loss	17.04	8.70	(10.97)	13.88	(0.30)
(ii) Incometax relating to items that will be reclassified to profit or loss	(1.90)	0.31	3.85	(3.52)	5.79
XI Total Comprehensive Income for the year attributable to:					
Owners of the Company	689.68	244.98	282.49	1,412.90	1,129.83
Non Controlling Interest	0.01	-	0.01	0.01	0.01
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital *	340.00	340.00	500.00	340.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):					
Basic (Rs. Per Share)	1,601.03	569.00	693.05	3,354.20	2,665.82
Diluted (Rs. Per Share)	1,601.03	569.00	693.05	3,354.20	2,665.82
XV Other Equity excluding Revaluation Reserve	-	-	-	12,210.47	10,833.11
XVI Debenture Redemption Reserve	-	75.53	115.53	-	115.53
XVII Net Worth				12,214.84	10,837.47
XVIII Debt-Equity Ratio **				0.09	0.14
XIX Debt service coverage Ratio ***				4.00	6.29
XX Interest service coverage Ratio ****				10.08	10.11

See accompanying Notes to the financial results

Consolidated Statement of Assets and Liabilities		Rs.Crores	
Particulars	Consolidated		
	As at 31.03.2020 Audited	As at 31.03.2019 Audited	
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	8,841.27	6,769.77	
(b) Capital Work-in-Progress	1,740.94	1,403.47	
(c) Other Intangible Assets	28.49	16.23	
(d) Financial Assets			
(i) Investments	5.58	1,057.00	
(ii) Loans	12.25	0.36	
(iii) Other financial assets	96.67	88.05	
(e) Non Current Tax Asset(Net)	232.22	207.44	
(f) Deferred Tax Asset(Net)	-	0.06	
(g) Other non-current assets	333.88	435.08	
(2) Current Assets			
(a) Inventories	2,905.18	2,993.20	
(b) Financial Assets			
(i) Investments	1,513.75	2,797.68	
(ii) Trade Receivables	2,299.40	2,382.71	
(iii) Cash and cash Equivalents	1,178.52	101.95	
(iv) Bank balances other than Cash and Cash Equivalents	2.62	2.55	
(v) Loans	2.89	0.61	
(vi) Other financial assets	52.58	34.92	
(c) Other current assets	196.10	149.98	
(d) Assets Classified as held for Sale	-	0.20	
TOTAL ASSETS	19,442.34	18,441.26	
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	4.24	4.24	
(b) Other Equity	12,210.47	10,833.11	
Non Controlling Interest			
	0.13	0.12	
Total Equity	12,214.84	10,837.47	
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	779.03	1,054.73	
(ii) Other Financial Liabilities	327.48	-	
(b) Provisions	189.72	168.11	
(c) Deferred Tax Liabilities (Net)	428.86	840.20	
(d) Other non-current liabilities	250.17	76.32	
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	731.03	1,047.66	
(ii) Trade Payables:			
(A) total outstanding dues of micro enterprises and Small enterprises and	17.02	21.25	
(B) total outstanding dues of creditors other than micro enterprises and Small enterprises	1,888.32	1,688.13	
(iii) Other Financial Liabilities	732.39	763.32	
(b) Other Current Liabilities	1,727.14	1,783.82	
(c) Provisions	153.53	149.48	
(d) Current Tax Liabilities (Net)	2.81	10.77	
Total Liabilities	7,227.50	7,603.79	
TOTAL EQUITY AND LIABILITIES	19,442.34	18,441.26	

MRF LIMITED		
AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020		
(Rupees Crores)		
	Year ended	
	31st March 2020	31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	1,434.25	1,652.18
Adjustment for :		
Depreciation	982.32	807.60
Reversal of Impairment of Assets / Financial Assets	(0.09)	(0.10)
Unrealised Exchange (Gain) / Loss	(7.27)	16.26
Government Grant Accrued	(0.02)	-
Impairment of Financial Assets	0.20	0.07
Finance Cost	292.82	267.31
Interest Income	(21.92)	(13.09)
Dividend Income	(0.03)	(0.03)
Loss / (Gain) on Sale / Disposal of Property Plant and Equipment	(0.54)	5.90
Fair Value changes in Investments	(237.74)	(296.58)
Fair Value changes in Financial Instruments	57.09	41.96
Loss / (Gain) on Sale of Investments	(13.28)	(9.13)
Bad Debts written off	0.05	0.29
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	1,051.59	820.46
	2,485.84	2,472.64
Trade receivables	97.38	(237.65)
Other receivables	(72.37)	29.52
Inventories	88.02	(795.87)
Trade Payable and Provisions	187.92	117.35
Other liabilities	(72.37)	82.49
	228.58	(804.16)
CASH GENERATED FROM OPERATIONS	2,714.42	1,668.48
Direct Taxes paid	(441.81)	(415.63)
NET CASH FROM OPERATING ACTIVITIES	2,272.61	1,252.85
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(2,752.36)	(1,963.76)
Proceeds from sale of Property Plant and Equipment	2.47	0.42
Purchase of Investments	(2,065.74)	(2,122.46)
Proceeds from sale of Investments	4,650.90	2,718.50
Fixed Deposits with Banks matured	(5.71)	(30.82)
Loans (Financial assets) given	(12.86)	0.90
Interest Income	19.58	11.04
Dividend income	0.03	0.03
NET CASH USED IN INVESTING ACTIVITIES	(163.69)	(1,386.15)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / Proceeds from Working Capital Facilities (Net)	(313.02)	356.30
Proceeds from Term Loans	-	150.00
Proceeds from SIPCOT Loan	80.92	-
Repayment of Term Loans	(242.56)	(150.42)
Repayment of Debentures	(160.00)	-
Government Grant Accrued	0.02	-
Repayment of Fixed Deposits	-	(3.57)
Sales Tax Deferral	-	(8.79)
Deferred payment Credit	(0.54)	(0.48)
Payment of Lease Liability	(85.58)	-
Interest paid	(280.91)	(270.17)
Dividend and Dividend Distribution Tax	(30.68)	(30.68)
NET CASH FROM FINANCING ACTIVITIES	(1,032.35)	42.19
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,076.57	(91.11)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	101.95	193.06
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	1,178.52	101.95
Note:		
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.		

Notes:

- (1) The above consolidated financial results for the Quarter and Year ended 31st March, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th June, 2020.
- (2) The auditors have issued audit report for consolidated financial results with unmodified opinion for the year ended 31st March 2020 in terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016.
- (3) The figures for the Quarter ended 31st March, 2020 and 31st March, 2019 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.
- (4) 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.
- (5) The group except for MRF Corp Ltd, is engaged in the manufacture of rubber products such as Tyre, Tubes, Flaps, Tread Rubber and / or Trading 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.
- (6) The Holding Company's rating agencies, i.e. CARE and ICRA has reaffirmed its rating of "CARE AAA" / "[ICRA] AAA" for 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.
- (7) The Group has adopted Ind AS 116 effective from 1st April, 2019 using modified retrospective method, and recognising the cumulative impact on the date of initial application i.e. 1st April, 2019. Accordingly, the comparative figures relating to the previous periods / year have not been restated. The net impact of adoption of this standard on the Profit After Tax for the current quarter and year ended 31st March, 2020 is not material.
- (8) The Listed Secured Redeemable Non Convertible Debentures of the Holding Company aggregating to Rs.340 Crore as on 31st March, 2020 are secured by way of legal mortgage of Holding Company's Land at Taluka Kadi, District Mehsana, Gujarat, India and hypothecation by way of first charge on Plant & Machinery at the Holding Company's Plants at Perambalur, Trichy, Tamilnadu, equivalent to the outstanding amount.
- (9) Details of Secured Non-Convertible Debentures as on 31st March, 2020 are as follows:

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 340 Crs	27 th May 2019	27 th May 2019	27 th May 2020	27 th May 2020

- (10) The Group (except for Foreign Subsidiaries) elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group has recognized provision for Income Tax for the year ended 31st March, 2020 and re-measured the Deferred Tax Liabilities / Assets on the rates prescribed in the said section.
- (11) COVID 19 pandemic has severely affected the business environment and the economy. In order to reduce the impact of the pandemic, a nationwide lockdown was announced by the Government on 24th March 2020 and consequently, the Group's Plants, offices and godowns were closed. On account of the lockdown, March '20 Quarter has witnessed a drop in Total Income of Rs. 404.55 Cr as against the December '19 Quarter and a drop of Rs. 504.25 Cr as compared to the March '19 Quarter. Post lifting of lockdown most of the Group's operations have resumed. As on the date of the approval of the financial statements, the Group has a strong Net Worth and has serviced all its debt obligations in a timely manner. It does not foresee any incremental risk regarding recoverability of assets and ability to service financial obligations.

(12)The figures for the previous periods have been regrouped wherever necessary.

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

** Debt to Equity Ratio : Long Term Debts/(Total Net Worth - Debenture Redemption Reserve)

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

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

Place: Chennai
Date: 29th June, 2020

For MRF LIMITED



RAHUL MAMMEN MAPPILLAI
Managing Director