

SASTRI & SHAH
"LEELAVATI"
NO 69, ARMENIAN STREET
CHENNAI – 600 001

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

**"LIMITED REVIEW" REPORT ON THE FINANCIAL RESULTS OF MRF LTD FOR THE QUARTER AND SIX MONTHS ENDED
30th SEPTEMBER 2016.**

Independent Auditor's Review Report
To The Board of Directors,
MRF Ltd.,
114, Greams Road
Chennai – 600 006.


We have reviewed the accompanying statement of unaudited standalone financial results of MRF Limited ("the Company") for the quarter and six months ended 30th September 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter and six months ended 30th September 2015, including the reconciliation of net profit for the quarter and six months ended on that date under Ind AS with the net profit reported under previous GAAP, as reported in these financial results, have been approved by the Company's Board of Directors but have not been subjected to review.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.


Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Ind AS specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular CIR/CFD/FAC/62/2016 dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SASTRI & SHAH
Chartered Accountants
(Reg.No. 0036435)


(C. R. KUMAR)
Partner
M. No. 26143

Chennai, 27th October 2016

For SCA AND ASSOCIATES
Chartered Accountants
(Reg.No. 101174W)


(SHIVRATAN AGARWAL)
Partner
M. No. 104180

MRF LIMITED

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

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

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

Rs. Crore

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
1 Income from Operations					
(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
Total income from operations	3,614.63	3,882.37	3,652.78	7,497.00	7,532.17
2 Expenses					
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	1,084.44	989.86
Total expenses	3,108.44	3,184.47	2,987.97	6,292.91	6,159.34
3 Profit from operations before other income, finance costs and exceptional items (1-2)	506.19	697.90	664.81	1,204.09	1,372.83
4 Other income	122.07	73.56	60.83	195.63	103.45
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	628.26	771.46	725.64	1,399.72	1,476.28
6 Finance costs	62.55	59.98	52.85	122.53	104.68
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	565.71	711.48	672.79	1,277.19	1,371.60
8 Exceptional Items	-	-	-	-	-
9 Profit from ordinary activities before tax (7±8)	565.71	711.48	672.79	1,277.19	1,371.60
10 Tax expense	180.42	220.55	222.87	400.97	442.13
11 Net Profit from ordinary activities after tax (9-10)	385.29	490.93	449.92	876.22	929.47
12 Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-
13 Net Profit for the period (11±12)	385.29	490.93	449.92	876.22	929.47
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
20a 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
20b 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



Standalone Statement of Assets and Liabilities		Rs. Crore
ASSETS	Particulars	As at 30.09.2016 Unaudited
(1) Non-Current Assets		
	(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
(2) Current Assets		
	(a) Inventories	
	(b) Financial Assets	1,819.10
	(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
TOTAL ASSETS		14,008.16
EQUITY AND LIABILITIES		
Equity		
	(a) Equity Share Capital	4.24
	(b) Retained Earnings-Surplus in statement of Profit and Loss	871.21
	(c) Other Equity	7,109.24
Total Equity		7,984.69
Liabilities		
(1) Non-Current Liabilities		
	(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
(2) Current Liabilities		
	(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
Total Liabilities		6,023.47
TOTAL EQUITY AND LIABILITIES		14,008.16



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			
(a)	Measurement of Investments at Fair Value	460.73		907.54
(b)	Reclassification of Actuarial gains/losses to Other Comprehensive Income	(8.79)		9.65
(c)	Others	4.10		8.43
	Deferred tax on above adjustments(net)	(0.25)		1.68
	Profit after tax as per Ind AS	(5.97)		2.17
	Other Comprehensive Income(net of tax)	449.92		929.47
	Total Comprehensive Income	(7.00)		(10.92)
		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 Gujrat, India and hypothecation by way of first charge on Plant & Machinery at the Company's Plants at Perambalur, Tiruchy, Tamilnadu, equivalent to the outstanding amount.

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

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.0% Non-Convertible Debentures - 500 Crs	-	27 th May 2016	27 th May 2019	29 th May 2017

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

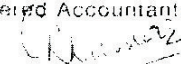
- * Paid up Debt Capital represents Secured Redeemable Non-Convertible Debentures.
- ** Debt to Equity : Long Term Debts/Total Net Worth
- *** Debt Service Coverage Ratio : EBDIT/(Interest + Principal Repayment during the period)
- **** Interest Service Coverage Ratio : EBDIT/Interest Expenses

Place: Chennai
Date: 27th October, 2016

For MRF LIMITED

(ARUN MAMMEN)
Managing Director

Vide our Report dated 27th October, 2016

For Sastri & Shah
Chartered Accountants

G.R. Kumar - Partner

For SCA AND ASSOCIATES
Chartered Accountants

Shivratan Agarwal
Partner