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

071/SH/SE/AGM/2024/KGG/3
06th July, 2024

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

Dear Sir,

Annual Report and AGM Notice - 2024

Please refer to our earlier letter dated 26th June, 2024.

We would like to inform that the 63rd Annual General Meeting of the Company will be held on Thursday, 01st August, 2024 through Video Conferencing/Other Audio Visual Means (OAVM).

In this connection, please find enclosed herewith the following:

1) The Notice convening the Annual General Meeting of the Company.
2) Annual Report 2023-24.

This information is being submitted pursuant to Regulation 34 of the SEBI (Listing, Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Further, this to inform you that in compliance with Section 108 of the Companies' Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended, the Company has fixed Thursday, 25th July 2024, as the cut-off date for the purpose of offering remote e-voting facility to the Members in respect of resolutions to be transacted at the Annual General Meeting scheduled to be held on 01st August, 2024 through Video Conferencing/Other Audio Visual Means (OAVM).

Kindly take the same on record.

Thanking you,

Yours faithfully

For MRF Limited

S DHANVANTH KUMAR

Digitally signed by S DHANVANTH KUMAR
Date: 2024.07.06 15:16:43 +05'30'

S DHANVANTH KUMAR
COMPANY SECRETARY

MRF LIMITED, Regd. Office: No.114, Greams Road, Chennai 600 006, CIN: L25111TN1960PLC004306, Tel: 044-28292777, Fax: 91-44-28290562,
E-mail: mrfshare@mrfmail.com, Website: www.mrftyres.com

NOTICE

NOTICE is hereby given that the Sixty Third Annual General Meeting of the shareholders of MRF Limited will be held on Thursday, the 1st August, 2024, at 11.00 A.M, through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended 31st March, 2024 and the Reports of the Auditors thereon.

2. To declare a final dividend on equity shares. The Board has recommended a final dividend of ₹ 194/- (1940%) per equity share of ₹ 10 each.

3. To appoint a Director in place of Mr. Samir Thariyan Mappillai (DIN:07803982), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Dr (Mrs) Cibi Mammen (DIN: 00287146), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, Mr. J. Karthikeyan of M/s. J. Karthikeyan & Associates (Firm Regn No. 102695), Cost Accountant, Chennai appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2025, be paid a remuneration of ₹ 8.40 Lakhs (Rupees Eight Lakhs Forty thousand only) (excluding taxes, as applicable) in addition to reimbursement of out of pocket expenses and conveyance as recommended by the audit committee and approved by the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution".

By Order of the Board,

Place: Chennai
Date: 03rd May, 2024

S DHANVANTH KUMAR
Company Secretary

Notes:

a) In accordance with the provisions of the Companies Act, 2013 ("Act"), read with the Rules made thereunder and General Circular dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021, 5th May, 2022, 28th December, 2022 and 25th September,2023 issued by the Ministry of Corporate Affairs ("MCA") read with relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as ("the Circulars"), companies are allowed to hold Annual General Meeting (AGM) through VC or OAVM upto 30th September, 2024, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

b) The information required to be provided as per section 102 of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are furnished in the explanatory statement which is annexed hereto.

c) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

d) In compliance with the aforementioned Circulars, Notice of the AGM along with the Annual Report 2023-2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-2024 will also be available on the Company's website: www.mrftyres.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com. In case any member is desirous of obtaining physical copy of the Annual Report for the financial year 2023-2024 and Notice of the AGM of the Company, he/she may send a request to the Company by writing to mrfshare@mrfmail.com mentioning their DP ID and Client ID/ Folio No.

e) The register of members and transfer books of the Company will remain closed from 26.07.2024 to 01.08.2024 both days inclusive, for the purpose of payment of final dividend.

f) Upon declaration of final dividend as recommended by the Directors payment of dividend, subject to deduction of tax at source, will be made on or after 23.08.2024 to the shareholders whose names appear on the Company's Register of Members on 25.07.2024.

g) In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.

h) Members are requested to notify immediately any change in their address/change in bank details or demise of any member as soon as possible to the Company's registered office quoting their ledger folio number. In respect of shares held in electronic form, members may notify these changes to their depository participants.

i) All relevant documents referred to in the accompanying notice and explanatory statement are available for inspection through electronic mode.

j) SEBI Vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

k) SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login.

l) Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend.

For resident shareholders, tax shall be deducted at source under Section 194 of the IT Act at applicable rates.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them

during financial year 2024-2025 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. PAN is mandatory for members providing Form 15G/ 15H. The format of the aforementioned documents may also be accessed from the Company's website at https://www.mrftyres.com/shareholder-info. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to mrfshare@mrfmail.com

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

The aforesaid declarations and documents need to be submitted by the shareholders on or before 5.30 p.m. on 25.07.2024.

TDS certificates will be sent to shareholders in hard copy form or by email after payment of dividend.

m) Under section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, unclaimed dividend amounts upto Second Interim Dividend 2016-2017 have been transferred to the said fund. The shareholders are advised to forward all unencashed dividend warrants from final dividend 2016-2017 to the registered office of the Company for revalidation and encash the same before the respective due date of transfer to IEPF.

n) Last date for claiming unclaimed dividend from the Company is given below:

Year	Dividend	Date of Declaration	Last date for claiming unclaimed dividend
2016-2017	Final	04-08-2017	04-09-2024
2017-2018	I-Interim	10-11-2017	10-12-2024
	II-Interim	01-02-2018	01-03-2025
	Final	09-08-2018	09-09-2025
2018-2019	I-Interim	08-11-2018	08-12-2025
	II-Interim	07-02-2019	07-03-2026
	Final	09-08-2019	09-09-2026
2019-2020	I-Interim	08-11-2019	08-12-2026
	II-Interim	10-02-2020	10-03-2027
	Final	24-09-2020	24-10-2027
2020-2021	I-Interim	06-11-2020	06-12-2027
	II-Interim	11-02-2021	11-03-2028
	Final	12-08-2021	12-09-2028
2021-2022	I-Interim	09-11-2021	09-12-2028
	II-Interim	10-02-2022	10-03-2029
	Final	04-08-2022	04-09-2029
2022-2023	I-Interim	08.11.2022	09.12.2029
	II-Interim	09.02.2023	11.03.2030
	Final	27-07-2023	27-08-2030
2023-2024	I-Interim	03-11-2023	03-12-2030
	II-Interim	09-02-2024	09-03-2031

n) With respect to dividends which remain unclaimed for a period of 7 years or more, the Company in due compliance with Section 124 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, has transferred to IEPF authority the corresponding equity shares. Details of shares transferred to the IEPF Authority are

available on the website of the Company: www.mrftyres.com and on the website of the IEPF Authority: www.iepf.gov.in.

The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in/IEPF/corporates.html Members may contact Secretarial Department of the Company for any guidance required for lodging claim for refund of shares and/or dividend from the IEPF Authority.

o) As per the provisions of the Companies Act, 2013, facility for making nominations is available to individuals holding shares in the Company. The prescribed nomination form in Form SH - 13 can be obtained from the Company. Members holding shares in electronic form may forward nomination form duly filled to their respective depository participants only.

p) The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN and KYC details pursuant to SEBI Circular dated 3rd November, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company: www.mrftyres.com . Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR–1.

q) Members may please note that SEBI vide its Circular dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Subdivision/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, shareholders are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website: www.mrftyres.com. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company, for assistance in this regard.

r) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the Company in prescribed Form ISR-1 and other forms pursuant to SEBI Circular dated November 3, 2021. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

s) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

t) Institutional / Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization along with a ID proof of the representative, authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to jandsca@gmail.com with a copy marked to evoting@nsdl.com by 25.07.2024.

u) Instructions for members for attending the AGM through VC / OAVM are as under:

i. NSDL will be providing facility for voting through remote e-Voting, for participation in the AGM through VC/OAVM facility and e-Voting during the AGM.

ii. Members may note that the VC/OAVM facility, allows participation of atleast 1,000 Members on a first-come-first-served basis.

iii. Members will be able to attend the AGM through VC/ OAVM at https://www.evoting.nsdl.com by using their remote

e-voting login credentials and selecting the link available against the EVEN (128919) for Company's AGM. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.

iv. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis.

v. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com or contact Mr. Amit Vishal, Deputy Vice President – NSDL at 022-24994360 or Ms. Pallavi Mhatre, Senior Manager-NSDL at 022-24994545

vi. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

vii. Members are advised to send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number to mrfshare@mrfmail.com. Questions / queries received by the Company till 5.00 p.m. on 30.07.2024 shall only be considered and responded during the AGM.

viii. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/ folio number, email id, mobile number to mrfshare@mrfmail.com between 9.00 a.m. on 26.07.2024 and 5.00 p.m. on 29.07.2024.

ix. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

v) E-Voting:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The remote e-voting period commences on 27.07.2024 (9.00 A.M.) and ends on 31.07.2024 (5.00 P.M.). During this period, members holding shares either in physical form or in dematerialized form, as on 25.07.2024 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode:

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode is allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat Accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	i. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. On the e-Services Home Page, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. ii. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. iii. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp iv. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Demat mode with CDSL	i. Existing users who have opted for Easi / Easiest, they can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System - Myeasi. ii. After successful login of Easi/Easiest the user will also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. iii. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration. iv. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login is complete, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at the above mentioned websites.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue to login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-4886 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue to login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91 22 2305 8738 or +91 222305 8542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 128919 then user ID is 128919001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8-digit of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered with the Company/ Depositories, please follow steps for registering email ID's.

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com .

b) "Physical User Reset Password" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com .

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting are in active status.

2. Select "EVEN" of company (EVEN No.: 128919) for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the Depositories/Company for procuring user id and password for e-Voting for the resolutions set out in this Notice:

Shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing below mentioned documents.

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card).

2. In case shares are held in demat mode, please provide DP ID-Client ID (16 digit DP ID + Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card).

   If you are an Individual shareholder holding securities in demat mode, you are requested to refer "Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode".

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter and ID proof of the person who is authorised to vote to the Scrutinizer by e-mail to jandsca@gmail.com with a copy marked to evoting@nsdl.com.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" Option available on www.evoting.nsdl.com to reset the password.

3. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call at 022-4886 7000 on or send a request at evoting@nsdl.com. Any query or grievance connected with the remote e-voting may be addressed to Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.com, 022-4886 7000.

   Members facing any technical issue in login can contact NDSL helpdesk by sending a request at evoting@nsdl.com or call at 022-48867000 and 022-24997000.

   Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free number 1800 22 55 33.

4. The voting rights of members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date i.e., 25.07.2024.

5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e, 25.07.2024, may obtain the login ID and password by sending a request at evoting@nsdl.com.

6. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following 022-4886 7000.

7. Mr. N C Sarabeswaran (Membership No.009861) Senior Partner or in his absence Mr. N S Vivek (Membership No. 206383) Partner of Messrs Jagannathan & Sarabeswaran, Chartered Accountants, will be acting as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

8. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

9. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter

unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

10. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company, www.mrftyres.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and also communicate the same to BSE Limited & National Stock Exchange of India Limited.

EXPLANATORY STATEMENT

Item No. 3

In compliance with the provisions of section 152 of the Companies Act, 2013, Mr. Samir Thariyan Mappillai retires by rotation at the ensuing annual general meeting of the Company. Mr. Samir Thariyan Mappillai being eligible has offered himself for re-appointment.

Mr. Samir Thariyan Mappillai is aged about 42 years. He holds a Bachelor's degree in Economics from St. Stephen's College, Delhi and Master's degree in Economics from the University of Madras, Chennai. Thereafter, he completed his Master's Degree in Business Administration (MBA), from Kellogg School of Management, North-Western University, Illinois, USA. Mr. Samir Thariyan Mappillai joined the Company as Corporate Manager in the Marketing department in 2010 and was later promoted as Deputy General Manager - Marketing in 2011 and General Manager – Marketing in 2014. He has varied experience in all major functions in marketing and product development. In 2017 he was elevated as Whole- time Director of the Company.

Mr. Samir Thariyan Mappillai holds 4470 shares of the Company. He is not holding any Directorship in other Companies. He is not a Member/ Chairman of any Committee of MRF Limited. Mr. Samir Thariyan Mappillai has not resigned from any other listed entity in the past 3 years. During the last financial year, Mr. Samir Thariyan Mappillai attended all the 4 Board meetings of the Company.

The details of remuneration paid to Mr. Samir Thariyan Mappillai for the year 2023-2024 in his capacity as Whole- time Director of the Company is as follows: (a) Salary and perquisites – Rs. 56153588 (b) Commission – Rs.36900000 (c) Total – Rs.93053588.

Mr. Samir Thariyan Mappillai (being the appointee), Mr. K M Mammen, Chairman and Managing Director (Father), Mrs. Ambika Mammen, Director (Mother) and Mr. Rahul Mammen Mappillai, Managing Director (brother) and their relatives may be deemed to be concerned or interested in the above resolution.

Mr K M Mammen being interested in this resolution, disclosed the nature of his interest and did not participate in the meeting of the Nomination and Remuneration Committee and the Board when the proposal was taken up for consideration and approval. Further, all the above directors have disclosed the nature of their interest and did not participate in the meeting of the Board when this proposal was considered.

None of the other Directors and key managerial personnel are related to Mr. Samir Thariyan Mappillai as defined under the Companies Act, 2013. Further, none of them or their relatives are concerned or interested, financially or otherwise, in the above resolution.

Mr. Samir Thariyan Mappillai has the requisite skills and experience expected of a member of the Board and accordingly, the Board (on the basis of the recommendation of the Nomination and Remuneration Committee) recommends this ordinary resolution for the approval of the shareholders.

Item No. 4

In compliance with the provisions of section 152 of the Companies Act, 2013, Dr. (Mrs) Cibi Mammen retires by rotation at the ensuing annual general meeting of the Company. Dr. (Mrs) Cibi Mammen being eligible has offered herself for re-appointment.

Dr. (Mrs) Cibi Mammen aged about 52 years, is on the Board of the Company since 12th February, 2015. Dr. (Mrs) Cibi Mammen is a BDS graduate from Dr MGR University, Chennai. She is on the Board of Funskool (India) Limited, a leading toy Company in India offering wide range of brands. She has experience in administration and in Management.

She has moderated forums in the spouses wing of the Young Presidents' Organisation. She is a member of the Indian Women's Association (IWA).

Dr. (Mrs) Cibi Mammen is a director of Devon Machines Private Limited, Pearl Investments & Finance Co. Ltd., Comprehensive Investment & Finance Company Private Limited, Funskool (India) Ltd., Peninsular Investments Private Limited, Coastal Rubber Equipment Private Limited, Tranquil Investments P Ltd, Avittam Investments Private Limited and V A Investments P Ltd. Dr.(Mrs) Cibi Mammen has not resigned from any other listed entity in the past 3 years. Dr.(Mrs) Cibi Mammen is not a member/ chairman of any committees of the Board in which she is a Director.

Dr. (Mrs) Cibi Mammen holds 500 shares in the Company. During the last financial year, Dr. (Mrs) Cibi Mammen attended all the 4 Board meetings of the Company.

The sitting fees paid to Dr. (Mrs) Cibi Mammen for the year 2023-2024 is ₹ 1,00,000.

Dr. (Mrs) Cibi Mammen and her spouse Mr. Arun Mammen, Vice Chairman and Managing Director and their relatives may be deemed to be concerned or interested in the above resolution.

None of the other Directors and key managerial personnel are related to Dr. (Mrs) Cibi Mammen as defined under the Companies Act, 2013. Further, none of them or their relatives are concerned or interested, financially or otherwise, in the above resolution.

Dr. (Mrs) Cibi Mammen has the requisite skills and experience expected of a member of the Board and accordingly, the Board (on the basis of the recommendation of the Nomination and Remuneration Committee) recommends this ordinary resolution for the approval of the shareholders.

Item No. 5

The Board at its meeting held on 03rd May, 2024 on the recommendations of the Audit Committee, has appointed Mr. J. Karthikeyan of M/s. J. Karthikeyan & Associates (Firm Regn No. 102695), Cost Accountant, Chennai as the Cost Auditor to conduct the audit of the cost record of the Company for the financial year ending 31st March, 2025 on a remuneration of 8.40 Lakhs (Rupees Eight Lakhs Forty thousand only) (excluding taxes, as applicable) plus reimbursement of out of pocket expenses and conveyance.

M/s. J. Karthikeyan & Associates, specialise in the areas of Cost Audit, implementing Cost Systems/MIS and Consulting. They have been in practice for 10 plus years and have expertise in handling Cost Audit / Cost Compliance Report, Internal Audit, Developing & Implementation of Costing Systems, Bank Stock Audits, Revenue Audits etc. Their clientele is spread across major industries in Pharmaceuticals, Engineering, Automobile, FMCG, Garments, Diary and Construction.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the shareholders.

None of the Directors and key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the above resolution.

Accordingly, the Board recommends this Ordinary Resolution for the approval of the shareholders.

By Order of the Board,

Place: Chennai
Date: 03rd May, 2024

S DHANVANTH KUMAR
Company Secretary

MRF



Rs.25,000 CRORES

A NEW THRESHOLD

MRF-INDIA'S NO.1

ANNUAL REPORT 2023-24

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CHAIRMAN'S MESSAGE



Dear Shareholders,

In stark contrast to the previous year, the financial year April, 2023 to March, 2024 went without any price increases, as the raw material prices has stabilised. In fact, by the close of the financial year, we were able to give a price reduction in our star product in the Truck Tyre range S3C8. This price decrease was naturally welcomed by the customers.

It is a matter of great satisfaction that MRF's products and strategies have led us to record an all-time high performance during the current year. We have achieved a consolidated total income of Rs.25,486 crores which is an increase of Rs.2,225 crores over the previous year.

We are also happy that we have been able to introduce to the high-end bike customers, our steel radial brace tyres. These bikers have been depending on imported products in this category. The introduction of MRF Steel Brace Radial tyres would have therefore come as a welcome step for most of these customers.

In the Passenger Car Segment, more and more customers seem to have been preferring compact SUV's over the last few years. It is therefore a great comfort that most of the OE manufacturers of these compact SUV's have preferred MRF Wanderer Street Radial tyres as OE fitment.

In line with India's ambition to achieve Net Zero emissions by the year 2070, we are proactively taking steps to reduce carbon emissions in our operational process. We are committed to become carbon neutral by the year 2050.

I wish to thank the Shareholders, Investors, Central and State Governments, Lenders, Suppliers and Customers for their support. I also thank all my colleagues on the Board for their continued support.

Best Wishes,

K.M. MAMMEN
Chairman & Managing Director

NEW PRODUCT LAUNCH

PASSENGER CAR TYRES



MRF MARKUS

A new size, **275/50 R20** was introduced for premium SUV's from Audi, Bentley, Mercedes-Benz and Jeep. MRF Markus delivers excellent high-speed cornering and silent running with enhanced wet and dry grip.



MRF PERFINZA

A new size, **275/45 ZR20** was introduced for premium and luxury vehicles like the Mercedes S Class, BMW 6 Series and the Volvo XC90. MRF Perfinza delivers excellent on-road performance in all weather conditions with superior control and stability.

NEW PRODUCT LAUNCH

TWO WHEELER TYRES



MRF STEEL BRACE

110/70 ZR17 TL, 150/60 ZR17 TL

'W' rated, 'Zero Degree' Steel Radial tyres for high speed performance, superior grip and enhanced cornering performance.



MRF ZAPPER HYKE

100/90-18 TL, 140/70-17 TL, 130/70-18 TL

Tyres for Harley-Davidson X440 and Royal Enfield Interceptor 650 / Continental GT 650.



MRF REVZ-K

140/80 R17 TL

Rear tyre for the Triumph Scrambler 400X.

NEW PRODUCT LAUNCH

COMMERCIAL VEHICLE TYRES



MRF SUPER LUG 001

The Super Lug 001 features a unique tread design and compound for on and off-road applications for cooler running and high mileage.



MRF STEEL MASTER M157

Two new sizes have been introduced under the Steel Master M157 brand. 7.50 R15 which is a plus size for customers using 7.00 R15 and 215/75 R15 which is being supplied to Tata Motors for their recently introduced Pickup Range.

MRF SUPER LUG FIFTY PLUS-RR



MRF SUPER LUG FIFTY PLUS STAR



MRF SUPER LUG 707 STAR



Design optimised versions of our existing highly popular tyres, delivering the same performance with an added cost benefit to the customer.

BHARAT MOBILITY & MRF AERO MUSCLE



BHARAT MOBILITY GLOBAL EXPO 2024

MRF Tyres participated in Bharat Mobility Global Expo 2024 which focussed on safe, secure and sustainable mobility. We were honoured to receive the **Honourable Prime Minister, Shri Narendra Modi** at the stall who showed a keen interest in the MRF Aero Muscle range of Aviation tyres.



MRF AERO MUSCLE

MRF is the only Indian manufacturer of Aviation tyres. The MRF Aero Muscle range has been fitted to Sukhoi and MIG 29 fighter jets, Chetak Helicopters and Advanced Light Helicopters. The latest addition is the newly commercialized Light Combat Aircraft (LCA) TEJAS which is fitted with MRF Aero Muscle Tyres. A proud and momentous occasion for MRF.

OEM RECOGNITION

MRF is one of the leading suppliers to Indian Original Equipment Manufacturers (OEM's).
World-class Quality and Technology are the hallmarks of our tyres
which has seen wide acceptance and recognition.



BAJAJ AUTO LIMITED

Platinum Quality Award.



MARUTI SUZUKI INDIA LIMITED

MRF was recognized for Speedy Development.



SUZUKI MOTORCYCLE INDIA PVT. LIMITED

Award for Overall Best QCDDM supplier.



HONDA MOTORCYCLE AND SCOOTER INDIA

Grand Award for QCD Performance and extra ordinary support.

ESG

ENVIRONMENT



Renewable Energy

Group captive power purchase agreements signed for renewable energy sourcing has helped in increasing MRF's renewable energy share in Financial Year 2023-24.



Fossil Fuel Emission Reduction

Various emission reduction initiatives were taken up like replacing Furnace Oil (FO) with Low Sulphur Heavy Stock (LSHS) / Piped Natural Gas (PNG), Nitrogen gas based curing, optimization projects and use of Biomass.



Water Conservation

Increased rainwater harvesting and recovery to reduce dependency on freshwater. Constructed and commissioned wastewater treatment plants of 1200 KLD. One of MRF's plants uses desalinated seawater and this helps in reducing MRF's freshwater consumption.

SOCIAL



MRF continues its focus on employee well-being including their health, safety and upskilling. As a responsible corporate citizen, MRF carries out several CSR projects in education, health care, skill development, rural development and infrastructure for the communities in which it operates.

GOVERNANCE



MRF continues to create sustained long-term value for its stakeholders through prudent fiscal practices and a sound business strategy. The company's ESG Council oversees the company's sustainability strategy, goals and performance.

THE PAINT DIVISION

MRF Corp (Paints Division) achieved a value growth of 15% over the preceding year.
The annual plant capacity utilisation rose by 23% over the previous year.







MOTORSPORTS



ERC - MRF CONTINUES ITS WINNING STREAK IN EUROPE

2023-24 saw Team MRF repeat their win in the acclaimed European Rally Championship (ERC) for the second consecutive year.





DOMESTIC NATIONAL CHAMPIONSHIPS

MRF Drivers won the Driver's Championship in the Indian National Rally Championship.

MRF promoted motorsports across the country by conducting various national level Championships for Motorcycles and Cars including the newly introduced MRF National Dirt Track Championship.

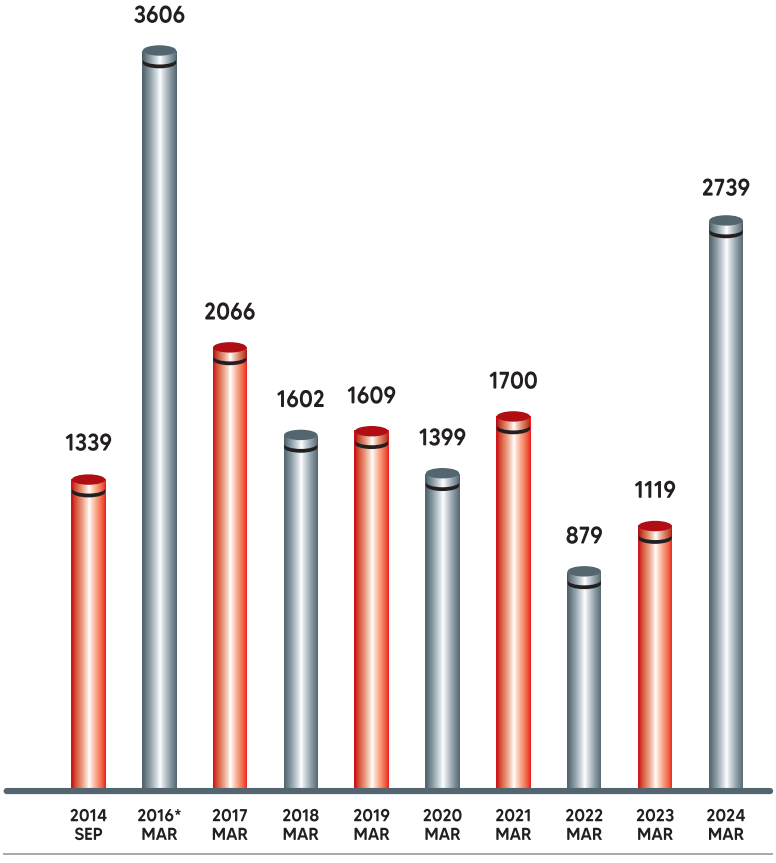
These initiatives helped strengthen MRF's brand image and also position MRF's Go-kart tyres as the premier tyre on various Go-kart tracks.

GROWTH STORY

PROFIT BEFORE TAXATION

Standalone

₹ in crores

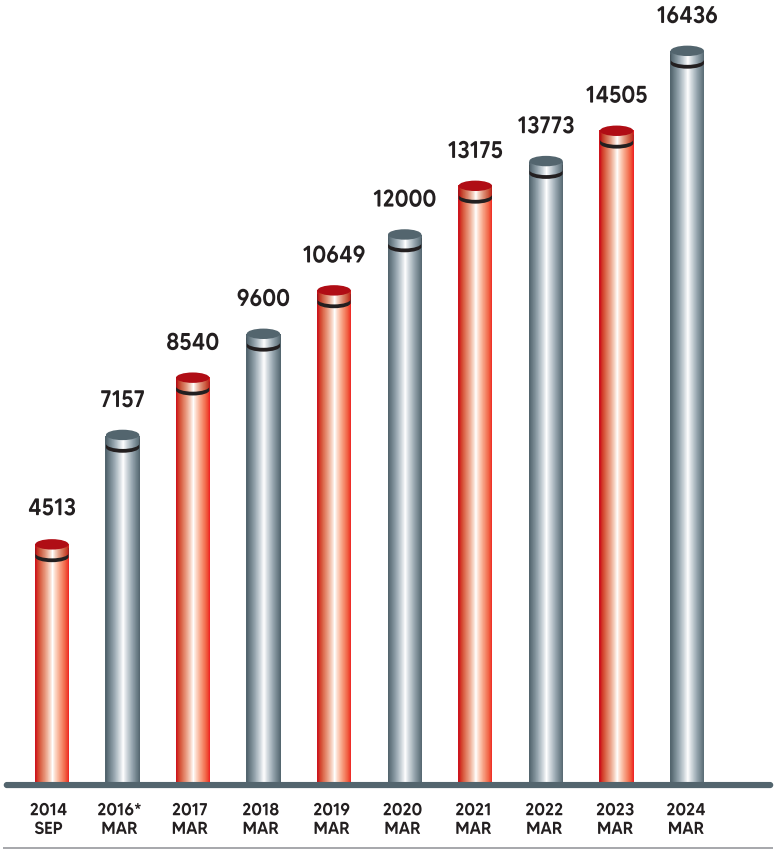


*For the 18 months period ended 31.03.2016

RESERVES#

Standalone

₹ in crores



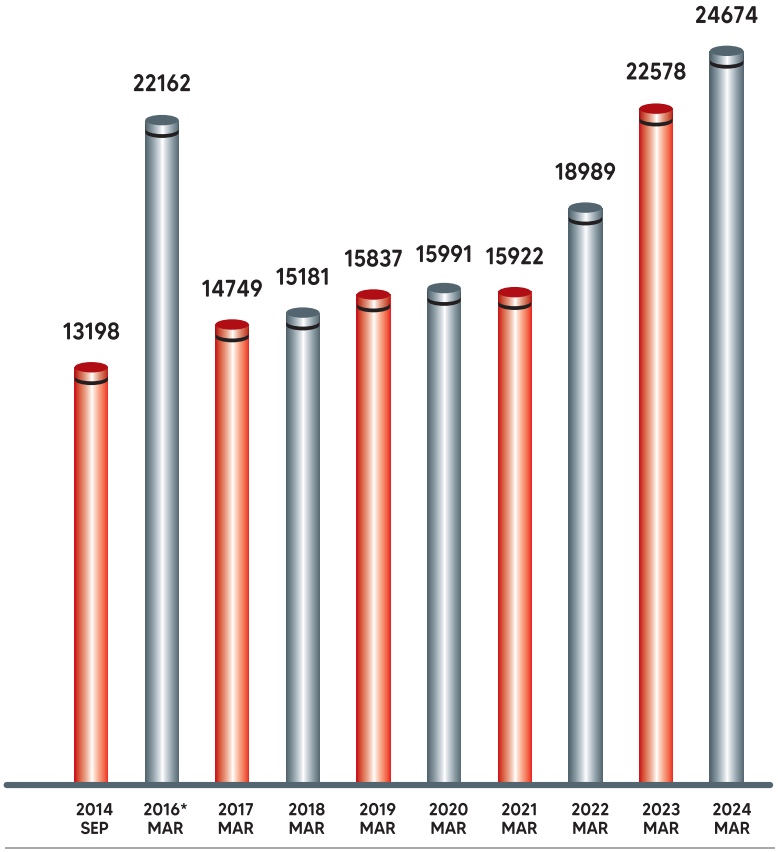
#Including other comprehensive income.

GROWTH STORY

REVENUE FROM OPERATIONS

Standalone

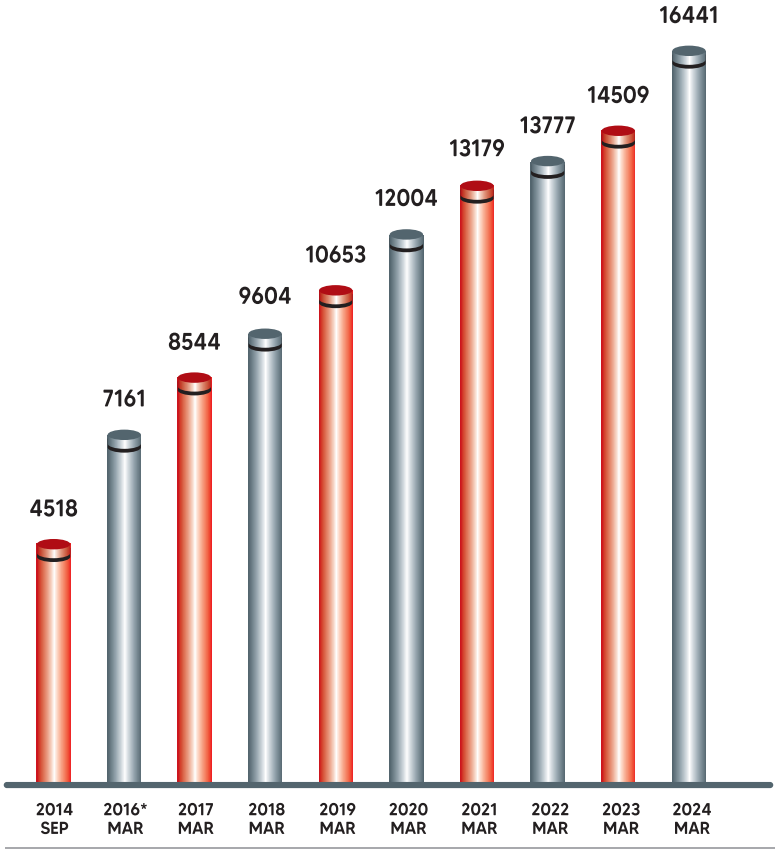
₹ in crores



NET WORTH

Standalone

₹ in crores



*For the 18 months period ended 31.03.2016

BOARD OF DIRECTORS

K.M. MAMMEN
Chairman & Managing Director

ARUN MAMMEN
Vice Chairman & Managing Director

RAHUL MAMMEN MAPPILLAI
Managing Director

SAMIR THARIYAN MAPPILLAI
Whole-Time Director

VARUN MAMMEN
Whole-Time Director

ASHOK JACOB

V. SRIDHAR

VIJAY R. KIRLOSKAR

RANJIT I. JESUDASEN

Dr. SALIM JOSEPH THOMAS

JACOB KURIAN

Dr. CIBI MAMMEN

AMBIKA MAMMEN

VIMLA ABRAHAM

VIKRAM TARANATH HOSANGADY

RAMESH RANGARAJAN

DINSHAW KEKU PARAKH

ARUN VASU

VIKRAM CHESETTY

PRASAD OOMMEN

Company Secretary
S. DHANVANTH KUMAR

Auditors
M M NISSIM & CO LLP, *Mumbai*
SASTRI & SHAH, *Chennai*

Registered Office: No.114, Greams Road, Chennai - 600 006.

₹ Crores

Ten Year Financial Summary (Standalone)	2024	2023	2022	2021	2020	2019	2018	2017	2014-16	2014
Revenue from Operations	24674	22578	18989	15922	15991	15837	15181	14749	22162	13198
Other Income	312	248	315	207	331	417	329	329	321	65
Total Income	24986	22826	19304	16129	16322	16254	15510	15078	22483	13263
Profit Before Taxation	2739	1119	879	1700	1399	1609	1602	2066	3606	1339
Provision for Taxation	698	303	232	451	4	512	510	615	1132	441
Profit after Taxation	2041	816	647	1249	1395	1097	1092	1451	2474	898
Share Capital	4.24	4.24	4.24	4.24	4.24	4.24	4.24	4.24	4.24	4.24
Reserves*	16436	14505	13773	13175	12000	10649	9600	8540	7157	4513
Net Worth	16441	14509	13777	13179	12004	10653	9604	8544	7161	4518
Fixed Assets Gross	22496	19930	16442	15018	14133	10780	9028	7560	6307	6954

* including other comprehensive income

BOARD'S REPORT

Your Directors have pleasure in presenting to you the Sixty Third Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2024.

Standalone Financial Results

₹ Crores

	2023-2024	2022-2023
Total Income	24986	22826
Profit before tax	2739	1119
Provision for taxation	698	303
Profit for the year	2041	816

Performance Overview

During the financial year ended 31st March, 2024, your Company's total income was ₹ 24986 crores as against ₹ 22826 crores in the previous year, recording a growth of 9.5%. The profit before tax stood at ₹ 2739 crores for the year as against ₹ 1119 crores for the previous financial year. The net provision for tax (current tax and deferred tax) for the year is ₹ 698 crores (previous year ₹ 303 crores). After making provision for income tax, the net profit for the year ended 31st March, 2024 is ₹ 2041 crores as against ₹ 816 crores for the previous financial year.

The Company's exports (including Indian Rupee Exports) stood at ₹ 1874 crores for the financial year ended 31st March, 2024, as against ₹ 1866 crores for the previous year.

There was an overall increase of 9% in production in financial year 2023-24, with all product groups except farm, showing growth. Compared to the previous year, during the current year there has been hardly any price increases. In fact, there was a price decrease in one of the top billing radial truck tyres. Therefore, the growth achieved by the company is entirely on the strength of its brand and products. Profits for the year increased due to higher sales, lower raw material costs and improved efficiencies.

As required under regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is attached and forms part of this Report.

Dividend

Two interim dividends of ₹ 3/- each per share (30% each) for the financial year ended 31st March, 2024 were declared by the Board of Directors on 3rd November, 2023 and on 9th February, 2024. The Board of Directors is pleased to recommend a final dividend of ₹ 194/- (1940%) per share of ₹ 10 each on the paid up equity share capital of the Company, for consideration and approval of the shareholders at the forthcoming Annual General Meeting which shall be subject to deduction of applicable income

tax at source. The total dividend for the financial year ended 31st March, 2024 works out to ₹ 200/- (2000%) per share of ₹ 10 each. The above dividend declared by the Company is in accordance with the dividend distribution policy of the Company.

The Directors recommend that after considering provision for taxation and the dividend paid during the year, an amount of ₹ 1967 crores be transferred to general reserve. With this, the Company's Reserves and Surplus (including other comprehensive income) stands at ₹ 16436 crores.

Industrial Relations

Overall, the industrial relations in all the manufacturing units have been harmonious and cordial. Long term wage settlements have been concluded in Kottayam and Medak plants. Both production and productivity were maintained at the desired satisfactory levels throughout the year in all plants.

Consolidated Financial Results and Performance of Subsidiaries

The consolidated financial statements of the Company prepared in accordance with the Companies Act, 2013 and applicable accounting standards form part of the Annual Report. The consolidated total income for 2023-24 was ₹ 25486 crores and consolidated profit before tax was ₹ 2787 crores.

Pursuant to the provisions of section 136 of the Companies Act, 2013, the financial statements, consolidated financial statements along with the relevant documents and audited accounts of subsidiaries are available on the website of the Company.

The Company has four subsidiaries viz. MRF Corp Limited, MRF International Limited, MRF Lanka (P) Ltd. and MRF SG PTE. LTD. The aggregate turnover of all four subsidiaries in equivalent Indian Rupees during the financial year ended 31st March, 2024 was ₹ 2723 crores and the aggregate profit for the year was ₹ 43 crores.

A statement in Form AOC-1, containing the salient features of the financial statements of the Company's subsidiaries is attached with the financial statements. The statement provides details of performance and financial position of each of the subsidiaries.

The contribution of the subsidiaries to the overall performance of the company is given in note 25 (d) of the consolidated financial statements.

During the year under review, your Company has entered into transactions with MRF SG PTE. LTD, a wholly owned subsidiary of your Company for purchase of raw materials and the total value of transactions executed during financial year 2023-2024, exceeded the materiality threshold adopted by the Company. These transactions were in the ordinary course of business and were on an arm's length basis, details of which are provided in Annexure IV of the Board's Report as required under Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Directors' Responsibility Statement

As required under section 134(3)(c) of the Companies Act, 2013, your Directors state that:

a) In the preparation of the annual accounts, the applicable Accounting Standards have been followed and that there are no material departures;

b) They have, in selection of the accounting policies, consulted the statutory auditors and applied them consistently, making judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31st March, 2024;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) Annual accounts have been prepared on a going concern basis;

e) Internal financial controls had been laid down and followed by the Company and such internal financial controls are adequate and were operating effectively; and

f) Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

Risk Management

The Company has developed and implemented a detailed risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company as required under the Companies Act, 2013 read with Regulation 21 of the Listing regulations. The Company has constituted a Risk Management Committee of the Board comprising of executive directors and an independent director of the Company as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the risk management initiatives taken by the Company including the framework for identification of risks, the measures taken for risk mitigation, business continuity plan, sustainability related matters and to monitor and oversee the implementation of the risk management policy on a half yearly basis. During the year, the Committee met on 3rd August,2023, 7th November,2023 and 21st March, 2024.

Adequacy of Internal Financial Control

Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Company has put in place well defined procedures, covering financial and operating functions. Delegation of authority and segregation of duties are also addressed to ensure that the financial transactions are properly authorized. Further the Company has an integrated ERP system connecting head office, plant and other locations to enable timely processing and proper recording of transactions. Physical verification of fixed assets is carried out on a periodical basis. The Internal audit department reviews the effectiveness of the internal control systems and key observations are reviewed by the Audit Committee. These, in the view of the Board, are designed to collectively provide an adequate system of internal financial control with reference to the financial statements commensurate with the size and nature of business of the Company.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required to be given under section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure I, forming part of this Report.

Corporate Social Responsibility (CSR)

As required under section 135 of the Companies Act, 2013, the CSR Policy was formulated by the CSR Committee and thereafter approved by the Board. CSR Policy is available on the Company's website: https://www.mrftyres.com/investor-relations/corporate-social-responsibilty. The annual report on CSR activities during the financial year ended 31st March, 2024 and other details required to be given under section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure II forming part of this Report.

Board and Key Management Personnel

During the year under review, the following appointments/re-appointments were done:

1. Re-appointment of Mr. K M Mammen (DIN: 00020202) as Managing Director of the Company (with the designation "Chairman and Managing Director" or such other designation as approved by the Board from time to time) for a term of five years with effect from 8th February, 2024 by the shareholders by postal ballot on 19th September,2023.

2. Re-appointment of Mrs. Vimla Abraham (DIN: 05244949) as an Independent Woman Director of the Company for a second term of 5 years commencing from 5th February, 2024 by the shareholders by postal ballot on 19th September,2023.

3. Appointment of Mr. Arun Vasu (DIN: 00174675), Mr. Vikram Chesetty (DIN: 01799153) and Mr. Prasad Oommen (DIN: 00385082) as Independent Directors for a term of 5 years by the shareholders of the Company by postal ballot on 31st March, 2023. The appointment of the said Independent Directors took effect from 9th May, 2023.

As required under Section 152 of the Companies Act, 2013, Mr. Samir Thariyan Mappillai (DIN:07803982), Whole time Director and Dr (Mrs) Cibi Mammen (DIN: 00287146), Director of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

The Company has received declarations of independence from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are independent from Management.

The Board is of the opinion that all the Independent Directors of the Company are person's of integrity and possess relevant expertise and experience (including the proficiency) to act as Independent Directors of the Company. The Independent Directors of the Company have confirmed that they have been registered with the Indian Institute of Corporate Affairs, Manesar and have included their name in the databank of Independent Directors within the statutory timeline as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Out of the above new Independent Directors, one Director is required to appear for the online proficiency test within a period of two years.

Performance evaluation of the Board, its Committees and Directors

The Board of Directors has made a formal annual evaluation of its own performance and that of its committees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The evaluation was done based on the evaluation criteria formulated by Nomination and Remuneration Committee which includes criteria such as fulfilment of specific functions prescribed by the regulatory framework, adequacy of meetings, attendance and effectiveness of the deliberations etc.

The Board also carried out an evaluation of the performance of the individual Directors (excluding the Director who was evaluated) based on their attendance, participation in deliberations, understanding the Company's business and that of the industry and in guiding the Company in decisions affecting the business and additionally in case of Independent Directors based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013 and fulfilment of independence criteria and independence from management.

Corporate Governance

In accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with the Auditors' Certificate confirming compliance is attached and forms part of this Report.

Following information required to be disclosed as per the Companies Act, 2013 are set out in the Corporate Governance Report:

a) Number of Board meetings held - Para 2(c) of the Corporate Governance Report.

b) Constitution of the Audit Committee and related matters - Para 3(ii) and 14(o) of the Corporate Governance Report.

c) Remuneration Policy of the Company (including directors remuneration)- Para 7a of the Corporate Governance Report.

d) Company's policy on directors' appointment including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 - Para 5, 6 of the Corporate Governance Report. The nomination and remuneration policy is also available on the website of the Company. https://www.mrftyres.com/downloads/download.php?filename=nominatio-%20and-remuneration-policy.pdf

e) Related Party Transactions - Para 14(a) of the Corporate Governance Report.

f) Vigil Mechanism - Para 14 (c) of the Corporate Governance Report.

The details of related party transactions are given in note 28c of the financial statements.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report [BRSR] of the Company for the financial year ended 31st March 2024 in the prescribed format giving an overview of the initiatives taken by the Company from an environmental, social and governance perspective, including reasonable assurance on BRSR Core indicators from SGS India Pvt. Ltd., Mumbai is available on the website of the Company. www.mrftyres.com. Weblink: https://www.mrftyres.com/investor-relations/business-responsibility-and-sustainability-report

Particulars of Employees

Disclosures with respect to the remuneration of the Directors, KMP's and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V to this Report.

Further, the disclosures pertaining to remuneration of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in the appendix forming part of this report. Having regard to the provisions of Section 136(1) read with relevant provisions of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished to the members.

During the financial year under review, the Company has not received any complaint under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Deposits

Your Company had discontinued acceptance of fixed deposits with effect from 31st March, 2019 and all deposits have been repaid. No fresh deposits have been accepted subsequently.

Auditors

Messrs. M M Nissim & CO LLP, Chartered Accountants, (Firm Regn No. 107122W / W100672), Mumbai and Messrs. Sastri & Shah, Chartered Accountants (Firm Regn No.: 003643S), Chennai were appointed as joint statutory auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting of the company held on 12th August, 2021 and 4th August, 2022.

Auditors Report to the shareholders for the financial year ended 31st March, 2024, does not contain any qualification.

Cost Audit

The Board of Directors, on the recommendations of the Audit Committee, has approved the appointment of Mr.J. Karthikeyan of M/s. J. Karthikeyan & Associates, (Firm Reg No.102695), Cost Accountant, Chennai as Cost Auditor of the Company for the financial year ending 31st March, 2025, under section 148 of the Companies Act, 2013, and recommends ratification of his remuneration by the shareholders at the forthcoming Annual General Meeting of the Company.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of Mr. K Elangovan, Elangovan Associates, Company Secretaries, Chennai to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2024. The Secretarial Audit Report (in Form MR-3) is attached as Annexure-III, to this Report. The Secretarial Auditor's Report to the shareholders does not contain any qualification.

Annual Return

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website: www.mrftyres.com. Weblink: https://www.mrftyres.com/investor-relations/annual-return

Other Matters

There are no material changes and commitments affecting the financial position of the Company between the financial year ended 31st March, 2024 and the date of this report.

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Details of investments as required under section 134 of the Companies Act, 2013 is given in note 3 to the financial statements.

During the year under review, the Board confirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

During the year under review, no fraud has been reported by the auditors to the audit committee or the board.

During the year under review, there is no change in the nature of business of your Company.

As regards Cost Audit Records, it is confirmed that the Company is covered by Cost Audit Records Rules under section 148(1) of the Companies Act, 2013 and accordingly, such accounts and all relevant records are maintained by the Company.

Appreciation

Your Directors place on record their appreciation of the invaluable contribution made by the Company's employees which made it possible for the Company to achieve these results. They would also like to take this opportunity to thank customers, dealers, suppliers, bankers, financial institutions, business associates and valued shareholders for their continued support and encouragement.

On behalf of the Board of Directors

Chennai
03rd May, 2024

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

ANNEXURE I TO THE BOARD'S REPORT

A. CONSERVATION OF ENERGY

Energy conservation is a key focus area for the manufacturing plants and related functions and the Company has undertaken a continuous improvement program to reduce specific consumption of fuel, power and water. Benchmarking of best performance, base lining of best consumption and identification of losses is considered for setting targets. Energy monitoring system data is analysed to arrive at improvements. Focus on renewable energy, alternate fuels, bio fuels, usage of cleaner fuels with lower carbon foot prints and optimization of operational efficiencies are being evaluated for immediate and future requirements.

(i) The steps taken or impact on energy conservation:

The following measures implemented to reduce specific fuel consumption.

a) Involving process team to identify losses in process lines and measures to eliminate and reduce losses and wastages.

b) Targets based on best shift energy consumption from energy monitoring system and monthly performance assessment.

c) Restoration of steam pipe insulations in required areas to minimize the losses in distribution and consumption areas.

d) Horizontal deployment of nitrogen based process to minimize the process energy requirement.

e) Process waste heat recovery to optimize steam generation and energy consumption. Tuning of boiler parameters in steam generation system to improve efficiency.

The following measures were implemented to reduce specific power consumption.

a) Optimized power consumption in heating system by improving insulation.

b) Horizontal deployment of installation of energy efficient light fittings.

c) Horizontal deployment of frequency controllers to optimize the speed of pumps to reduce power consumption.

d) Replacement of old motors with new energy efficient motors.

e) Optimization of HVAC power consumption through speed variation based on temperature profile across different seasons.

f) Close monitoring and optimum scheduling of production equipment to avoid equipment idle time and to reduce specific energy through energy monitoring system.

(ii) The following steps were taken by company to increase utilization/ alternate source of energy.

a) Extended usage of cleaner fuels like CNG for Boilers.

b) Blending of biomass in existing coal based steam generation system to reduce carbon foot print.

c) Extended sourcing of more power from renewable energy and clean fuels focused on reduction of carbon foot prints.

d) Installation of waste water treatment plants to reuse the treated water in process.

(iii) Capital investment on energy conservation projects:

Investments have been carried out for energy conservation proposals resulting in long term saving impact and reduction of losses in the system.

Key projects initiated are listed below.

a) Installation of natural ventilation systems in place of forced ventilation systems to reduce power consumption.

b) Installation of energy efficient fans in HVAC system.

c) Extension of nitrogen cure system to reduce the energy consumption.

d) Reduction of steam and power consumption by process improvements.

Key on – going proposals are as listed below:

a) Recycling of municipal waste water, effluent treatment plant (ETP) and sewage treatment plant (STP) to reuse in process.

b) Procurement of lower specific power consumption equipment and utilizing to maximum level to reduce total energy consumption.

c) Evaluation of waste heat energy utilization through vapour absorption chillers.

d) Maximizing rain water recovery to optimize the water sourcing.

e) Initiatives towards achieving sustainability and carbon neutrality.

f) Usage of low sulphur fuels to bring down SOX and achieving maximum heat recovery.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATIONS

1. Efforts made towards technology absorption, adaptation and innovation:

a. Joint R&D with Indian and foreign universities and research institutes:

Our company has a robust R&D in-house for technology and product excellence. However, towards continued excellence in the ever-evolving tyre technology, we work on R&D projects with Institutions of eminence in India and abroad. The projects cover a broad range of comprehensive scientific understanding on the 'interfaces and interphases' of tyres, materials and design aspects on the noise-vibration-harshness (NVH) aspects, exploration of novel- and sustainable materials (bio-derived and circular), advancement of simulation capability, and nano- and nanostructured materials with the overall stated aim of the company to continuously advance green and sustainable tyre technologies. The joint R&D programs resulted in PhD degrees, international publications and patents.

b. New product and material development, elimination of hazardous materials, etc.:

To improve sustainability of products, our company is working on the multipronged 4R strategy of reduce, recycle, reuse and renewable. Our "Reduce" strategy implies achieving a reduction in the carbon footprint during the usage phase through a reduction in the rolling resistance of tyres as well as a carbon footprint reduction by 'materials' conservation' through reduced usage of raw materials (light-weighted tyres). The "Recycle" strategy involves promoting the usage of recycled materials from waste and recovered materials from end-of-life tyres as circular raw materials for new tyres. The focus of the "Reuse" methodology is on materials and energy conservation through designing multiple retreadable tyres and promoting the retreading process by own networks, and the "Renewable" strategy implies usage of sustainable raw materials from renewable sources such as biomass.

Towards import substitution, we have initiated joint development programs with domestic suppliers for raw materials such as sulphur, accelerators, antioxidants, butyl rubber, halobutyl rubber, microcrystalline wax, super tackifier resin, performance resins, anti-reversion agents, filler coupling / process agents, etc.

c. Key product developments:

Our company has adopted sustainability as an integral part of our business policy. We have improved the share of sustainable raw materials in all our tyres. To meet the emission norms under R117 and AIS 142 standards, we developed several low RR tyres which had been approved by Indian and global passenger car OEMs. Similar activities are underway for tyres in the commercial vehicles as well.

2. Benefits derived as a result of the above efforts:

The robust R&D programs, both in-house and the external, resulted in knowledge and confidential information to the company to maintain technological superiority in the market. Development of low rolling resistance tyres with an increased share of sustainable materials resulted in more sustainable tyres. Efforts toward import substitution of raw materials resulted in cost-saving and is a step towards the Atmanirbhar Bharat initiative of the Government of India.

3. Details of imported technology (imported during last 3 years reckoned from the beginning of the financial year).

No technology was imported during the last 3 years and MRF is self-reliant on tyre technology for several decades.

4. Expenditure incurred on Research and Development:

(₹ Crores)

R & D Expenses	2023-2024
(a) Capital	55.73
(b) Recurring	120.32

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ Crores)

	2023-2024
Foreign Exchange Earnings	1652.96
Foreign Exchange Outgo	5066.49

On behalf of the Board of Directors

Chennai
03rd May, 2024

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

ANNEXURE II TO THE BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST MARCH, 2024

1. Brief outline on CSR Policy of the Company:

   The CSR activities carried out by the Company are in accordance with the CSR Policy, as formulated by the CSR Committee and approved by the Board. The broad objectives, as stated in the CSR Policy, includes supporting causes concerning healthcare, education, rural development, provide safe drinking water, skill development, sports training, disaster management and environmental protection.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. K M Mammen	Chairman & Managing Director & Chairman of CSR Committee	4	4
2	Mr. Arun Mammen	Vice Chairman & Managing Director & Member of CSR Committee	4	4
3	Mr. Rahul Mammen Mappillai	Managing Director & Member of CSR Committee	4	4
4	Mr. Ranjit I Jesudasen	Independent Director & Member of CSR Committee	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : https://www.mrftyres.com/investor-relations/corporate-social-responsibilty

4. Provide the executive summary along with the web link of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8, if applicable: Weblink : https://www.mrftyres.com/investor-relations/corporate-social-responsibilty

   As per Rule 8(3) of the Companies (CSR) Policy Rules, 2014, an impact assessment is required to be carried for projects whose outlay exceeds ₹ 1 crore after a period 12 months from the completion of the project. Accordingly, impact assessment was carried out in respect of CSR Projects, for the financial year 2021-22 (i) MRF Pace Foundation (ii) MRF Institute of Driver Development and (iii) Construction of Class Rooms in Government Junior College, Sadasivapet, Telangana State. The executive summary in respect of these assessments are given below: -

   Executive Summary of Impact Assessment Report

   MRF Pace Foundation: MRF Pace Foundation, established in 1987, has revolutionized India's cricket landscape by focusing on fast bowling, traditionally overshadowed by spinners and batsmen. Led by cricket legends Dennis Lillee and Glenn McGrath, the Foundation identifies and nurtures top-tier fast bowling talent through rigorous selection processes and world-class facilities. Collaborations with entities like BCCI and Cricket Australia highlight its impact. The facilities available at the MRF Pace foundation are world-class. The Foundation hosts two training ground facilities, one at the Pachiyappa's college, Chennai and another at MCC Higher Secondary School, Chennai. The training ground at Pachiyappa's college hosts full-fledged match scenario to test bowler's skills with batsmen in real. The facility at the MCC Higher Secondary School, hosts a full-fledged cricket ground for centre cricket practice (nets facility).

The Foundation's representation in the IPL and future expansion plans underscore its continued success and influence. Nine players who played in the IPL during this period were trained at the MRF Pace Foundation, further emphasizing the Foundation's consistent role in shaping top-quality fast bowlers for both national and franchise-level cricket. Amount spent on the project - ₹ 2,02,65,542.

MRF Institute of Driver Development (MIDD): The impact study underscores MIDD's relevance, coherence with global road safety initiatives, effectiveness in training drivers, efficient resource utilization and commitment to sustainability. During the period 2021-22, 104 trainees experienced heightened confidence, benefitting from the institute's focus on developing comprehensive skills, including better driving etiquettes, soft skills, spoken Hindi and engine repair knowledge. This emphasis on skill development enhances the employability of MIDD graduates, sought after by organizations for their qualification as heavy vehicle drivers. Beyond individual success, the institute's initiatives contribute positively to overall road safety, aligning with broader societal goals and emphasizing the comprehensive impact of its training programs. Amount spent on the project - ₹ 1,42,58,633.

Construction of Class Rooms in Government Junior College, Sadasivapet, Telangana: As part of the focus area identified by the Company viz., Promotion of Education, MRF Ltd., initiated the construction of Class room building for the Junior College in Sadasivpet, Medak, Hyderabad. The existing conditions of the Government Junior College were inadequate, with dilapidated buildings, insufficient classrooms and poor sanitation facilities. The impact assessment revealed the project's relevance, coherence with national and international educational objectives, efficiency in resource utilization and overall effectiveness. The newly constructed building spanning 9000 sq.ft., positively influenced students' concentration, attendance and sense of belonging. Improved facilities, including dedicated toilets and water supply, addressed health concerns. Teachers reported enhanced efficiency and improved learning experiences in the new and improved classrooms. Amount spent on the project - ₹ 1,29,98,989.

5 (a) Average net profit of the company as per section 135(5) : ₹ 12,54,25,13,250

(b) Two percent of the average net profit of the company as per section 135(5) : ₹ 25,08,50,265

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years : Not Applicable

(d) The amount required to be set off for the financial year, if any : Not Applicable

(e) Total CSR obligation for the financial year ((b)+(c)-(d)) : ₹ 25,08,50,265

6 (a) Amount spent on CSR projects (both Ongoing projects and other ongoing projects): ₹ 18,28,91,422

(b) Amount spent on Administrative Overheads: ₹ 91,44,571

(c) Amount spent on Impact Assessment, if applicable : ₹ 5,90,000

(d) Total amount spent for the Financial Year ((a) + (b) + (c)): ₹ 19,26,25,993

(e) CSR Amount spent or unspent for the Financial Year:

Total Amount spent for the financial year (₹)	**Amount unspent (in ₹)**				
	The total amount transferred to unspent CSR account as per Sec 135(6)		**Amount Transferred to any fund specified under schedule VII as per second proviso to sec. 135 (5)**		
	Amount (In ₹)	**Date of Transfer**	**Name of the fund**	**Amount**	**Date of transfer**
19,26,25,993	5,82,24,272	25.04.2024	NIL	NA	NA

(f) Excess amount for set off, if any: NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account u/s 135 (6) (In ₹)	Balance amount in unspent CSR account u/s 135(6) (In ₹)	Amount spent in the reporting financial year (In ₹)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years (In ₹)	Deficiency If any
					Amount (In ₹)	Date of transfer		
1	2022-23	11,64,40,410	2,49,59,016	9,14,81,394	NIL	NA	2,49,59,016	NA
2	2021-22	16,30,55,986	-	7,21,40,000	NIL	NA	NIL	NA
3	2020-21	NIL	NIL	NIL	NIL	NA	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

If yes, enter the number of capital assets created/ acquired – 54 nos.

Furnish the details relating to such assets so created or acquired through corporate social responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	CCTV Camera & Furniture. Government Girls Higher Secondary School, Armugam Koil Street, Tiruttani, Thiruvallur District, Tamil Nadu, India.	631209	24.07.2023	5,34,594	NA	Head Mistress	Government Girls Higher Secondary School, Armugam Koil Street, Tiruttani, Thiruvallur District, PIN 631209, Tamil Nadu, India
2	Road Barricades. Inspector of Police, D1 Tiruttani Traffic Police Station, Tiruttani, Tiruvallur District, Tamil Nadu, India.	631209	12.09.2023	1,77,000	NA	Inspector of Police	Inspector of Police, D1 Tiruttani Traffic Police Station, Tiruttani, Tiruvallur District, PIN 631209, Tamil Nadu, India
3	Battery Operated Cart. District Collectorate, MBT Road, Barathi Nagar, Ranipet District, Tamil Nadu, India.	632403	23.02.2024	5,66,270	NA	The District Collector	District Collectorate, MBT Road, Barathi Nagar, Ranipet District, PIN 632403, Tamil Nadu, India

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
4	Construction of Midday Meal Kitchen Building Primary School Akhod, Akhod Post, Taluka Vagra, Bharuch District, Gujarat, India.	392130	26.03.2024	12,24,226	NA	The Principal	Primary School Akhod, Akhod Post, Taluka Vagra, Bharuch District, PIN 392130, Gujarat, India.
5	Part financing for the purchase of Scientific Equipment. SERB National Facility for Cryo-Electron Microscopy, Indian Institute of Technology (Madras), IIT (PO), Chennai, Tamil Nadu, India.	600036	02.02.2024	97,50,000	CSR00004320	Director	Indian Institute of Technology (Madras), Sardar Patel road, Chennai, PIN 600036, Tamil Nadu, India.
6	Construction of Innovation Park Building. MCC MRF Innovation Park, Tambaram East, Chennai, Tamil Nadu, India.	600059	08.03.2024	24,26,30,603	CSR00024041	The principal	Madras Christian College, Tambaram East, Chennai, PIN 600059, Tamil Nadu, India.
7	LED Street Lights. Vijayapuram Gram panchayat, Vadavathur PO, Kottayam, Kerala, India.	686010	27.10.2023	24,99,240	NA	The Secretary	Vijayapuram Gram Panchayat, Vadavathur PO, Kottayam PIN 686010, Kerala, India.
8	Printer cum Scanner. Manarcad Police Station, Manarcad PO, Kottayam, Kerala, India.	686019	23.06.2023	25,000	NA	Station House Officer	Manarcad Police Station, Manarcad PO, Kottayam, PIN 686019, Kerala, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
9	Providing Tower Lights, Safety Signal Blinkers, and Caution Sign Boards. Maducarai Panchayat, Maducarai Main Road, Eripakkam Village, Nettapakkam commune, Puducherry, India.	605106	26.12.2023	38,62,299	NA	Executive Engineer	Office of the Executive Engineer, Public Works Department, Building and Road (South) Division, Colas Nagar, White Town, Puducherry, PIN 605001, India.
10	Hearse Van. Office of Superintendent of Police, Opposite to Raja Marriage Hall, East Coast Road, Villianur, Puducherry, India.	605110	21.05.2023	9,46,281	NA	The Superintendent of Police (West)	Office of Superintendent of Police, Opposite to Raja Marriage Hall, East Coast Road, Villianur, Puducherry, PIN 605110, India.
11	Furniture for School. Government Middle School, Pandasozhanallur, Villianur Taluk, Puducherry, India.	605106	26.12.2023	5,18,887	NA	The Head Master	Government Middle School, Pandasozhanallur, Villianur Taluk, Puducherry, PIN 605106, India
12	LED Street Lights. Junior Engineer, Gorimedu O&M, Electricity Department, Government of Puducherry, Puducherry, India.	605001	03.05.2023	7,08,000	NA	Executive Engineer-Rural (North) O & M	Executive Engineer, Rural (North) O&M, Main office complex, NSC Bose Road Electricity Department, Government of Puducherry, PIN 605001, India.
13	Digital Classrooms. Arignar Anna Government Higher Secondary School, Iythalamman Kovil street, Kunichampet, Puducherry, India.	605501	25.03.2024	3,17,420	NA	Vice Principal	Arignar Anna Government Higher Secondary School, Iythalamman Kovil street, Kunichampet, PIN 605501, Puducherry, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
14	Digital Classrooms. Pavendar Bharathidasan Government Smart Primary School, Iythalamman Kovil street, Koonichampet, Puducherry, India.	605501	25.03.2024	3,17,420	NA	The Head Master	Pavendar Bharathidasan Government Smart Primary School, Iythalamman Kovil street, Koonichampet, PIN 605501, Puducherry, India.
15	Digital Classrooms. Pavendar Bharathidasan Government Higher Secondary School , Purana Singa Palayam, Puducherry, India.	605107	25.03.2024	3,17,420	NA	Vice Principal	Pavendar Bharathidasan Government Higher Secondary School , Purana singa palayam, PIN 605107, Puducherry, India.
16	Digital Classrooms. Government Primary School, Purana Singa Palayam, Zone-V, Villianur, Puducherry, India.	605107	25.03.2024	3,17,420	NA	The Head Master	Government Primary School, Purana Singa Palayam, Zone-V, Villianur, PIN 605107, Puducherry, India.
17	Digital Classrooms. Government Smart Primary School, Katterikuppam, Puducherry, India.	605502	25.03.2024	3,17,420	NA	The Head Master	Government Smart Primary School, Katterikuppam, PIN 605502, Puducherry, India.
18	Digital Classrooms. Indira Gandhi Government High School, Katterikuppam, Puducherry, India.	605502	25.03.2024	3,17,420	NA	The Head Master	Indira Gandhi Government High School, Katterikuppam, PIN 605502 Puducherry, India.
19	Digital Class Rooms. Government Middle School, Kariamanickam, Puducherry, India.	605106	25.03.2024	3,17,420	NA	The Head Master	Government Middle School, Kariamanickam, PIN 605106, Puducherry, India.
20	Digital Classrooms. Government Primary School, Pandasozhanallurpet, Zone-IV, Villianur, Puducherry, India.	605106	25.03.2024	3,17,420	NA	The Head Master	Government Primary School, Pandasozhanallurpet, Zone-IV, Villianur, PIN 605106, Puducherry, India

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
21	Digital Classrooms. Government Primary School, Eripakkam, Puducherry, India.	605106	25.03.2024	3,17,420	NA	Head of the Institution	Government Primary School, Eripakkam, PIN 605106, Puducherry, India.
22	Digital Classrooms. Government Primary School, Sooramangalampet, Zone-IV, Villianur, Puducherry, India.	605107	25.03.2024	3,17,420	NA	The Head Master	Government Primary School, Sooramangalampet, Zone-IV, Villianur, PIN 605107, Puducherry, India.
23	Breath Analysers. Office of the Superintendent of Police, L&O, Orleanpet Police Complex, Puducherry, India	605001	12.03.2024	2,05,320	NA	Senior Superintendent of Police (L&O)	Office of the Superintendent of Police (L &O), Orleanpet Police Complex, PIN 605001, Puducherry, India
24	Construction of Toilets. VAO Office, Naranamanglam, Alathur Taluk, Perambalur, Tamil Nadu, India.	621212	27.03.2024	16,30,663	NA	Panchayat Head	Panchayat Office Naranamangalam, Alathur Taluk, Perambalur, PIN 621212, Tamil Nadu, India.
25	Scanning Equipment for Hospitals. Government Urban Health Centre, New Bus Stand, Perambalur, Tamil Nadu, India.	621212	04.05.2023	12,00,618	NA	Deputy Director of Health Services	Deputy Director of Health Services, Old Eye Hospital Complex, 4 Road, Thuraimangalam, Perambalur, PIN 621220, Tamil Nadu, India.
26	Scanning Equipment for Hospitals. Government Primary Health Centre, Elambalur, Perambalur, Tamil Nadu, India.	621212	04.05.2023	12,00,618			
27	Scanning Equipment for Hospitals. Government Primary Health Centre, Thungapuram, Perambalur, Tamil Nadu, India.	621716	04.05.2023	12,00,618			

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
28	Scanning Equipment for Hospitals. Government Primary Health Centre, Adaikampatti, Perambalur, Tamil Nadu, India.	621118	04.05.2023	12,00,618	NA	Deputy Director of Health Services	Deputy Director of Health Services, Old Eye Hospital Complex, 4 Road, Thuraimangalam, Perambalur, PIN 621220, Tamil Nadu, India.
29	Scanning Equipment for Hospitals. Government Primary Health Centre, Valikandapuram, Chennai Trichy Highway, Perambalur, Tamil Nadu, India.	621115	04.05.2023	12,00,620			
30	Physical Training Equipment. District Fire Office, Brahmadesam, Perambalur, Tamil Nadu, India.	621220	27.03.2024	13,93,500	NA	District Fire Officer	District Fire Office, Brahmadesam, Perambalur, PIN 621212, Tamil Nadu, India.
31	Compound Wall construction. District Forest Office, Perambalur Forest Division, Collectorate Campus, Perambalur, Tamil Nadu, India.	621212	10.01.2024	4,45,573	NA	District Forest Officer	Superintendent, District Forest Office, Perambalur Forest Division, Collectorate Campus, Perambalur, PIN 621212, Tamil Nadu, India.
32	Safety Grill Fencing at School. Almighty Vidhyalaya Public School Senior Secondary, Marudhadi Road, Madhuraikali Amman Backside, Sirvachur, Perambalur, Tamil Nadu, India.	621113	19.07.2023	6,61,539	NA	Chairman	Almighty Vidhyalaya Public School Senior Secondary, Marudhadi Road, Madhuraikali Amman Backside, Sirvachur, Perambalur, PIN 621113, Tamil Nadu, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
33	Renovation of Primary Health Centre Building. Government Primary Health Centre, Kolakanatham, Ariyalur Main road, Perambalur, Tamil Nadu, India	621106	04.05.2023	4,50,145	NA	Deputy Director of Health Services	Old Eye Hospital Complex, 4 Road, Thuraimangalam, Perambalur, PIN 621220, Tamil Nadu, India.
34	Breath Analyzer. SP Office, District Collectorate Perambalur Dist Perambalur, Tamil Nadu, India.	621212	31.01.2024	4,66,000	NA	Superintendent of Police	Police Superintendent Office, Dist Collectorate Perambalur Dist. Perambalur, PIN 621212, Tamil Nadu, India
35	CCTV Camera and Other Accessories. No. H-8, Police Station, 8th Street, Thiruvottiyur High Road, SBI Colony, Tiruvottiyur, Chennai, Tamil Nadu, India.	600019	06.07.2023	14,69,690	NA	Assistant Commissioner	H-8 Police Station, 8th Street, Thiruvottiyur High Road, SBI Colony, Tiruvottiyur, Chennai, PIN 600019, Tamil Nadu, India
36	Ophthalmology Operation Theater. Tiruvottiyur Government Hospital, Ellaiamman Koil Street, Thiruvottiyur High Road, Tiruvottiyur, Chennai , Tamil Nadu, India.	600019	21.07.2023	52,92,805	NA	The Medical Officer	Tiruvottiyur Government Hospital., Ellaiamman Kovil Street, Thiruvottiyur High Road, Tiruvottiyur, Chennai, PIN 600019, Tamil Nadu, India.
37	Medical Equipment. Tiruvottiyur Urban Primary Health Centre No. 945, Thiruvottiyur High Road, Tiruvottiyur, Chennai. Tamil Nadu, India.	600019	12.05.2023	10,94,981	NA	The Zone Medical Officer	Tiruvottiyur Urban Primary Health Centre, No.945, Thiruvottiyur High Road, Tiruvottiyur, Chennai, PIN 600019, Tamil Nadu, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
38	Medical Equipment. Government Stanley Medical College and Hospital No.1, Old jail road, Chennai, Tamil Nadu, India	600001	22.08.2023	45,82,364	NA	The Dean	Government Stanley Medical College and Hospital No.1, Old jail road, Chennai, PIN 600001, Tamil Nadu, India
39	Cloth Bag Vending Machine. No. 77-A, South Avenue Road, Ambattur Industrial Estate, Ambattur, Chennai, Tamil Nadu, India	600058	21.04.2023	1,36,868	NA	District Environmental Engineer	Tamilnadu Pollution Control Board, 77-A South Avenue Road, Ambattur Industrial Estate, Ambattur, Chennai, PIN 600058, Tamil Nadu, India.
40	Erection of Tubular Steel Structure with Galvalume Roofing for Fire station. Tamilnadu Fire Service, Tiruvottiyur Fire and Rescue Station. S.No. 139/1, T.ZS No.1/2B, Tiruvottiyur, Kaladipet Chennai, Tamil Nadu, India	600019	12.03.2024	5,71,000	NA	Station Officer	Tamilnadu Fire Service, Tiruvottiyur Fire and Rescue Station. S.No. 139/1, T.ZS No.1/2B, Tiruvottiyur, Kaladipet Chennai, PIN 600019, Tamil Nadu, India
41	Funeral Vehicle. Ponda Municipal Council, Tisk Road, Ponda Dist, South Goa, Goa, India.	403401	24.11.2023	21,84,579	NA	The Chief Officer	Ponda Municipal Council, Tisk Road, Ponda Dist., South Goa PIN 403401, Goa, India,
42	Sanitary Napkin Vending Machine & Incinerator. S.A.M.D. Higher Secondary School of Science, Kavlem, Ponda, Goa, India.	403401	05.02.2024	42,830	CSR00028690	Head of the Institution	Shree Shantadurge Shikshan Samiti, Higher Secondary School, Kavlem, Ponda District. PIN 403401, Goa, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
43	Sanitary Napkin Vending Machine & Incinerator. Dr.K.B.Hedgewar Shikshan Prasarak Mandal's Dr. K.B. Hedgevar Vidyalay, Housing Board Colony, Curti, Ponda, Goa, India.	403401	05.02.2024	42,830	CSR00022482	The Head Master	Dr.K.B.Hedgewar Shikshan Prasarak Mandal's., House No. 50/25,Gr. Floor, Curti, Ponda, Goa PIN 403401, Goa, India.
44	Desktop Computers with Table. Smt.Chandrabhaga Tukoba Naik Higher Secondary School, Curchorem, South Goa District, Goa, India.	403706	19.05.2023	7,42,692	CSR00071752	The Principal	Smt.Chandrabhaga Tukoba Naik Higher Secondary School, Curchorem, South Goa District, PIN 403706, Goa, India.
45	Construction of Road U-Turn. National High way-65, at Suraram Village adjoining, Sadashivapet, Sangareddy District,Telangana State, India	502291	12.07.2023	1,57,17,645	NA	Project Director	National Highways Authority of India, Project Implementation Unit, Plot No.65, Kothari Layout , Venkatesh Nagar, Gulbarga, Karnataka State, PIN 585102, India.
46	Construction of Postmortem Room. Community Health Centre, Siddhapur Colony, Sadasivapet, Telangana State, India.	502291	30.06.2023	58,47,044	NA	Superintendent	Community Health Centre, Siddhapur Colony, Sadasivapet, PIN 502291, Telangana State, India.
47	Construction of College Building. Government Junior College, Sadasivapet, Sangareddy Dist., Telangana State, India.	502291	03.04.2023	37,75,215	NA	Principal	Government Junior College, Sadasivapet, Sangareddy Dist., PIN 502291, Telangana State, India.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
48	Ambulance Vehicle. Community Health Centre, Siddhapur Colony, Sangareddy, Sadasivapet, Telengana, India.	502291	07.03.2024	8,82,620	NA	Superintendent	Community Health Centre, Siddhapur Colony, Sangareddy, Sadasivapet, PIN 502291, Telangana State, India.
49	Ambulance Vehicle. Community Health Centre, Narayankhed Road, Beside SBI Bank, Kalher,Kalher Mandal, Sangareddy, Telangana State, India.	502371	07.03.2024	8,82,620	NA	Superintendent	Community Health Centre, Narayankhed Road, Beside SBI Bank, Kalher, Kalher Mandal, Sangareddy, PIN 502371, Telangana State, India.
50	Ambulance Vehicle. Community Health Centre, Karsgutti, Manoor Mondal, Sangareddy Dist., Telangana State, India.	502286	07.03.2024	8,82,620	NA	Superintendent	Community Health Centre, Karsgutti, Manoor Mondal, Sangareddy Dist., PIN 502286, Telangana State, India.
51	Ambulance Vehicle. Government Area Hospital, Jambikunta, Medak, Telangana State, India.	502110	07.03.2024	8,82,620	NA	Resident Medical Officer	Government Area Hospital, Jambikunta , Medak, PIN 502110, Telangana State, India.
52	Electrical & Electronic Equipment. Asha Jyothi HIV/AIDS Care & Support Centre, Pregnapur Post, Gajwel mandal, Siddipet Dist., Telangana State, India.	502311	07.03.2024	7,08,000	CSR00016848	Director	Asha Jyothi HIV/AIDS Care & Support Centre, Pregnapur Post, Gajwel mandal, Siddipet Dist, PIN 502311, Telangana State, India.
53	Construction of Compound Wall. Community Health Centre, Siddhapur Colony, Sadasivapet, Telangana State, India	502291	26.03.2024	75,67,028	NA	Superintendent	Superintentendent, Community Health Centre, Siddhapur Colony, Sadasivapet, PIN 502291, Telangana State, India

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or Asset(s)	Date of creation	Amount of CSR spent (in Rs.)	Details of the entity or authority or beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
54	Sporting Equipment and Aquastar Filter. MRF Pace Foundation, Plot No.3144, 2nd Street, AH Block, Anna Nagar, Chennai, Tamil Nadu, India.	600 040	30.03.2024	14,94,029	CSR00001396	The Chief Coach	MRF Foundation, No.114, Greams Road, Chennai 600 006, Tamil Nadu, India

9. Specify the reasons, if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135.

The shortfall in CSR expenditure was on account of delay in implementation of projects and the project duration extending beyond one financial year as per their original schedule of implementation. The unspent amount has been transferred to the Unspent CSR Account opened with Company's Bankers and the same will be spent in accordance with the CSR rules for the ongoing projects.

K M Mammen
Chairman and Managing Director
and Chairman of CSR Committee
DIN: 00020202

Arun Mammen
Vice Chairman and Managing Director
and Member of CSR Committee
DIN: 00018558

Chennai
03rd May,2024

ANNEXURE III TO THE BOARD'S REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
MRF Limited, Chennai - 600 006.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MRF LIMITED, Chennai – 600 006 (CIN: L25111TN1960PLC004306) (hereinafter called the Company), in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and I am expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner subject to the reporting made hereunder.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external commercial borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (wherever applicable):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

e) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018.

I have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by the Institute of Company Secretaries of India;

2. The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.;

3. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above.

I have reviewed the systems and mechanisms established by the Company for ensuring compliance under applicable Acts, Rules, Regulations and other legal requirements of the Central, State and other Government and local authorities concerning the business and affairs of the Company categorized under the following major heads/groups, and report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:

The Company's operations were correlated with the provisions of:

1. Factories Act, 1948;
2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
3. Industries (Development & Regulation) Act, 1951;
4. The Rubber Act, 1947 & Rubber Rules, 1955;
5. Acts and Rules relating to consumer protection;
6. Acts and Rules prescribed under prevention and control of pollution;
7. Acts and Rules relating to environmental protection and energy conservation;
8. Acts and Rules relating to hazardous substances and chemicals;
9. Acts and Rules relating to electricity, fire, petroleum, motor vehicles, explosives, boilers etc.;
10. Acts and Rules relating to protection of Intellectual property rights;
11. Acts and Rules relating to the industry to which this Company belongs;
12. Other local laws as applicable to various plants and offices.

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors in compliance with Rules and provisions of the Companies Act, 2013, the regulations and directives of Securities Exchange Board of India (SEBI).

Following Special Resolutions were passed during the financial year ended 31st March,2024.

a) Approval for payment of Remuneration as per terms currently in force to the Promoter Executive Directors of the Company in terms of Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the shareholders at the Annual General Meeting held on 27th July,2023.

b) Re-appointment of Mr. K M Mammen (DIN: 00020202) as Managing Director of the Company (with the designation "Chairman and Managing Director" or such other designation as approved by the Board from time to time) for a term of five years with effect from 8th February, 2024 by the shareholders by postal ballot on 19th September, 2023.

c) Re-appointment Mrs. Vimla Abraham (DIN: 05244949) as an Independent Woman Director of the Company for a second term of 5 years commencing from 5th February, 2024 by the shareholders by postal ballot on 19th September, 2023.

Adequate notice was given to all directors/members on schedule of the Board/ Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions were carried through and no directors/members dissented on the decisions. All decisions carried are duly recorded in the minutes of the Meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

K ELANGOVAN
Company Secretary in Practice

Place: Chennai
Date: 03rd May, 2024

FCS No.1808, CP No. 3552, P R No. 892/2020
UDIN: F001808F000272144

This report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members
MRF Limited, Chennai 600006.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

K ELANGOVAN
Company Secretary in Practice

Place: Chennai
Date: 03rd May, 2024

FCS No.1808, CP No. 3552, P R No. 892/2020
UDIN: F001808F000272144

ANNEXURE IV TO THE BOARD'S REPORT

Form No. AOC–2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis-

   There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2024, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis-

   The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2024 is as follows:

   (a) Name(s) of the related party & Nature of Relationship: MRF SG PTE. LTD (Wholly Owned Subsidiary of the Company).

   (b) Nature of transactions: Purchase of raw materials.

   (c) Duration of transactions: April 2023-March 2024.

   (d) Salient terms of transactions including transactions value: ₹ 2222.93 Crores. Price - Transactional Net Margin Method (TNMM), Payment – As per applicable credit terms.

   (e) Date of approval by the board: Since these related party transactions are in the ordinary course of business and are at arm's length basis, approval of the Board is not required. Necessary approvals were granted by the Audit Committee on 9th February,2023, 3rd May,2023, 3rd August, 2023 and 3rd November, 2023.

   (f) Amount paid in advance: Nil.

On behalf of the Board of Directors

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

Chennai
03rd May, 2024

ANNEXURE V TO THE BOARD'S REPORT

Remuneration details as required under Section 197(12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2024.

1. The ratio of the remuneration of the Managerial Personnel to the median remuneration of the employees are as follows: Mr. K M Mammen, Chairman & Managing Director (461.51), Mr. Arun Mammen, Vice Chairman & Managing Director (381.98), Mr. Rahul Mammen Mappillai, Managing Director (336.03), Mr. Samir Thariyan Mappillai, Whole-time Director (136.79) and Mr. Varun Mammen, Whole-time Director (136.94).

   The percentage increase in remuneration for 2023-24 of the Managerial Personnel are as follows: Mr. K M Mammen (5.26%), Mr. Arun Mammen, Vice Chairman & Managing Director (4.30%), Mr. Rahul Mammen Mappillai, Managing Director (4.58%), Mr. Samir Thariyan Mappillai, Whole-time Director (41.17%) and Mr. Varun Mammen, Whole-time Director (40.92%). In case of Mr. Samir Thariyan Mapillai and Mr. Varun Mammen, the shareholders had revised the remuneration package effective October, 2023.

2. The percentage increase in the remuneration of Mr.S Dhanvanth Kumar, Company Secretary and Mr.Madhu P Nainan, Executive Vice President – Finance were 16% and 9% respectively.

3. The percentage increase in the median remuneration of employees during the financial year ended 31.03.2024 – 7.75%.

4. The total number of permanent employees as on 31.03.2024 is 19209.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration – Average percentage increase in salaries of employees other than managerial personnel in the last financial year was 12.93%. Percentage increase in the managerial remuneration (i.e. Chairman & Managing Director, Vice Chairman & Managing Director, Managing Director and Whole-time Directors) was 10.09%. The remuneration of the managerial personnel is consistent with the size, complexity of operations and market position of the Company.

6. It is affirmed that the remuneration paid to the directors, key managerial personnel, senior management and employees is as per the Remuneration Policy of the Company.

Notes:-

a. Employees who are covered by collective bargaining mechanism (in whose case revision in remuneration is effected only upon conclusion of long term settlements), have not been considered for this purpose.

b. The non-executive directors of the Company are only paid sitting fees and no remuneration in the form of salary or commission is being paid to them. As such, considering that the remuneration is attendance based and not a definite period linked remuneration and the amounts in question not being material, the information regarding ratio of remuneration and percentage is being furnished only in respect of the executive directors and other key managerial personnel. Details of sitting fees paid to directors have been furnished in the Corporate Governance Report.

On behalf of the Board of Directors

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

Chennai
03rd May,2024

MANAGEMENT DISCUSSION AND ANALYSIS

(Within the limits set by Company's competitive position)

In the year gone by, Global economy delivered better than expected growth despite geopolitical issues casting a shadow on the world. World economy moved towards a soft landing with growth holding up and inflation declining. MRF continued its industry leading growth in the domestic market.

Economic growth was steady during the year despite monetary tightening, warnings of recession and impact of climate related events. Global trade was muted with increased geo economic fragmentation, trade restrictions and lower consumption arising from tight financial conditions. Emerging economies performed better than the developed world. There was steady reduction in inflation in both developed and emerging economies prompting Central Banks to pause interest rate hikes, though inflation is still above the target in most economies. Geo political issues continued causing disturbance to the world with the continuing Ukraine war, tensions in West Asia and disturbances to commercial shipping in the Red Sea.

International Monetary Fund (IMF) estimates show that World Economy grew by 3.2% in calendar year 2023 bettering its own earlier estimates. IMF estimates that growth in 2024 would be similar to 2023. Inflation is expected to decline steadily.Geopolitical disturbances could impact inflation trajectory and delay central Bank policy easing, with adverse effects on global growth. Rate cuts by Central Banks is now expected to be in the 2nd half of 2024.

Market & Industry Overview

Growth surprised on the upside for Indian economy over the quarters, driven by investment. Despite a difficult external sector and weakness in agriculture arising from a patchy monsoon, Indian economy performed well riding on the strength of its domestic demand. Government of India's advance estimates of Gross Domestic Product (GDP) for 2023-24 shows a growth at 7.6%. India continued to remain the fastest growing economy. Growth was led by manufacturing and construction.

Private consumption was weak as in the previous year, owing to lower rural demand while urban demand was robust. There are early signs that private investment is picking up, responding to growth in the economy.

India's merchandise exports declined by 3% while total exports, including services, was at the same level as the previous year. Geo political issues and weakened consumer demand impacted exports. But trade deficit was lower by more than 9% as imports too contracted. Exports of electronics were a bright spot.

Non-food Inflation fell by 2.5% during the year (April,2023 to January,2024) while food inflation rose by 0.40% in the same period. India has managed to deliver on both growth and inflation management.

The Government struck to the path of fiscal consolidation in the vote on account that was presented. Continuing with the thrust on capex, capital expenditure outlay was hiked by 11%.

Indian Government securities is set to be included in the emerging markets bond index by Morgan Stanley and other financial institutions, reflecting confidence in the India growth story and the financial system. This move paves the way for dollar inflows into the country's sovereign debt market and reduction of borrowing costs in the economy.

India Meteorological Department (IMD) has projected an above normal monsoon for the year which should improve rural growth and consumption. Growth in financial year 2023-2024 came from Government spending and high end consumption with only a marginal growth in agriculture. A good monsoon should add to the growth of the economy in financial year 2024-25. Reserve Bank of India ("RBI") has projected financial year 2024-25 GDP growth at 7% while IMF has projected the same at 6.8%.

Global car sales grew by 10% in calendar year 2023 after a flat growth in 2022. Electric car sales grew more than a third. Adoption of Electric Vehicles (EV) continued across markets. High vehicle costs and high interest rates were a pain point for the Industry.

Indian automobile industry performed well in financial year 2024 with domestic sales showing a growth of 12.5% (source: Society of Indian Automobile Manufacturers (SIAM)). Passenger vehicle segment and two wheeler segment led the growth while commercial vehicles managed to grow only marginally. Tractors were a weak spot as irregular rains impacted demand. In the passenger segment, share of entry level vehicles continued to shrink. Demand revival was seen for entry level two wheelers during festive season and also in the last quarter of financial year 2023-24.

However, exports were weak with many markets facing geo political and monetary issues. There was sizeable drop in sales in commercial vehicles, two wheelers and three wheelers while export of passenger vehicles grew marginally (source: SIAM).

The production of Medium and Heavy Commercial Vehicle (M&HCV) during the year has seen a very marginal growth. The bus sales that was impacted during the Covid period is bouncing back. The trailer segment is also seeing a growth every year fuelled by loading restrictions in many markets. Electric vehicles have till now been predominantly in the bus segment operated by the state transport undertakings. Various regulatory norms are expected to be implemented during the year 2024-25 and the Original Equipment Manufacturer (OEMs) have been gearing up for the same. As a result of this, the tyre performance criteria of OEMs have undergone considerable changes.

Quite a few new products were launched by us both in the bias and radial segment. This has helped us further consolidate our position with both the OEM and in after sales markets.

The current indications are that the first half of 2024-25 would be sluggish and even with an anticipated recovery in the second half, the OEM production is expected to continue to be flat if not marginally negative.

The passenger vehicle production has seen a growth of 7% in the year ended March,2024. Domestic sales also recorded yet again the highest ever sale in a financial year. The segment continued to witness preference for Sports Utility Vehicles (SUVs), which has now a share of more than 50% in overall sales. Despite price increases, better supplies and sustained consumer demand, especially for SUVs, supported sales. The waiting period for many car models have come down and the stocks have improved in the dealerships. The shift to electric vehicle has intensified few years ago and continues this year as well.

Two wheeler production showed growth for the second consecutive year. Motorcycle and scooter production saw good growth during the year. However, it is yet to reach the pre-Covid levels. In motorcycles, the 125 cc and above segment is showing a higher growth in production and currently accounts for more than a third of the total production. A slew of product launches by various OEMs were seen in the segment with higher cubic capacity (cc). Growth has been fuelled by domestic sales and exports continues to be sluggish. The year also saw the entry of one of the prominent OEMs into the 100 cc motorcycle segment.

Your Company continues to be a preferred choice of fitment of OEMs in most of their new launches. Many OEMs increased their fitment of our tyres on their existing models also. During the year, the Company launched 'W' rated Steel belted motorcycle radial tyres for the high performance segment, under the brand name 'Steel Brace'. The Company has also further strengthened its after market portfolio with new products both in the motorcycle and scooter segment.

During the year, the government reduced the subsidies under the FAME 2 scheme for electric vehicles which had a short-term impact on their sales. Subsequently the tenure of the FAME 2 scheme also ended in March,2024. The new Electric Mobility Promotion Scheme has been announced for the period 1st April, 2024 to 30th July, 2024.

Tractor Production had shown a decline of 11% in the financial year 2023-24. A trend was observed among Tractor OEMs of bringing out newer lower HP and light weight tractor models. Tractor OEMs have started planning for electric tractors in the near term. During the year, the Company was able to improve and consolidate its market share in Tractor OEMs. Farm mechanization is growing in India, with increased usage of laser leveller, rotavators, reapers, paddy transplanters and harvesters among farmers. This can lead to significant usage of higher HP tractors in India in the near future. In the replacement segment, your Company continues to be the most preferred brand in the market place. Replacement sales had shown considerable buoyancy this year. IMD has forecasted an above normal monsoon during the coming season which would help revive the farming sector in financial year 2024-25.

Tyre Industry posted a moderate growth in the financial year 2023-24 in comparison to the previous year. Recovery in the second half of the year helped Exports to retain previous year's figures. Further, lower raw material prices enabled the industry to show improved profit margins.

Product wise Performance

During fiscal 2023-24, your Company achieved a total income of ₹ 24,986 crores. There was an increase in production across all Product Groups, except Farm. In the heavy commercial vehicle product group, there was

an increase of 9% over the previous year while light commercial vehicle tyres increased by around 10%. Small commercial vehicle tyres increased by 12%. Passenger & SUV showed a growth of 3%. The farm product group de-grew by 6%. The motorcycle and scooter product group grew by 17% and 21% respectively. The Off the Road (OTR) product group grew by 13%.

Exports

Exports business for the year 2023-24 grew in many of the key markets. However, the overall growth was dragged down due to unfavourable regulatory restrictions and a severe shortage of forex in few other markets. Towards the latter half of the year, the Red Sea crisis impacted the global shipping industry and led to a steep rise in ocean freights and container availability, which also affected export shipments.

The exports turnover for the year 2023-24 was Rs. 1874 crores as against ₹ 1866 crores the previous year.

Markets in Far East and the African region showed resilience. In spite of severe price competition, the Company was able to maintain its volumes and revenues in major markets. Categories of truck radial, light truck, farm, OTR and 2 & 3 wheeler tyres showed good growth in these markets and consumer preferences continue to be high. Your Company also launched a range of farm radial tyres at the Agritechnica show in Hanover, Germany in November, 2023.

In the year ahead, the Company will focus on maintaining its growth in our existing strong markets and substantially develop the emerging markets.

Discussion on Financial Performance with respect to Operational Performance

(₹ Crores)

	2023 - 2024	2022 - 2023
Revenue from operations	24674	22578
Other Income	312	248
Total Income	24986	22826
Profit before tax	2739	1119
Provision for tax	698	303
Profit after tax	2041	816

The revenue from operations of the Company for the 2023-2024 stood at Rs.24674 crores against Rs.22578 crores for the previous year ended 31st March,2023. During the year ended 31st March, 2024, the earnings before interest and depreciation (EBIDTA) stood at Rs. 4480 crores as against Rs. 2666 crores in the previous year ended 31st March,2023. After providing for depreciation and interest, the profit before tax for the year ended 31st March, 2024 is Rs.2739 crores as compared to Rs.1119 crores in the previous year ended 31st March 2023. After making provision for income tax, the net profit for the year ended 31st March, 2024 is ₹ 2041 crores as against Rs.816 crores in the previous year ended 31st March,2023.

Key financial Ratios

In accordance with Listing Regulations, there are no significant changes (25% of more) in Debtors Turnover, Inventory Turnover and Current Ratio as compared to previous year. The details of other Key Ratios where there is a change of 25% or more is given below:

Sr. No.	Particulars	2023-24	2022-23	Change	Explanation
1	Interest Coverage Ratio	17.24	10.20	69%	Increase due to increase in EBITDA for current year
2	Debt Equity Ratio	0.05	0.07	-29%	Decrease due to increase in shareholder's equity and reduction of long term debt
3	Operating Profit Margin (%)	11.12%	4.82%	131%	Increase due to increase in EBIT for current year due to raw material price reduction
4	Net Profit Margin (%)	8.17%	3.58%	128%	Increase due to increase in current year profit after tax
5	Return on Net Worth (%)	13.19%	5.77%	129%	Increase due to increase in current year profit after tax

Opportunities and Threats

Indian economy displayed remarkable resilience to post better than expected growth in financial year 2024 and is well poised to carry the momentum into the current year. Above average monsoon forecasted should improve rural demand and will be a tailwind for high growth in the economy. Inflation is moving towards RBI's target of 4% even though food inflation is sticky. Possible reduction in interest rates by RBI in the second half would further aid growth and capital spend. Private sector capital capex should get a boost from demand increase and potential interest cost reduction.

Food inflation has not shown a meaningful improvement in the last year. Extreme weather events can keep food inflation elevated which may influence RBI's decision on interest rates. Geo political issues can cause price of Oil and other commodities to spike up. In financial year 2024, Corporates benefited from lower commodity prices. Commodity and energy prices have spiked in recent weeks.

Growth has so far been mainly driven by Government investments but the pace of public investments is set to slow as Government lowers its fiscal deficit target. Sustaining of overall growth hinges on how private investments pick up. Key things to look out for would be a broad based improvement in consumption growth and meaningful improvement in private investment.

Outlook

Commercial vehicles is likely to show muted growth in the current year. Growth of passenger vehicles may moderate considering the high base and strong growth in the last 3 years. Industry body SIAM expects a 3 to 5% growth in financial year 2025. Two wheeler sales is showing signs of improvement and this may continue into the current year, considering favourable monsoon and likely improvement in rural demand. Capex plans announced by leading auto companies point to higher levels of production in the years to come. Impact on the tyre industry would also be similar as outlined above.

Internal Control Systems and their Adequacy

Your Company has established internal control systems commensurate with the size and nature of business. It has put in place systems and controls across the Company covering various financial and operational functions. Company through its own Internal Audit Department carries out periodical audits at various locations and functions based on the audit plan as approved by the Audit Committee. Some of the salient features of the Internal control systems are:-

(i) An integrated ERP system connecting all plants, sales offices, head office, etc.

(ii) Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of Company's operations.

(iii) Assets are recorded and system put in place to safeguard against any losses or unauthorized disposal.

(iv) Periodic physical verification of fixed assets and Inventories.

(v) Key observations arising out of the Internal Audit are reviewed at the Audit Committee meeting and follow up action taken.

Risks and Concerns

Global economy continue to be affected by the geo political tensions, but the growth delivered was better than expected in the year gone by, despite monetary tightening, warnings of recession and impact of climate related events. Geo political issues continued to pose for us micro and macro level economic structural challenges with the continuing Ukraine war, Israel-Iran tensions in West Asia and disturbances to commercial shipping in the Red Sea. These could result in impacting demand both in the domestic and export markets. Moreover, climatic changes continue to affect availability of natural rubber during the year resulting in increase in natural rubber prices. Uncertainty remains with regard to the price of crude oil which also impacts the price of raw materials used by the tyre Industry. IMD has projected an above normal monsoon for the year which should improve rural growth and consumption. Key things to look out for during the year would be a broad based improvement in consumption growth and meaningful improvement in private investment. Despite the above concerns, the Company hopes to continue reporting growth based on its strong brand and products.

Human Resources

MRF is a value driven organization and the Company has a rich organizational culture rooted in its core values of respect for people and belief in empowerment.

The core value underlying the corporate philosophy is "trusteeship" and "proprietary interest". In dealing with each other, the values which are at the core of the HR Philosophy ie., trust, teamwork, mutuality and collaboration, objectivity, self-respect and human dignity are upheld. The management is committed to the development and growth of its people and the core focus is on Human Resources for its continued success. The Company owes its success and dominance in the market to the dedication and hard work of the employees who have overcome the daunting challenges of the market and the ever increasing quality expectations, customer preferences, across the length and breadth of the country as well as in overseas market.

The Company successfully navigated through the challenges posed during the year and this was made possible by the team synergy and efforts of each employee who stood up to the challenges. Efforts have been taken for building agile, resilient and adaptive Human Capital System.

Your Company focused on hiring the best resources available in tune with our growth needs, retaining and developing its existing talent pool to strengthen its human capital for meeting the future challenges. The Company leverage human capital for competitiveness by nurturing knowledge, entrepreneurship and creativity.

The human resource development is focussed on the Company's mission to have competitive edge in technology and excellence in manufacturing. All the training programs are designed and tailor made to meet these specific requirements. We continue imparting teambuilding and collaboration training to the workmen to enhance the team cohesiveness. Leadership training for union leaders and opinion makers also continued throughout the year, thereby keeping with the commitment of shaping the future of our plants.

The Company maintained cordial and harmonious Industrial relations in all its manufacturing units through our various employee engagement initiatives and focus on improving the work culture, enhancing productivity and enriching the quality of life of the workforce and maintaining supremacy in the market.

The total employee strength as on 31st March 2024 was 19,209.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or forecast may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

On behalf of the Board of Directors

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

Chennai
03rd May, 2024

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

MRF continues to remain committed to good corporate governance practices by maintaining the highest levels of fairness, transparency, accountability, ethics and values in all facets of its operations and in all its interactions with its stakeholders. MRF is in full compliance with the requirements of Corporate Governance norms under SEBI listing regulations.

Your Company's Corporate Governance framework is all about maintaining valuable relationship and trust with all stakeholders. We ensure that timely and accurate disclosure on all material matters including the financial situation, performance and regulatory requirements, leadership and governance of the company are shared with all the stakeholders. It encourages cooperation between the Company and the stakeholders for better participation in the Corporate Governance processes.

Your Company continues to believe that good corporate governance is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholders. The management on a quarterly basis presents before the Board of Directors a status report on adherence to the regulatory compliances, as applicable to the Company.

2. Board of Directors

(a) Composition of the Board as on 31.03.2024

The Board comprises of 20 Directors which includes a Chairman & Managing Director, a Vice Chairman and Managing Director, a Managing Director, 2 Whole-time Directors, 2 Non-Executive Directors and 13 Independent Directors. None of the Directors on the Board is a member of more than 10 committees or act as Chairman of more than 5 committees across all listed Companies and unlisted public limited Companies in which he/ she is a Director.

(b) Attendance of Directors at Board Meetings during the financial year ended 31.03.2024 and at the last Annual General Meeting, outside directorships and board committee memberships and number of shares held as on 31.03.2024:

Name	Composition and Category	No. of Directorships in other Public Ltd. Companies	No. of Board Meetings attended during the financial year ended 31.03.2024	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in other Public Limited Companies	Attended last AGM held on 27.07.2023	No. of Shares held
Mr. K M Mammen Chairman & Managing Director	Promoter Executive Director	4	4	Nil	Nil	Yes	16048
Mr. Arun Mammen Vice Chairman and Managing Director	Promoter Executive Director	3	4	Nil	1 –Chairman	Yes	27560

Name	Composition and Category	No. of Directorships in other Public Ltd. Companies	No. of Board Meetings attended during the financial year ended 31.03.2024	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in other Public Limited Companies	Attended last AGM held on 27.07.2023	No. of Shares held
Mr. Rahul Mammen Mappillai Managing Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	4538
Mr. Samir Thariyan Mappillai Whole-time Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	4470
Mr. Varun Mammen Whole-time Director	Promoter Executive Director	Nil	4	Nil	Nil	Yes	8706
Mr. Ashok Jacob	Independent Director	Nil	3	Nil	Nil	Yes	1856
Mr. V Sridhar	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Mr. Vijay R Kirloskar	Independent Director	2	3	Kirloskar Electric Company Limited - Executive Chairman	1	Yes	355
Mr. Ranjit I Jesudasen	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Dr. Salim Joseph Thomas	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Mr. Jacob Kurian	Independent Director	Nil	4	Nil	Nil	Yes	129
Dr. (Mrs.) Cibi Mammen	Promoter Non-Executive Director	2	4	Nil	Nil	Yes	500
Mrs. Ambika Mammen	Promoter Non-Executive Director	2	4	Nil	Nil	Yes	2489

Name	Composition and Category	No. of Directorships in other Public Ltd. Companies	No. of Board Meetings attended during the financial year ended 31.03.2024	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in other Public Limited Companies	Attended last AGM held on 27.07.2023	No. of Shares held
Mrs. Vimla Abraham	Independent Director	Nil	4	Nil	Nil	Yes	Nil
Mr. Vikram Taranath Hosangady	Independent Director	4	4	i. Bajaj Electricals Limited - Independent Director ii. Rane Engine Valve Limited - Non Executive - Non Independent Director iii.Chemplast Sanmar Limited - Non Executive - Non Independent Director iv. Rane (Madras) Limited - Non Executive - Non Independent Director	2	Yes	Nil
Mr. Ramesh Rangarajan	Independent Director	2	4	Nil	Nil	Yes	Nil
Mr. Dinshaw Keku Parakh	Independent Director	3	4	Nil	Nil	Yes	150
Mr. Arun Vasu*	Independent Director	1	3	Nil	Nil	Yes	Nil
Mr. Vikram Chesetty*	Independent Director	Nil	3	Nil	Nil	Yes	Nil
Mr. Prasad Oommen*	Independent Director	2	2	Nil	Nil	Yes	Nil

*Appointed as Independent Directors of the Company with effect from 09.05.2023.

For Committee memberships, the chairmanship and membership in Audit / Stakeholders Relationship Committee in all public limited Companies, alone are considered. The Committee memberships of Directors are within the limits prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulations").

Mr. K M Mammen and Mr Arun Mammen are brothers. Mrs. Ambika Mammen is the wife of Mr. K M Mammen. Dr. (Mrs) Cibi Mammen is the wife of Mr. Arun Mammen. Mr. Rahul Mammen Mappillai and Mr Samir Thariyan Mappillai are the sons of Mr K M Mammen and Mrs Ambika Mammen. None of the other Directors are related to any Board Member.

(c) Dates of Board meetings

During the financial year ended 31st March, 2024, four Board Meetings were held on 03.05.2023, 03.08.2023, 03.11.2023 and 09.02.2024.

(d) Information placed before the Board

The Board of Directors periodically reviews reports regarding operations, capital expenditure proposals, statutory compliance and other required information as enumerated in Part A of Schedule II of the Listing regulations and as required under relevant provisions of the Companies Act, 2013.

(e) Familiarization Programme

Presentations/briefings are made at the meeting of the Board of Directors/Committees by KMP's/ Senior Executives of the Company on industry scenario, Company's operating and financial performance, raw material scenario, industrial relations status, risk management etc. The details of familiarization programme are available on the Company's web site at https://www.mrftyres.com/investor-relations/familiarization-programme-for-independent-director

3. Audit Committee

(i) Reference

The powers, role and terms of reference of the Audit Committee covers the areas as mentioned under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. These, *inter alia*, include oversight of Company's financial reporting process, internal financial controls, reviewing the adequacy of the internal audit function, reviewing with management the quarterly/annual financial statements before submission to the Board, recommending the appointment of statutory auditors and fixation of their remuneration, approval of related party transactions, evaluation of risk management systems etc.

(ii) Composition

As on 31.03.2024, the Audit Committee comprises of 3 Directors and all of them being Non-Executive Independent Directors. The members of the Committee are as follows:

Mr. Jacob Kurian	Chairman
Mr. V Sridhar	Member
Mr. Ranjit I Jesudasen	Member

Mr. S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee.

Mr. K M Mammen, Chairman & Managing Director, Mr. Arun Mammen, Vice Chairman and Managing Director and Mr. Rahul Mammen Mappillai, Managing Director are permanent invitees. The Vice President Finance, Head of Internal Audit, Statutory Auditors and other Executives, as considered appropriate, also attend the meetings by invitation.

(iii) Meetings and Attendance

During the financial year ended 31st March, 2024, the Audit Committee met on the following dates: 03.05.2023,

03.08.2023, 03.11.2023 and 09.02.2024. All the members of the Committee were present for all the meetings.

4. Nomination and Remuneration Committee

(i) Reference

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the terms of reference of the Committee include the following namely formulation of criteria for determining qualifications, positive attributes and independence of director, recommending to the Board a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of directors performance, devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal and also recommend to the Board remuneration payable to Senior Management.

(ii) Composition

As on 31.03.2024, the Committee comprises of 3 Non-Executive Independent Directors and an Executive Director. The Chairman is a Non- Executive Independent Director. The Committee comprises of:

Mr. Ranjit I Jesudasen	Chairman
Mr. V Sridhar	Member
Mr. Jacob Kurian	Member
Mr. K M Mammen	Member

Mr. S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee.

(iii) Meetings and Attendance

During the financial year ended 31st March, 2024, the Committee met on the following dates: 03.05.2023, 03.08.2023 and 03.11.2023. All the members of the Committee were present for the meeting.

5. Criteria for determining the qualifications, positive attributes and Independence of a Director

Candidates for the position of a Director shall be a person of integrity and possess requisite education, experience and capability to make a significant contribution to the deliberations of the Board of Directors. Apart from the above, the Board candidate should be of the highest moral and ethical character. The candidate must exhibit independence, objectivity and be capable of serving as a representative of the stakeholder. The candidate should have the personal qualities to be able to make an active contribution to Board deliberations. These qualities include intelligence, inter-personal skills, independence, communication skills and commitment. The Board candidate should not have any subsisting relationships with any organization which is a competitor to the Company. The Board candidate should be able to develop a good working relationship with other Board members. This apart, the Directors must satisfy the qualification requirements laid down under the Companies Act, 2013, the Listing Regulations and any other applicable law and in case of Independent Directors, the criteria of independence as laid down in those laws.

6. Performance evaluation of Independent Directors

The criteria for evaluation of the Independent Directors is attendance, participation in deliberations, understanding the Company's business and that of the industry and guiding the Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013 and fulfilment of independence criteria and independence from management.

The Board carried out evaluation of the performance of the Independent Directors on the basis of the criteria laid down. The evaluation was done by the Board of Directors except the Director who was evaluated.

7. Remuneration of Directors

a. Remuneration Policy:

A policy on remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management and other staff was put in place by Nomination and Remuneration Committee on 23.07.2014 and approved by the Board of Directors at its meeting held on 30.10.2014.

The Policy provides as follows:

(i) Non-Executive Directors:

The Non-Executive Directors (including Independent Directors) may be paid remuneration by way of sitting fees for attending meetings of Board or Committee thereof.

The Directors may also be reimbursed any expenses in connection with attending the meetings of the Board or Committee or in connection with the business of the Company.

The quantum of fees shall be determined, from time to time, by the Board subject to ceiling / limits as provided under Companies Act, 2013 and rules made thereunder.

(ii) Chairman & Managing Director, Managing Director(s) / Whole-time Director(s):

The level and composition of remuneration will be reasonable and sufficient to attract, retain and motivate directors of quality to run the Company successfully. The remuneration package should adequately compensate them for the high level of responsibilities shouldered by them and sensitivity of the position held. The level of remuneration shall take into consideration the professional expertise, past credentials and potential of the person concerned. The compensation package may comprise of a fixed compensation package in the nature of monthly and annual pay-out, provision of perquisites, contribution to retirement benefits, health and insurance and any other benefits (including provision of loans on such terms as to interest, repayment and security as determined by the Board) and commission on profits, in such proportion and quantum as decided from time to time based on the Company's business needs and requirements and prevailing practices in industry.

Besides the above, the remuneration to be paid to Chairman & Managing Director, Managing Director(s) and Whole-time Director(s) shall be governed by the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

(iii) KMP's (other than MD's and WD's), Senior Management Personnel and other Staff:

The level and composition of remuneration will be reasonable and sufficient to attract, retain and motivate persons of the quality required to handle appropriate management roles in the Company successfully. The level of remuneration may be based on the qualification, experience and expertise and potential of the person concerned and also the responsibilities to be shouldered, criticality of the job to the Company's business and any other criteria as considered appropriate. The compensation package may comprise of a fixed compensation package in the nature of monthly and annual payout, provision of perquisites, contribution to retirement benefits, health and insurance and any other benefits (including provision of loans on such terms as to interest, repayment and security as determined by the Board) and variable pay (having a clear relationship to performance which will meet appropriate benchmarks relevant to the working of the Company and its goals), in such proportion and quantum as decided from time to time based on the Company's business needs and requirements and prevailing practices in industry.

(iv) Directors and Officers Insurance:

Where any insurance is taken by the Company on behalf of its Directors, KMP's / Senior Management Personnel, Staff etc., for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

b. Details of Remuneration to all the Directors for the financial year ended 31.03.2024

(i) The remuneration of the Managing / Whole-time Directors comprises of a fixed component (viz., salary, allowances, perquisites and retirement benefits) and variable components (viz., commission on profit). Commission is paid as a percentage of net profits computed as per Section 198 of the Companies Act, 2013 and accordingly the performance metric for payment of commission is net profits computed as per section 198 of the Companies Act, 2013. The Commission is paid to the Managing Directors/Whole-time Directors only after adoption of the audited financial statements by the shareholders at the Annual General Meeting.

The details of remuneration paid for the financial year ended 31.03.2024 are as follows:

(a) Name (b) Designation (c) Salary and perquisites (₹) (d) Commission (₹) (e) Total (₹)
(a) Mr. K M Mammen (b) Chairman & Managing Director (c) 186829796 (d) 127125000 (e) 313954796; (a) Mr. Arun Mammen (b) Vice Chairman and Managing Director (c) 141025604 (d) 118827000 (e) 259852604; (a) Mr Rahul Mammen Mappillai (b) Managing Director (c) 123420639 (d) 105170400 (e) 228591039; (a) Mr. Samir Thariyan Mappillai (b) Whole-time Director (c) 56153588 (d) 36900000(e) 93053588; (a) Mr Varun Mammen (b) Whole-time Director (c) 56259204 (d) 36900000 (e) 93159204.

Note: Salary and perquisites include all elements of remuneration i.e., salary, allowances and benefits but excluding gratuity and leave benefits.

The Company has not issued any stock options to any of the directors. The Managing Directors/ Whole-time Directors are appointed by shareholders for a period of five years at a time. Notice period and severance fees are not applicable.

(ii) The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee attended by them and also reimbursed expenses in connection with attending the meetings. The sitting fees paid for the financial year ended 31.03.2024 to Non-Executive Directors are as follows:

(a) Name (b) Sitting fees (₹)
(a) Mr. Ashok Jacob (b)75000; (a) Mr. V Sridhar (b) 220000; (a) Mr. Vijay R Kirloskar (b) 75000; (a) Mr. Ranjit I Jesudasen (b) 290000; (a) Dr. Salim Joseph Thomas (b) 100000; (a) Mr. Jacob Kurian (b) 210000; (a) Dr. (Mrs) Cibi Mammen (b) 100000; (a) Mrs. Ambika Mammen (b) 100000; (a) Mrs. Vimla Abraham (b) 100000; (a) Mr. Dinshaw Keku Parakh (b) 100000; (a) Mr. Ramesh Rangarajan (b) 100000; (a) Mr. Vikram Taranath Hosangady (b) 100000; (a) Arun Vasu (b) 75000; (a) Vikram Chesetty (b) 75000; (a) Prasad Oommen (b) 50000.

Sitting fees are paid to Non-Executive Directors within the limits prescribed under the Companies Act, 2013.

There were no material pecuniary relationships or transactions by Non-Executive Directors vis-à-vis the Company as per the materiality threshold laid down in Listing Regulations and also as per the Policy on Materiality of and dealing with Related Party Transactions framed pursuant to the said Regulations.

As required under the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors of the Company.

c. Senior management:

Particulars of senior management including the changes therein since the close of the previous financial year.

As on 31.03.2024, the particulars of Senior Management of the Company as follows:

SL No	Name	Designation
1	Mr. Philip Eapen	Senior Advisor
2	Mr. Madhu P Nainan	Executive Vice President-Finance
3	Mr. C M Cherian	Executive Vice President - R & D
4	Mr. S Dhanvanth Kumar	Company Secretary
5	Mrs. Meera Mammen	Vice President - Welfare
6	Mr. Mohan Kurian	Vice President - Materials
7	Mr. Suresh T Cherian	Vice President - ITS
8	Mr. Isaac Thamburaj	Vice President - Manufacturing
9	Mr. Jacob Peter	Vice President - HRS
10	Mr. P John Mathew	Vice President - Engineering

Changes in the senior management Personnel since the close of the previous financial year.

1. Retirement of Mr. Manoranjan Das, Vice President Engineering effective from close of business hours on 31st January, 2024.
2. Appointment of Mr. P John Mathew, Associate Vice President- Engineering as Vice President Engineering w.e.f. 1st February,2024.

8. Stakeholders' Relationship Committee

(i) Reference

The Committee looks into redressal of grievances of the investors namely shareholders. The Committee deals with grievances pertaining to non-receipt of annual report, non-receipt of dividend, dematerialisation/rematerialisation of shares, complaint letters received from Stock Exchanges, SEBI, etc. The Board of Directors has delegated the power of approving transmission of shares.

(ii) Composition

As on 31.03.2024, the Committee comprises of 3 Directors. The Chairman of the Committee is a Non-Executive Independent Director. The members of the Committee are:

Mr. V Sridhar	Chairman
Mr. Ranjit I Jesudasen	Member
Mr. K M Mammen	Member

Mr S Dhanvanth Kumar, Company Secretary, is the Secretary of the Committee and the Compliance Officer.

(iii) Meeting and Attendance

During the financial year ended 31st March, 2024, the Stakeholders' Relationship Committee met on 03.08.2023. All the members of the Committee were present for the meeting. 20 investor complaints were received during the financial year ended 31.03.2024. All the complaints were redressed except for two complaints which were pending at the end of the year.

9. Risk Management Committee

(i) Reference

In accordance with Regulation 21 of the Listing Regulations, the terms of reference of the Committee include the following namely formulation of detailed risk management policy, a framework for identification of internal and external risks specifically faced by the Company, measures for risk

mitigation including systems and processes for internal control of identified risks, business continuity plan, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity recommendations and actions to be taken etc.

(ii) Composition

As on 31.03.2024, the Committee comprises of 3 Executive Directors and an Independent Director. The Chairman of the Committee is an Executive Director. The members of the Committee are:

Mr. K M Mammen	Chairman
Mr. Arun Mammen	Member
Mr. Rahul Mammen Mappillai	Member
Mr. Ranjit I Jesudasen	Member

(iii) Meetings and Attendance

During the financial year ended 31st March, 2024, the Risk Management Committee met on 03.08.2023, 07.11.2023 and 21.03.2024.

All the members of the Committee were present for all the meetings.

10. General Body Meetings

a. The Company held its last three Annual General Meetings as under:

AGM for the Year	Date	Time	Venue
2020-2021	12-08-2021	11.00 A.M	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").
2021-2022	04-08-2022	11.00 A.M	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").
2022-2023	27.07.2023	11.00 A.M	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

b. Details of Special resolution passed during the last 3 Annual General Meetings:

Date of AGM	Particulars of Special Resolutions passed
12-08-2021	Nil
04-08-2022	Nil
27.07.2023	Approval for payment of Remuneration as per terms currently in force to the Promoter Executive Directors of the Company in terms of Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

c. Postal Ballot:

During the financial year ended 31st March, 2024, the Board sought the consent of the shareholders of the Company for passing the following Special Resolutions through postal ballot as per the notice to the shareholders dated 3rd August,2023:

Date of Postal Ballot Notice	Particulars of Special Resolutions passed
03.08.2023	1. Re-appointment of Mr. K M Mammen (DIN: 00020202) as Managing Director of the Company (with the designation "Chairman and Managing Director" or such other designation as approved by the Board from time to time). 2. Re-appointment of Mrs. Vimla Abraham (DIN: 05244949) as an Independent Woman Director of the Company for a second term of 5 years commencing from 05.02.2024. The above special resolutions were passed with requisite majority on 19th September, 2023.

Voting pattern of the special resolutions were passed through postal ballot on 19th September,2023, through the e-voting process, are as follows:

Particulars	Resolution No. 1	Resolution No. 2
Votes in favour of the resolution		
Number of members	708	859
Number of votes cast by them	3140144	3349313
% of total number of valid votes cast	93.71%	99.95%
Votes against the resolution		
Number of members	188	25
Number of votes cast by them	210776	1600
% of total number of valid votes cast	6.29%	0.05%
Invalid Votes	Nil	Nil

Mr. N C Sarabeswaran (Membership No. 009861) Senior Partner, Messrs. Jagannathan & Sarabeswaran, Chartered Accountants was appointed as the Scrutinizer for conducting the above postal ballot as per the notice to the shareholders dated 3rd August,2023 through the e-voting process in a fair and transparent manner.

d. As on date of this report, the Company does not propose to pass any special resolution by way of Postal Ballot.

11. Means of Communication

Quarterly/half yearly results are disclosed to Stock Exchanges and also published in daily newspapers viz., Business Standard (all over India) and Makkal Kural (Vernacular). As per the requirements of Regulation 46 of the Listing Regulations, the quarterly/half yearly results and the press release issued annually are displayed on the Company's website www.mrftyres.com. The Company provides information to the Stock Exchanges as per the requirements of the Listing Regulations. No presentations were made to institutional investors / analysts. The Company has a designated e-mail address viz., mrfshare@mrfmail.com, exclusively for investor servicing.

12. Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations, the Company is required to formulate a dividend distribution policy. The Policy is available on the website of the Company https://www.mrftyres.com/downloads/Dividend-Distribution-Policy.pdf

13. General Shareholder Information

a) Annual General Meeting:

Date and Time	:	1st August, 2024 at 11.00 A.M.
Venue	:	The company is conducting meeting through Video Conference (VC) / Other Audio Visual Means (OAVM)

b) Financial Year : 1st April to 31st March.

c) Dividend payment date :

Interim Dividend	:	30-11-2023 ₹ 3 per share (30%)
II Interim Dividend	:	04-03-2024 ₹ 3 per share (30%)
Final Dividend	:	23.08.2024, ₹ 194 per share (1940%) (subject to approval of shareholders)

d) Listing on Stock Exchanges:

Equity

1. National Stock Exchange of India Ltd., (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, 5 G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 00 051.

2. Bombay Stock Exchange Ltd., (BSE)., Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai 400 001.

Equity ISIN: INE883A01011

Debt

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

Debt ISIN: INE883A08016

Details of Debenture Trustee: Axis Trustee Services Limited, Corporate Office : The Ruby, 2nd Floor, SW 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028, Tel no.: +91-22-62300451, Email: debenturetrustee@axistrustee.in

Listing fees upto the year ending 31st March, 2025 have been paid to the above mentioned Stock Exchanges.

During the financial year, none of the securities of the Company were suspended for trading.

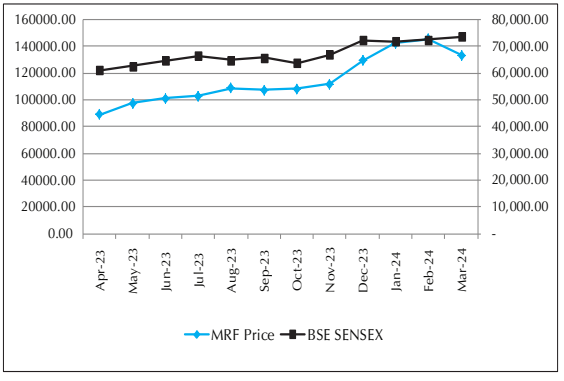
e) Stock Code

Bombay Stock Exchange	Code	500290
National Stock Exchange	Symbol	MRF

f) Market Price Data

Month	Bombay Stock Exchange [BSE]			National Stock Exchange [NSE]		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
Apr-2023	89244.20	83504.95	2582	89300.00	83325.75	64043
May-2023	99879.65	88137.15	15683	99933.50	88002.05	305939
Jun-2023	101599.00	94006.10	6491	101648.30	96067.55	159620
Jul-2023	103200.00	99000.00	3626	103298.85	99000.00	98039
Aug-2023	111939.95	101450.00	5697	111997.00	101400.05	157742
Sep-2023	112671.20	106892.20	3587	112727.95	106800.00	118718
Oct-2023	113379.10	106390.70	3947	113439.30	106405.00	105469
Nov-2023	112860.80	107010.00	5279	112989.95	107008.05	129899
Dec-2023	130065.00	110896.75	5750	130399.35	110856.20	136810
Jan-2024	150000.00	127379.95	12188	150254.15	127257.10	269347
Feb-204	151283.40	136350.00	14351	151445.00	136300.00	337502
Mar-2024	147600.00	129619.45	8222	147500.00	129614.60	185447

g) Stock Performance: (Monthly Closing Price) Performance in comparison to BSE Sensex



h) Registrars and Transfer Agents:

Equity

In-house Share Transfer
MRF Limited, No. 114,
Greams Road, Chennai - 600 006
Tel: 044-28292777
Website: www.mrftyres.com;
E-mail: mrfshare@mrfmail.com

In terms of SEBI Circular No. O&CC/FITTC/CIR-15/2002 dated 27th December, 2002, your Company is carrying out both physical share registry work as well as electronic connectivity, in-house. In-house Investor relations department provides various services viz., dematerialisation and rematerialisation of shares, share transmissions, disbursement of dividend, processing claims for unclaimed dividend/shares, issue of duplicate share certificates, dissemination of information etc. Members are therefore requested to communicate on matters pertaining to physical shares to Secretarial Department, MRF Limited, No. 114, Greams Road, Chennai 600 006.

Debt

Cameo Corporate Services Limited
"Subramanian Building", 1, Club House Road,
Chennai – 600 002.
Tel : +91-44-28460390
Website : www.cameoindia.com
E-Mail: investor1@cameoindia.com

i) Share Transfer System

SEBI has mandated that, effective from 1st April, 2019, no share can be transferred in physical mode. Moreover, SEBI has also mandated that resubmitted cases shall not be accepted / taken up for transfer after 31st March, 2021. Dematerialisation requests received by the Company are normally processed within 10 days of its receipt.

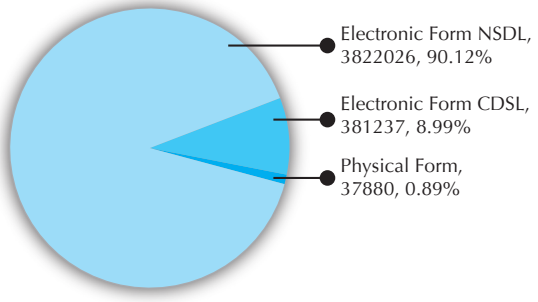
j) Distribution of shareholding: (as at 31.03.2024)

Shareholding	No. of Shareholders	%	No. of Shares	%
Upto 100	46113	96.75	329898	7.78
101 - 500	1139	2.39	242036	5.71
501 - 1000	146	0.31	104479	2.46
1001 - 2000	100	0.21	143838	3.39
2001 - 3000	40	0.08	97121	2.29
3001 - 4000	22	0.05	78100	1.84
4001 - 5000	12	0.03	56502	1.33
5001 - 10000	34	0.07	229159	5.40
10001 and above	57	0.12	2960010	69.79
TOTAL	47663	100.00	4241143	100.00

k) Dematerialization of Shares and Liquidity

99.11% of total equity capital is held in dematerialized form with NSDL and CDSL as on 31st March, 2024. All requests for dematerialization of shares were processed within the stipulated time period and no share certificates were pending for dematerialization as on 31 March, 2024.

Trading in equity shares of the Company is permitted only in dematerialized form as per prevailing law.



l) Outstanding GDR/Warrants/any other convertible instruments

The Company does not have any outstanding GDR / Warrants / any other convertible instruments.

m) Commodity price risk or foreign exchange risk and hedging activities:

i) Risk Management Policy of the Company with respect to commodities including through hedging:

The Company's purchasing strategy does not involve hedging activities and speculative buying. The risks are limited by sourcing from different countries and regions and having long term contracts with prices linked to well accepted market indices and published reports.

ii) Exposure of the Company to commodity risks faced by the entity throughout the year.

A) Total exposure of the Company to commodities in INR: 4030.63 crores

B) Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Natural Rubber	4030.63 crores	282287 MT	NIL	NIL	NIL	NIL	NIL

iii) Foreign Currency Risks:

The Company's policy on hedging foreign currency risks is explained in the notes to the financial statements.

n) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

i. Number of complaints filed during the financial year: Nil

ii. Number of complaints disposed of during the financial year: Nil

iii. Number of complaints pending as on end of the financial year: Nil

o) Plant Locations

1. Tiruvottiyur — Tiruvottiyur High Road, Chennai, Tamil Nadu.
2. Kottayam — No. 2, Vadavathoor, Kottayam, Kerala.
3. Goa — No. 1, Ponda, Goa.
4. Arkonam — Arkonam – Tiruttani Road, Ichiputhur, Arkonam, Tamil Nadu.
5. Medak — No. 2, Sadasivapet, Sangareddy,Telangana.
6. Puducherry — Eripakkam Village, Nettapakkam Commune, Puducherry.
7. Ankenpally — No. 2, Sadasivapet, Sangareddy, Telangana.
8. Perambalur (2 plants) — Naranamangalam Village & Post, Alathur Taluk, Perambalur District, Tamil Nadu.
9. Dahej — Plot No. D-II-16, Dahej Industrial Area, Galenda Village, Taluka - Vagara Dist. Bharuch, Gujarat

p) Address for Correspondence:

MRF Limited
No. 114, Greams Road,
Chennai – 600 006.
Tel : (044) 28292777
Fax: (044) 28290562
E-mail : mrfshare@mrfmail.com

14. Other Disclosures

(a) As required under applicable Listing Regulations, your Company has adopted a policy on materiality of and dealing with related party transactions which was approved by the Board of Directors and uploaded on the Company's Website: https://www.mrftyres.com/downloads/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf

Requisite approvals from the Audit Committee / Board have been obtained for the transactions as stipulated under applicable law.

The details of related party transactions during the financial year ended 31st March, 2024 are given in note 28 (c) of the standalone financial statements.

During the year under review, your Company has entered into transactions with MRF SG PTE. LTD, a wholly owned subsidiary of your Company for purchase of raw materials and the total value of transactions executed during financial year 2023-2024 exceed the materiality threshold adopted by the Company. These transactions were in the ordinary course of business and were on an arm's length basis, details of which are provided in Annexure IV of the Board's Report as required under section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

There are no transactions with any person or entity belonging to the promoters/promoter group which hold(s) 10% or more shareholding in the Company.

During the year under review, there are no materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

(b) The Company has complied with the requirements of the Stock Exchanges/SEBI and statutory authority on all matters related to capital markets during the last three years. No penalties, strictures were imposed on the Company by the Stock Exchange/SEBI or any other statutory authority in respect of the same.

(c) The Company has established a vigil mechanism pursuant to the requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. No personnel have been denied access to the chairman of the Audit Committee to report genuine concerns. Establishment of vigil mechanism is hosted on the website of the Company under the web link: https://www.mrftyres.com/downloads/Vigil-Mechanism.pdf

(d) The Company has complied with the mandatory requirements of Corporate Governance prescribed in Schedule II, Part A to D of the Listing Regulations.

(e) The Company has complied with all the applicable mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(f) The Board has laid down a Code of Conduct for all Directors and senior management staff of the Company. The code suitably incorporates for the Independent Directors their duties as Independent Directors as laid down in Schedule IV of the Companies Act, 2013. The code of conduct is available on the website: www.mrftyres.com. All Directors and members of the senior management have affirmed their compliance with the code of conduct.

Your Company has also adopted a Code of Conduct to regulate, monitor and report trading by Designated persons and their Immediate Relatives as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and designated persons who could have access to unpublished price sensitive information of the Company are governed by the Code. An annual disclosure was taken from the Directors and designated persons, as at the end of the year.

(g) The Audit Committee reviews the financial statements of the unlisted subsidiary companies. The minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board meeting of the Company including statement of all significant transactions and arrangements entered into by the Company with the unlisted subsidiary companies.

Your Company has formulated a policy on material subsidiary as required under Regulation 16 of the Listing Regulations and the policy is hosted on the website of the Company under the web link: https://www.mrftyres.com/downloads/material-subsidary-policy.pdf. The Company does not have any material unlisted subsidiary Company.

(h) The Company has issued a formal letter of appointment to all the Independent Directors. The terms and conditions of their appointment have been disclosed on the Company's website under the web link: https://www.mrftyres.com/investor-relations/terms-and-conditions-of-appoinment-of-independent-director

During the year, a meeting of the Independent Directors was held as prescribed under applicable Listing Regulations and the Companies Act, 2013. In the opinion of the Board, Independent Director(s) fulfils the conditions specified in the Listing Regulations and are Independent of the Management.

During the financial year, none of the Independent Directors of the Company have resigned before the expiry of their tenure.

(i) As required under the Listing Regulations, the Board of Directors have identified the following core skills / expertise/ competencies as required in the context of its business and sector for it to function effectively.

Core skills / expertise / competencies
General Business / Industry awareness
Functional Knowledge / General Management / Administration
Communication and collaborative approach

The Board collectively has the abovementioned skills / expertise / competence. The names of directors and the skills they possess are given below:

Name of the Director	General Business/ Industry awareness	Functional knowledge/ General Management/ Administration	Communication and Collaborative approach
Mr. K M Mammen	✓	✓	✓
Mr. Arun Mammen	✓	✓	✓
Mr. Rahul Mammen Mappillai	✓	✓	✓
Mr Samir Thariyan Mappillai	✓	✓	✓
Mr. Varun Mammen	✓	✓	✓
Mr. Ashok Jacob	✓	✓	✓
Mr. V Sridhar	✓	✓	✓
Mr. Vijay R Kirloskar	✓	✓	✓
Mr. Ranjit I Jesudasen	✓	✓	✓
Dr. Salim Joseph Thomas	✓	✓	✓
Mr. Jacob Kurian	✓	✓	✓
Dr. (Mrs) Cibi Mammen	✓	✓	✓
Mrs. Ambika Mammen	✓	✓	✓
Mrs. Vimla Abraham	✓	✓	✓
Mr. Vikram Taranath Hosangady	✓	✓	✓
Mr. Ramesh Rangarajan	✓	✓	✓
Mr. Dinshaw Keku Parakh	✓	✓	✓
Mr. Arun Vasu	✓	✓	✓
Mr. Vikram Chesetty	✓	✓	✓
Mr. Prasad Oommen	✓	✓	✓

(j) A Certificate has been received from Mr. K Elangovan, Elangovan Associates, Company Secretaries, Chennai, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.

(k) Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. K Elangovan, Elangovan Associates, Company Secretaries, Chennai, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.

(l) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors for the financial year ended 31st March, 2024 is ₹ 2.00 crores.

(m) List of Credit ratings obtained by the Company: The Ratings given by CARE Ratings Limited for Long term Bank Facilities to the extent of ₹ 2,799.99 crores and Long term/ Short term Bank Facilities to the extent of ₹ 1000 crores of the Company are CARE AAA; Stable (Triple A; Outlook: Stable) and CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable / A One Plus), respectively.

CARE Ratings Limited has also given CARE A1+ (A One Plus) for Short term Bank Facilities, to the extent of ₹ 1500 crores.

Further, CARE Ratings Limited has also given CARE AAA; Stable (Triple A; Outlook : Stable) Ratings for the Non-Convertible Debentures of the Company aggregating to ₹ 150 Crores.

All the above credit ratings were reaffirmed by CARE Ratings Limited.

(n) There was no preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

(o) There was no instance during the financial year 2023-2024, where the Board of Directors has not accepted the recommendation of any committee of the Board which it was mandatorily required to accept.

(p) Your Company has formulated a policy for determination of materiality of any event or information as required under Regulation 30 of the Listing Regulations and the policy is hosted on the website of the Company under the web link: https://www.mrftyres.com/downloads/Policy-for-determination-of-Materiality.pdf

(q) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - Nil

(r) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Nil

(s) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries. – NA

(t) Disclosure of certain types of agreements binding listed entities as referred in clause 5A of paragraph A of Part A of Schedule III of Listing Regulations - Nil

15. Discretionary requirements

The Company has adopted the following discretionary requirements:

a. The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website: www.mrftyres.com and in Stock Exchange websites namely https://neaps.nseindia.com and listing.bseindia.com. Therefore, no individual communications are sent to the shareholders in this regard.

b. There are no qualifications in the Auditors' Report on the accounts for the financial year ended 31.03.2024.

c. The internal audit head presents the internal audit observations to the Audit Committee.

16. CEO / CFO Certification

Mr. Rahul Mammen Mappillai, Managing Director and Mr. Madhu P Nainan, Executive Vice President Finance, have certified to the Board regarding the financial statements for the financial year ended 31st March, 2024 in accordance with Regulation 17(8) of Listing Regulations.

17. Equity shares in MRF - Unclaimed Suspense Account

As required by the provisions of Regulation 39 (4) read with Schedule V (F) of Listing Regulations, the Company has transferred the unclaimed shares lying in possession of the Company to MRF – Unclaimed Suspense Account. The status of unclaimed shares lying in MRF - Unclaimed Suspense Account as on 31.03.2024 are as under:

Particulars	Number of Members	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the financial year.	214	5308
Number of shareholders who approached the Company for transfer of the shares from suspense account during the financial year 2023-24	16	380
Shareholders to whom shares were transferred from the suspense account during the year.	16	380
Shares transferred to Investor Education and Protection Fund Authority as required by Section 124 (6) of the Companies Act, 2013 read with rules thereunder.	0	0
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 31.03.2024	198	4928

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

18. Transfer of shares to Investor Education and Protection Fund (IEPF)

Pursuant to the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), dividends that are unpaid or unclaimed for a period of seven years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the financial year 2023-24, the Company has transferred a total of 1964 Shares to IEPF Authority. The Company has also transferred a sum of ₹ 80,49,152 being unclaimed dividend to IEPF. The dividend amount and shares transferred to the IEPF Authority can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

19. Declaration

As required by Para D of Schedule V to the Listing Regulations, it is hereby confirmed and declared that all the members of the Board and senior management have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2024.

On behalf of the Board of Directors

K M MAMMEN
Chairman & Managing Director
DIN: 00020202

Place: Chennai
Date: 03rd May, 2024

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MRF LIMITED

1. This Certificate is issued in accordance with the terms of our Engagement Letter dated 28th July 2023.

2. We, M M NISSIM & CO LLP and SASTRI & SHAH, Chartered Accountants, the Statutory Auditors of MRF LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31 March, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

AUDITORS' RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Paras C, D and E of Schedule V of the Listing Regulations during the year ended 31st March, 2024.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTION ON USE

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M M NISSIM & CO LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N Kashinath
Partner
Mem. No. 036490
UDIN: 24036490BKGTRO5631

Place: Chennai
Date: 03rd May, 2024

For SASTRI & SHAH
Chartered Accountants
Firm Regn. No. 003643S

C.R.Kumar
Partner
Mem. No. 026143
UDIN: 24026143BKHGBL2896

Place : Chennai
Date: 03rd May, 2024

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MRF LIMITED

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **MRF Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2024, and its profit (financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. Emphasis of Matter

We draw attention to Note 28((q(i)(a)) to the Standalone Financial Statement which describe the following matter :

In terms of the Order dated 31st August 2018 the Competition Commission of India (CCI) has on 2nd February 2022 released its Order imposing penalty on the Company concerning the breach of provisions of the Competition Act, 2002 during the year 2011-2012 and imposed a penalty of ₹ 622.09 Crores on the Company. The appeal filed by the Company has been disposed of by the National Company Law Appellate Tribunal (NCLAT) in December 2022, 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, the Company has filed an appeal before the Hon'ble Supreme Court against the order of NCLAT, which has been tagged with the appeal filed by CCI in the Supreme Court. The Company is of the view that no provision is considered necessary in respect of this matter in the Standalone Financial Results.

Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Defined Benefit Obligation** The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation	**Our audit procedures included:** We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.
2	**Provision for Sales related obligations** The Company makes an estimated provision for sales related obligations based on commitments, established trade practices, historical trends and other assumptions which are judgemental including those relating to outflow of resources. Considering the significant judgements involved in making the above estimate, we have considered this as a key audit matter.	**Our audit procedures included:** We understood and tested the controls over the assumptions applied in arriving at the provision for Sales related obligations. Tested on sample basis, the provision made during the year with relevant data elements, assumptions involved, validation of formula used in the spread sheet and management review and control of the relevant internal and external factors impacting the provision.
3	**Provision for Extended Producer Responsibility (EPR)** (Refer Note 28 j) The Company has recognised provision towards EPR obligations based on the notification issued by the Ministry of Environment, Forest and Climate Change. The obligation is to be met by purchasing certificates from Recyclers and the provision is estimated based on current cost estimate. Given the inherent complexity and the magnitude of the potential exposures and judgements necessary to estimate the amount of provision required and to determine required disclosures, we have considered this as a key audit matter.	**Our audit procedures included:** We have obtained an understanding on the requirement of the notification and of the process followed by the Company for assessment and determination of the amount of provision required / recognized and the appropriateness of the disclosures made in the financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
4	**Litigation, Claims and Contingent Liabilities** (Refer Note 28(q), to be read along with Emphasis of matter in Independent Auditor's Report) The Company is exposed to variety of different laws, regulations and interpretations thereof. Consequently, in the normal course of business, Provisions and Contingent Liabilities may arise from legal proceedings, constructive obligations and commercial claims. • Management applies significant judgement when considering whether and how much to provide for the potential exposure of each matter. • These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. • Given the different views possible, basis the interpretations, complexity and the magnitude of potential exposures and the judgement necessary to estimate the amount of provision required or determine required disclosures.	**Our audit procedures included:** • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities. • We held discussions with senior management including the person responsible for legal and compliance to obtain an understanding of the factors considered by management in classification of the matter as 'probable', 'possible' and 'remote'. • Examined the Company's legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness. • With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. • Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. • For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures.
5	**Property, Plant & Equipment (Including Capex)** • Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of property, plant and equipment. • Further, technical complexities require management to assess and make estimates/ judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. • Refer note 1 to Standalone financial statements.	**Our audit procedures included:** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : • We assessed Company's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Ind AS 16. • We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment • We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment in accordance with Schedule II of the Companies Act, 2013. • We have relied on physical verification conducted by management and management representations.

5. Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

6. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibility for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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 financial controls 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 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 made by the management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to 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 Financial Statements, including the disclosures, and whether the Standalone Financial Statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

g) As required by Section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 28 (q) to the Standalone Financial Statements;

ii. The Company has long-term contracts including derivative contracts for which there were no material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As represented to us by the management and to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. The Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year, interim dividends declared and paid by the company

during the year and the proposed final dividend for the year which is subject to the approval of members at the ensuing Annual General Meeting.

vi. Based on our examination which included test checks, the company has used an accounting software (SAP) for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M.M. NISSIM & CO. LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTRM1455
Place: Chennai
Date : 3rd May 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg.No. 003643S

C R Kumar
Partner
Mem.No.026143
UDIN: 24026143BKHGBJ8010
Place : Chennai
Date : 3rd May 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MRF LIMITED

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-Use assets;

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification. All discrepancies have been properly dealt with in the books of accounts;

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and where the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.

(ii) (a) The inventory, except for goods in transit and stocks held with third parties, has been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. For stocks held with third parties at the year end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmation have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the first three quarters and with the audited books of account in respect of fourth quarter ending 31st March, 2024 and there are no material discrepancies.

(iii) The Company has made investments in companies and other entities. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clauses (iii)(a),(c),(d),(e) and (f) of the order are not applicable.

(b) In our opinion, the investments made in companies are prima facie, not prejudicial to the Company's interest.

(iv) In our opinion, in respect of investments made ,the Company has complied with the provisions of Section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) The Company does not have liability in respect of Service tax, Duty of Excise, Sales tax and Value Added Tax during the year since effective 1st July, 2017, these statutory dues has been subsumed into GST.

(a) The Company is regular in depositing Undisputed Statutory Dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of any dispute, are as follows:

Statute and nature of dues	Financial year to which the matter pertains	Forum where dispute is pending	₹ Crores
CENTRAL SALES TAX ACT, 1956 and VAT LAWS			
Sales Tax / VAT and Penalty	1999 -2000 to 2003-04, 2006-07, 2009-10 to 2017-18	Appellate Commissioner	136.33
	1996-97 to 2010-11, 2014-15 and 2016-17	Appellate Tribunal/Board	98.99
	1996-97, 2006-07 to 2017-18	High Court	15.64
CUSTOMS ACT, 1962			
Customs Duty and Penalty	2021-22	Appellate Commissioner	0.29
	2010-11 to 2019-20,2021-22	Appellate Tribunal	56.89
	1992-93 to 1994-95	High Court	74.89
CENTRAL EXCISE ACT, 1944 and Finance Act 1994			
Excise Duty, Service Tax and Penalty	1997-98, 1998-99, 2006-07 to 2010-11, 2014-15 to 2017-18	Appellate Commissioner	0.16
	2008-09 to 2017-18	Appellate Tribunal	462.50
INCOME TAX, 1961			
Income Tax	2005-06,2009-10,2013-14 and 2016-17	Appellate Commissioner	72.32
	2008-09,2010-11,2014-15 to 2015-16,2018-19 to 2019-20	Appellate Tribunal	177.59
	2002-03 to 2004-05, 2011-12 to 2012-13	High Court	5.18
GOODS & SERVICES TAX			
GST	2017-18 to 2020-21 and 2022-23	Appellate Commissioner	34.27
	2017-18, 2022-23	Appellate Tribunal	0.16

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any moneys by way of Initial Public Offer or Further Public offer (Including Debt Instruments), during the year and hence reporting under Clause (x) (a) of Para 3 of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.

(xi) (a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and accordingly provisions of Clause (xii) of Para 3 of the Order are not applicable to the Company.

(xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 28(c) as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act,

2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.

(b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.

(d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on 'other than ongoing ' projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the provision of sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of Para 3 of the Order is not applicable for the year.

(b) In respect of 'ongoing' projects, the company has transferred unspent CSR amount, to a special account within a period of 30 days from the end of the said financial year in compliance with the provisions of sub section (6) of section 135 of the said Act.

For M.M. NISSIM & CO. LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTRM1455
Place: Chennai
Date : 3rd May 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg.No. 003643S

C R Kumar
Partner
Mem.No.026143
UDIN: 24026143BKHGBJ8010
Place : Chennai
Date : 3rd May 2024

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MRF LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

1. OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of **MRF LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal financial control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India (ICAI).

2. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

3. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

4. MEANING OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M.M. NISSIM & CO. LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTRM1455
Place: Chennai
Date : 3rd May 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg.No. 003643S

C R Kumar
Partner
Mem.No.026143
UDIN: 24026143BKHGBJ8010
Place : Chennai
Date : 3rd May 2024

MRF LIMITED, CHENNAI

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ Crores)

	Note	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2 (a)	11193.96	9414.12
Capital Work-in-Progress	2 (b)	2362.51	3045.22
Right of Use Assets	2 (c)	758.14	609.98
Other Intangible Assets	2 (d)	25.12	25.94
Financial Assets			
- Investments	3	1141.64	1130.92
- Loans	4	4.09	1.19
- Other Financial Assets	5	25.80	24.08
Non Current Tax Asset (Net)		343.54	263.24
Other Non-current Assets	6	358.16	550.41
Current Assets			
Inventories	7	4360.72	4042.68
Financial Assets			
- Investments	3	2261.98	1974.84
- Trade Receivables	8	2841.86	2442.36
- Cash and Cash Equivalents	9	235.55	146.31
- Bank Balances other than Cash and Cash Equivalents	10	4.79	9.98
- Loans	4	5.80	2.95
- Other Financial Assets	5	187.55	101.15
Other Current Assets	6	303.58	238.38
TOTAL ASSETS		26414.79	24023.75
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	SOCE	4.24	4.24
Other Equity	SOCE	16436.41	14504.63
Total Equity		16440.65	14508.87
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Borrowings	11	724.11	823.58
- Lease Liability		655.19	508.62
Provisions	12	259.45	215.02
Deferred Tax Liabilities (Net)	13	457.84	381.67
Other Non-current Liabilities	14	336.55	234.79
Current Liabilities			
Financial Liabilities			
- Borrowings	11	906.70	1153.50
- Lease Liability		91.09	75.49
- Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises;	15	32.77	55.95
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	15	2911.64	2701.50
- Other Financial Liabilities	16	507.94	722.61
Other Current Liabilities	14	2645.07	2409.21
Provisions	12	445.79	232.94
Total Liabilities		9974.14	9514.88
TOTAL EQUITY AND LIABILITIES		26414.79	24023.75
Material Accounting Policies	1		

Accompanying Notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672
N. KASHINATH
Partner
Mem. No. 036490
Chennai
Dated 03rd May, 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg. No. 003643S
C R KUMAR
Partner
Mem. No. 026143
Chennai

MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing Director
DIN: 00020202
Chennai

MRF LIMITED, CHENNAI

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ Crores)

	Note	Year ended 31.03.2024	Year ended 31.03.2023
INCOME			
Revenue from Operations	17	24673.68	22578.23
Other Income	18	312.46	248.21
TOTAL INCOME		24986.14	22826.44
EXPENSES			
Cost of materials consumed	19	15051.75	15526.90
Purchases of Stock-in-Trade	28(s(2))	21.22	35.23
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(182.41)	(339.63)
Employee Benefits Expense	21	1748.14	1558.87
Finance Costs	22	316.34	298.06
Depreciation and Amortisation Expense	2 (a),(c) and(d)	1425.00	1248.60
Other Expenses	23	3867.14	3459.54
TOTAL EXPENSES		22247.18	21787.57
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		2738.96	1038.87
Exceptional Items	24	-	80.33
PROFIT BEFORE TAX		2738.96	1119.20
TAX EXPENSE			
Current Tax (Includes provision for earlier years -Nil (Previous year-₹ 23.30 Crores))		624.59	309.10
Deferred Tax		73.42	(6.13)
TOTAL TAX EXPENSE		698.01	302.97
PROFIT FOR THE YEAR		2040.95	816.23
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Profit or Loss (net of tax)			
Remeasurements of Defined benefit plans	28(f(a iii) and b(iv))	(37.90)	(1.80)
Items that may be reclassified to Profit or Loss (net of tax)			
Fair value of cash flow hedges through other comprehensive income		(3.57)	0.25
Fair value of debt instruments through other comprehensive income		6.52	(19.46)
TOTAL OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR, NET OF TAX		(34.95)	(21.01)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2006.00	795.22
EARNINGS PER EQUITY SHARE	28 (m)		
Basic After Exceptional Item		4812.26	1924.56
Basic Before Exceptional Item		4812.26	1735.15
Diluted After Exceptional Item		4812.26	1924.56
Diluted Before Exceptional Item		4812.26	1735.15
Material Accounting Policies	1		

Accompanying Notes are an integral part of these Financial Statements
This is the Statement of Profit and Loss referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

For SASTRI & SHAH
Chartered Accountants
Firm Reg. No. 003643S

N. KASHINATH
Partner
Mem. No. 036490
Chennai
Dated 03rd May, 2024

C R KUMAR
Partner
Mem. No. 026143
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MADHU P NAINAN
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Company Secretary
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JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing Director
DIN: 00020202
Chennai

STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH 2024

(₹ Crores)

SHARE CAPITAL	As at 31.03.2024 Number	As at 31.03.2023 Number	As at 31.03.2024 Amount	As at 31.03.2023 Amount
Authorised Share Capital				
Equity Shares of ₹ 10/-each	9000000	9000000	9.00	9.00
Redeemable Cumulative Preference Share of ₹ 100/-each	100000	100000	1.00	1.00
Issued, Subscribed and fully paid up Equity Shares (Excludes 71 bonus shares not issued and not alloted on non-payment of call monies)	4241143	4241143	4.24	4.24
Balance at the beginning of the reporting year	4241143	4241143	4.24	4.24
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	4241143	4241143	4.24	4.24
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**4241143**	4241143	**4.24**	4.24

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividends proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has declared two interim dividends aggregating to ₹ 2.54 Crores (Previous year - ₹ 2.54 Crores) which has already been distributed during the Financial Year 2023-24.

Shares in the Company held by each shareholder holding more than five percent shares	As at 31.03.2024		As at 31.03.2023	
	No.	%	No.	%
Comprehensive Investment and Finance Company Private Limited	441834	10.42%	441834	10.42%
MOWI Foundation	507984	11.98%	507984	11.98%
SBI Mutual Fund (Through its various Funds)	-	-	212453	5.01%

(₹ Crores)

OTHER EQUITY	Reserves and Surplus				Other Comprehensive Income(OCI)		TOTAL
	Securities Premium	General Reserve	Remeasurements of Defined Benefit Plans	Retained Earnings	Cash Flow Hedges	Debt Instruments	
Balance at the beginning of the comparative reporting year - 1st April 2022	**9.42**	**13826.87**	**(62.25)**	**-**	**3.28**	**(4.29)**	**13773.03**
Changes in Accounting Policy or Correction of Prior Period Errors	-	-	-	-	-	-	-
Restated balance as at 1st April 2022	9.42	13826.87	(62.25)	-	3.28	(4.29)	13773.03
Profit for the Comparative Year ending 31st March 2023	-	-	-	816.23	-	-	816.23
Other Comprehensive (Loss) / Income for the Year ending 31st March 2023	-	-	(1.80)	-	0.25	(19.46)	(21.01)
Total Comprehensive Income for the Comparative year	**-**	**-**	**(1.80)**	**816.23**	**0.25**	**(19.46)**	**795.22**
Transactions with owners in their capacity as owners:							
- Interim Dividends (₹ 6 per share)	-	-	-	(2.54)	-	-	(2.54)
- Final Dividend (₹ 144 per share)	-	-	-	(61.08)	-	-	(61.08)
Transfer to General Reserve	-	752.61	-	(752.61)	-	-	-
Balance at the beginning of the reporting year	**9.42**	**14579.48**	**(64.05)**	**-**	**3.53**	**(23.75)**	**14504.63**
Changes in Accounting Policy or Correction of Prior Period Errors	-	-	-	-	-		-
Restated balance as at 1st April 2023	9.42	14579.48	(64.05)	-	3.53	(23.75)	14504.63
Profit for the reporting year ending 31st March 2024	-	-	-	2040.95	-	-	2040.95
Other Comprehensive (Loss) / Income	-	-	(37.90)	-	(3.57)	6.52	(34.95)
Total Comprehensive Income for the Reporting year	**-**	**-**	**(37.90)**	**2040.95**	**(3.57)**	**6.52**	**2006.00**
Transactions with owners in their capacity as owners:							
- Interim Dividends (₹ 6 per share)	-	-	-	(2.54)	-	-	(2.54)
- Final Dividend (₹ 169 per share)	-	-	-	(71.68)	-	-	(71.68)
Transfer to General Reserve	-	1966.73	-	(1966.73)	-	-	-
Balance at the end of the reporting year ending 31st March 2024	**9.42**	**16546.21**	**(101.95)**	**-**	**(0.04)**	**(17.23)**	**16436.41**

Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium.
General Reserve	General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
Retained Earnings	Retained earnings are the Profits that the Company has earned till date, less any transfer to General reserve and Dividend.
Cash Flow Hedges	Gains / Losses on Effective portion of cashflow hedges are initially recognized in Other Comprehensive Income as per IND AS 109. These gains or losses are reclassified to the Statement of Profit or Loss when the forecasted transaction affects earnings, except for hedge transactions resulting in recognition of non financial assets which are included in the carrying amount of the asset ("Basis Adjustments").
Debt Instruments	The fair value change of the debt instruments measured at fair value through Other Comprehensive Income is recognised in Debt instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.
Remeasurements of Defined Benefit Plans	Gains/Losses arising on Remeasurements of Defined Plan at the end of each reporting period is separately disclosed under Reserves and Surplus and shall not be reclassified to the Statement of Profit or Loss in the Subsequent years.

Accompanying Notes are an integral part of these Financial Statements

This is the Statement of Changes in Equity (SOCE) referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

N. KASHINATH
Partner
Mem. No. 036490
Chennai

Dated 03rd May, 2024

For SASTRI & SHAH
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V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

Disclosure of Shareholding of Promoter and Promoter Group

Sl. No.	Name	As at 31.03.2024		% Change during the year as compared to 31st March, 2023	As at 31.03.2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
1	ACCAMMA KURUVILLA	-	-	(0.05)	2328	0.05	(0.01)
2	ADARSH MAMMEN VERGHESE	3030	0.07	0.02	2000	0.05	-
3	ADITH POULOSE MAMMEN	1435	0.03	0.01	1185	0.03	(0.01)
4	ADITI MAMMEN GUPTA	4744	0.11	-	4744	0.11	-
5	AMBIKA MAMMEN	2489	0.06	-	2489	0.06	-
6	AMIT MATHEW	3570	0.08	-	3570	0.08	(0.03)
7	AMMU MATHEW	2650	0.06	-	2650	0.06	-
8	ANITA MANI	1844	0.04	0.01	1304	0.03	(0.00)
9	ANNA PHILIP	650	0.02	0.01	350	0.01	-
10	ANNA RAPHAEL	258	0.01	-	258	0.01	-
11	ANNA THOMAS CHACKO	1291	0.03	-	1291	0.03	-
12	ANNAMMA MAMMEN	3755	0.09	-	3755	0.09	(0.18)
13	ANNAMMA PHILIP	11550	0.27	0.06	8900	0.21	(0.01)
14	ANNU KURIEN	15195	0.36	(0.01)	15695	0.37	0.08
15	ARJUN JOSEPH	1850	0.04	-	1850	0.04	-
16	ARUN MAMMEN	27560	0.65	-	27560	0.65	-
17	ASHOK KURIYAN	1878	0.04	-	1878	0.04	-
18	ASHWATHI JACOB	151	0.00	-	151	0.00	-
19	ASWATHY VARGHESE	9450	0.22	-	9450	0.22	-
20	BADRA ESTATES AND INDUSTRIES LIMITED	5805	0.14	(0.02)	6530	0.15	-
21	BEEBI MAMMEN	20237	0.48	-	20237	0.48	-
22	BINA MATHEW	1568	0.04	-	1568	0.04	-
23	BRAGA INDUSTRIES LLP	29457	0.69	-	29457	0.69	-
24	CHALAKUZHY POULOSE MAMMEN	530	0.01	-	530	0.01	-
25	CIBI MAMMEN	500	0.01	-	500	0.01	-
26	COMPREHENSIVE INVESTMENT AND FINANCE COMPANY PVT. LTD.	441834	10.42	-	441834	10.42	-
27	DEVON MACHINES PVT LTD	1000	0.02	-	1000	0.02	-
28	ELIZABETH JACOB MATTHAI	-	-	(0.09)	4000	0.09	-
29	GEETHA ZACHARIAH	6113	0.14	-	6113	0.14	-
30	GEETHA MAMMEN MAPPILLAI	250	0.01	-	250	0.01	-
31	GEORGE MAMMEN	808	0.02	-	808	0.02	-
32	HANNAH KURIAN	600	0.01	-	600	0.01	-
33	HARSHA MATHEW	2000	0.05	-	2000	0.05	0.02
34	JACOB MAMMEN	35120	0.83	-	35120	0.83	-
35	JACOB MATHEW	20027	0.47	-	20027	0.47	(0.02)
36	JACOB MATTHAI	4000	0.09	0.09	-	-	-
37	JAYANT MAMMEN MATHEW	2190	0.05	-	2190	0.05	-

Sl. No.	Name	As at 31.03.2024		% Change during the year as compared to 31st March, 2023	As at 31.03.2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
38	JCEE MANUFACTURING AND SERVICES PVT LTD	17316	0.41	0.09	13415	0.32	0.03
39	JOSEPH KANIANTHRA PHILIPS	1000	0.02	-	1000	0.02	-
40	K C MAMMEN	9043	0.21	-	9043	0.21	-
41	K K MAMMEN MAPPILLAI	7399	0.17	-	7399	0.17	-
42	K M MAMMEN	16048	0.38	-	16048	0.38	-
43	K S JOSEPH	483	0.01	-	483	0.01	-
44	K Z KURIYAN	650	0.02	-	650	0.02	-
45	KARUN PHILIP	-	-	(0.09)	4000	0.09	-
46	KAVYA VERGHESE	2555	0.06	0.01	2000	0.05	-
47	KIRAN JOSEPH	1850	0.04	-	1850	0.04	-
48	KIRAN KURIYAN	403	0.01	-	403	0.01	-
49	KMMMF PVT. TRUST	37387	0.88	-	37387	0.88	0.01
50	KULANGARA POULOSE PHILIP	500	0.01	0.01	-	-	-
51	LATHA MATTHEW	5817	0.14	0.00	5723	0.13	-
52	M A MATHEW	6595	0.16	-	6595	0.16	-
53	M M HOUSING PRIVATE LIMITED	179	0.00	-	179	0.00	-
54	M.M.PUBLICATIONS LIMITED	300	0.01	-	300	0.01	-
55	MALINI MATHEW	2000	0.05	-	2000	0.05	0.01
56	MAMMEN EAPEN	-	-	(0.10)	4128	0.10	-
57	MAMMEN MAPPILLAI INVESTMENTS LTD	1209	0.03	-	1209	0.03	-
58	MAMMEN MATHEW	11015	0.26	-	11015	0.26	-
59	MAMMEN PHILIP	8000	0.19	(0.01)	8480	0.20	0.01
60	MAMY PHILIP	6050	0.14	(0.02)	6922	0.16	(0.01)
61	MARIA MAMMEN	84	0.00	-	84	0.00	-
62	MARIAM MAMMEN MATHEW	100	0.00	-	100	0.00	-
63	MARIEN MATHEW	160	0.00	-	160	0.00	-
64	MARIKA MAMMEN APPIAH	100	0.00	-	100	0.00	-
65	MARY KURIEN	14594	0.34	-	14594	0.34	0.08
66	MEERA NINAN	6167	0.15	-	6167	0.15	-
67	MEERA PHILIP	23441	0.55	-	23441	0.55	(0.24)
68	MEERA MAMMEN	15840	0.37	-	15840	0.37	-
69	MICAH MAMMEN PARAMBI	100	0.00	-	100	0.00	-
70	NISHA SARAH MATTHEW	164	0.00	-	164	0.00	-
71	NITHYA SUSAN MATTHEW	-	-	(0.00)	169	0.00	-
72	OMANA MAMMEN	4711	0.11	0.00	4703	0.11	-
73	PENINSULAR INVESTMENTS PRIVATE LIMITED	124367	2.93	-	124367	2.93	-
74	PETER K PHILIPS	-	-	(0.01)	240	0.01	(0.05)
75	PETER PHILIP	12538	0.30	-	12538	0.30	0.24

Sl. No.	Name	As at 31.03.2024		% Change during the year as compared to 31st March, 2023	As at 31.03.2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
76	PHILIP MATHEW	11762	0.28	-	11762	0.28	-
77	PREMA MAMMEN MATHEW	10881	0.26	-	10881	0.26	-
78	PREMINDA JACOB	98	0.00	-	98	0.00	-
79	RACHEL KATTUKARAN	15047	0.35	(0.04)	16647	0.39	(0.02)
80	RADHIKA MARIA MAMMEN	600	0.01	-	600	0.01	-
81	RAHUL MAMMEN MAPPILLAI	4538	0.11	-	4538	0.11	-
82	RAMANI JOSEPH	2509	0.06	-	2509	0.06	-
83	RANJEET JACOB	28	0.00	-	28	0.00	-
84	REENU ZACHARIAH	517	0.01	-	517	0.01	-
85	RIYAD MATHEW	4520	0.11	-	4520	0.11	-
86	ROHAN MATHEW MAMMEN	1435	0.03	(0.00)	1635	0.04	-
87	ROSHIN VARGHESE	6589	0.16	(0.00)	6679	0.16	-
88	ROY MAMMEN	12439	0.29	-	12439	0.29	(0.01)
90	SAMIR THARIYAN MAPPILLAI	4470	0.11	-	4470	0.11	-
90	SARA KURIYAN	1880	0.04	-	1880	0.04	-
91	SARAH CHERIAN TRUST	4950	0.12	-	4950	0.12	-
92	SARAH THOMAS	12233	0.29	(0.00)	12433	0.29	(0.01)
93	SARASU JACOB	13819	0.33	(0.00)	13984	0.33	(0.00)
94	SHANTA MAMMEN	4938	0.12	-	4938	0.12	-
95	SHILPA MAMMEN	6472	0.15	0.05	4412	0.10	-
96	SHIRIN MAMMEN	1450	0.03	-	1450	0.03	-
97	SHONA BHOJNAGARWALA	50	0.00	-	50	0.00	-
98	SHREYA JOSEPH	5120	0.12	-	5120	0.12	-
99	STABLE INVESTMENTS AND FINANCE COMPANY LTD	3964	0.09	-	3964	0.09	-
100	SUSAN ABRAHAM	1016	0.02	0.02	68	0.00	-
101	SUSAN KURIAN	9137	0.22	-	9137	0.22	-
102	SUSY THOMAS	5278	0.12	-	5278	0.12	-
103	TARA JOSEPH	2975	0.07	(0.00)	3150	0.07	-
104	THANGAM MAMMEN	5481	0.13	(0.01)	5981	0.14	-
105	THE MALAYALA MANORAMA COMPANY LIMITED	6109	0.14	-	6109	0.14	-
106	USHA EAPEN GEORGE	1950	0.05	0.02	1210	0.03	(0.00)
107	VARUN MAMMEN	8706	0.21	-	8706	0.21	-
108	VIKRAM KURUVILLA	109	0.00	-	109	0.00	-
109	ZACHARIAH KURIYAN	3411	0.08	-	3411	0.08	-
Total		**1178035**			**1180831**		

Note : Figures in brackets represents reduction in percentage change as compared to previous period.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ Crores)

		Year ended 31.03.2024		Year ended 31.03.2023	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	NET PROFIT BEFORE TAX		2738.96		1119.20
	Adjustment for :				
	Depreciation	1425.00		1248.60	
	Reversal of Impairment of Financial Assets	(0.45)		-	
	Unrealised Exchange (Gain) / Loss	(1.22)		(1.28)	
	Government Grant Accrued	(1.52)		(1.35)	
	Finance Cost	316.34		298.06	
	Interest Income	(99.57)		(101.59)	
	Dividend Income	(0.35)		(0.12)	
	Loss / (Gain) on Sale / Disposal of Property,Plant and Equipment	10.68		7.65	
	Provision for Impairment of Assets(other than Financial Assets)	4.59		-	
	Fair Value changes in Investments	(159.54)		(103.85)	
	Fair Value changes in Financial Instruments	7.72		21.86	
	Loss / (Gain) on Sale of Investments	(0.64)		(2.64)	
	Bad debts written off	0.29	1501.33	-	1365.34
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		4240.29		2484.54
	Trade Receivables	(398.43)		(159.71)	
	Other Receivables	(68.66)		30.88	
	Inventories - Finished goods	(115.42)		(354.05)	
	Inventories - Raw materials and Others	(202.62)		373.09	
	Trade Payable				
	- Import acceptance and Others	185.72		(16.14)	
	Provisions	218.29		39.88	
	Other Liabilities	73.17	(307.95)	348.73	262.68
	CASH GENERATED FROM OPERATIONS		3932.34		2747.22
	Direct Taxes paid		(704.89)		(330.57)
	NET CASH FROM OPERATING ACTIVITIES		3227.45		2416.65
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment	(2127.66)		(3280.42)	
	Proceeds from sale of Property, Plant and Equipment	(7.16)		1.05	
	Purchase of Investments	(445.98)		(135.99)	
	Proceeds from sale of Investments	316.31		775.30	
	Fixed Deposits Others - Proceeds / (Placed)	(144.00)		600.00	
	Fixed Deposits with Banks matured	0.01		-	
	Loans (Financial assets) repaid / (given)	(3.74)		(0.76)	
	Interest Income	95.55		112.85	
	Dividend Income	0.35		0.12	
	NET CASH USED IN INVESTING ACTIVITIES		(2316.32)		(1927.85)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ Crores)

		Year ended 31.03.2024		Year ended 31.03.2023	
C. CASH FLOW FROM FINANCING ACTIVITIES					
(Repayments) / Proceeds from Working Capital Facilities (Net)		(197.34)		112.34	
Proceeds from SIPCOT Loan		-		7.76	
Repayment of Term Loans		(150.00)		(288.59)	
(Repayments) / Proceeds of Debentures		-		150.00	
Government Grant Accrued		1.52		1.35	
Deferred payment Credit		(0.88)		(0.78)	
Payment of Lease Liability		(152.46)		(121.30)	
Interest paid		(250.07)		(253.90)	
Dividend		(74.22)		(63.62)	
NET CASH FROM FINANCING ACTIVITIES			(823.45)		(456.74)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			87.68		32.06
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	(Refer Note 9)		146.31		113.11
Unrealised Gain / (Loss) on Foreign currency Cash & Cash equivalents			1.56		1.14
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	(Refer Note 9)		235.55		146.31

Refer Note No 28 (l) for amount spent during the year ended 31st March 2024 and 31st March 2023 on construction / acquisition of assets relating to CSR activities

Note to Cash Flow Statement:

1. The above Cash Flow Statement has been prepared under the Indirect Method.
2. Reconcilation of Financial liabilities (Refer Note 11)

This is the Cash Flow Statement referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

N. KASHINATH
Partner
Mem. No. 036490
Chennai

For SASTRI & SHAH
Chartered Accountants
Firm Reg. No. 003643S

C R KUMAR
Partner
Mem. No. 026143
Chennai

MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

Note 1 - Material Accounting Policies under IND AS

A) General Information

MRF Limited (the "Company") is a limited company, incorporated on 5th November, 1960 in India, whose shares are publicly traded.

The Company is India's largest tyre manufacturer and ranked amongst the top 20 Global Manufacturers, with 10 state-of-the-art factories across India with an expansive tyre range from two-wheelers to fighter aircrafts.

The Registered Office is located at No.114, Greams Road, Chennai-600 006.

The Company is the ultimate parent of MRF Group.

B) Basis of preparation of Financial Statements

The principal accounting policies applied in the preparation of these Financial Statements are set out in Para C below. These policies have been consistently applied to all the years presented.

i. Statement of Compliance

These Separate Financial Statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of preparation and presentation

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

a) Certain financial assets/liabilities measured at fair value (Refer Note 1 (C 10)) and

b) Any other item as specifically stated in the accounting policy. (Refer Note 28 (f))

The Financial Statement are presented in INR and **all values are rounded off to Rupees Crores** unless otherwise stated.

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Financial Statements of the Company for the year ended 31st March, 2024 were authorised for issue in accordance with a resolution of the directors on 03rd May, 2024.

iii. Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment/Intangible Assets:

Useful life of Property, Plant and Equipment are as specified in Schedule II to the Companies Act, 2013 and on certain intangible assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear,

the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods (Refer Note 1 (C 1)).

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date (Refer Note 1(C 10)).

Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date (Refer Note 28 (f)).

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values (Refer Note 1 (C10)).

Income Taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 1 (C 9)).

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred

income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company concludes that no changes are required to lease period relating to the existing lease contracts (Refer Note 1 (C 4)).

Allowance for credit losses on receivables:

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C) Summary of Material Accounting Policies

Ind AS 1 was amended vide notification no G.S.R.242(E) dated 31st March 2023 to require disclosure of Material Accounting Policy information from accounting periods beginning on or after 1 April 2023 instead of significant accounting policy disclosure by amending paragraph 117, inserting paragraphs 117A to 117E and deleting paragraphs 118 to 121. Paragraph 117 of Ind AS 1 states when an information on accounting policy is considered as 'Material Accounting Policy information' as follows:

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Each of the policy disclosed herein below has been tested to determine whether the information disclosed is Material Accounting Policy information.

1) Property, Plant and Equipment (PPE):

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets except Renewable Energy Saving Devices is provided on straight line basis whereas depreciation on renewable energy saving devices is provided on reducing balance basis. Given below are the estimated useful lives for each class of property, plant and equipment:

Description of the Asset	Estimated Useful life(On Single shift working)
Tangible (Owned Assets) :	
Building – Factory – Other than factory buildings	30 Years 60 Years
Plant and Equipment	5-21 Years
Moulds	6 Years
Furniture and Fixtures	5 Years
Computer Servers	5 Years
Computers	3 Years
Office Equipment	5 Years
Other Assets, viz., Electrical Fittings, Fire Fighting/Other Equipments and Canteen Utensils	8-10 Years
Renewable Energy Saving Device – Windmills	22 Years
Vehicles	5 Years
Aircraft	10 and 20 Years
Right of Use Assets (Leased Assets) :	
- Buildings-Other than factory buildings	1-21 Years
- Vehicles	2 Years
- Land – Leasehold	Primary period of lease
Intangible(Owned Assets):	
Software	5 Years

2) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

Intangible Assets are amortised over 5 years on straight-line method over the estimated useful economic life of the assets.

The Company undertakes Research and Development activities for development of new and improved products. The Company recognises all expenditure incurred during the research phase in the profit or loss whereas the expenditure incurred in development phase are presented as Intangible Assets under Development till the time they are available for use in the manner intended at which moment they are treated as Intangible Assets and amortised over their estimated useful life.

3) Inventories:

Inventories consisting of stores and spares, raw materials, Work in progress, Stock in Trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for stores and spares which are on daily moving Weighted Average Cost basis.

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

4) Leases:

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

5) Government Grants:

The grant relating to export benefits is presented under other income on a systematic basis in the Profit or Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Subsidies received from State Government are presented under other operating income. Where the grant relates to an asset under EPCG Scheme, it is presented as a deferred income aggregated under other liabilities in Balance Sheet and presented under other income in equal amounts over the expected useful life of the related asset. Where the assets have been fully depreciated with no future related cost, the grant is recognised in profit or loss.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans/ assistance received subsequent to the date of transition.

6) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

7) Revenue Recognition:

The Company derives revenues primarily from sale of goods comprising of Automobile Tyres, Tubes, Flaps and Tread Rubber.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of turnover/product/prompt payment discounts and schemes offered by the Company as part of the contract with the customers. When the level of discount varies with increase in levels of revenue transactions, the Company recognises the liability based on its estimate of the customer's future purchases using expected value method. The Company recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. The Company considers certain other commitments in the contract that are separate sales related performance obligations and claims preferred during the year against such contractual obligations are netted off from Revenue, consistent with its current practice. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition :

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover/product/prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

8) Employee Benefits:

a) Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences and performance incentives, are recognised during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Long Term Employee Benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss section of the Statement of Profit or Loss in the period in which they arise except those included in cost of assets as permitted. The benefit is measured annually by independent actuary.

c) Post Employment Benefits:

The Company provides the following post employment benefits:

i) Defined benefit plans such as gratuity, trust managed Provident Fund and post-retirement medical benefit (PRMB); and

ii) Defined contribution plans such as provident fund, pension fund and superannuation fund.

d) Defined benefits Plans:

The cost of providing benefits on account of gratuity and post retirement medical benefits / obligations are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Eligible employees of the Company receive benefits from a provident fund trust which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary. The Company contributes a part of the contribution to the provident fund trusts. The trusts invests in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to the Government Administered Pension Fund. The rate at which the annual interest is payable to the beneficiaries by the trusts is administered by the Government. The Company has obligation to make good the shortfall, if any, between the return from investments of the Trusts and the notified interest rate. However, as at the year-end no shortfall remains unprovided for.

e) Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for certain eligible employees, Pension Fund and Superannuation benefits are recognised as an expense when employees have rendered the service entitling them to the contribution.

9) Taxes on Income:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

a) Current Tax:

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

b) Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is

probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

10) Financial Instruments:

Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual rights to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Investments in subsidiaries

Investments in equity shares of subsidiaries are carried at cost.

Financial assets other than investment in subsidiaries

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, Investments in equity shares of companies other than in subsidiaries, Investment in units of Mutual Funds, loans/Debt instrument, advances to employee, related parties, others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI – Debt Instruments
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Bank deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

Financial assets at fair value through OCI (FVTOCI)

Investment in Debt instruments are measured at FVTOCI. Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes relating to financial assets measured at FVTOCI are recognised in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to Profit or Loss.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.
- Financial assets (excluding equity instruments) measured at fair value through other comprehensive income (FVTOCI).

  ECL is measured through a loss allowance on a following basis after considering the value of recoverable security:-
- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

Financial Liabilities

The Company's financial liabilities includes borrowings, trade payable, lease liabilities, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange

or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI). Cash flow hedges are reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss. If hedge of a forecast transaction results in the recognition of a non-financial asset or a non-financial liability, then the gain or loss that are accumulated in the cash flow hedge reserve is recognised in the initial cost or other carrying amount of the asset or liability (this is also referred to as "Basis Adjustment").

D) Recent accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ Crores)

NOTE 2 (a) : Property,Plant and Equipment												NOTE 2 (d) INTANGIBLES
Particulars	**Land Freehold**	**Buildings**	**Plant and equipment**	**Furniture and fixtures**	**Vehicles**	**Air Craft**	**Office equipment**	**Computers**	**Moulds**	**Other Assets**	**Total**	**Computer Software**
Gross Block												
Carrying Value as at 31 March 2022	**578.13**	**3168.87**	**9184.90**	**34.70**	**61.09**	**83.98**	**42.75**	**55.38**	**824.67**	**483.36**	**14517.83**	**58.73**
Additions	2.70	384.16	949.86	3.67	11.39	-	5.50	15.20	158.81	41.01	1572.30	13.46
Disposals	-	(0.02)	(73.06)	(1.60)	(3.28)	-	(3.24)	(5.29)	(56.95)	(4.25)	(147.69)	(0.60)
Carrying Value as at 31 March 2023	**580.83**	**3553.01**	**10061.70**	**36.77**	**69.20**	**83.98**	**45.01**	**65.29**	**926.53**	**520.12**	**15942.44**	**71.59**
Additions	23.21	604.28	2123.28	3.16	18.00	-	4.44	13.75	198.44	94.54	3083.10	9.74
Disposals	(0.04)	(1.44)	(25.85)	(0.77)	(1.57)	-	(1.04)	(1.22)	(14.23)	(9.80)	(55.96)	-
Carrying Value as at 31 March 2024	**604.00**	**4155.85**	**12159.13**	**39.16**	**85.63**	**83.98**	**48.41**	**77.82**	**1110.74**	**604.86**	**18969.58**	**81.33**
Accumulated depreciation / Amortisation as at 31 March 2022	**-**	**458.08**	**4179.53**	**21.64**	**30.60**	**22.15**	**30.36**	**40.08**	**466.70**	**269.60**	**5518.74**	**37.52**
Depreciation / Amortisation for the year	-	107.17	845.45	4.96	7.64	5.91	5.76	9.47	113.28	48.93	1148.57	8.73
Disposals	-	(0.01)	(70.83)	(1.52)	(3.04)	-	(3.24)	(5.29)	(51.09)	(3.97)	(138.99)	(0.60)
Accumulated depreciation / Amortisation as at 31 March 2023	**-**	**565.24**	**4954.15**	**25.08**	**35.20**	**28.06**	**32.88**	**44.26**	**528.89**	**314.56**	**6528.32**	**45.65**
Depreciation / Amortisation for the year	-	122.42	965.56	4.77	8.61	5.91	5.09	10.93	125.78	50.31	1299.38	10.56
Disposals	-	(0.30)	(24.18)	(0.55)	(1.39)	-	(1.04)	(1.22)	(14.06)	(9.34)	(52.08)	-
Accumulated depreciation / Amortisation as at 31 March 2024	**-**	**687.36**	**5895.53**	**29.30**	**42.42**	**33.97**	**36.93**	**53.97**	**640.61**	**355.53**	**7775.62**	**56.21**
Net Block												
As at 31 March 2023	**580.83**	**2987.77**	**5107.55**	**11.69**	**34.00**	**55.92**	**12.13**	**21.03**	**397.64**	**205.56**	**9414.12**	**25.94**
As at 31 March 2024	**604.00**	**3468.49**	**6263.60**	**9.86**	**43.21**	**50.01**	**11.48**	**23.85**	**470.13**	**249.33**	**11193.96**	**25.12**

Note:

1. Freehold land includes agricultural land - ₹ 0.12 Crores (31st March, 2023 - ₹ 0.12 Crores).
2. Other assets represents Electrical Fittings, Fire Fighting/Other Equipments and Canteen Utensils.
3. The amount of Borrowing Cost capitalised during the year ended 31st March, 2024 - ₹ 9.90 Crores (31st March, 2023 - ₹ 6.38 Crores).
4. Capital expenditure on Research and Development during the year - ₹ 55.73 Crores (31st March, 2023 - ₹ 25.15 Crores) (Refer Note 28 g (ii)).
5. Title deeds of Freehold Land are held in the name of the Company. Title deeds in respect of Buildings which are constructed on company's Freehold Land is based on documents constituting evidence of legal ownership of the Buildings.

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Note 2 (b). Capital Work-in-Progress (CWIP)	2362.51	3045.22

CWIP Ageing Schedule

(₹ Crores)

CWIP	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	1409.90	744.03	126.95	78.06	2358.94
	(2492.73)	(306.07)	(116.46)	(127.14)	(3042.40)
Projects temporarily suspended	0.78	0.11	-	2.68	3.57
	(0.11)	(-)	(0.07)	(2.64)	(2.82)

Figures in brackets are in respect of Previous year

Note: There were no material projects which have exceeded their original planned cost and timelines.

NOTE 2 (c): Right of Use Assets				(₹ Crores)
Particulars	**Land**	**Buildings**	**Vehicles**	**Total**
Gross Block				
Carrying Value as at 31 March 2022	**97.84**	**507.85**	**34.07**	**639.76**
Additions	3.11	250.69	26.12	279.92
Disposals	-	(48.73)	-	(48.73)
Carrying Value as at 31 March 2023	**100.95**	**709.81**	**60.19**	**870.95**
Additions	-	319.32	-	319.32
Disposals	-	(107.97)	-	(107.97)
Carrying Value as at 31 March 2024	**100.95**	**921.16**	**60.19**	**1082.30**
Depreciation Block				
Accumulated depreciation / Amortisation as at 31 March 2022	**5.52**	**159.18**	**29.09**	**193.79**
Depreciation / Amortisation for the year	1.06	81.39	8.85	91.30
Disposals	-	(24.12)	-	(24.12)
Accumulated depreciation / Amortisation as at 31 March 2023	**6.58**	**216.45**	**37.94**	**260.97**
Depreciation / Amortisation for the year	1.09	105.52	8.45	115.06
Disposals	-	(51.87)	-	(51.87)
Accumulated depreciation / Amortisation as at 31 March 2024	**7.67**	**270.10**	**46.39**	**324.16**
Net Block				
As at 31 March 2023	**94.37**	**493.36**	**22.25**	**609.98**
As at 31 March 2024	**93.28**	**651.06**	**13.80**	**758.14**

Note:

1. The Company has incurred ₹ 27.34 Crores (Previous year - ₹ 27.89 Crores) for the year ended 31st March, 2024 towards expenses relating to short-term leases and leases of low-value assets (Refer Note 23). The total cash outflow for leases is ₹ 179.80 Crores (Previous year - ₹ 149.19 Crores) for the year ended 31st March, 2024, including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 65.84 Crores (Previous year - ₹ 48.70 Crores) for the year ended 31st March, 2024 (Refer Note 22).
2. The Company's leases mainly comprise of land,buildings and Vehicles. The Company mainly leases land and buildings for its manufacturing, warehouse facilities and sales offices. The Company has leased vehicles for its Goods Transporation.
3. Maturity analysis of lease liabilities

		(₹Crores)
Maturity Analysis - Contractual discounted cash flows	31.03.2024	31.03.2023
Less than 1 year	91.09	75.49
1-5 Years	372.85	306.80
More than 5 Years	282.34	201.82
Total discounted lease liabilities as at 31st March 2024	**746.28**	**584.11**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 3: INVESTMENTS

(₹ Crores)

Particulars	Face Value ₹	No. of Shares / Units		As at 31.03.2024	As at 31.03.2023
		As at 31.03.2024	As at 31.03.2023		
Non-Current Investments					
Fully Paid-up					
Quoted					
Equity Shares (at fair value through Profit or Loss)				15.74	13.04
In Debt Instruments-Bonds (at fair value through OCI)				1104.18	1096.16
Unquoted					
Non-Trade - Unquoted					
Others: (at fair value through Profit or Loss) *				0.07	0.07
* Note: The Company had invested in Co-operative Societies, MRF Foundation and in certain other companies towards the corpus. These are non participative shares and normally no dividend is accrued. The Company has carried these investments at its transaction value considering it to be its fair value.					
Unquoted					
Subsidiary Companies: (At Cost)					
Ordinary Shares in MRF SG PTE. LTD.	-	1273200	1273200	6.11	6.11
Equity Shares in MRF Corp Ltd.-₹ 1500 (31.03.2023-₹ 1500)	10	50100	50100	-	-
Equity Shares in MRF International Ltd.	10	532470	532470	0.53	0.53
Equity Shares in MRF Lanka Pvt. Ltd.	Sri Lankan Rupee 10	34160324	34160324	15.01	15.01
Total				1141.64	1130.92
Aggregate Market Value of Quoted Investments				1119.92	1109.20
Aggregate Amount of Unquoted Investments				21.72	21.72
Current Investments					
Fully paid up -Unquoted					
In Debt Mutual Fund Units: (at fair value through Profit or Loss)					
Income Plan: Growth Option				2261.98	1974.84
Aggregate Amount of Unquoted Investments				2261.98	1974.84

NOTE 4: LOANS (Unsecured, considered good)

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Loans to employees	4.09	1.19	5.80	2.95
Total	4.09	1.19	5.80	2.95

NOTE 5: OTHER FINANCIAL ASSETS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Carried at Amortised cost :				
Bank deposits with more than 12 months maturity	0.05	0.06	-	-
Export Benefits Receivables	-	-	1.27	1.72
Interest Accrued on Loans and Deposits	-	-	38.54	36.58
Fixed Deposits Others	-	-	144.00	-
Others	-	-	-	62.85
Carried at Fair value:				
Derivative Financial Assets (FVTOCI)	-	-	3.34	-
Derivative Financial Assets (FVTPL)	-	-	0.40	-
Security Deposits (FVTPL)	1.32	2.06	-	-
Deposits (FVTPL)	24.43	21.96	-	-
Total	25.80	24.08	187.55	101.15

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 6: OTHER ASSETS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Capital Advances	207.57	454.24	-	-
Advances other than capital advances;				
Deposits	149.02	89.87	-	-
Less : Allowance for Doubtful deposits	(4.59)	-	-	-
	144.43	89.87		
Advances to Employees	-	-	26.81	26.24
Sub Total	352.00	544.11	26.81	26.24
Others				
Advances recoverable in cash or kind	6.16	6.30	132.72	120.23
Salary and Wage Advance	-	-	11.57	4.32
Prepaid Expenses	-	-	50.96	44.35
Others	-	-	81.52	43.24
Sub Total	6.16	6.30	276.77	212.14
Total	358.16	550.41	303.58	238.38

NOTE 7: INVENTORIES (Valued at lower of Cost and Net Realisable Value)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Raw Materials	1303.68	1210.28
Raw Materials in transit	120.25	112.78
Work-in-progress	451.02	365.03
Finished goods	2030.59	1915.17
Stock-in-trade	32.33	51.33
Stores and Spares	422.85	388.09
Total	4360.72	4042.68

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 8: TRADE RECEIVABLES

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Trade receivables		
Secured, considered good	1827.92	1683.63
Unsecured, considered good	1013.94	758.73
Trade Receivables - credit impaired	1.63	2.08
Less: Expected Credit Loss Provision (Refer Note 25 (B) ii)	(1.63)	(2.08)
Total	2841.86	2442.36
Of the above, trade receivables due from a subsidiary Company (Refer Note 28 c)	0.26	2.93

Note: The Company has used practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables Ageing Schedule

(₹ Crores)

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Less than 6 months	**6 months -1 year**	**1-2 Years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade Receivables — considered good	203.87	0.68	-	-	-	204.55
	(209.67)	(0.57)	(-)	(-)	(-)	(210.24)
(ii) Undisputed Trade Receivables — credit impaired	-	-	-	-	1.63	1.63
	(-)	(-)	(0.07)	(0.09)	(1.92)	(2.08)
(iii) Amount Not Due	-	-	-	-	-	2637.31
	(-)	(-)	(-)	(-)	(-)	(2232.12)
Total Gross						2843.49
						(2444.44)
Allowance for Expected Credit Loss						1.63
						(2.08)
Total						2841.86
						(2442.36)

Figures in brackets are in respect of Previous year

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 9: CASH AND CASH EQUIVALENTS (as per Cash Flow Statement)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks		
- In Current accounts	194.15	107.94
Cheques, drafts on hand; and	40.65	37.62
Cash on hand	0.75	0.75
Total	235.55	146.31

NOTE 10: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Unclaimed Dividend Account	2.29	2.76
Unspent CSR Account	2.50	7.22
Total	4.79	9.98

NOTE 11: BORROWINGS

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
NON CURRENT (at Amortised cost)		
Secured		
Soft loan from SIPCOT	72.89	71.37
Unsecured		
Debentures;		
Floating Rate linked to 6 month T Bill- 15000 Nos. Unsecured Redeemable Non Convertible Debentures of ₹ 1,00,000/- each.	150.00	150.00
Term loans from Banks;		
- Rupee Term Loan	499.99	599.99
Others		
Deferred Payment Liabilities	1.23	2.22
Sub - Total	724.11	823.58

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 11: BORROWINGS

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
CURRENT(at Amortised cost)		
Secured		
Loans repayable on demand		
- From banks	700.00	997.34
- Interest accrued on above	1.48	1.11
Unsecured		
Loans repayable on demand		
- From banks	100.00	-
Current maturities of long-term debt	100.99	150.88
- Interest accrued on above	4.23	4.17
Sub - Total	906.70	1153.50
Total	1630.81	1977.08
Note: Security and terms of repayment in respect of above borrowings are detailed in Note 28 h		
Reconciliation of Financing Liabilities : -		
Opening balance		
- Long Term Borrowings	823.58	817.21
- Current borrowings	997.34	885.00
- Current maturities of long term debt	150.88	291.69
- Interest accrued on debt	5.28	9.82
Total - A	1977.08	2003.72
a) Cash flow movements		
- Proceeds from borrowings	-	270.10
- Repayment of borrowings	(348.22)	(289.37)
- Interest	(250.07)	(253.90)
b) Non-cash movements		
- Effect of amortization of loan origination costs	1.52	(0.51)
- Foreign exchange translation	-	(2.32)
- Interest accrued during the year	250.50	249.36
Total - B	(346.27)	(26.64)
Closing Balance (A+B)	1630.81	1977.08
Closing Balance Break Up		
- Long Term Borrowings	724.11	823.58
- Current borrowings	800.00	997.34
- Current maturities of long term debt	100.99	150.88
- Interest accrued on debt	5.71	5.28

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 12: PROVISIONS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits (Refer Note 28 b)	60.77	53.62	80.34	45.92
Sales related obligations and others (Refer Note 28 b)	198.68	161.40	365.45	187.02
Total	259.45	215.02	445.79	232.94

NOTE 13: DEFERRED TAX LIABILITIES - (NET)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Deferred Tax Liabilities :		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	452.18	424.90
- Unrealised gain/(loss) on FVTPL Debt Mutual Funds	81.26	45.29
- On Right of Use Asset	167.33	129.94
- Other adjustments	16.00	13.73
Sub Total	716.77	613.86
Deferred Tax Asset:		
- Accrued Expenses allowable on Actual Payments	31.02	42.35
- On remeasurements of defined benefit plans	34.29	28.48
- Unrealised gain/(loss) on FVTOCI Debt Instruments	5.79	7.98
- On revaluation of designated cash flow hedges	0.01	6.38
- On Right of Use Asset	187.82	147.00
Sub Total	258.93	232.19
Total	457.84	381.67

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 13: DEFERRED TAX LIABILITIES - (NET)

COMPONENTS OF DEFERRED TAX LIABILITY (NET)

(₹ Crores)

Particulars	As on 31.03.2024				As on 31.03.2023			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax liabilities								
Depreciation and amortisation	424.90	27.28	-	452.18	428.45	(3.55)	-	424.90
Unrealised gain/(loss) on FVTPL Debt Mutual Funds	45.29	35.97	-	81.26	30.20	15.09	-	45.29
On Right of Use Asset	129.94	37.39	-	167.33	89.00	40.94	-	129.94
Others	13.73	2.27	-	16.00	15.00	(1.27)	-	13.73
Gross deferred tax liabilities (a)	613.86	102.91	-	716.77	562.65	51.21	-	613.86
Tax effect of items constituting deferred tax assets								
Accrued expenses allowable on actual payments	42.35	(11.33)	-	31.02	28.70	13.65	-	42.35
On Remeasurement of Defined Benefit Plans	28.48	-	5.81	34.29	28.13	-	0.35	28.48
Unrealised gain/(loss) on FVTOCI Debt Instruments	7.98	-	(2.19)	5.79	1.43	-	6.55	7.98
On revaluation of designated cash flow hedges	6.38	-	(6.37)	0.01	7.78	-	(1.40)	6.38
On Right of Use Asset	147.00	40.82	-	187.82	103.31	43.69	-	147.00
Gross deferred tax assets (b)	232.19	29.49	(2.75)	258.93	169.35	57.34	5.50	232.19
Net deferred tax liability (a - b)	381.67	73.42	2.75	457.84	393.30	(6.13)	(5.50)	381.67

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 14: OTHER LIABILITIES

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Contract Liabilities	-	-	31.95	32.82
Others;				
Dealers' Security Deposit	-	-	1907.63	1770.68
Retention Money	89.09	13.18	200.64	223.49
Statutory Dues	-	-	452.23	341.26
Deferred Income	244.96	220.62	31.42	21.84
Others	2.50	0.99	21.20	19.12
Total	336.55	234.79	2645.07	2409.21

Movement of contract liabilities is as under;

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
As at the beginning of the year	32.82	43.27
Recognised as revenue from contracts with customers	(32.82)	(43.27)
Advance from customers received during the year	31.95	32.82
Balance at the close of the year	31.95	32.82

NOTE 15: TRADE PAYABLES

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Outstanding dues of Micro and Small Enterprises (Refer Note 28 e)	32.77	55.95
Outstanding dues of Creditors other than Micro and Small Enterprises	2911.64	2701.50
Total	2944.41	2757.45
Of the above;		
- Acceptances	392.18	413.00
- Payable to Subsidiary Companies (net of receivables of ₹ 1.27 Crores, Previous year - ₹ 0.60 Crores) (Refer Note 28 c)	411.25	437.15

Trade Payables ageing schedule (₹ Crores)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4.44	0.05	-	-	4.49
	(2.15)	(0.03)	(0.14)	(0.01)	(2.33)
(ii) Others	308.08	2.60	0.29	13.75	324.72
	(186.67)	(7.70)	(6.70)	(32.30)	(233.37)
(iii) Amounts not due	-	-	-	-	2615.20
	(-)	(-)	(-)	(-)	(2521.75)

Figures in brackets are in respect of Previous year

NOTE 16: OTHER FINANCIAL LIABILITIES

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Carried at Amortised Cost :				
Unclaimed dividends	-	-	2.29	2.76
Employee benefits	-	-	128.78	121.86
Liabilities for expenses	-	-	77.61	187.38
Others	-	-	299.26	409.52
Carried at Fair Value :				
Derivative Financial Liabilities (FVTOCI)	-	-	-	(0.53)
Derivative Financial Liabilities (FVTPL)	-	-	-	1.62
Total	-	-	507.94	722.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 17: REVENUE FROM OPERATIONS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Revenue from Contracts with Customers :		
Sale Of Goods (Refer note 28 d)	24485.32	22395.20
Sale Of Services	31.64	26.44
Other Operating Revenues:		
Scrap Sales	149.44	138.89
Subsidy from State Government	7.28	17.70
Total	24673.68	22578.23

The Management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under IND AS 115 "Revenue from contracts with customers". Hence no separate disclosure of disaggregate revenues are reported. (Refer note 28 d)

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Gross Sales (Contracted Price)	25574.73	23345.01
Reductions towards variable consideration (Product,Turnover and Prompt payment discount)	(485.66)	(446.24)
Claims preferred against sales related obligation(Note 1(C-7) and 28(b(i)))	(415.39)	(320.54)
Revenue recognised	24673.68	22578.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 18: OTHER INCOME

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest Income	99.57	101.59
Dividend Income from Non Current Investment		
- From a Subsidiary	0.10	0.10
- Others	0.25	0.02
Government Grant :		
- Export Incentives	4.41	6.52
- Unwinding of Deferred Income(EPCG)	26.77	20.15
Net gain on sale of Investments classified as FVTPL	0.64	2.64
Net gain on fair value changes on financial assets classified as FVTPL	159.54	103.85
Impairment provision written back	0.45	-
Miscellaneous Income	20.73	13.34
Total	312.46	248.21

Net gains on fair value changes

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Equity Investments	2.70	2.04
Debt Mutual Fund Investments	156.84	101.81
Total	159.54	103.85

NOTE 19: COST OF MATERIALS CONSUMED

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Opening Stock of Raw Materials	1323.06	1714.53
Purchases during the year	15152.62	15135.43
Closing Stock of Raw Materials	(1423.93)	(1323.06)
Total	15051.75	15526.90

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 20: CHANGES IN INVENTORIES OF FINISHED GOODS,STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Closing Stock:		
Finished Goods	2030.59	1915.17
Stock-in-Trade	32.33	51.33
Work-in-Progress	451.02	365.03
	2513.94	2331.53
Less: Opening Stock:		
Finished Goods	1915.17	1561.12
Stock-in-Trade	51.33	36.32
Work-in-Progress	365.03	394.46
	2331.53	1991.90
Total	(182.41)	(339.63)

NOTE 21: EMPLOYEE BENEFITS EXPENSE

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Salaries and Wages	1436.73	1274.22
Contribution to provident and other funds	136.94	119.00
Staff welfare expenses	174.47	165.65
Total	1748.14	1558.87

NOTE 22: FINANCE COSTS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest on Loans and Deposits	241.63	244.27
Interest on Debentures	3.77	-
Interest on Deferred Payment Credit	0.31	0.41
Interest on Lease liabilities (Refer note 2 (c 1))	65.84	48.70
Other Borrowing Costs;		
Unwinding of discount relating to Long Term Liabilities	4.20	4.36
Other Charges	0.59	0.32
Total	316.34	298.06

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 23: OTHER EXPENSES

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Stores and Spares	461.90	414.54
Power and Fuel	1146.39	1134.47
Processing Expenses	292.37	255.82
Rent (Refer note 2 (c 1))	27.34	27.89
Rates and Taxes	16.33	15.41
Insurance	58.16	58.15
Printing and Stationery	12.45	10.05
Repairs and Renewals:		
Buildings	23.69	25.70
Plant and Machinery	167.20	159.08
Other Assets	108.60	91.48
Travelling and Conveyance	44.29	41.82
Communication Expenses	6.50	7.61
Vehicle Expenses	13.95	12.25
Auditors' Remuneration:		
As Auditors:		
Audit fee	1.02	0.89
Tax Audit fee	0.18	0.16
Other Services	0.29	0.12
Reimbursement of Expenses	0.22	0.13
	1.71	1.30
Cost Auditors Remuneration:		
Audit fee	0.09	0.08
Directors' Fees	0.18	0.14
Directors' Travelling Expenses	11.15	9.04
Advertisement	248.77	223.29
Sales related Obligations	78.68	18.99
VAT/GST absorbed by the Company	0.21	-
Bad debts written off	0.29	-
Commission	1.49	1.35
Freight and Forwarding (Net)	736.08	714.14
Loss on Sale of Fixed Asset (Net)	10.68	7.65
Net Loss on Foreign Currency Transactions	19.86	26.87
Bank Charges	6.18	6.00
Provision for Impairment of Assets (other than Financial Assets)	4.59	-
Corporate Social Responsibility Expenditure (Refer Note 28 l)	25.08	29.13
Contribution to Rubber Board, towards promotion of Rubber Plantations	71.85	49.74
Extended Producer Responsibility obligation (Note 28 j)	144.50	-
Miscellaneous Expenses	126.58	117.55
Total	3867.14	3459.54

NOTE 24: Exceptional Items

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Additional Income arising out of Arm's Length Pricing on Covered Transaction as per the Bilateral Advance Pricing Agreement (Refer Note)	-	80.33
Total	-	80.33

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 ₹ 80.33 Crores (net of interest on tax of ₹ 2.10 Crores), which has since been received by the Company.The income tax impact on account of this refund has been disclosed as relating to earlier years.

NOTE 25

A. Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximise the Share Holder Value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

(₹ Crores)

Particulars	31.03.2024	31.03.2023
Interest bearing Loans and Borrowings	1630.81	1977.08
Less: Cash and Short Term Deposits	(235.55)	(146.31)
Net Debt	1395.26	1830.77
Equity	4.24	4.24
Other Equity	16436.41	14504.63
Total Capital	16440.65	14508.87
Capital and Net Debt	17835.91	16339.64
Gearing Ratio %	7.82%	11.20%

B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, lease liability,trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables, investments in mutual funds,bonds,cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial instruments.

i) Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans & borrowings, investments and foreign currency receivables, payables and borrowings.

a) Interest Rate Risk :

The Company borrows funds in Indian Rupees to meet both the long term and short term funding requirements. The Company due to its AAA rated status commands one of the cheapest source of funding. Interest rate is fixed for the tenor of the Long term loans availed by the Company. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year. The Company had issued floating interest rate Non convertible debenture linked to 6 month T-Bill rate, to meet the long term funding requirements.

If the interest rates had been 1% higher / lower and all other variables held constant, the Company's profit for the year ended 31st March, 2024 would have been decreased/increased by ₹ 8.14 Crores (Previous year - ₹ 10.66 Crores).

b) Currency Risk :

Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Unhedged Short Term Exposures :		(₹ Crores)
	31.03.2024	31.03.2023
Financial Assets/Other assets	193.53	199.27
Financial Liabilites/ Other Liabilities	324.21	179.76

The company is mainly exposed to changes in US Dollar. The sensitivity to a 0.74% (Previous year - 4.27%) increase or decrease in US Dollar against INR with all other variables held constant will be +/(-) ₹ 0.95 Crores (Previous year - ₹ 1.03 Crores).

The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date.

Hedged Foreign Currency exposures :

Foreign Exchange forward Contracts on certain highly probable forecast transactions, are measured at fair value through OCI on being designated as Cash Flow Hedges.

The Company also enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of expected purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

The outstanding position and exposures are as under :

i) Foreign Currency forward contracts designated as Hedge Instruments :

Particulars	Currency	Amount		₹ Crores	Nature	Cross Currency
Forward Contract	USD	99.06	Million	831.46	Import purchase	INR
		(101.68)	Million	(844.11)		

Figures in brackets are in respect of Previous year

The terms of the foreign currency forward contracts match the terms of the transactions. As a result, no hedge ineffectiveness arises requiring recognition through profit or loss.

ii) Maturity Analysis of Foreign Currency forward contracts designated as Hedge Instruments

	(₹ Crores)
Maturity period	31.03.2024 / 31.03.2023
Less than 3 months	607.52 / 417.84
3 months to 6 months	163.49 / 132.27
6 months to 12 months	60.45 / 294.00
Total Outstanding as at 31 March	831.46 / 844.11

iii) Other Forward Contract Outstanding:

Particulars	Currency	Amount		₹ Crores	Nature	Cross Currency
Forward Contract	USD	23.76	Million	197.96	Import purchase	INR
		(30.49)	Million	(252.84)		

Figures in brackets are in respect of Previous year

iv) Maturity Analysis of Other Forward Contract

	(₹ Crores)
Maturity period	31.03.2024 / 31.03.2023
Less than 3 months	197.96 / 213.06
3 months to 6 months	- / 39.78
Total Outstanding as at 31 March	197.96 / 252.84

v) The following table provides the reconciliation of cash flow hedge for the year ended 31st March, 2024:

(₹ Crores)

Particulars	Year ended 31.03.24	Year ended 31.03.23
Balance at the beginning of the year	3.53	3.28
Gain / (Loss) recognized in other comprehensive income	(3.57)	0.25
Balance at the end of the year	(0.04)	3.53

c) Price Risk :

The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities like Natural Rubber, Synthetic Rubber, Compound Rubber and other Chemicals, the Company enters into purchase contracts on a short to medium Term and forward foreign exchange contracts are entered into to bring in stability of price fluctuations.

The Company's investments in Quoted and Unquoted Securities are susceptible to market price risk arising from uncertainties about future values of investment securities. The Company manages the securities price risk through investments in debt funds and diversification by placing limits on individual and total investments. Reports on Investment Portfolio are reviewed on regular basis and all approvals of investment decisions are done in concurrence with the senior management.

As at 31st March, 2024, the investments in debt mutual funds and bonds amounts to ₹ 3366.16 Crores (Previous year - ₹ 3071.00 Crores). A 1% point increase or decrease in the NAV with all other variables held constant would have lead to approximately an additional ₹ 34 Crores (Previous year - ₹ 31 Crores) on either side in the statement of profit and loss.

ii) Credit Risk

Is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers, financial instruments viz., Investments in Equity Shares, Bonds, Debt Funds, Fixed Deposits Others and Balances with Banks.

The Company's marketing policies are well structured and all replacement sales are predominantly through dealers and the outstanding are secured by dealer deposits. As regards sales to O.E., and other institutional sales, the Company carries out periodic credit checks and also limits the exposure by establishing maximum payment period for customers and by offering prompt payment discounts. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31st March, 2024 is 0.02% (31st March, 2023 0.02%) of the total trade receivables.

There are no transactions with single customer which amounts to 10% or more of the Company's revenue.

The company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The allowance for lifetime ECL on customer balances for the year ended 31st March, 2024 was ₹ 1.63 Crores and for the previous year 31st March, 2023 was ₹ 2.08 Crores.

(₹ Crores)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Balance at the beginning	2.08	2.08
Impairment loss recognised	-	-
Impairment loss reversed	0.45	-
Balance at the end	1.63	2.08

The Company holds cash and deposits with banks which are having highest safety rankings and hence has a low credit risk.

Investments in mutual funds are primarily debt funds, which have high safety ratings and are monitored on a monthly basis.The Company is of the opinion that its mutual fund investments have low credit risk.

iii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has a system of forecasting rolling three months cash inflow and outflow and all liquidity requirements are planned.

All Long term borrowings are for a fixed tenor and generally these cannot be foreclosed.

The Company has access to various source of Short term funding and debt maturing within 12 months can be rolled over with existing lenders/new lenders, or repaid based on short term requirements.

Trade and other payables are plugged into the three months rolling cash flow forecast to ensure timely funding, if required.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The details of the contractual maturities of significant financial liabilities as at 31st March, 2024 are as under:

(₹ Crores)

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	Note 11 and 14	906.70	551.22	100.00	88.67
		(1153.50)	(452.22)	(299.99)	(88.67)
Trade Payable	Note 15	2944.41	-	-	-
		(2757.45)	(-)	(-)	(-)
Other Financial Liabilities	Note 16	376.87	-	-	-
		(597.99)	(-)	(-)	(-)
Employee Benefit liabilities	Note 16	128.78	-	-	-
		(121.86)	(-)	(-)	(-)
Unclaimed dividends	Note 16	2.29	-	-	-
		(2.76)	(-)	(-)	(-)
Lease Liabilities		91.09	182.98	189.87	282.34
		(75.49)	(155.79)	(151.01)	(201.82)

Figures in brackets are in respect of Previous year

NOTE 26

A) Fair Values and Hierarchy

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ Crores)

Particulars	Hierarchy	Carrying Value / Fair Value	
		As at 31.03.2024	As at 31.03.2023
Financial Assets			
- Investments	Level One	3381.90	3084.04
- Derivative Financial Assets (Net)	Level One	3.74	-
- Others financial assets	Level One	25.75	24.02
Financial Liabilities			
- Borrowings	Level Two	-	-
- Derivative Financial Liabilities (Net)	Level Two	-	1.09

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Fair Value of financial assets and liabilities included is the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair value.

1. The Fair values of Debt Mutual Funds and Quoted Equities are based on NAV / Quoted Price at the reporting date. Further, the Company had invested in Co-operative Societies and in certain other companies towards the corpus. These are non participative shares and normally no dividend is accrued. The Company has carried these investments at its transaction value considering it to be its fair value.

2. The Company enters into Derivative financial instruments with counterparties principally with Banks with investment grade credit ratings. The foreign exchange forward contracts are valued using valuation techniques which employs the use of market observable inputs namely, Marked-to-Market.

NOTE 27: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Accounting Profit before Income Tax	2738.96	1119.20
At statutory income tax rate of 25.168%	689.34	281.68
Short provison of tax for earlier assessment years	-	13.18
Effect of non-deductible expenses/other adjustments	9.89	9.15
Effect of deductions available under Income Tax Act	(1.22)	(1.04)
Total	698.01	302.97

NOTE 28: ADDITIONAL/EXPLANATORY INFORMATION

a) Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and section 186(4) of the Companies Act, 2013 :

1. Details of Investments made are given in Note 3
2. Amount of Loans and advances in the nature of loans outstanding from / to subsidiaries - ₹ Nil (Previous year - ₹ Nil)
3. Loans to employees have been considered to be outside the purview of disclosure requirements.
4. Investment by Loanee in the shares of the Parent company- Nil (Previous year - ₹ Nil)

b) Movement in provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and Contingent Asset".

(₹ Crores)

Particulars		As at 31.03.2023	Provided during the year	Used during the year	Reversed during the year	As at 31.03.2024
(i)	Sales related Obligations	277.34	358.45	-*	277.34	358.45
		(255.58)	(277.34)	(-)*	(255.58)	(277.34)
(ii)	Employee Benefits	99.54	93.25	51.68	-	141.11
		(68.74)	(41.08)	(10.28)	(-)	(99.54)
(iii)	Litigation and related disputes	52.22	2.68	-	2.04	52.86
		(58.08)	(0.20)	(0.71)	(5.35)	(52.22)
(iv)	Corporate Social Responsibility (CSR)	18.86	5.82	16.36	-	8.32
		(16.31)	(11.64)	(9.09)	(-)	(18.86)
(v)	Extended Producer Responsibility (EPR)	-	144.50	-	-	144.50
		(-)	(-)	(-)	(-)	(-)

Notes :

(i) Cash outflow towards Sales related obligations would generally occur during the next two years.

*Claims preferred against sales related obligation during the year ₹ 415.39 Crores (Previous year - ₹ 320.54 Crores).

(ii) Provision for employee benefits includes gratuity, post retirement benefits and compensated absence.

(iii) Litigation and related disputes represents estimates mainly for probable claims arising out of litigation/disputes pending with authorities under various statutes (i.e. Service Tax, Excise and Customs Duty, Electricity/Fuel Surcharge, Cess). The probability and the timing of the outflow with regard to these matters will depend on the final outcome of the litigations/disputes.

(iv) Cash outflow towards CSR provision would generally occur during the next three years.

(v) Cash outflow towards EPR provision would generally occur during the next one year.

(vi) Figures in brackets are in respect of Previous year.

c. Related party disclosures in accordance with Ind AS 24

(a) Names of related parties and nature of relationship where control exists are as under:

Subsidiary Companies:	i) MRF Corp Ltd ii) MRF International Ltd iii) MRF Lanka (Private) Ltd. iv) MRF SG PTE. LTD

(b) Names of related parties and nature of relationship with whom transactions have taken place:

Key Management Personnel (KMP):	i) Mr. K.M. Mammen, Chairman and Managing Director ii) Mr. Arun Mammen, Vice Chairman and Managing Director iii) Mr. Rahul Mammen Mappillai, Managing Director iv) Mr. Samir Thariyan Mappillai, Whole time Director v) Mr. Varun Mammen, Whole time Director vi) Mr. S.Dhanvanth Kumar, Company Secretary vii) Mr. Madhu P Nainan, Executive Vice President Finance
Close Members of the family of KMP:	i) Mrs. Ambika Mammen,Director (Wife of Chairman and Managing Director) ii) Dr. (Mrs) Cibi Mammen,Director (Wife of Vice Chairman and Managing Director) iii) Mrs. Meera Mammen (Mother of Mr Varun Mammen)
Companies in which Directors are interested:	Badra Estate & Industries Limited, Devon Machines Pvt Ltd, Coastal Rubber Equipments Pvt Ltd, Braga Industries LLP, Jcee Manufacturing & Services Pvt Ltd, Funskool (India) Ltd, VPC Freight Forwarders Pvt Ltd, The Malayala Manorama Co Private Limited,Tarapore and Company, Tarapore Constructions Private Limited, The J.H Tarapore Foundation, Taylor Logistics Private Limited
Other Related Parties:	Mr.Jacob Kurian- Director,MRF Ltd Executives Provident Fund Trust, MRF Management Staff Gratuity Scheme, MRF Employees Gratuity Scheme, MRF Managers' Superannuation Scheme,MRF Foundation, Mr. Philip Eapen, Mr.Zachariah Kurian, Mr. George Mammen, Mr.Mammen A Mathew

(c) Transactions with related parties (excluding reimbursements)

(₹ Crores)

Nature of Transaction		Subsidiary Companies	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
		Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024
i)	Sale of Materials	0.02	-	-	0.37	0.10
		(3.95)	(-)	(-)	(0.90)	(0.15)
ii)	Purchase of Materials/Machinery	2226.35	-	-	231.76	-
		(1971.55)	(-)	(-)	(249.78)	(-)
iii)	Sale of Finished Goods	0.88	-	-	-	-
		(2.10)	(-)	(-)	(-)	(-)
iv)	Payment towards Service	-	-	-	24.05	-
		(-)	(-)	(-)	(16.24)	(-)
v)	Selling and Distribution Expenses	-	-	-	1.62	-
		(-)	(-)	(-)	(1.48)	(-)
vi)	Dividend Received	0.10	-	-	-	-
		(0.10)	(-)	(-)	(-)	(-)
vii)	Income on Covered Transaction as per Bilateral Advance Pricing Agreement (BAPA)	-	-	-	-	-
		(83.43)	(-)	(-)	(-)	(-)
viii)	Other Receipts	0.15	-	-	1.89	-
		(0.15)	(-)	(-)	(2.02)	(-)
ix)	Professional charges	-	-	-	-	0.12
		(-)	(-)	(-)	(-)	(0.49)
x)	Contribution to Retirement Benefit fund /Others	-	-	-	-	112.62
		(-)	(-)	(-)	(-)	(60.91)
	Compensation*					
xi)	Short term Employee benefit (including Commission payable to KMP)	-	103.44	2.98	-	1.24
		(-)	(93.86)	(2.63)	(-)	(1.52)
xii)	Sitting fees	-	-	0.02	-	-
		(-)	(-)	(0.02)	(-)	(-)

* Remuneration does not include provisions made for Gratuity and Leave benefits amounting to ₹ 2.46 Crores(Previous year - ₹ 2.09 Crores)

(₹ Crores)

Nature of Transaction	Subsidiary Companies	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024
Outstanding as at Year End					
xiii) Investments	21.65	-	-	-	-
	(21.65)	(-)	(-)	(-)	(-)
xiv) Trade Receivables	0.26	-	-	-	-
	(2.93)	(-)	(-)	(-)	(-)
xv) Other Receivables	1.27	-	-	1.78	0.09
	(0.60)	(-)	(-)	(1.78)	(0.04)
xvi) Trade Payables	412.52	-	-	33.39	-
	(437.75)	(-)	(-)	(29.34)	(-)
xvii) Commission Payable	-	42.49	-	-	-
	(-)	(38.28)	(-)	(-)	(-)
xviii) Contribution payable to Retirement Benefit fund / Others	-	-	-	-	75.52
	(-)	(-)	(-)	(-)	(40.61)

Figures in brackets are in respect of Previous year

(d) Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

d. Disclosures under Ind AS 108 - "Operating Segment" :

The Company is engaged interalia 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.

Entity wide disclosure required by Ind AS 108 are as detailed below:

(₹ Crores)

Particulars		Year ended 31.03.2024	Year ended 31.03.2023
(i)	Products :		
	Automobile Tyres	22645.73	20665.22
	Automobile Tubes	1428.15	1336.42
	Others	411.44	393.56
		24485.32	22395.20
(ii)	Revenue from Customers:		
	India	22611.38	20529.08
	Outside India	1873.94	1866.12
		24485.32	22395.20
(iii)	Non Current Assets :		
	India	16212.91	15065.04
	Outside India	0.05	0.06

(iv) There are no transactions with single customer which amounts to 10% or more of the Company's revenue.

e. Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Company are given under:

(₹ Crores)

Particulars		31.03.2024	31.03.2023
(i)	Principal amounts remaining unpaid to suppliers as at the end of the accounting year	51.93	72.72
(ii)	Interest accrued and due to suppliers on above amount, unpaid	0.23	0.19
(iii)	The amount of interest paid by the buyer in terms of Section16 of the MSMED Act,2006,along with the amounts of the payment made to the Supplier beyond the appointed day during the accounting year	-	0.23
(iv)	The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act,2006	0.03	0.05
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	0.26	0.01
(vi)	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006	1.36	1.10

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This had been relied upon by the auditors.

f. Disclosures as per IND AS - 19 - Employee Benefits

1) The contributions to MRF Limited Executives Provident Fund Trust is a defined benefit plan in terms of the definition mentioned in para 7 of IND AS -19 the accounting for which is to be done on an actuarial basis. The actuary has provided a valuation of provident fund liability based on the assumptions listed below and determined that there is no shortfall as at 31st March, 2024 and for the year ended 31st March 2023.

The details of fund and plan assets are given below :

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Fair value of plan assets	406.42	371.01
Present value of defined benefit obligations	396.38	364.19
Net excess/(Shortfall)	10.04	6.82

The plan assets have been primarily invested in Government securities, Corporate bonds and Exchange Traded Funds.

The principal assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Projection is restricted to five years or earlier, if retirement occurs.

Expected guaranteed interest rate - 8.25 %(Previous Year -8.15 %)

Discount rate -7.20% (Previous Year - 7.50%)

2) During the year, the company has recognised the following amounts in the Statement of Profit and Loss:

(₹ Crores)

	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
i)	Employer's contribution to Provident Fund and Family Pension Fund	76.15	68.02
ii)	Employer's contribution to Superannuation Fund	22.62	20.64
iii)	Leave Encashment - Unfunded	19.33	13.83

iv) Defined benefit obligation:

a) Post Retirement Medical Benefit - Unfunded

i) Expenses Recognised in the Income Statement

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Current Service Cost	0.20	0.22
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.51	0.48
	0.71	0.70

ii) Changes in the Present Value of Obligation

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Present Value of Obligation as at the beginning	6.78	6.57
Current Service Cost	0.20	0.22
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.51	0.48
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	0.27	(0.17)
- experience variance (i.e. Actual experience vs assumptions)	(0.53)	(0.30)
Benefits Paid	(0.01)	(0.02)
Present Value of Obligation as at the end	7.22	6.78

iii) Other Comprehensive Income

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Actuarial (gains) / losses		
- change in financial assumptions	0.27	(0.17)
- experience variance (i.e. Actual experience vs assumptions)	(0.53)	(0.30)
Components of defined benefit costs recognised in other comprehensive income	(0.26)	(0.47)

iv) Actuarial Assumptions

a. Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As at 31.03.2024	As at 31.03.2023
Discount rate (per annum)	7.20%	7.50%

b. Demographic Assumptions

Particulars	As at 31.03.2024	As at 31.03.2023
Mortality Rate % of IALM 2012-14 (Pre-Retirement)	100%	100%
Mortality Rate % of IALM 2012-15 (Post-Retirement)	100%	100%
Withdrawal rates, based on age: (per annum)		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

b) The valuation results for the defined benefit gratuity plan as at 31-3-2024 are produced in the tables below:

i) Changes in the Present Value of Obligation

(₹ Crores)

Particulars	As at 31.03.2024	As at 31.03.2023
Present Value of Obligation as at the beginning	484.47	450.87
Current Service Cost	26.74	24.24
Interest Expense or Cost	36.41	32.89
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	14.51	(8.66)
- experience variance (i.e. Actual experience vs assumptions)	27.57	9.38
Past Service Cost	-	-
Benefits Paid	(27.21)	(24.25)
Present Value of Obligation as at the end	562.49	484.47

ii) Changes in the Fair Value of Plan Assets

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Fair Value of Plan Assets as at the beginning	445.13	438.67
Investment Income	33.45	32.00
Employer's Contribution	40.00	-
Benefits Paid	(27.21)	(24.25)
Return on plan assets , excluding amount recognised in net interest expense	(2.30)	(1.29)
Fair Value of Plan Assets as at the end	489.07	445.13

iii) Expenses Recognised in the Income Statement

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Current Service Cost	26.74	24.24
Past Service Cost	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	2.96	0.89
Payable/(Recoverable) to/ from a subsidiary company	(0.87)	(0.74)
	28.83	24.39

iv) Other Comprehensive Income

(₹ Crores)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	14.51	(8.66)
- experience variance (i.e. Actual experience vs assumptions)	27.57	9.38
Return on plan assets, excluding amount recognised in net interest expense	2.30	1.29
Payable/(Recoverable) from a subsidiary company	(0.41)	0.14
Components of defined benefit costs recognised in other comprehensive income	43.97	2.15

v) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As at 31.03.2024	As at 31.03.2023
Funds managed by Insurer	100%	100%

- In the absence of detailed information regarding Plan assets which is funded with Insurance Company, the composition of each major category of Plan assets, the percentage or amount for each category to the fair value of Plan assets has not been disclosed.
- The group gratuity Policy with LIC includes employees of MRF Corp Ltd, a Subsidiary Company

vi) Actuarial Assumptions

a. Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As at 31.03.2024	As at 31.03.2023
Discount rate (per annum)	7.20%	7.50%
Salary growth rate (per annum)	5.50%	5.50%

b. Demographic Assumptions

Particulars	As at 31.03.2024	As at 31.03.2023
Mortality Rate % of IALM 2012-14 (% of IALM 2006-08)	100%	100%
Withdrawal rates, based on age: (per annum)		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

vii) Amount, Timing and Uncertainty of Future Cash Flows

a. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ Crores)

Particulars	As at 31.03.2024	As at 31.03.2023
Defined Benefit Obligation (Base)	562.49	484.47

Particulars	As at 31.03.2024		As at 31.03.2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	616.07	516.29	530.74	444.60
(% change compared to base due to sensitivity)	9.50%	-8.20%	9.60%	-8.20%
Salary Growth Rate (- / + 1%)	515.12	616.49	443.48	531.27
(% change compared to base due to sensitivity)	-8.40%	9.60%	-8.50%	9.70%
Attrition Rate (- / + 50%)	560.15	564.62	481.65	487.04
(% change compared to base due to sensitivity)	-0.40%	0.40%	-0.60%	0.50%
Mortality Rate (- / + 10%)	561.61	563.36	483.67	485.27
(% change compared to base due to sensitivity)	-0.20%	0.20%	-0.20%	0.20%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation from the prior period. For change in assumptions please refer to section 6 above, where assumptions for prior period, if applicable, are given.

b. Asset Liability Matching Strategies

The scheme is managed on funded basis.

c. Effect of Plan on Entity's Future Cash Flows

- Funding arrangements and Funding Policy
  The scheme is managed on funded basis.

		(₹ Crores)
- Expected Contribution during the next annual reporting period	31.03.2024	31.03.2023
The Company's best estimate of Contribution during the next year	38.70	33.41

- Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows)	9 Years	9 Years

		(₹ Crores)
- Expected cash flows over the next (valued on undiscounted basis):	31.03.2024	31.03.2023
1 year	67.59	58.34
2 to 5 years	193.66	163.81
6 to 10 years	238.60	220.41
More than 10 years	749.31	682.50

v) Other Long Term Employee Benefits unfunded:

Particulars	As at 31.03.2024	(₹ Crores) As at 31.03.2023
Present value of obligation		
Leave Encashment	60.48	53.42

g. (i) Revenue expenditure on Research and Development activities during the year ended 31st March 2024:

(₹ Crores)

	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
1)	Salaries, Wages and Other Benefits	54.50	47.87
2)	Repairs and Maintenance	16.86	15.43
3)	Power	10.66	10.13
4)	Travelling and Vehicle Running	4.41	4.03
5)	Cost of Materials/Tyres used for Rallies / Test Purpose	16.70	16.23
6)	Other Research and Development Expenses	17.19	16.23
		120.32	109.92

(ii) Capital Expenditure on Research and Development during the year, as certified by the management is ₹ 55.73 Crores (Previous year - ₹ 25.15 Crores).

This information complies with the terms of the Research and Development recognition granted upto 31st March 2024 for the Company's in-house Research and Development activities by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India, vide their Letter No.TU/IV-RD/118/2021 dated 20th October, 2021.

h. Terms of Repayment and Security Description of Borrowings:(refer note 11)

a) Current Borrowings

Loans repayable on demand from banks are secured by hypothecation of Inventories and book debts, equivalent to the outstanding amount and carries interest rates at the rate of 6.88% to 7.90% (Previous year - 4.00% to 7.90%).

b) Non Current Borrowings

i) Indian Rupee Term Loan (Unsecured) from the HSBC Bank

a) Indian Rupee Term Loan of ₹ 150 Crores availed in February, 2019 is for capital expenditure. Interest is payable at a rate equal to the three months T-Bill rate plus a margin of 1.49% (Previous year - 1.49%) payable monthly. The said Loan was repaid fully in February, 2024.

b) Indian Rupee Term Loan of ₹ 150 Crores availed in July, 2021 is for capital expenditure. Interest is payable at a rate equal to the three months T-Bill rate plus a margin of 1.33% payable monthly. The said Loan is repayable in three equal annual installment in July, 2025/July, 2026/July, 2027.

ii) Indian Rupee Term Loan (Unsecured) from the HDFC Bank

a) Indian Rupee Term Loan of ₹ 300 Crores availed in June,2020 is for capital expenditure. Interest is payable at a rate equal to repo rate plus a margin of 1.70% payable monthly. The said Loan is repayable in three equal annual installment in June/2024, June/2025, June/2026.

b) Indian Rupee Term Loan of ₹ 150 Crores availed in June,2021 is for capital expenditure. Interest is payable at a rate equal to repo rate plus a margin of 0.75% payable monthly. The said Loan is repayable in three equal annual installment in June, 2025/June 2026/June 2027.

iii) 15,000 [Floating Interest rate linked to 6 month T-Bill rate] Listed Unsecured rated redeemable Taxable Non Convertible Debentures of ₹ 1,00,000/- each aggregating to ₹ 150 Crores issued on 24th February 2023 ,are to be redeemed on 24th February, 2026.

iv) Secured Loan of ₹ 80.92 Crores was availed under SIPCOT soft loan in March 2020. Further, additional SIPCOT Loan (secured) of ₹ 7.75 Crores was availed in March 2023. Interest is payable quartely at a rate of 0.10% (Previous year - 0.10%). These loans are secured by way of second charge on the Fixed Assets created at the company's plants at Perambalur, near Trichy,Tamil Nadu.These loans will be repaid in full in April 2033 and April 2036 respectively.

v) Deferred payment credit is repayable along with interest(at varying rates) in 240 consecutive monthly instalments ending in March 2026.

i. Inventories

Inventories written down for obsolescence and Non-moving stocks for the year amounts to ₹4.47 Crores (Previous year - ₹ 0.01 Crores) net of reversal. The amount of write down of inventories to net realizable value recognised as on expenses was ₹ 9.83 Crores (Previous year - ₹ 4.31 Crores). The reversal of write-down is on account of offtake/usage and better price realization.The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 15352.46 Crores (Previous year - ₹15637.04 Crores).

j. Extended Producer Responsibility (EPR)

Vide Notification dated 21st July 2022, The Ministry of Environment, Forest and Climate Change notified Regulations on Extended Producer Responsibilities (EPR) for waste tyres applicable to tyre manufacturers.The Company has a present legal obligation as at the year end to recognize a liability with respect to the levy. Due to insufficient information available on the measurability of the EPR obligation in the earlier year, the Company has recognized the provision for 2022-23, amounting to ₹ 46.36 Crores at the year ended March 2024. The provision taken for 2023-24 is ₹ 98.14 Crores. The obligations are to be fulfilled by purchasing certificates from recyclers who are registered with the Central Pollution Control Board. The calculation of the levy is based on the domestic revenue, generated in 2020-21 (used for computing obligation in 2022-23) and in 2021-22 (used for computing obligation in 2023-24).

k. The amount due and paid during the year to "Investor Education and Protection Fund" is ₹ 0.80 Crores (Previous year - ₹ 0.05 Crores).

l. Corporate Social Responsibility

As per Section 135 of the Companies Act,2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on corporate social responsibility (CSR) Activities,which for the financial year ended 31st March 2024 amounts to ₹ 25.08 Crores (Previous year - ₹ 29.13 Crores). A CSR Committee has been formed by the Company as per the Act. During the financial year ended 31st March 2024, the Company has incurred an amount of ₹ 19.26 Crores.

Amount spent during the year on: (₹ Crores)

	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
1	Amount required to be spent by the company during the year	25.08	29.13
2	Amount of expenditure incurred on :		
	(i) Construction/acquisition of any asset	9.18	7.60
	(ii) On Purposes other than (i) above	10.08	9.89
3	Shortfall at the end of the year	5.82	11.64
4	Total of previous years shortfall	-	-
5	Reason for shortfall	- *	-
6	Nature of CSR activities	- **	- **
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	- Contribution to MRF Foundation in relation to CSR expenditure	16.63	15.66

*The shortfall in CSR expenditure was on account of delay in implementation of projects and project duration extending beyond one financial year as per their original schedule of implementation.The shorfall is transferred to unspent CSR Bank account on 25th April,2024 (Previous year 25th April,2023). The amount spent, during the year, out of the shortfall at the end of the previous years is ₹16.36 Crores.

**Disaster Management including Relief, Promotion of Education, Environmental Sustainability, Livelihood enhancement, Vocational Skill development, Promoting Health care, Safe drinking water, Training for Sports, Sanitation and Hygiene, Rural Development projects.

m. Earnings Per Share (Basic and Diluted)

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
Profit after taxation after Exceptional Item	₹ Crores	2040.95	816.23
Profit after taxation before Exceptional Item	₹ Crores	2040.95	735.90
Number of equity shares (Face Value ₹ 10/-)	Nos.	4241143	4241143
Earnings per share after Exceptional Item	₹	4812.26	1924.56
Earnings per share before Exceptional Item	₹	4812.26	1735.15

n. Events Occuring after the Balance Sheet date

The proposed final dividend for Financial Year 2023-24 amounting to ₹ 82.28 Crores will be recognised as distribution to owners during the financial year 2024-25 on its approval by Shareholders. The proposed final dividend amounts to ₹ 194/- per share.

o. Capital and Other Commitments

(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for - ₹ 1334.36 Crores (Previous Year ₹ 2185.02 Crores)

(ii) Guarantees given by the Banks - ₹ 56.10 Crores (Previous Year - ₹ 130.78 Crores)

(iii) Letters of Credit issued by the Banks - ₹ 373.82 Crores (Previous Year - ₹ 265.58 Crores)

(iv) Commitments relating to Lease arrangements - Refer Note 2(c)(3)

(v) Commitment to Rubber Board towards Promotion of Rubber Plantations in North East and Other Parts of India - ₹ 294.01 Crores (net of payments) (Previous year - ₹ 365.86 Crores)

(vi) Derivative contract related commitments -Refer Note 25B(i)(b)

p. (i) Key Financial Ratios

Sl. No.	Description	Numerator	Denominator	2023-24	2022-23	Change in Percentage (%)	Reasons for Change if variation is more than 25%
1	Current Ratio	Current assets	Current Liabilities	1.35	1.22	11	
2	Debt Equity Ratio	Long Term Debt	Shareholder's Equity	0.05	0.07	(29)	Decrease due to increase in Shareholder's equity and reduction of long term debt
3	Debt Service Coverage Ratio	EBITDA	Interest Expense + Principal Repayments	10.84	4.71	130	Increase is due to increase in EBITDA and reduction in loan repayment for current year
4	Return on Equity (%)	PAT (After Exceptional item)	Average Shareholder's Equity	13.19%	5.77%	129	Increase is due to increase in current year Profit After Tax
5	Inventory Turnover Ratio	Cost of Sales	Average Inventory	5.37	5.49	(2)	
6	Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	9.34	9.55	(2)	

Sl. No.	Description	Numerator	Denominator	2023-24	2022-23	Change in Percentage (%)	Reasons for Change if variation is more than 25%
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	4.36	4.55	(4)	
8	Net Capital Turnover Ratio	Net Sales	Working Capital	9.27	14.02	(34)	Decrease due to decrease in Working capital
9	Net Profit Margin (%)	PAT (After Exceptional item)	Total Income	8.17%	3.58%	128	Increase due to increase in Current year Profit after Tax
10	Return on Capital Employed (%)	EBIT (Excl Other income and Exceptional item)	Capital Employed	14.55%	6.54%	122	Increase due to increase in EBIT in current year
11	Return on Investment	Income generated from Invested funds	Time weighted average of investments (includes Quoted Equity shares,Debt instruments-Bonds and Unquoted mutual funds)	7.87%	5.99%	31	Increase due to increase in return on Unquoted Mutual Funds

q. (i) Contingent Liabilities not provided for:

Claims not acknowledged as debts:

(a) Competition Commission of India (CCI) matter - Refer Note 1 below

(b) Disputed Sales Tax demands pending before the Appellate Authorities /High Court - ₹ 254.46 Crores (Previous Year - ₹ 198.44 Crores). Against the said demand the company has deposited an amount of ₹ 3.50 Crores (Previous Year - ₹ 3.48 Crores)

(c) Contractual claims not acknowledged - ₹ 7.76 Crores (Previous Year - ₹ - Nil)

(d) Disputed Excise/Customs Duty demands pending before the Appellate Authorities/High Court - ₹ 594.47 Crores (Previous Year - ₹ 377.84 Crores). Against the said demand the company has deposited an amount of ₹ 16.13 Crores (Previous Year - ₹ 16.13 Crores)

(e) Disputed Income Tax Demands - ₹ 417.27 Crores (Previous Year - ₹ 275.64 Crores).Against the said demand the company has deposited an amount of ₹ 162.18 Crores (Previous Year - ₹ 131.61 Crores)

(f) Disputed Goods and Service Tax demands pending before the Appellate Authorities - ₹ 37.12 Crores (Previous Year- ₹ 0.56 Crores). Against the said demand the company has deposited an amount of ₹ 2.69 Crores (Previous Year - ₹ 0.05 Crores)

Note 1: 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. A penalty of ₹ 622.09 Crores was imposed 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, the Company has filed an appeal before the Hon'ble Supreme Court against the Order of NCLAT, which has been tagged with the appeal filed by CCI in the Supreme Court. The Company is of the view that no provision is considered necessary in respect of this matter in the Standalone Financial Statements.

r. Other Statutory Information

(i) The Company does not have any Benami property nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

(ix) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

s. Other Notes :

(₹ Crores)

Particulars	Year ended 31.03.2024		Year ended 31.03.2023	
	% of total Consumption	Value	% of total Consumption	Value
1) Value of imported/indigenous raw material/ stores and spares consumed :				
Raw Materials				
Imported at landed cost	29.90	4501.03	30.40	4720.46
Indigenous	70.10	10550.72	69.60	10806.44
	100.00	15051.75	100.00	15526.90
Stores and Spares				
Imported at landed cost	5.51	25.46	7.07	29.32
Indigenous	94.49	436.44	92.93	385.22
	100.00	461.90	100.00	414.54

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
2) Details of Purchase of Traded Goods under broad heads;		
'T' and 'S' Equipments	4.17	21.10
Sports Goods	13.26	11.18
Others	3.79	2.95
	21.22	35.23
3) CIF Value of Imports:		
a. Raw Materials	4157.36	3836.70
b. Components and Spare Parts	80.23	72.28
c. Capital Goods	707.13	1136.83

(₹ Crores)

		Year Ended 31.03.2024	Year Ended 31.03.2023
4)	Earnings in Foreign Exchange:		
	FOB Value of Exports	1645.45	1646.96
	Freight and Insurance	7.51	33.94
	Income on Covered Transaction as per Bilateral Advance Pricing Agreement (BAPA)	-	82.43
Note: FOB Value of Exports excludes export sales in Indian Rupees			
5)	Expenditure in Foreign Currency paid or payable by the Company:		
	a. Interest and Finance Charges	2.89	2.98
	b. Professional and Consultation Fees	15.33	15.32
	c. Travelling	2.43	2.79
	d. Advertisements	80.31	71.19
	e. Traded goods	0.06	2.79
	f. Insurance	6.50	5.50
	g. Others	27.81	21.16

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

N. KASHINATH
Partner
Mem. No. 036490
Chennai

For SASTRI & SHAH
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C R KUMAR
Partner
Mem. No. 026143
Chennai

MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MRF LIMITED

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying Consolidated Financial Statements of MRF Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to financial statements, a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Group as at 31st March, 2024, and its Consolidated profit (financial performance including Other Comprehensive Income), the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* 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 (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. Emphasis of Matter

We draw attention to Note 25 (j) (a) to the Consolidated Financial Statement which describe the following matter:

In terms of the Order dated 31st August 2018 the Competition Commission of India (CCI) has on 2nd February 2022 released its Order imposing penalty on the Holding Company concerning the breach of provisions of the Competition Act, 2002 during the year 2011-2012 and imposed a penalty of ₹ 622.09 Crores on the Holding Company. The appeal filed by the Holding Company has been disposed of by the National Company Law Appellate Tribunal (NCLAT) in December 2022, 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, the Holding Company has filed an appeal before the Hon'ble Supreme Court against the order of NCLAT, which has been tagged with the appeal filed by CCI in the Supreme Court. The Holding Company is of the view that no provision is considered necessary in respect of this matter in the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Defined Benefit Obligation** The valuation of the retirement benefit schemes in the Group is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.	**Our audit procedures included:** We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.
2	**Provision for Sales related obligations** The Holding Company makes an estimated provision for sales related obligations based on commitments, established trade practices, historical trends and other assumptions which are judgemental including those relating to outflow of resources. Considering the significant judgements involved in making the above estimate, we have considered this as a key audit matter.	**Our audit procedures included:** We understood and tested the controls over the assumptions applied in arriving at the provision for Sales related obligations. Tested on sample basis, the provision made during the year with relevant data elements, assumptions involved, validation of formula used in the spread sheet and management review and control of the relevant internal and external factors impacting the provision.
3	**Provision for Extended Producer Responsibility (EPR) (Refer Note 25 k)** The Holding Company has recognised provision towards EPR obligations based on the notification issued by the Ministry of Environment, Forest and Climate Change. The obligation is to be met by purchasing certificates from Recyclers and the provision is estimated based on current cost estimate. Given the inherent complexity and the magnitude of the potential exposures and judgements necessary to estimate the amount of provision required and to determine required disclosures, we have considered this as a key audit matter.	**Our audit procedures included:** We have obtained an understanding on the requirement of the notification and of the process followed by the Holding Company for assessment and determination of the amount of provision required / recognized and the appropriateness of the disclosures made in the Consolidated financial statements.

4	**Litigation, Claims and Contingent Liabilities** (Refer Note 25 (j), to be read along with Emphasis of matter in Independent Auditor's Report.) • The Group is exposed to variety of different laws, regulations and interpretations thereof. Consequently, in the normal course of business, Provisions and Contingent Liabilities may arise from legal proceedings, constructive obligations and commercial claims. • Management applies significant judgement when considering whether and how much to provide for the potential exposure of each matter. • These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. • Given the different views possible, basis the interpretations, complexity and the magnitude of potential exposures and the judgement necessary to estimate the amount of provision required or determine required disclosures.	**Our audit procedures included:** • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities. • We held discussions with senior management including the person responsible for legal and compliance to obtain an understanding of the factors considered by management in classification of the matter as 'probable', 'possible' and 'remote'. • Examined the Holding Company's legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness. • With respect to tax matters, involving our tax specialists, and discussing with the Holding Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. • Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. • For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the disclosures.
5	**Property, Plant & Equipment (Including Capex)** • Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, Plant and Equipment. • Further, technical complexities require management to assess and make estimates/ judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. • Refer note 1 to consolidated financial statements.	**Our audit procedures included:** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We assessed company's process regarding maintenance of records and accounting of transactions pertaining to Property, Plant and Equipment including capital work in progress with reference to Ind AS 16. • We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment. • We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment in accordance with Schedule II of the Companies Act, 2013. • We have relied on physical verification conducted by management and management representations.

5. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

6. Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective 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 the assets of the Group 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Companies.

7. Auditor's Responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements 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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, 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 financial controls 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 on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system 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 statements made by the management.

- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. 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 Financial Statements 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 Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Other Matters

We did not audit the financial statements / financial information of certain subsidiaries whose financial statements / financial information reflect total assets of Rs. 431.76 Crores as at 31st March, 2024, total revenues of Rs.499.75 Crores, total net profit after tax of Rs. 40.21 Crores and net cash outflow of Rs.34.61 Crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

9. Report on Other Legal and Regulatory Requirements

9.1 As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company and its subsidiary companies incorporated in India, has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 25 (j)

to the Consolidated Financial Statements;

ii. The Group has long-term contracts including derivative contracts for which there were no material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and its subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of its subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, no funds have been received by the Company and its subsidiary companies incorporated in India, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of its subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. The Company and its subsidiary companies incorporated in India have complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year, interim dividends declared and paid by the company during the year and the proposed final dividend for the year which is subject to the approval of members at the ensuing Annual General Meeting, as applicable.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements

have been audited under the Act, the company, subsidiaries, have used an accounting software for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order,2020 (the Order/CARO) issued by the central government in terms of section 143 (11) of the act, to be included in the Auditor's Report, according to the information and explanation given to us, and based on CARO reports issued by us and the component auditor for the Holding Company and its subsidiaries incorporated in India included in the consolidated financial statements of the company, to which the reporting under CARO is applicable. We report that there are no qualifications or adverse remarks in these CARO reports.

For M.M. NISSIM & CO. LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTRN8043
Place: Chennai
Date : 3rd May, 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg.No. 003643S

C R Kumar
Partner
Mem.No.026143
UDIN: 24026143BKHGBK5887
Place : Chennai
Date : 3rd May, 2024

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MRF LIMITED.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to Financial Statements of **MRF LIMITED** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and internal financial controls were operating effectively as at 31 March 2024, based on the internal financial control with reference to Consolidated Financial Statement criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Financial Statements of the Holding Company and its subsidiary companies which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act,to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of a subsidiary company incorporated in India, in terms of their report referred to in other matters paragraph below, is sufficient and appropriate to provide

a basis for our audit opinion on the Company and its subsidiary companies which are incorporated in India.

3. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial control with reference to Consolidated Financial Statements including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Financial Statements in so far as it relates to subsidiary companies, incorporated in India, is based on the report of the auditors.

For M.M. NISSIM & CO. LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTRN8043
Place: Chennai
Date : 3rd May, 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg.No. 003643S

C R Kumar
Partner
Mem.No.026143
UDIN: 24026143BKHGBK5887
Place : Chennai
Date : 3rd May, 2024

MRF LIMITED, CHENNAI

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ Crores)

	Note	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2 (a)	11262.22	9482.05
Capital Work-in-Progress	2 (b)	2384.53	3045.86
Right of Use Assets	2 (c)	758.26	609.98
Other Intangible Assets	2 (d)	25.74	25.94
Financial Assets:			
- Investments	3	1120.99	1110.27
- Loans	4	4.17	1.28
- Other financial assets	5	28.66	26.90
Non Current Tax Asset(Net)		354.49	263.24
Other non-current assets	6	360.82	562.72
Current Assets			
Inventories	7	4468.58	4141.05
Financial Assets:			
- Investments	3	2261.98	1974.84
- Trade Receivables	8	2911.96	2503.27
- Cash and Cash Equivalents	9	303.07	248.51
- Bank Balances other than Cash and Cash Equivalents	10	42.31	9.98
- Loans	4	5.83	2.97
- Other financial assets	5	190.66	102.35
Other Current Assets	6	365.16	258.20
TOTAL ASSETS		26849.43	24369.41
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	SOCE	4.24	4.24
Other Equity	SOCE	16698.75	14703.42
Non Controlling Interest		0.17	0.16
Total Equity		16703.16	14707.82
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities:			
- Borrowings	11	724.11	823.58
- Lease Liability		655.19	508.62
Provisions	12	259.69	215.25
Deferred Tax Liabilities (Net)	13	461.97	384.63
Other non-current liabilities	14	335.28	234.19
Current Liabilities			
Financial Liabilities:			
- Borrowings	11	1351.01	1605.92
- Lease Liability		91.19	75.49
- Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises;	15	32.77	55.95
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	15	2620.01	2379.82
- Other Financial Liabilities	16	510.92	725.40
Other Current Liabilities	14	2652.77	2415.54
Provisions	12	447.05	233.53
Current Tax Liabilities (Net)		4.31	3.67
Total Liabilities		10146.27	9661.59
TOTAL EQUITY AND LIABILITIES		26849.43	24369.41
Material Accounting Policies	1		

Accompanying Notes are an integral part of these Financial Statements
This is the Consolidated Balance Sheet referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672
N. KASHINATH
Partner
Mem. No. 036490
Chennai
Dated 03rd May, 2024

For SASTRI & SHAH
Chartered Accountants
Firm Reg. No. 003643S
C R KUMAR
Partner
Mem. No. 026143
Chennai

MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

MRF LIMITED, CHENNAI

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ Crores)

	Note	Year ended 31.03.2024	Year ended 31.03.2023
INCOME			
Revenue from Operations	17	25169.21	23008.50
Other Income	18	316.84	252.67
TOTAL INCOME		25486.05	23261.17
EXPENSES			
Cost of materials consumed	19	15243.20	15751.09
Purchases of Stock-in-Trade		22.15	35.40
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(184.32)	(346.91)
Employee Benefits expense	21	1796.78	1595.40
Finance Costs	22	353.01	319.01
Depreciation and Amortisation expense	2 (a,c and d)	1429.97	1253.04
Other Expenses	23	4037.84	3584.42
TOTAL EXPENSES		22698.63	22191.45
PROFIT BEFORE TAX		2787.42	1069.72
TAX EXPENSE			
Current Tax (Includes provision for earlier years -Nil (Previous year-₹ 23.30 Crores))		631.61	306.15
Deferred Tax		74.58	(5.37)
TOTAL TAX EXPENSE		706.19	300.78
PROFIT FOR THE YEAR		2081.23	768.94
NON-CONTROLLING INTEREST - ₹ 61007 (Previous Year - ₹ 53105)		(0.01)	(0.01)
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined benefit plans (net of tax)		(38.21)	(1.68)
Items that may be reclassified to Profit or Loss			
Exchange differences in translating the financial statements of foreign operations		23.59	(8.52)
Fair value of cash flow hedges through other comprehensive income (net of tax)		(3.57)	0.25
Fair value of debt instruments through other comprehensive income (net of tax)		6.52	(19.46)
TOTAL OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR, NET OF TAX		(11.67)	(29.41)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2069.55	739.52
EARNINGS PER EQUITY SHARE	25 (b)		
Basic		4907.24	1813.04
Diluted		4907.24	1813.04
Material Accounting Policies	1		

Accompanying Notes are an integral part of these Financial Statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

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Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH 2024

(₹ Crores)

SHARE CAPITAL	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
	Number	Number	Amount	Amount
Authorised Share Capital				
Equity Shares of ₹ 10/-each	9000000	9000000	9.00	9.00
Redeemable Cumulative Preference Share of ₹ 100/-each	100000	100000	1.00	1.00
Issued, Subscribed and fully paid up Equity Shares (Excludes 71 bonus shares not issued and not alloted on non-payment of call monies)	4241143	4241143	4.24	4.24
Balance at the beginning of the reporting year	4241143	4241143	4.24	4.24
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	4241143	4241143	4.24	4.24
Changes in Equity Share Capital during the reporting year:	-	-	-	-
Balance at the end of the reporting year	4241143	4241143	4.24	4.24

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividends proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

The Holding Company has declared two interim dividends aggregating to ₹ 2.54 Crores (Previous year - ₹ 2.54 Crores) which has already been distributed during the Financial Year 2023-24.

Shares in the Company held by each shareholder holding more than five percent shares	As at 31.03.2024		As at 31.03.2023	
	No.	%	No.	%
Comprehensive Investment and Finance Company Private Limited	441834	10.42%	441834	10.42%
MOWI Foundation	507984	11.98%	507984	11.98%
SBI Mutual Fund (Through its various Funds)	-	-	212453	5.01%

(₹ Crores)

OTHER EQUITY	Reserves and Surplus						Other Comprehensive Income(OCI)			TOTAL
	Securities Premium	Capital Reserve	General Reserve	Capital Redemption Reserve	Remeasurements of Defined Benefit Plans	Retained Earnings	Cash Flow Hedges	Debt Instruments	Foreign Currency Translation Reserve	
Balance at the beginning of the comparative reporting year - 1st April 2022	**9.42**	**0.05**	**14072.53**	**0.44**	**(61.68)**	**-**	**3.28**	**(4.29)**	**7.76**	**14027.51**
Changes in Accounting Policy or Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022	9.42	0.05	14072.53	0.44	(61.68)	-	3.28	(4.29)	7.76	14027.51
Profit for the Comparative Year ending 31st March 2023	-	-	-	-	-	768.93	-	-	-	768.93
Other Comprehensive Income for the Comparative Year ending 31st March 2023	-	-	-	-	(1.68)	-	0.25	(19.46)	(8.52)	(29.41)
Total Comprehensive Income for the Comparative Year	**-**	**-**	**-**	**-**	**(1.68)**	**768.93**	**0.25**	**(19.46)**	**(8.52)**	**739.52**
Transactions with owners in their capacity as owners:										
- Interim Dividends (Rs 6 per share)	-	-	-	-	-	(2.53)	-	-	-	(2.53)
- Final Dividend and Special Dividend (Rs.144 per share)	-	-	-	-	-	(61.08)	-	-	-	(61.08)
Add/(Less) Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	705.32	-	-	(705.32)	-	-	-	-
Balance at the beginning of the reporting year	**9.42**	**0.05**	**14777.85**	**0.44**	**(63.36)**	**-**	**3.53**	**(23.75)**	**(0.76)**	**14703.42**
Changes in Accounting Policy or Correction of Prior Period Errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2023	9.42	0.05	14777.85	0.44	(63.36)	-	3.53	(23.75)	(0.76)	14703.42
Profit for the Current Reporting year ending 31st March 2024	-	-	-	-	-	2081.22	-		-	2081.22
Other Comprehensive (Loss) / Income	-	-	-	-	(38.21)	-	(3.57)	6.52	23.59	(11.67)
Total Comprehensive Income attributable to the Owners of the Company for the Reporting Year	**-**	**-**	**-**	**-**	**(38.21)**	**2081.22**	**(3.57)**	**6.52**	**23.59**	**2069.55**
Transactions with owners in their capacity as owners:										
- Interim Dividends (₹ 6 per share)	-	-	-	-	-	(2.54)	-	-	-	(2.54)
- Final Dividend (₹ 169 per share)	-	-	-	-	-	(71.68)	-	-	-	(71.68)
Add/(Less) Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	2007.00	-	-	(2007.00)	-	-	-	-
Balance at the end of the reporting year ending 31st March 2024	**9.42**	**0.05**	**16784.85**	**0.44**	**(101.57)**	**-**	**(0.04)**	**(17.23)**	**22.83**	**16698.75**

Nature and Purpose of each component of equity	Nature and Purpose
Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium.
Capital Reserve	Capital reserve was created on purchase of shares by the parent company.
General Reserve	General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
Capital Redemption Reserve	Capital Redemption Reserve represents statutory reserve created upon buyback of equity shares in the earlier years.
Retained Earnings	Retained earnings are the Profits that the group has earned till date, less any transfer to General reserve and Dividend.
Cash Flow Hedges	Gains / Losses on Effective portion of cashflow hedges are initially recognized in Other Comprehensive Income as per IND AS 109. These gains or losses are reclassified to the Statement of Profit or Loss when the forecasted transaction affects earnings,except for hedge transactions resulting in recognition of non financial assets which are included in the carrying amount of the asset (" Basis Adjustments").
Debt Instruments	The fair value change of the debt instruments measured at fair value through Other Comprehensive Income is recognised in Debt instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.
Remeasurements of Defined Benefit Plans	Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.
Foreign Currency Translation Reserve	Exchange differences relating to the Translation of the results and net assets of the groups foreign operations from their functional currencies to the Group's presentation currency, i.e, Indian Rupees.

This is the Consolidated Statement of Changes in Equity (SOCE) referred to in our report of even date

Accompanying Notes are an integral part of these Financial Statements

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DIN : 00020276
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K M MAMMEN
Chairman & Managing Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

Disclosure of Shareholding of Promoter and Promoter Group

Sl. No.	Name	As at 31st March, 2024		% Change during the year as compared to 31st March, 2023	As at 31st March, 2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
1	ACCAMMA KURUVILLA	-	-	(0.05)	2328	0.05	(0.01)
2	ADARSH MAMMEN VERGHESE	3030	0.07	0.02	2000	0.05	-
3	ADITH POULOSE MAMMEN	1435	0.03	0.01	1185	0.03	(0.01)
4	ADITI MAMMEN GUPTA	4744	0.11	-	4744	0.11	-
5	AMBIKA MAMMEN	2489	0.06	-	2489	0.06	-
6	AMIT MATHEW	3570	0.08	-	3570	0.08	(0.03)
7	AMMU MATHEW	2650	0.06	-	2650	0.06	-
8	ANITA MANI	1844	0.04	0.01	1304	0.03	(0.00)
9	ANNA PHILIP	650	0.02	0.01	350	0.01	-
10	ANNA RAPHAEL	258	0.01	-	258	0.01	-
11	ANNA THOMAS CHACKO	1291	0.03	-	1291	0.03	-
12	ANNAMMA MAMMEN	3755	0.09	-	3755	0.09	(0.18)
13	ANNAMMA PHILIP	11550	0.27	0.06	8900	0.21	(0.01)
14	ANNU KURIEN	15195	0.36	(0.01)	15695	0.37	0.08
15	ARJUN JOSEPH	1850	0.04	-	1850	0.04	-
16	ARUN MAMMEN	27560	0.65	-	27560	0.65	-
17	ASHOK KURIYAN	1878	0.04	-	1878	0.04	-
18	ASHWATHI JACOB	151	0.00	-	151	0.00	-
19	ASWATHY VARGHESE	9450	0.22	-	9450	0.22	-
20	BADRA ESTATES AND INDUSTRIES LIMITED	5805	0.14	(0.02)	6530	0.15	-
21	BEEBI MAMMEN	20237	0.48	-	20237	0.48	-
22	BINA MATHEW	1568	0.04	-	1568	0.04	-
23	BRAGA INDUSTRIES LLP	29457	0.69	-	29457	0.69	-
24	CHALAKUZHY POULOSE MAMMEN	530	0.01	-	530	0.01	-
25	CIBI MAMMEN	500	0.01	-	500	0.01	-
26	COMPREHENSIVE INVESTMENT AND FINANCE COMPANY PVT. LTD.	441834	10.42	-	441834	10.42	-
27	DEVON MACHINES PVT LTD	1000	0.02	-	1000	0.02	-
28	ELIZABETH JACOB MATTHAI	-	-	(0.09)	4000	0.09	-
29	GEETHA ZACHARIAH	6113	0.14	-	6113	0.14	-
30	GEETHA MAMMEN MAPPILLAI	250	0.01	-	250	0.01	-
31	GEORGE MAMMEN	808	0.02	-	808	0.02	-
32	HANNAH KURIAN	600	0.01	-	600	0.01	-
33	HARSHA MATHEW	2000	0.05	-	2000	0.05	0.02
34	JACOB MAMMEN	35120	0.83	-	35120	0.83	-
35	JACOB MATHEW	20027	0.47	-	20027	0.47	(0.02)
36	JACOB MATTHAI	4000	0.09	0.09	-	-	-
37	JAYANT MAMMEN MATHEW	2190	0.05	-	2190	0.05	-

Sl. No.	Name	As at 31st March, 2024		% Change during the year as compared to 31st March, 2023	As at 31st March, 2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
38	JCEE MANUFACTURING AND SERVICES PVT LTD	17316	0.41	0.09	13415	0.32	0.03
39	JOSEPH KANIANTHRA PHILIPS	1000	0.02	-	1000	0.02	-
40	K C MAMMEN	9043	0.21	-	9043	0.21	-
41	K K MAMMEN MAPPILLAI	7399	0.17	-	7399	0.17	-
42	K M MAMMEN	16048	0.38	-	16048	0.38	-
43	K S JOSEPH	483	0.01	-	483	0.01	-
44	K Z KURIYAN	650	0.02	-	650	0.02	-
45	KARUN PHILIP	-	-	(0.09)	4000	0.09	-
46	KAVYA VERGHESE	2555	0.06	0.01	2000	0.05	-
47	KIRAN JOSEPH	1850	0.04	-	1850	0.04	-
48	KIRAN KURIYAN	403	0.01	-	403	0.01	-
49	KMMMF PVT. TRUST	37387	0.88	-	37387	0.88	0.01
50	KULANGARA POULOSE PHILIP	500	0.01	0.01	-	-	-
51	LATHA MATTHEW	5817	0.14	0.00	5723	0.13	-
52	M A MATHEW	6595	0.16	-	6595	0.16	-
53	M M HOUSING PRIVATE LIMITED	179	0.00	-	179	0.00	-
54	M.M.PUBLICATIONS LIMITED	300	0.01	-	300	0.01	-
55	MALINI MATHEW	2000	0.05	-	2000	0.05	0.01
56	MAMMEN EAPEN	-	-	(0.10)	4128	0.10	-
57	MAMMEN MAPPILLAI INVESTMENTS LTD	1209	0.03	-	1209	0.03	-
58	MAMMEN MATHEW	11015	0.26	-	11015	0.26	-
59	MAMMEN PHILIP	8000	0.19	(0.01)	8480	0.20	0.01
60	MAMY PHILIP	6050	0.14	(0.02)	6922	0.16	(0.01)
61	MARIA MAMMEN	84	0.00	-	84	0.00	-
62	MARIAM MAMMEN MATHEW	100	0.00	-	100	0.00	-
63	MARIEN MATHEW	160	0.00	-	160	0.00	-
64	MARIKA MAMMEN APPIAH	100	0.00	-	100	0.00	-
65	MARY KURIEN	14594	0.34	-	14594	0.34	0.08
66	MEERA NINAN	6167	0.15	-	6167	0.15	-
67	MEERA PHILIP	23441	0.55	-	23441	0.55	(0.24)
68	MEERA MAMMEN	15840	0.37	-	15840	0.37	-
69	MICAH MAMMEN PARAMBI	100	0.00	-	100	0.00	-
70	NISHA SARAH MATTHEW	164	0.00	-	164	0.00	-
71	NITHYA SUSAN MATTHEW	-	-	(0.00)	169	0.00	-
72	OMANA MAMMEN	4711	0.11	0.00	4703	0.11	-
73	PENINSULAR INVESTMENTS PRIVATE LIMITED	124367	2.93	-	124367	2.93	-
74	PETER K PHILIPS	-	-	(0.01)	240	0.01	(0.05)
75	PETER PHILIP	12538	0.30	-	12538	0.30	0.24

Sl. No.	Name	As at 31st March, 2024		% Change during the year as compared to 31st March, 2023	As at 31st March, 2023		% Change during the year as compared to 31st March, 2022
		No. of Shares	% of total shares		No. of Shares	% of total shares	
76	PHILIP MATHEW	11762	0.28	-	11762	0.28	-
77	PREMA MAMMEN MATHEW	10881	0.26	-	10881	0.26	-
78	PREMINDA JACOB	98	0.00	-	98	0.00	-
79	RACHEL KATTUKARAN	15047	0.35	(0.04)	16647	0.39	(0.02)
80	RADHIKA MARIA MAMMEN	600	0.01	-	600	0.01	-
81	RAHUL MAMMEN MAPPILLAI	4538	0.11	-	4538	0.11	-
82	RAMANI JOSEPH	2509	0.06	-	2509	0.06	-
83	RANJEET JACOB	28	0.00	-	28	0.00	-
84	REENU ZACHARIAH	517	0.01	-	517	0.01	-
85	RIYAD MATHEW	4520	0.11	-	4520	0.11	-
86	ROHAN MATHEW MAMMEN	1435	0.03	(0.00)	1635	0.04	-
87	ROSHIN VARGHESE	6589	0.16	(0.00)	6679	0.16	-
88	ROY MAMMEN	12439	0.29	-	12439	0.29	(0.01)
89	SAMIR THARIYAN MAPPILLAI	4470	0.11	-	4470	0.11	-
90	SARA KURIYAN	1880	0.04	-	1880	0.04	-
91	SARAH CHERIAN TRUST	4950	0.12	-	4950	0.12	-
92	SARAH THOMAS	12233	0.29	(0.00)	12433	0.29	(0.01)
93	SARASU JACOB	13819	0.33	(0.00)	13984	0.33	(0.00)
94	SHANTA MAMMEN	4938	0.12	-	4938	0.12	-
95	SHILPA MAMMEN	6472	0.15	0.05	4412	0.10	-
96	SHIRIN MAMMEN	1450	0.03	-	1450	0.03	-
97	SHONA BHOJNAGARWALA	50	0.00	-	50	0.00	-
98	SHREYA JOSEPH	5120	0.12	-	5120	0.12	-
99	STABLE INVESTMENTS AND FINANCE COMPANY LTD	3964	0.09	-	3964	0.09	-
100	SUSAN ABRAHAM	1016	0.02	0.02	68	0.00	-
101	SUSAN KURIAN	9137	0.22	-	9137	0.22	-
102	SUSY THOMAS	5278	0.12	-	5278	0.12	-
103	TARA JOSEPH	2975	0.07	(0.00)	3150	0.07	-
104	THANGAM MAMMEN	5481	0.13	(0.01)	5981	0.14	-
105	THE MALAYALA MANORAMA COMPANY LIMITED	6109	0.14	-	6109	0.14	-
106	USHA EAPEN GEORGE	1950	0.05	0.02	1210	0.03	(0.00)
107	VARUN MAMMEN	8706	0.21	-	8706	0.21	-
108	VIKRAM KURUVILLA	109	0.00	-	109	0.00	-
109	ZACHARIAH KURIYAN	3411	0.08	-	3411	0.08	-
Total		**1178035**			**1180831**		

Note : Figures in brackets represents reduction in percentage change as compared to previous period.

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2024

(₹ Crores)

		Year ended 31.03.2024		Year ended 31.03.2023	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	NET PROFIT BEFORE TAX		2787.42		1069.72
	Adjustment for :				
	Depreciation	1429.97		1253.05	
	Reversal of Impairment of Financial Assets	(0.56)		(0.05)	
	Unrealised Exchange (Gain) / Loss	(1.25)		(1.75)	
	Provision for Impairment of Assets (other than Financial Assets)	4.59		-	
	Impairment of Financial Assets	1.10		0.36	
	Finance Cost	353.01		319.00	
	Government Grant Accrued	(1.52)		(1.35)	
	Interest Income	(103.76)		(105.83)	
	Dividend Income	(0.26)		(0.03)	
	Loss / (Gain) on Sale / Disposal of Property,Plant and Equipment	10.68		7.51	
	Fair Value changes in Investments	(159.57)		(105.31)	
	Fair Value changes in Financial Instruments	31.51		13.36	
	Loss / (Gain) on Sale of Investments	(0.64)		(1.19)	
	Bad debts written off	0.29	1563.59	-	1377.77
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		4351.01		2447.49
	Trade receivables	(408.61)		(171.51)	
	Other receivables	(100.54)		49.82	
	Inventories - Finished Goods	(117.72)		(365.72)	
	Inventories - Raw materials and Others	(209.81)		354.34	
	Trade Payable				
	- Import acceptance and Others	215.77		379.72	
	Provisions	218.56		39.83	
	Other liabilities	74.06	(328.29)	349.27	635.75
	CASH GENERATED FROM OPERATIONS		4022.72		3083.24
	Direct Taxes paid		(722.22)		(327.77)
	NET CASH FROM OPERATING ACTIVITIES		3300.50		2755.47
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property,Plant and Equipment	(2155.18)		(3291.24)	
	Proceeds from sale of Property, Plant and Equipment	(7.14)		1.18	
	Purchase of Investments	(445.98)		(135.99)	
	Proceeds from sale of Investments	316.31		787.19	
	Fixed Deposits Others - Proceeds / (Placed)	(144.00)		600.00	
	Fixed Deposits with Banks - Proceeds / (Placed)	(37.55)		-	
	Loans (Financial assets) repaid / (given)	(3.73)		(0.72)	
	Interest Income	97.83		116.08	
	Dividend income	0.26		0.03	
	NET CASH USED IN INVESTING ACTIVITIES		(2379.18)		(1923.47)

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2024 (Contd.)

(₹ Crores)

		Year ended 31.03.2024		Year ended 31.03.2023
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	(Repayments) / Proceeds from Working Capital Facilities (Net)	(202.55)	(254.53)	
	Proceeds from SIPCOT Loan	-	7.76	
	Repayments of Term Loans	(150.00)	(288.59)	
	(Repayments) / Proceeds of Debentures	-	150.00	
	Government Grant Accrued	1.52	1.35	
	Deferred payment Credit	(0.88)	(0.78)	
	Payment of Lease Liability	(152.46)	(121.30)	
	Interest paid	(289.63)	(269.83)	
	Dividend	(74.22)	(63.62)	
	NET CASH FROM FINANCING ACTIVITIES	(868.22)		(839.54)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	53.10		(7.54)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	Refer Note 9 248.51		254.39
	Unrealised Gain / (Loss) on Foreign currency Cash & Cash equivalents	1.46		1.66
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	Refer Note 9 303.07		248.51

Note to Consolidated Cash Flow Statement:

1. The above Consolidated Cash Flow Statement has been prepared under the Indirect Method.
2. Reconcilation to Financing Liabilities (Refere Note 11)

This is the Consolidated Cash Flow statement referred to in our report of even date

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

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Partner
Mem. No. 036490
Chennai

For SASTRI & SHAH
Chartered Accountants
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C R KUMAR
Partner
Mem. No. 026143
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MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

NOTE 1 – BASIS OF CONSOLIDATION AND MATERIAL ACCOUNTING POLICIES UNDER IND AS

A) General Information

The Consolidated Financial Statements comprise Financial Statements of MRF Limited (the Holding Company) and its Subsidiaries (collectively, the Group) for the year ended 31st March, 2024.

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 dealing in rubber. MRF Corp Ltd., is engaged in the manufacture of specialty coatings.

B) Principles of Consolidation:

The Consolidated Financial Statements comprise of the Financial Statements of the Holding Company and the following Subsidiaries as on March 31st, 2024:

Name	Country of incorporation	Proportion of ownership interest	Financial Statement as on	Accounting Period covered for consolidation
MRF Corp Ltd.	India	100%	March 31, 2024	April 1st, 2023 – March 31st, 2024
MRF International Ltd.	India	94.66%	March 31, 2024	April 1st, 2023 – March 31st, 2024
MRF Lanka Pvt. Ltd.	Sri Lanka	100%	March 31, 2024	April 1st, 2023 – March 31st, 2024
MRF SG PTE LTD.	Singapore	100%	March 31, 2024	April 1st, 2023 – March 31st, 2024

The Consolidated Financial Statements comprise the Financial Statements of the Holding Company and its Subsidiaries as at 31st, March 2024. Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Holding Company controls an investee if and only if the Holding Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Holding Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Holding Company's voting rights and potential voting rights.
- The size of the Holding Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Holding Company obtains control over the Subsidiary and ceases when the Holding Company loses control of the Subsidiary. Assets, liabilities, income and expenses of a Subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Holding Company gains control until the date the Holding Company ceases to control the Subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies

other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments, if material, are made to that group's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Holding Company, i.e., year ended on 31 March.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiaries.

b) Offset (eliminate) the carrying amount of the Holding Company's investment in each Subsidiary and the Holding Company's portion of equity of each Subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, Plant and Equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of Subsidiaries to bring their accounting policies in line with the Holding Company's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Holding Company loses control over a Subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the Subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Holding Company had directly disposed of the related assets or liabilities

C) Basis of preparation of Financial Statements

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied to all the years presented.

i. Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

a) Certain financial assets/liabilities measured at fair value ((Refer Note 1 (D 10)) and

b) Any other item as specifically stated in the accounting policy.

The Consolidated Financial Statement are presented in INR and **all values are rounded off to Rupees Crores** unless otherwise stated.

The group reclassifies comparative amounts, unless impracticable and whenever the group changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Consolidated Financial Statements of the Group for the year ended 31st March, 2024 were authorised for issue in accordance with a resolution of the directors on 3rd May, 2024.

iii. Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in para (D) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment/Intangible Assets:

Useful life of Property, Plant and Equipment are as specified in Schedule II to the Companies Act, 2013 and on certain intangible assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Group reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods. (Refer Note 1 (D 1))

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Group is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Group is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Group impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of

default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date. (Refer Note 1 (D 10))

Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer Note 1 (D 10))

Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Refer Note 1 (D 9))

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group concludes that no changes are required to lease period relating to the existing lease contracts. (Refer Note 1 (D 4)).

Allowance for credit losses on receivables:

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

D) Summary of Material Accounting Policies:

Ind AS 1 was amended vide notification no G.S.R.242(E) dated 31st March 2023 to require disclosure of Material Accounting Policy information from accounting periods beginning on or after 1 April 2023 instead of significant accounting policy disclosure by amending paragraph 117, inserting paragraphs 117A to 117E and deleting paragraphs 118 to 121. Paragraph 117 of Ind AS 1 states when an information on accounting policy is considered as 'Material Accounting Policy information' as follows:

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Each of the policy disclosed herein below has been tested to determine whether the information disclosed is Material Accounting Policy information.

1) Property, Plant and Equipment (PPE):

The Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets except Renewable Energy Saving Devices is provided on straight line basis whereas depreciation on renewable energy saving devices is provided on reducing balance basis. Given below are the estimated useful lives for each class of property, plant and equipment:

Description of the Asset	**Estimated Useful life(On Single shift working)**
Tangible (Owned Assets) :	
Building - Factory - Other than factory buildings	30 Years 60 Years
Plant and Equipment	5-21 Years
Moulds	6 Years
Furniture and Fixtures	5 Years
Computer Servers	5 Years
Computers	3 Years
Office Equipment	5 Years
Other Assets, viz., Electrical Fittings, Fire Fighting/ Other Equipments and Canteen Utensils	8-10 Years
Renewable Energy Saving Device – Windmills	22 Years

Description of the Asset	Estimated Useful life(On Single shift working)
Vehicles	5 Years
Aircraft	10 and 20 Years
Right of Use Assets (Leased Assets) :	
- Buildings-Other than factory buildings	1-21 Years
- Vehicles	2 Years
- Land – Leasehold	Primary period of lease
Intangible(Owned Assets):	
Software	5 Years

In respect of Property, Plant and Equipment of MRF Lanka Pvt. Ltd. and MRF SG PTE. LTD. depreciation is provided on straight line method based on management estimate of useful life of assets based on internal technical evaluation, except for certain Property, Plant and Equipment namely Building, Plant and Machinery, Moulds and Equipments of MRF Lanka Pvt Ltd, which are depreciated on Written Down Value method. The proportion of depreciation of the Subsidiaries to the total depreciation of the group is not material.

2) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

Intangible Assets are amortised over 5 years on straight-line method over the estimated useful economic life of the assets.

The Group undertakes Research and Development activities for development of new and improved products. The Group recognises all expenditure incurred during the research phase in the profit or loss whereas the expenditure incurred in development phase are presented as Intangible Assets under Development till the time they are available for use in the manner intended at which moment they are treated as Intangible Assets and amortised over their estimated useful life.

3) Inventories:

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for stores and spares which are on daily moving Weighted Average Cost basis.

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

4) Leases:

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

5) Government Grants:

The grant relating to export benefits is presented under other income on a systematic basis in the Profit or Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Subsidies received from State Government are presented under other operating income. Where the grant relates to an asset under EPCG Scheme, it is presented as a deferred income aggregated under other liabilities in Balance Sheet and presented under other income in equal amounts over the expected useful life of the related asset. Where the assets have been fully depreciated with no future related cost, the grant is recognised in profit or loss.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans/ assistance received subsequent to the date of transition.

6) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

7) **Revenue Recognition:**

The Group derives revenues primarily from sale of goods comprising of Automobile Tyres, Tubes, Flaps, Tread Rubber and Speciality Coatings.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of turnover/product/prompt payment discounts and schemes offered by the Group as part of the contract with the customers. When the level of discount varies with increase in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases using expected value method. The Group recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. The Holding Company considers certain other commitments in the contract that are separate sales related performance obligations and claims preferred during the year against such contractual obligations are netted off from Revenue, consistent with its current practice. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition:

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover/product/prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

8) **Employee Benefits:**

a) **Short term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences and performance incentives, are recognised during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Long Term Employee Benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post-employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss section of the Statement of Profit or Loss in the period in which they arise except those included in cost of assets as permitted. The benefit is measured annually by independent actuary.

c) Post Employment Benefits:

The Group provides the following post employment benefits:

i) Defined benefit plans such as gratuity, trust managed Provident Fund and post-retirement medical benefit (PRMB); and

ii) Defined contribution plans such as provident fund, pension fund and superannuation fund.

d) Defined benefits Plans:

The cost of providing benefits on account of gratuity and post retirement medical benefits / obligations are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Eligible employees of the Group receive benefits from a provident fund trust which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary. The Group contributes a part of the contribution to the provident fund trusts. Trusts invests in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to the Government Administered Pension Fund. The rate at which the annual interest is payable to the beneficiaries by the trusts is administered by the Government. The Group has obligation to make good the shortfall, if any, between the return from investments of the Trusts and the notified interest rate. However, as at the year-end no shortfall remains unprovided for.

e) Defined Contribution Plans:

Payments to defined contribution retirement benefit plans, viz., Provident Fund for certain eligible employees, Pension Fund and Superannuation benefits are recognised as an expense when employees have rendered the service entitling them to the contribution.

9) Taxes on Income:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

a) **Current Tax:**

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates under the relevant tax laws for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

b) **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the parent and for each subsidiary in the Group, as per their applicable Laws and then aggregated.

10) Financial Instruments:

Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual rights to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Financial assets other than investment in subsidiaries

Financial assets of the Group comprise trade receivable, cash and cash equivalents, Bank balances, Investments in equity shares of companies other than in subsidiaries, Investment in units of Mutual Funds, loans/Debt instrument/advances to employee / related parties / others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI – Debt Instruments
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Bank deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments

of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

Financial assets at fair value through OCI (FVTOCI)

Investment in Debt instruments are measured at FVTOCI. Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes relating to financial assets measured at FVTOCI are recognised in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to Profit or Loss.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.
- Financial assets (excluding equity instruments) measured at fair value through other comprehensive income (FVTOCI).

ECL is measured through a loss allowance on a following basis after considering the value of recoverable security:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date).
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Group to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been

a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

Financial Liabilities

The Group's financial liabilities include borrowings, trade payable, lease liabilities, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI). Cash flow hedges are reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss. If hedge of a forecast transaction results in the recognition of a non-financial asset or a non-financial liability, then the gain or loss that are accumulated in the cash flow hedge reserve is recognised in the initial cost or other carrying amount of the asset or liability (this is also referred to as "Basis Adjustment").

E) Recent accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Holding Company and Subsidiary Companies incorporated in India.

(₹ Crores)

NOTE 2 (a) : Owned Assets												NOTE 2 (d) INTANGIBLES
Particulars	**Land Freehold**	**Buildings**	**Plant and equipment**	**Furniture and fixtures**	**Vehicles**	**Air Craft**	**Office equipment**	**Computers**	**Moulds**	**Other Assets**	**Total**	**Computer Software**
Gross Block												
Carrying Value as at 31st March 2022	**580.36**	**3197.08**	**9213.63**	**36.80**	**61.77**	**83.98**	**43.22**	**56.73**	**825.91**	**489.37**	**14588.85**	**58.80**
Additions	2.70	385.39	964.13	3.89	11.58	-	5.57	15.38	158.81	41.69	1589.14	13.46
Disposals	-	(0.02)	(73.06)	(1.60)	(3.28)	-	(3.24)	(5.29)	(56.95)	(4.25)	(147.69)	(0.60)
Carrying Value as at 31st March 2023	**583.06**	**3582.45**	**10104.70**	**39.09**	**70.07**	**83.98**	**45.55**	**66.82**	**927.77**	**526.81**	**16030.30**	**71.66**
Additions	23.21	604.32	2124.72	4.05	18.19	-	4.63	13.98	198.44	96.79	3088.33	10.41
Disposals	(0.04)	(1.44)	(25.85)	(0.77)	(1.57)	-	(1.04)	(1.23)	(14.23)	(9.80)	(55.97)	-
Carrying Value as at 31st March 2024	**606.23**	**4185.33**	**12203.57**	**42.37**	**86.69**	**83.98**	**49.14**	**79.57**	**1111.98**	**613.80**	**19062.66**	**82.07**
Depreciation Block												
Accumulated depreciation / Amortisation as at 31st March 2022	**-**	**460.34**	**4186.97**	**22.93**	**31.05**	**22.15**	**30.74**	**40.71**	**467.01**	**272.33**	**5534.23**	**37.57**
Depreciation / Amortisation for the year	-	108.08	847.73	5.23	7.71	5.91	5.80	9.80	113.29	49.47	1153.02	8.73
Disposals	-	(0.01)	(70.83)	(1.52)	(3.04)	-	(3.24)	(5.29)	(51.09)	(3.98)	(139.00)	(0.58)
Accumulated depreciation / Amortisation as at 31st March 2023	**-**	**568.41**	**4963.87**	**26.64**	**35.72**	**28.06**	**33.30**	**45.22**	**529.21**	**317.82**	**6548.25**	**45.72**
Depreciation / Amortisation for the year	-	123.34	968.07	5.12	8.71	5.91	5.15	11.30	125.79	50.91	1304.30	10.61
Disposals	-	(0.30)	(24.18)	(0.55)	(1.41)	-	(1.04)	(1.23)	(14.06)	(9.34)	(52.11)	-
Accumulated depreciation / Amortisation as at 31st March 2024	**-**	**691.45**	**5907.76**	**31.21**	**43.02**	**33.97**	**37.41**	**55.29**	**640.94**	**359.39**	**7800.44**	**56.33**
Net Block												
As at 31st March 2023	**583.06**	**3014.04**	**5140.83**	**12.45**	**34.35**	**55.92**	**12.25**	**21.60**	**398.56**	**208.99**	**9482.05**	**25.94**
As at 31st March 2024	**606.23**	**3493.88**	**6295.81**	**11.16**	**43.67**	**50.01**	**11.73**	**24.28**	**471.04**	**254.41**	**11262.22**	**25.74**

Note:

1. Freehold land includes agricultural land - ₹ 0.12 Crores (31st March, 2023 - ₹ 0.12 Crores).
2. Other assets represents Electrical Fittings, Fire Fighting/Other Equipments and Canteen Utensils.
3. The amount of Borrowing Cost capitalised during the year ended 31st March, 2024 - ₹ 9.90 Crores (31st March, 2023 - ₹ 6.38 Crores.)
4. Capital expenditure on Research and Development during the year - ₹ 55.73 Crores (31st March, 2023 - ₹ 25.15 Crores)
5. Title deeds of Freehold Land are held in the name of the Company. Title deeds in respect of Buildings which are constructed on company's Freehold Land is based on documents constituting evidence of legal ownership of the Buildings.

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Note 2 (b). Capital Work-in-Progress (CWIP)	2384.53	3045.86

CWIP Ageing Schedule (₹ Crores)

CWIP	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	1431.58	744.37	126.95	78.06	2380.96
	(2493.37)	(306.07)	(116.46)	(127.14)	(3043.04)
Projects temporarily suspended	0.78	0.11	-	2.68	3.57
	(0.11)	(-)	(0.07)	(2.64)	(2.82)

Figures in brackets are in respect of Previous year

NOTE 2 (c): Leased Assets				(₹ Crores)
Particulars	**Land**	**Buildings**	**Vehicles**	**Total**
Gross Block				
Carrying Value as at 31st March 2022	**97.84**	**507.85**	**34.07**	**639.76**
Additions	3.11	250.69	26.12	279.92
Disposals	-	(48.73)	-	(48.73)
Carrying Value as at 31st March 2023	**100.95**	**709.81**	**60.19**	**870.95**
Additions	0.12	319.32	-	319.44
Disposals	-	(107.97)	-	(107.97)
Carrying Value as at 31stst March 2024	**101.07**	**921.16**	**60.19**	**1082.42**
Depreciation Block				
Accumulated depreciation / Amortisation as at 31st March 2022	**5.52**	**159.18**	**29.09**	**193.79**
Depreciation / Amortisation for the year	1.06	81.39	8.85	91.30
Disposals	-	(24.12)	-	(24.12)
Accumulated depreciation / Amortisation as at 31st March 2023	**6.58**	**216.45**	**37.94**	**260.97**
Depreciation / Amortisation for the year	1.09	105.52	8.45	115.06
Disposals	-	(51.87)	-	(51.87)
Accumulated depreciation / Amortisation as at 31st March 2024	**7.67**	**270.10**	**46.39**	**324.16**
Net Block				
As at 31st March 2023	94.37	493.36	22.25	609.98
As at 31st March 2024	**93.40**	**651.06**	**13.80**	**758.26**

Note:

1. The Group has incurred ₹ 33.97 Crores (Previous year - ₹ 33.18 Crores) for the year ended 31st March, 2024 towards expenses relating to short-term leases and leases of low-value assets (Refer Note 23). The total cash outflow for leases is ₹ 186.43 Crores (Previous year - ₹ 154.48 Crores) for the year ended 31st March, 2024, including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 65.85 Crores (Previous year - ₹ 48.71 Crores) for the year ended 31st March, 2024 (Refer Note 22).
2. The Group's leases mainly comprise of land, buildings and Vehicles. The Group mainly leases land and buildings for its manufacturing, warehouse facilities and sales offices. The Company also has leased vehicles for its Goods Transporation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 3: INVESTMENTS

(₹ Crores)

Particulars	As at 31.03.2024	As at 31.03.2023
Non-Current Investments		
Fully Paid-up		
Quoted		
Equity Shares (at fair value through Profit or Loss)	16.74	14.04
In Debt Instruments- Bonds (at fair value through OCI)	1104.18	1096.16
Others: (at fair value through Profit or Loss)*	0.07	0.07
* Note: The Holding Company had invested in Co-operative Societies and in certain other companies towards the corpus. These are non participative shares and normally no dividend is accrued. The Holding Company has carried these investments at its transaction value considering it to be its fair value.		
Total	1120.99	1110.27
Aggregate Market Value of Quoted Investments	1120.92	1110.20
Aggregate Amount of Unquoted Investments	0.07	0.07
Grand Total	1120.99	1110.27
Current Investments		
Fully paid up - Unquoted		
In Debt Mutual Fund Units: (at fair value through Profit or Loss)		
Income Plan: Growth Option	2261.98	1974.84
Aggregate Amount of Unquoted Investments	2261.98	1974.84
Grand Total	2261.98	1974.84

NOTE 4: LOANS (Unsecured, considered good)

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Loans to employees	4.17	1.28	5.83	2.97
Total	4.17	1.28	5.83	2.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 5: OTHER FINANCIAL ASSETS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Carried at Amortised cost :				
Bank deposits with more than 12 months maturity	2.75	2.72	-	-
Export Benefits receivables	-	-	1.27	1.72
Interest Accrued on Loans,Deposits etc.	-	-	41.65	37.78
Fixed Deposits Others	-	-	144.00	-
Others	-	-	-	62.85
Carried at Fair value:				
Derivative Financial Assets (FVTOCI)	-	-	3.34	-
Derivative Financial Assets (FVTPL)	-	-	0.40	-
Security Deposits (FVTPL)	1.32	2.06	-	-
Deposits (FVTPL)	24.59	22.12	-	-
Total	28.66	26.90	190.66	102.35

NOTE 6: OTHER ASSETS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Capital Advances	209.97	456.39	-	-
Advances other than capital advances;				
Deposits	149.28	89.99	-	-
Less : Allowance for Doubtful deposits	(4.59)	-	-	-
	144.69	89.99	-	-
Advances to Employees	-	-	26.81	26.24
Sub Total	354.66	546.38	26.81	26.24
Others				
Balance with statutory authorities	-	10.04	0.61	1.74
Advances recoverable in cash or kind	6.16	6.30	191.34	136.64
Salary and wage advance	-	-	11.57	4.32
Prepaid Expenses	-	-	53.31	46.02
Others	-	-	81.52	43.24
Sub Total	6.16	16.34	338.35	231.96
Total	360.82	562.72	365.16	258.20

NOTE 7: INVENTORIES (Valued at lower of Cost and Net Realisable Value)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Raw Materials	1345.16	1246.85
Raw Materials in transit	119.69	112.60
Work-in-progress	452.85	366.28
Finished goods	2087.60	1969.88
Stock-in-trade	32.64	52.61
Stores and spares	430.64	392.83
Total	4468.58	4141.05

NOTE 8: TRADE RECEIVABLES

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Trade receivables		
Secured, considered good	1829.07	1684.56
Unsecured, considered good	1082.89	818.71
Trade Receivables - credit impaired	3.71	3.16
Less: Expected Credit Loss provision (Refer Note 24 (B) ii)	(3.71)	(3.16)
Total	2911.96	2503.27

Note: The Group has used practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables Ageing Schedule (₹ Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables — considered good	269.34	5.31	-	-	-	274.65
	(268.33)	(5.47)	(-)	(-)	(-)	(273.80)
(ii) Undisputed Trade Receivables — credit impaired	-	1.00	0.43	0.25	2.03	3.71
	(-)	(0.43)	(0.32)	(0.28)	(2.13)	(3.16)
(iii) Amount Not Due						2637.31
						(2229.47)
Total Gross						2915.67
						(2506.43)
Allowance for Expected Credit Loss						3.71
						(3.16)
Total						2911.96
						(2503.27)

Figures in brackets are in respect of Previous year

NOTE 9: CASH AND CASH EQUIVALENTS (as per Cash Flow Statement)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Balances with Banks		
- In Current accounts	246.33	161.14
- In Term deposits with original maturity of less than 3 months	15.31	48.97
Cheques, drafts on hand; and	40.65	37.62
Cash on hand	0.78	0.78
Total	303.07	248.51

NOTE 10: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Deposits with original maturity of more than 3 months,but less than 12 months	37.52	-
Others:		
Unclaimed Dividend Account	2.29	2.76
Unspent CSR Account	2.50	7.22
Total	42.31	9.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 11: BORROWINGS

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
NON CURRENT (AT AMORTISED COST)		
Secured		
Softloan from SIPCOT	72.89	71.37
Unsecured		
Debentures;		
Floating Rate linked to 6 month T Bill- 15000 Nos Unsecured Redeemable Non Convertible Debentures of ₹ 1,00,000/- each.	150.00	150.00
Term loans from Banks;		
Rupee Term Loan	499.99	599.99
Others		
Deferred payment liabilities	1.23	2.22
Sub - Total	724.11	823.58
CURRENT(AT AMORTISED COST)		
Secured		
Loans repayable on demand		
- from banks	714.00	997.34
Interest accrued on above	1.57	1.11
Unsecured		
Loans repayable on demand	526.71	445.92
Interest accrued on above	3.51	6.50
Current maturities of long-term debt	100.99	150.88
Interest accrued on above	4.23	4.17
Sub - Total	1351.01	1605.92
Total	2075.12	2429.50

Note: Security and terms of repayment in respect of above borrowings are detailed in Note 25(f) and (g).

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Reconciliation of Financing Liabilities : -		
Opening balance		
- Long Term Borrowings	823.58	817.21
- Current borrowings	1443.26	1697.79
- Current maturities of long term debt	150.88	291.69
- Interest accrued on debt	11.78	11.31
Total - A	2429.50	2818.00
a) Cash flow movements		
- Proceeds from borrowings	-	157.76
- Repayment of borrowings	(353.43)	(543.90)
- Interest	(289.63)	(269.83)
b) Non-cash movements		
- Effect of amortization of loan origination costs	1.52	(0.51)
- Foreign exchange translation	-	(2.32)
- Interest accrued on debt	287.16	270.30
Total - B	(354.38)	(388.50)
Closing Balance (A+B)	2075.12	2429.50
Closing Balance Break Up		
- Long Term Borrowings	724.11	823.58
- Current borrowings	1240.71	1443.26
- Current maturities of Long term borrowings	100.99	150.88
- Interest accrued on debt	9.31	11.78

NOTE 12: PROVISIONS

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits	61.01	53.85	81.61	46.52
Sales related Obligation and others	198.68	161.40	365.44	187.01
Total	259.69	215.25	447.05	233.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 13: DEFERRED TAX LIABILITIES - (NET)

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Deferred Tax Liabilities:		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	455.49	427.55
- Unrealised (gain)/loss on FVTPL debt Mutual Funds	81.26	45.29
- On Right of Use Asset	167.33	129.94
- Other adjustments	16.80	14.04
Sub-Total	720.88	616.82
Deferred Tax Asset:		
- Accrued Expenses allowable on Actual Payments	31.02	42.35
- Unrealised gain/(loss) on FVTOCI Debt Instruments	5.78	7.98
- On remeasurements of defined benefit plans	34.29	28.48
- On revaluation of designated cash flow hedges	0.01	6.38
- On Right of Use Asset	187.81	147.00
Sub-Total	258.91	232.19
Total	461.97	384.63

COMPONENTS OF DEFERRED TAX LIABILITY (NET) (₹ Crores)

Particulars	As on 31.03.2024				As on 31.03.2023			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax liabilities								
Depreciation and amortisation	427.55	27.94	-	455.49	430.10	(2.55)	-	427.55
Unrealised gain/(loss) on FVTPL Debt Mutual Funds	45.29	35.97	-	81.26	30.20	15.09	-	45.29
On Right of Use Asset	129.94	37.39	-	167.33	89.00	40.94	-	129.94
Others	14.04	2.76	-	16.80	15.55	(1.51)	-	14.04
Gross deferred tax liabilities (a)	616.82	104.06	-	720.88	564.85	51.97	-	616.82
Tax effect of items constituting deferred tax assets								
Accrued expenses allowable on actual payments	42.35	(11.33)	-	31.02	28.70	13.65	-	42.35
Unrealised gain/(loss) on FVTOCI Debt Instruments	7.98	-	(2.20)	5.78	1.44	-	6.54	7.98
On Remeasurement of Defined Benefit Plans	28.48	-	5.81	34.29	28.13	-	0.35	28.48
On revaluation of designated cash flow hedges	6.38	-	(6.37)	0.01	7.78	-	(1.40)	6.38
On Right of Use Asset	147.00	40.81	-	187.81	103.31	43.69	-	147.00
Gross deferred tax assets (b)	232.19	29.48	(2.76)	258.91	169.36	57.34	5.49	232.19
Net deferred tax liability (a - b)	384.63	74.58	2.76	461.97	395.49	(5.37)	(5.49)	384.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

NOTE 14: OTHER LIABILITIES

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Contract Liabilities	-	-	34.50	35.09
Others :				
Dealers' Security Deposit	-	-	1910.55	1773.44
Retention Money	89.09	13.18	200.64	223.49
Statutory Dues	-	-	453.83	341.94
Liabilities for expenses	-	-	0.62	0.61
Deferred Income	244.96	220.62	31.42	21.84
Others	1.23	0.39	21.21	19.13
Total	335.28	234.19	2652.77	2415.54

Movement of contract liabilities is as under;

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
As at beginning of the year	35.09	44.86
Recognised as revenue from contracts with customers	(33.50)	(43.27)
Advance from customers received during the year	32.91	33.50
Balance at the close of the year	34.50	35.09

NOTE 15: TRADE PAYABLES

(₹ Crores)

	As at 31.03.2024	As at 31.03.2023
Outstanding dues of Micro and Small Enterprises	32.77	55.95
Outstanding dues of Creditors other than Micro and Small Enterprises	2620.01	2379.82
Total	2652.78	2435.77
Of the above;		
- Acceptances	392.18	413.00

Trade Payables ageing schedule (₹ Crores)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4.41	0.05	-	-	4.46
	(2.15)	(0.03)	(0.14)	(0.01)	(2.33)
(ii) Others	411.65	2.87	0.29	13.75	428.56
	(266.75)	(8.20)	(7.17)	(32.33)	(314.45)
(iii) Amounts not due					2219.76
					(2118.99)

Figures in brackets are in respect of Previous year

NOTE 16: OTHER FINANCIAL LIABILITIES

(₹ Crores)

	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Carried at Amortised Cost :				
Unclaimed dividends	-	-	2.29	2.76
Employee benefits	-	-	129.21	122.27
Liabilities for expenses	-	-	77.74	187.55
Others	-	-	301.68	411.73
Carried at Fair Value :				
Derivative Financial Liabilities (FVTOCI)	-	-	-	(0.53)
Derivative Financial Liabilities (FVTPL)	-	-	-	1.62
Total	-	-	510.92	725.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 17: REVENUE FROM OPERATIONS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Revenue from Contracts with Customers :		
Sale Of Goods (Refer note 25 e)	24979.17	22824.12
Sale Of Services	31.64	26.44
Other Operating Revenues:		
Scrap Sales	151.12	140.24
Subsidy from State Government	7.28	17.70
Total	25169.21	23008.50

The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under IND AS 115 "Revenue from contracts with customers". Hence no separate disclosure of disaggregate revenues are reported (refer note 25 e).

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Gross Sales (Contracted Price)	26095.64	23792.77
Reductions towards variable consideration (Product,Turnover and Prompt payment discount)	(511.04)	(463.73)
Claims preferred against sales related obligation(Note 1(D-7))	(415.39)	(320.54)
Revenue recognised	25169.21	23008.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 18: OTHER INCOME

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest Income	103.76	105.83
Dividend Income from Non Current Investment	0.26	0.03
Government Grant :		
- Export Incentives	4.41	6.52
- Unwinding of Deferred Income (EPCG)	26.77	20.15
Net gain on sale of Investments classified as FVTPL	0.64	1.33
Net gains on fair value changes on financial assets classified as FVTPL	159.57	105.31
Impairment provision written back	0.56	0.05
Miscellaneous Income	20.87	13.45
Total	316.84	252.67

Net gains on fair value changes

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Equity Investments	2.73	2.04
Debt Mutual Fund Investments	156.84	103.27
Total	159.57	105.31

NOTE 19: COST OF MATERIALS CONSUMED

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Opening Stock of Raw Materials	1359.45	1731.61
Purchases during the year	15348.60	15378.93
Closing Stock of Raw Materials	(1464.85)	(1359.45)
Total	15243.20	15751.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 20: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Closing Stock:		
Finished Goods	2087.60	1969.88
Stock-in-Trade	32.64	52.61
Work-in-Progress	452.85	366.28
	2573.09	2388.77
Less: Opening Stock:		
Finished Goods	1969.88	1604.16
Stock-in-Trade	52.61	42.41
Work-in-Progress	366.28	395.29
	2388.77	2041.86
Total	(184.32)	(346.91)

NOTE 21: EMPLOYEE BENEFITS EXPENSE

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Salaries and Wages	1479.03	1306.32
Contribution to provident and other funds	139.59	121.14
Staff welfare expenses	178.16	167.94
Total	1796.78	1595.40

NOTE 22: FINANCE COSTS

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest on Loans and Deposits	278.29	265.21
Interest on Debentures	3.77	-
Interest on Deferred Payment Credit	0.31	0.41
Interest on Lease liabilities (Refer note 2 (c 1))	65.85	48.71
Other Borrowing Costs		
Unwinding of discount relating to Long Term Liabilities	4.20	4.36
Other Charges	0.59	0.32
Total	353.01	319.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 23: OTHER EXPENSES

(₹ Crores)

	Year Ended 31.03.2024	Year Ended 31.03.2023
Stores and Spares Consumed	465.63	417.70
Power and Fuel	1148.65	1136.03
Processing Expenses	300.13	262.82
Rent (Refer note 2(c 1))	33.97	33.18
Rates and Taxes	17.27	15.89
Insurance	59.99	59.41
Printing and Stationery	12.67	10.40
Repairs and Renewals:		
Buildings	23.79	25.77
Plant and Machinery	168.12	159.46
Other Assets	110.14	92.33
Travelling and Conveyance	50.09	46.29
Communication Expenses	7.00	8.07
Vehicle Expenses	14.49	12.79
Auditors' Remuneration:		
As Auditors:		
Audit fee	1.20	1.09
Tax Audit fee	0.27	0.26
Other Services	0.29	0.12
Reimbursement of Expenses	0.24	0.14
	2.00	1.61
Cost Auditors Remuneration:		
Audit fee	0.09	0.08
Directors' Fees	0.31	0.25
Directors' Travelling Expenses	11.15	9.04
Advertisement	295.97	258.31
Sales related Obligations	78.68	18.99
VAT/GST absorbed by the Company	0.48	0.17
Bad debts written off	0.29	-
Commission	41.65	27.45
Freight and Forwarding (Net)	766.03	739.47
Loss on Sale of Fixed Asset(Net)	10.68	7.65
Net Loss on Foreign Currency Transactions	19.80	24.70
Bank Charges	8.02	7.44
Provision for Impairment of Assets(other than Financial Assets)	4.59	-
Provision for impairment of Financial Assets	1.10	0.36
Corporate Social Responsibility Expenditure	25.69	29.62
Contribution to Rubber Board, towards promotion of Rubber Plantations	71.85	-
Extended Producer Responsibility obligation (EPR) (Refer Note 25 k)	144.50	-
Miscellaneous Expenses	143.02	179.14
Total	4037.84	3584.42

NOTE 24

A. Capital Management

For the purpose of Group's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Group. The primary objective of the Group's Capital Management is to maximise the Share Holder Value.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Group monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

B. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings, lease liability, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Group. The principal financial assets include trade and other receivables, investments in mutual funds, Bonds, cash and short term deposits.

The Group has assessed market risk, credit risk and liquidity risk to its financial instruments.

i) Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans & borrowings, investments and foreign currency receivables, payables and borrowings.

a) Interest Rate Risk:

The Group borrows funds in Indian Rupees and Foreign currency, to meet both the long term and short term funding requirements. The Interest rate risk in terms of Foreign currency is managed through financial instruments available to convert floating rate liability into fixed rate liability. The Group due to its AAA rated status commands one of the cheapest source of funding. Interest rate is fixed for the tenor of the Long term loans availed by the Group. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year. The Group had issued floating interest rate Non-convertible debentures linked to 6 month T-Bill rate, to meet long term funding requirements.

If the interest rates had been 1% higher / lower and all other variables held constant, the Group's profit for the year ended 31st March, 2024 would have been decreased/increased by ₹ 14.25 Crores (Previous year ₹ 16.56 Crores).

b) Currency Risk:

Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Unhedged Short Term Exposures :		(₹ Crores)
	31.03.2024	31.03.2023
Financial Assets	193.53	199.27
Financial Liabilites	324.21	179.76

The company is mainly exposed to changes in US Dollar. The sensitivity to a 0.74%(Previous year - 4.27%) increase or decrease in US Dollar against INR with all other variables held constant will be +/(-) ₹ 0.95 Crores (previous year - ₹ 1.03 Crores).

The Sensitivity analysis is prepared on the net unhedged exposure of the Company at the reporting date.

Hedged Foreign Currency exposures :

Foreign Exchange forward Contracts on certain highly probable forecast transactions, are measured at fair value through OCI on being designated as Cash Flow Hedges.

The Group also enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of expected purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

The outstanding position and exposures are as under :

i) Foreign Currency forward contracts designated as Hedge Instruments:

	Currency	Amount		(₹ Crores)	Nature	Cross Currency
Forward Contract	USD	99.06	Million	831.46	Import purchase	INR
		(101.68)	Million	(844.11)		

Figures in brackets are in respect of Previous year.

The terms of the foreign currency forward contracts match the terms of the transactions. As a result, no hedge ineffectiveness arises requiring recognition through profit or loss.

ii) Maturity Analysis of Foreign Currency forward contracts designated as Hedge Instruments:

		(₹ Crores)
Maturity Period	31.03.2024	31.03.2023
Less than 3 months	607.52	417.84
3 months to 6 months	163.49	132.27
6 months to 12 months	60.45	294.00
Total Outstanding as at 31st March	831.46	844.11

iii) Other Forward Contract Outstanding:

	Currency	Amount		(₹ Crores)	Nature	Cross Currency
Forward Contract	USD	23.76	Million	197.96	Import purchase	INR
		(30.49)	Million	(252.84)		

Figures in brackets are in respect of Previous year

iv) Maturity Analysis of Other Forward Contract contracts:

		(₹ Crores)
Maturity period	31.03.2024	31.03.2023
Less than 3 months	197.96	213.06
3 months to 6 months	-	39.78
Total Outstanding as at 31st March	197.96	252.84

c) Price Risk:

The Group is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities like Natural Rubber, Compound rubber, Synthetic Rubber and other Chemicals, the Group enters into purchase contracts on a short to medium Term and forward foreign exchange contracts are entered into to bring in stability of price fluctuations.

The Group's investments in Quoted and Unquoted Securities are susceptible to market price risk arising from uncertainties about future values of investment securities. The Group manages the securities price risk through investments in debt funds and diversification by placing limits on individual and total investments. Reports on Investment Portfolio are reviewed on regular basis and all approvals of investment decisions are done in concurrence with the senior management.

As at 31st March, 2024, the investments in debt mutual funds and bonds amounts to ₹ 3366.16 Crores (Previous year - ₹ 3071 Crores). A 1% point increase or decrease in the NAV with all other variables held constant would have lead to approximately an additional ₹ 34 Crores (Previous year - ₹ 31 Crores) on either side in the statement of profit and loss.

ii) Credit Risk

Is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers, financial instruments viz., Investments in Equity Shares, Bonds, Debt Funds, Fixed Deposits others and Balances with Banks.

The Group's marketing policies are well structured and all replacement sales are predominantly through dealers and the outstanding are secured by dealer deposits. As regards sales to O.E., and other institutional sales, the Group carries out periodic credit checks and also limits the exposure by establishing maximum payment period for customers and by offering prompt payment discounts. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31st March, 2024 is 0.02% (31st March, 2023 - 0.02%) of the total trade receivables.

The Group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The allowance for lifetime ECL on customer balances for the year ended 31st March, 2024 was ₹ 3.71 Crores and for the year ended 31st March 2023 was ₹ 3.16 Crores.

(₹ Crores)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Balance at the beginning	3.16	2.99
Impairment loss recognised	1.10	0.17
Impairment loss reversed	0.55	-
Balance at the end	3.71	3.16

The Group holds cash and deposits with banks which are having highest safety rankings and hence has a low credit risk.

Investments in mutual funds are primarily debt funds, which have high safety ratings and are monitored on a monthly basis and the Group is of the opinion that its mutual fund investments have low credit risk.

iii) Liquidity Risk

The Group manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Group has a system of forecasting rolling three months cash inflow and outflow and all liquidity requirements are planned.

All Long term borrowings are for a fixed tenor and generally these cannot be foreclosed.

The Group has access to various source of Short term funding and debt maturing within 12 months can be rolled over with existing lenders/new lenders, or repaid based on short term requirements.

Trade and other payables are plugged into the three months rolling cash flow forecast to ensure timely funding, if required.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The details of the contractual maturities of significant financial liabilities as at 31st March, 2024 are as under: (₹ Crores)

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	Note11 and 14	1351.01	551.22	100.00	88.67
		(1605.92)	(452.22)	(299.99)	(88.67)
Trade Payable	Note 15	2652.78	-	-	-
		(2435.77)	(-)	(-)	(-)
Other Financial Liabilities	Note 16	379.42	-	-	-
		(600.37)	(-)	(-)	(-)
Employee Benefit liabilities	Note 16	129.21	-	-	-
		(122.27)	(-)	(-)	(-)
Unclaimed dividends	Note 16	2.29	-	-	-
		(2.76)	(-)	(-)	(-)
Lease Liabilities		91.19	182.98	189.87	282.34
		(75.49)	(155.79)	(151.01)	(201.82)

Figures in brackets are in respect of Previous year

NOTE 25: ADDITIONAL/EXPLANATORY INFORMATION

a. Disclosures

(i) The Notes to these consolidated Ind AS financial statements are disclosed to the extent relevant and necessary for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No.39/2014 dated 14th October,2014.

(ii) Movement in Provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and Contingent Assets" are the same as disclosed in the Standalone Ind AS Financial Statements.

(iii) Consolidated Employee benefit disclosures are not materially different from the employee benefit disclosures of the standalone Ind AS financial statements of the Company.

b. Earnings Per Share:

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
Profit after taxation	₹ Crores	2081.23	768.94
Number of equity shares (Face Value ₹ 10/-)	Nos.	4241143	4241143
Earnings per share (Basic & Diluted)	₹	4907.24	1813.04

c. Related party disclosures:

(a) Names of related parties and nature of relationship with whom transactions have taken place:

Key Management Personnel (KMP):	i)	Mr. K.M. Mammen, Chairman and Managing Director
	ii)	Mr. Arun Mammen, Vice Chairman and Managing Director
	iii)	Mr. Rahul Mammen Mappillai, Managing Director
	iv)	Mr. Samir Thariyan Mappillai, Whole time Director
	v)	Mr. Varun Mammen, Whole time Director
	vi)	Mr. S. Dhanvanth Kumar, Company Secretary
	vii)	Mr. Madhu P Nainan, Executive Vice President Finance
Close Members of the family of KMP	i)	Mrs. Ambika Mammen, Director (Wife of Chairman and Managing Director)
	ii)	Dr. (Mrs) Cibi Mammen, Director (Wife of Vice Chairman and Managing Director)
	iii)	Mrs. Meera Mammen (Mother of Mr Varun Mammen)
Companies in which Directors are interested:		Badra Estate & Industries Limited, Devon Machines Pvt Ltd, Coastal Rubber Equipments Pvt Ltd, Braga Industries LLP, Jcee Manufacturing & Services Pvt Ltd., Funskool (India) Ltd, VPC Freight Forwarders Pvt Ltd, The Malayala Manorama Co Private Limited, Tarapore and Company, Tarapore Constructions Private Limited, The J.H. Tarapore Foundation, Taylor Logistics Private Limited
Other Related Parties		Mr. Jacob Kurian-Director, MRF Ltd Executives Provident Fund Trust, MRF Management Staff Gratuity Scheme, MRF Employees Gratuity Scheme, MRF Managers' Superannuation Scheme, MRF Foundation. Mr. Philip Eapen, Mr. Mammen Eapen, Mr. Zachariah Kurian, Mr. George Mammen, Mr. Mammen Mathew

(b) Transactions with related parties (excluding reimbursements): (₹ Crores)

Nature of Transaction		KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
		Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024
i	Sale of Materials	-	-	0.37	0.10
		(-)	(-)	(0.90)	(0.15)
ii	Purchase of Materials/Machinery	-	-	231.76	-
		(-)	(-)	(249.78)	(-)
iii	Payment towards Service	-	-	24.05	-
		(-)	(-)	(16.24)	(-)
iv	Selling and Distribution Expenses	-	-	1.62	-
		(-)	(-)	(1.48)	(-)
v	Other Receipts	-	-	1.89	-
		(-)	(-)	(2.02)	(-)
vi	Professional charges	-	-	-	0.12
		(-)	(-)	(-)	(0.49)
vii	Contribution to Retirement Benefit fund /Others	-	-	-	112.62
		(-)	(-)	(-)	(60.91)
	Compensation*				
viii.	Short term Employee benefit (including Commission payable to KMP)	103.44	2.98	-	1.24
		(93.86)	(2.63)	(-)	(1.52)
ix.	Sitting fees	-	0.02	-	-
		(-)	(0.02)	(-)	(-)

* Remuneration does not include provisions made for Gratuity and Leave benefits amounting to ₹ 2.46 Crores(Previous year ₹ 2.09 Crores)

(₹ Crores)

Nature of Transaction		KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
		Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024	Year Ended 31.03.2024
Outstanding as at Year End					
x	Other Receivables	-	-	1.78	0.09
		(-)	(-)	(1.78)	(0.04)
xi	Trade Payables	-	-	33.39	-
		(-)	(-)	(29.34)	(-)
xii	Commission Payable	42.49	-	-	-
		(38.28)	(-)	(-)	(-)
xiii	Contribution payable to Retirement Benefit fund /Others	-	-	-	75.52
		(-)	(-)	(-)	(40.61)

Figures in brackets are in respect of Previous year

(c) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

d. Additional information on Net Assets and Share of Profit as at 31st March, 2024

Name of the entity		Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of net Profit	Amount (₹ Crores)	As a % of OCI	Amount (₹ Crores)
Parent							
- MRF Ltd.	2023-24	98.41	16436.63	98.18	2736.83	99.12	(34.95)
	2022-23	98.64	14507.39	104.71	1120.03	100.57	(21.01)
Subsidiaries							
Indian							
- MRF Corp.Ltd	2023-24	0.98	163.64	0.92	25.71	0.88	(0.31)
	2022-23	0.97	143.08	2.12	22.71	(0.47)	0.10
- MRF International Ltd.	2023-24	0.01	2.18	0.01	0.15	-	-
	2022-23	0.01	2.08	0.01	0.13	-	-
Foreign							
- MRF Lanka (P) Ltd.	2023-24	0.06	9.53	0.14	3.87	-	-
	2022-23	0.04	5.22	0.24	2.56	(0.10)	0.02
- MRF SG PTE. LTD	2023-24	0.54	91.01	0.75	20.86	-	-
	2022-23	0.34	49.89	(7.08)	(75.71)	-	-
Minority Interest							
Indian Subsidiary	2023-24	-	0.17	-	-	-	-
	2022-23	-	0.16	-	-	-	-

e. Disclosures under Ind AS 108 - "Operating Segment" :

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.

Entity wide disclosure as per paragraph 31 of Ind AS 108: (₹ Crores)

Particulars		Year ended 31.03.2024	Year ended 31.03.2023
(i)	Products :		
	Automobile Tyres	22645.73	20665.22
	Automobile Tubes	1428.15	1336.42
	Speciality Coating	481.67	419.51
	Others	423.62	402.97
		24979.17	22824.12
(ii)	Revenue from Customers:		
	India	23092.28	20947.24
	Outside India	1886.89	1876.88
		24979.17	22824.12
(iii)	Non Current Assets :		
	India	16286.29	15115.59
	Outside India	13.59	12.65
(iv)	There are no transactions with single customer which amounts to 10% or more of the Group's revenue.		

f. Terms of Repayment and Security Description of Current Borrowings:

i) Loans repayable on demand from banks are secured by hypothecation of Inventories and book debts, equivalent to the outstanding amount and carries interest rates at the rate of 6.88% to 7.90% (Previous year 4.00% to 7.90%).

g. Terms of Repayment and Security Description of Non Current Borrowings:

i) Indian Rupee Term Loan (Unsecured) from the HSBC Bank

a) Indian Rupee Term Loan of ₹ 150 Crores availed in February, 2019 is for capital expenditure. Interest is payable at a rate equal to the three months T-Bill rate plus a margin of 1.49% (Previous year- 1.49%) payable monthly. The said Loan is repaid in one full installment in February, 2024.

b) Indian Rupee Term Loan of ₹ 150 Crores availed in July, 2021 is for capital expenditure. Interest is payable at a rate equal to the three months T-Bill rate plus a margin of 1.33% payable monthly. The said Loan is repayable in three equal annual installment in July, 2025/July 2026/ July, 2027.

ii) Indian Rupee Term Loan (Unsecured) from the HDFC Bank

a) Indian Rupee Term Loan of ₹ 300 Crores availed in June, 2020 is for capital expenditure. Interest is payable at a rate equal to repo rate plus a margin of 1.70% payable monthly. The said Loan is repayable in three equal annual installment in June 2024/June 2025/June 2026.

b) Indian Rupee Term Loan of ₹ 150 Crores availed in June, 2021 is for capital expenditure. Interest is payable at a rate equal to repo rate plus a margin of 0.75% payable monthly. The said Loan is repayable in three equal annual installment in June 2025/June 2026/June 2027.

iii) 15,000 [Floating Interest rate linked to 6 month T-Bill rate] Listed Unsecured rated redeemable Taxable Non Convertible Debentures of ₹ 1,00,000/- each aggregating to ₹ 150 Crores issued on 24th February 2023, are to be redeemed on 24th February, 2026.

iv) Secured Loan of ₹ 80.92 Crores was availed under SIPCOT soft loan in March 2020. Further, additional SIPCOT Loan (secured) of ₹ 7.75 Crores was availed in March 2023. Interest is payable quartely at a rate of 0.10% (Previous year - 0.10%). These loans are secured by way of second charge on the Fixed Assets created at the Company's plants at Perambalur, near Trichy, Tamil Nadu. These loans will be repaid in full in April 2033 and March 2036 respectively.

v) Deferred payment credit is repayable along with interest (at varying rates) in 240 consecutive monthly instalments ending in March 2026.

h. Events Occuring after the Balance Sheet date

The proposed final dividend for Financial Year 2023-24 amounting to ₹ 82.28 Crores will be recognised as distribution to owners during the financial year 2024-25 on its approval by Shareholders. The proposed final dividend amounts to ₹194 /- per share.

i. Commitment:

(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for - ₹ 1334.36 Crores (Previous Year ₹ 2185.02 Crores).

(ii) Guarantees given by the Banks - ₹ 56.10 Crores (Previous Year - ₹ 130.78 Crores).

(iii) Letters of Credit issued by the Banks - ₹ 373.82 Crores (Previous Year - ₹ 265.58 Crores).

(iv) Commitment to Rubber Board towards Promotion of Rubber Plantations in North East and Other Parts of India- ₹ 294.01 Crores (net of payments) (Previous Year - ₹ 365.86 Crores).

j. Contingent Liabilities not provided for:

Claims not acknowledged as debts:

(a) Competition Commission of India (CCI) matter - Refer Note 1 below

(b) Disputed Sales Tax demands pending before the Appellate Authorities /High Court - ₹ 254.46 Crores (Previous Year - ₹ 198.44 Crores). Against the said demand the Company has deposited an amount of ₹ 3.50 Crores (Previous Year - ₹ 3.48 Crores).

(c) Contractual claims not acknowledged - ₹ 7.76 Crores (Previous Year - ₹ Nil).

(d) Disputed Excise/Customs Duty demands pending before the Appellate Authorities/High Court - ₹ 594.47 Crores (Previous Year - ₹ 377.84 Crores). Against the said demand the Company has deposited an amount of ₹ 16.13 Crores (Previous Year - ₹ 16.13 Crores).

(e) Disputed Income Tax Demands - ₹ 417.27 Crores (Previous Year - ₹ 275.64 Crores). Against the said demand the Company has deposited an amount of ₹ 162.18 Crores (Previous Year - ₹ 131.61 Crores).

(f) Disputed Goods and Service Tax demands pending before the Appellate Authorities - ₹ 37.12 Crores (Previous Year - ₹ 0.56 Crores). Against the said demand the Company has deposited an amount of ₹ 2.69 Crores (Previous Year - ₹ 0.05 Crores).

Note 1 : 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 Holding Company and also the Automotive Tyre Manufacturers' Association, concerning the breach of the provisions of the Competition Act 2002, during the year 2011-12. A penalty of ₹ 622.09 Crores was imposed 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, the Holding Company has filed an appeal before the Hon'ble Supreme Court against the order of NCLAT, which has been tagged with the appeal filed by CCI in the Supreme Court. The Holding Company is of the view that no provision is considered necessary in respect of this matter in the Consolidated Financial Statements.

k Extended Producer Responsibility (EPR)

Vide Notification dated 21st July 2022, The Ministry of Environment, Forest and Climate Change notified Regulations on Extended Producer Responsibilities (EPR) for waste tyres applicable to tyre manufacturers. The Holding Company has a present legal obligation as at the year end to recognize a liability with respect to the levy. Due to insufficient information available on the measurability of the EPR obligation in the earlier year, the Holding company has recognized the provision for 2022-23, amounting to ₹ 46.36 Crores at the year ended 31st March 2024. The provision taken for 2023-24 is ₹ 98.14 Crores. The obligations are to be fulfilled by purchasing certificates from recyclers who are registered with the Central Pollution Control Board. The calculation of the levy is based on the domestic revenue, generated in 2020-21 (used for computing obligation in 2022-23) and in 2021-22 (used for computing obligation in 2023-24).

l Other Statutory Information

(i) The Holding Company and Companies incorporated in India does not have any Benami property nor any proceeding has been initiated or pending against the companies.

(ii) The Holding Company and Companies incorporated in India does not have any transactions with companies struck off.

(iii) The Holding Company and Companies incorporated in India does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Holding Company and Companies incorporated in India has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Holding Company and Companies incorporated in India has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the companies or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Holding Company and Companies incorporated in India has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the companies shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the companies (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Holding Company and Companies incorporated in India has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Holding Company and Companies incorporated in India has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

(ix) The quarterly returns or statements of current assets filed by the Holding Company and Companies incorporated in India with banks or financial institutions are in agreement with the books of accounts.

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg. No. 107122W / W100672

N. KASHINATH
Partner
Mem. No. 036490
Chennai

For SASTRI & SHAH
Chartered Accountants
Firm Reg. No. 003643S

C R KUMAR
Partner
Mem. No. 026143
Chennai

MADHU P NAINAN
Executive Vice President
Finance
Chennai

S DHANVANTH KUMAR
Company Secretary
Chennai

JACOB KURIAN
Director
DIN : 00860095
Chennai

V SRIDHAR
Director
DIN : 00020276
Chennai

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202
Chennai

Dated 03rd May, 2024

FORM AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

SUBSIDIARIES

(₹ Crores)

Sr. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting Period of the Subsidiary	Reporting Currency	Exchange Rate as on 31.03.2024	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Extent of shareholdings (in %)
1	MRF Corp Ltd	26.08.1985	1st April 2023 to 31st March 2024	INR	1	0.05	163.63	297.74	134.06	1.03	485.09	25.71	4.74	20.97	0.10*	100.00%
2	MRF International Ltd	23.10.1992	1st April 2023 to 31st March 2024	INR	1	0.56	2.32	2.88	-	-	0.16	0.15	0.04	0.11		94.66%
3	MRF Lanka (P) Ltd	15.06.2005	1st April 2023 to 31st March 2024	LKR	0.28	15.01	9.53	26.20	1.66	-	14.76	3.87	1.06	2.81		100.00%
4	MRF SG PTE. LTD	23.07.2014	1st April 2023 to 31st March 2024	USD	83.38	6.11	91.01	546.77	449.65	-	2,222.93	20.86	1.83	19.03		100.00%

* The Proposed Dividend is not recognised in books as per Ind AS.

MADHU P NAINAN
Executive Vice President
Finance

S DHANVANTH KUMAR
Company Secretary

JACOB KURIAN
Director
DIN: 00860095

V SRIDHAR
Director
DIN: 00020276

K M MAMMEN
Chairman & Managing
Director
DIN: 00020202

Chennai,
Dated 03rd May, 2024



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