



INNOVATE.
ACCELERATE.

30 YEARS OF LEADERSHIP

MRF

ANNUAL REPORT 2016-17

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CHAIRMAN'S MESSAGE



Dear Shareholder,

The Indian Tyre Industry went through a very turbulent year with economic volatility, further compounded by initiatives like demonetization and changeover from BS III to BS IV norms.

India continues to be one of the favourable economies in the world, in terms of growth and investment opportunities. A near normal monsoon in 2016/17, especially in the North and West has resulted in a healthy upswing in the agrarian economy, which should augur well in the coming year. The year 2017 will see new taxation and commercial reforms which will add to the growth of the economy.

MRF's total income for the financial year ended 31.03.2017 is Rs. 15,078.01 crores. We have been market leaders for an unprecedented 30 years. However, competition has become stronger with tyre companies increasing their manufacturing capacities. Your company will continue to strive to be the customers' preferred brand in the market by constantly improving product superiority, widening distribution network and ensuring brand dominance across all segments.

MRF continues to earn accolades. Your company has been recognized as the 3rd fastest growing company during the period 2011-2016 by Business World Magazine published in April 2017 among companies with a turnover of more than Rs.10,000 crores. The MRF brand has also figured for the second time in the prestigious list of India's most valuable brands - BRANDZ TOP 50.

Looking ahead, our initiatives in the new plants coupled with enhancement of our existing production capabilities, will be helpful in not only safeguarding our leadership position but also in increasing our global footprint. We, at MRF, have a deep understanding of the country, its people, its roads, its culture and its market - and this is the critical differentiator which gives us the advantage over our competitors. Coupled with innovative business solutions and multiple modernization initiatives, MRF will be ready for whatever the future may hold.

K.M. MAMMEN

Chairman & Managing Director

— NEW PRODUCT LAUNCHES —



TWO WHEELER TYRES:

Masseter by MRF has been engineered for performance and delivers excellent grip and superior control on any road, even at advanced lean angles.

OTR:

Musclerok E4 tyres meant for dump trucks, found its first ever bias fitment on the giant Komatsu 100 ton dump truck.



— NEW PRODUCT LAUNCHES —



TRUCK RADIALS:

S1F4 10 R 20 is a high mileage steer axle fitment option for trucks and an all-wheel fitment for buses. This product delivers superior tread life compared to the best premium rib tyres in the market today.

S1R4 Plus 295/80 R 22.5 is an all-wheel position tyre for premium buses capable of delivering comfort at high speeds. The tyre has been approved by Volvo, Mercedes-Benz and Scania as OE fitment on their buses.



— AWARDS AND ACCOLADES —



MRF was for the second year in a row listed in the prestigious BRANDZ Top 50 Most Valuable Indian Brands listing. The only tyre company to figure in this select list.

MRF was listed in Business World Magazine as one of India's fastest growing companies. The article highlighted the product designing capability of MRF thanks to its team of 300 engineers and scientists.



— **MRF MOTORSPORT TYRES** —



MRF participated in the prestigious Autosport International Exhibition in Birmingham, UK to showcase its range of MRF Motorsport Tyres, a precursor to entering the competitive European tyre market in the near future.

— **APRC / MRF CHALLENGE** —



Team MRF created rallying history by winning the FIA Asia Pacific Rally Championship (APRC) title for the 8th time, the only Indian tyre brand to have achieved this singular honour.

The MRF Challenge, India's fastest racing series, is now in its 5th season and features a faster and improved MRF F2000 car. The event was held in Formula 1 grade circuits at Bahrain, Dubai and New Delhi, with the season finale in Chennai during February 2017.

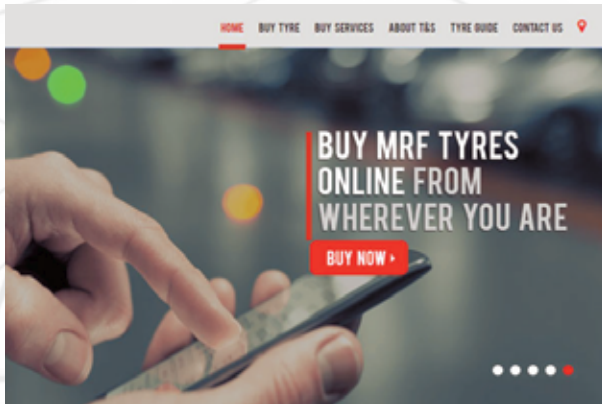


SPECIALITY COATINGS



MRF AquaFresh Cool is an acrylic paint for roofs designed to reflect IR radiations, facilitating reduction in the transfer of heat from the roof to the interiors of the building. This single pack water based paint (available in white) continuously reflects the sun's rays in the visible and near infra-red wavelengths back to the atmosphere, preventing heat build-up on the roof. This paint, with high solar reflectance helps to reduce the heat penetrating into the building especially in summers and ensures greater comfort for the occupants. The temperature difference between the coated and uncoated roof can range between 5°C to 12°C, depending on the ambient temperature. The higher the temperature of the surroundings, the greater will be the reduction in the temperature.

— ONLINE RETAILING —



With e-commerce booming in India, MRF decided to step into the digital world with its own e-commerce service. The online portal's simple to use interface provides a hassle-free experience for customers to buy tyres and tyre-related services with ease. This unique initiative provides customers convenience in purchase as well as ensures that the services are provided by our own world-class network of T&S Franchisees. This facility is available in select cities.