

# **MRF**

ANNUAL REPORT 2017-18



# ***FUTURE READY***

***MUSCLE IN MOTION***

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# CHAIRMAN'S MESSAGE



Dear Shareholder,

The year 2018 marks the Company's consolidation of its fourth decade of leadership in the Indian Tyre Industry.

The first half of the year saw the implementation of the Goods & Services Taxation (GST), the effect of which was felt across sectors, more so by small industries and traders. Short term impact of GST seems to have worn off and one expects that in the long run, this would provide transparency in Operations and benefit both industry and consumers.

India continues to be one of the proverbial bright spots among large economies of the world. The agrarian economy got a healthy fillip due to a good monsoon, thus giving a push to rural demand. This, along with large infrastructure development and investments, is expected to further give an impetus to the Indian economy in the coming year.

MRF's total income for the financial year ended 31st March 2018 is Rs.15510 crores. Your company continues to grow and will leave no stone unturned to be the customers' most preferred brand by raising the benchmarks for product range and superiority.

Your company's latest premium product – PERFINZA, has won the "Product of the Year" award from the prestigious Car India/Bike India magazine. MRF also has the unique distinction of being the only Tyre Company to be awarded the "JD Power India Customer Satisfaction Original Equipment Tyres Award" for Passenger Cars and Utility Vehicles in 2018 for a record 13th time.

As the leader in the Tyre Industry, we constantly need to evaluate our capabilities as well as make investments to improve our market position. In this direction, we have laid the foundation stone of our plant at Dahej, Gujarat and it is expected to come on stream in the next two years.

MRF's unique insights into the country, its people, culture, customers, roads and trade channels, combined with its speedy and innovative products and "Go-to-Market" strategies, will ensure its continued dominance in the market.

**K.M. MAMMEN**

Chairman & Managing Director

# ***NEW PRODUCT LAUNCHES***

## ***PERFINZA BY MRF***



**Perfinza by MRF**, a range of tyres for luxury sedans was launched by A B De Villiers, MRF's global brand ambassador. Designed and engineered by MRF R&D, the tyres were extensively tested at the IDIADA proving grounds near Barcelona in Spain, Europe's most comprehensive independent testing centre. Perfinza achieved the distinction of being the first tyre manufactured by an Indian company to be approved by a leading global luxury car manufacturer.

Perfinza by MRF also received the prestigious **2018 Product of the Year Award** from Car India magazine, a fitting recognition of perfection and finesse that the tyre delivers.

# ***NEW PRODUCT LAUNCHES***

## ***TRUCK RADIALS***



**S3H8 10 R 20** is a heavy loading application premium radial tyre for construction trucks.



**S1M4 Plus 8.25 R 20** is an all-wheel fitment tyre for LCV's.



**S1M4 Plus 9 R 20** is an all-wheel fitment tyre for new generation LCV's, mainly as OE fitment.



**S3K4 9 R 20** is a drive axle fitment tyre for new generation ICV's, mainly as OE fitment.

# ***MRF TWO-WHEELER TYRES- WORLD-CLASS RANGE***



**MRF ZAPPER** delivers superior grip, better road contact and excellent traction thanks to a unique tread compound.

**MRF REVZ** is India's first radial tyre for high performance bikes with exceptional cornering stability and enhanced control at high speeds.



**MRF MASSETER** tyres are engineered to perform with advanced L.A.P.S formula to deliver vice-like grip and superior control even at advanced lean angles.

## ***MRF TYREDROME- WORLD-CLASS TYRE CARE***



**The MRF Tyredrome** was born with a vision of providing high-tech tyre care and maintenance for new generation cars with an international ambience. The newest addition to this chain is the new MRF Tyredrome at Anna Nagar, making it the second in Chennai and the third in the country after Ernakulam, providing a range of services for discerning car customers ranging from robotic wheel alignment to automated car wash. The entire range of MRF tyres and tubes are also available at this new outlet.

# ***MRF - INDIA'S MOST AWARDED TYRE BRAND***



**BUSINESS WORLD:** MRF was listed in Business World magazine as one of India's fastest growing companies.

**FORBES INDIA:** MRF was listed in Forbes magazine's Super 50 Indian companies, the second time MRF is featuring in this prestigious listing.



**BRANDZ:** MRF was listed in BRANDZ Top 50 Most Valuable Indian Brands for the third year in a row in 2017 with a brand valuation of USD 1 billion.



**FROST & SULLIVAN:** MRF received the Frost & Sullivan India Passenger Car Tyres Aftermarket Price Performance Value Leadership Award.

**DUN & BRADSTREET:** MRF received the 2018 Corporate Award in the tyres category which focusses on business size and growth, profitability, efficiency, leverage, solvency and corporate governance.



## ***MRF'S PARTNERSHIP WITH THE INDIAN DEFENCE SERVICES***



MRF is one of the major suppliers of terrestrial and aviation application tyres to the Indian Armed Forces and exclusively developed tyres for the Indian Army for their special application vehicles like the Kraaz, Kolos and Tatra. MRF is also one of the major suppliers of tyres to Ashok Leyland and BEML for their defence application trucks and Pinaka rocket launchers.

MRF has also developed several aviation tyres for the Indian Air Force. The tyres for the Sukhoi fighter aircraft was handed over by our CMD **Mr. K.M. Mammen** to the Indian Air Force in the presence of the Defence Minister **Mrs. Nirmala Sitharaman** at a special function in Chennai. MRF plans to indigenise the tyres for MIG 29, LCA, HAWK, JAGUAR and IL 76 in the next few years. This endeavour has given a big boost to the "Make in India" programme and also made our armed forces more self-reliant for critical components rather than depend on imports.

# ***SPECIALITY COATINGS***



**MRF Corp Limited**, a pioneer in speciality coatings for wood and metal over the last two decades is reinventing itself as a company to provide innovative paint products for homes. The company will be working closely with key decision makers like dealers and contractors who are the service providers to customers who are either building a new home or renovating one.

After launching AquaFresh PUD Wall Finish, the company plans to launch Optima Acrylic Emulsion which can be used for both interiors and exteriors. The company also plans to use a dedicated mobile app “Bandhan” to connect with paint contractors across the country who are the goodwill ambassadors in the home paints business.

Other launches include a new compact Paint Tinting System powered by Corob™ from which a dealer can tint colours in AquaFresh and Optima for walls and WoodCoat Ultra pigmented finishes for interior furniture and kitchen shutters. The plan is to install 100 tinting machines across the country.

After having established leadership in the PU Exterior Wood Finish category with WoodCoat, the company plans to take a bigger share of the interior wood finishing category with focused activity on FreshWood interior finishes.