



ASCEND
NEW HEIGHTS

CONTENT

	PAGE		PAGE
1. CHAIRMAN'S MESSAGE	1	12. MANAGEMENT DISCUSSION AND ANALYSIS	38
2. NEW PRODUCT LAUNCHES - SUV TYRES	2	13. CORPORATE GOVERNANCE	43
3. NEW PRODUCT LAUNCHES - FARM TYRES	3	14. BUSINESS RESPONSIBILITY REPORT	58
4. J.D. POWER	4 - 5	15. AUDITOR'S REPORT	64
5. WORLD-CLASS TYRE CARE	6	16. BALANCE SHEET	72
6. INNOVATION - TRUCK TYRES	7	17. STATEMENT OF PROFIT AND LOSS	73
7. SPECIALITY COATINGS	8	18. SOCE AND CASH FLOW STATEMENT	74
8. MRF CHALLENGE	9	19. NOTES FORMING PART OF THE FINANCIAL STATEMENTS	79
9. RACING AHEAD	10-11	20. CONSOLIDATED FINANCIAL STATEMENTS	125
10. BOARD OF DIRECTORS	12	21. FORM AOC-1	180
11. BOARD'S REPORT	13		

CHAIRMAN'S MESSAGE



Dear Shareholder,

The current year is expected to be a tumultuous one for the Auto sector on account of various regulatory changes, especially the transition from BS IV to BS VI. The uncertainty is further compounded by lower consumer sentiments resulting in inventory build-up, and all OE manufacturers are aligning production in line with demand.

While India continues to be one of the preferred economies in the world in terms of investment and growth, these short term hiccups would have to be factored in by automobile companies and tyre manufacturers.

The country witnessed a smooth election and a new stable Government at the Centre. A new Finance Budget has been presented with a vision to becoming a \$5 trillion economy by 2025. There have been substantial allocations made, especially in Infrastructure, which should help the Road Transport Industry. This should augur well for the Tyre Industry.

The consumer price inflation was within the target limits set by the Monetary Policy Committee of RBI, and the Budget also focussed on the Ease of Doing Business, Incentives for Start-ups, and Housing for all.

MRF welcomes the incentives offered for the Electric Vehicles segment, which is the sunrise industry, but would have a long term impact.

The Indian Automotive Industry is expected to emerge as the world's third largest Passenger Vehicle segment by 2021 propelled by the economic growth that India has witnessed and the accompanying increased consumption and urbanisation in the country.

In the immediate future, the Industry faces challenges due to the paucity of credit funds, which have partly been addressed in the Budget with the expected infusion of Rs. 70,000 crore into the Public Sector Banks.

The next six months would see a volatile Auto sector on account of the shift to BS VI emission norms. The Tyre Industry would have to align its production in line with this requirement.

MRF registered a total income of Rs.16,254 Crores for the year ended 31st March 2019. This year marks the 32nd year that your company is the market leader in India and among the top 20 global tyre manufacturers. Our relentless focus on quality is the reason why we are India's most preferred brand and surging ahead.

Your company continues to win new accolades. This year we won the J.D. Power Asia Pacific Customer Satisfaction Award in two categories, in the passenger category and more notably in the farm segment, where we have been awarded the first place in the inaugural J.D. Power 2018 India Tractor Tyre Satisfaction Index.

Leadership comes along with great responsibilities and we are constantly striving to improve our capabilities across the board. Work is on at full swing at our tenth plant at Dahej, Gujarat.

MRF's customer centric approach, focus on quality, ability to work seamlessly with a host of partners and trade channels combined with a high degree of Innovation is what will propel the company further and ensure its dominant position in the market.

K.M. MAMMEN

Chairman & Managing Director

NEW PRODUCT LAUNCHES - SUV TYRES



MRF MARKUS

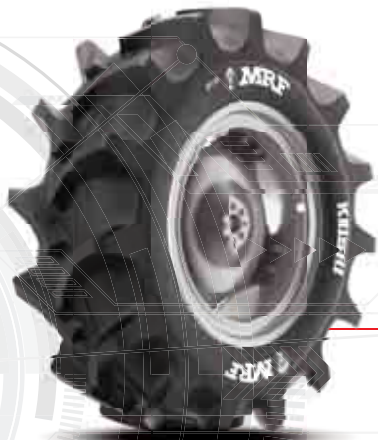
Markus by MRF, a range of tyres for premium SUVs was chosen as Original Fitment for the Skoda Kodiaq and the Mahindra Alturas G4. Markus was engineered for superior ride comfort, handling and stability - which are key requirements for luxury SUVs.



MRF WANDERER STREET

The newest addition to the Wanderer family - the Wanderer Street, was chosen as Original Fitment for the Mahindra Marazzo, Mahindra XUV 300 and the Hyundai Venue. The Wanderer Street delivers excellent on-road performance and is also very capable off-road.

NEW PRODUCT LAUNCHES - FARM TYRES



MRF KRISHI

The MRF Krishi is a shallow puddling application tyre with a special lug pattern for better grip on wet and soft soil and a strong casing for added durability.



MRF SHAKTI HR LUG

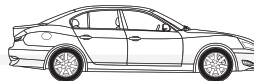
The MRF Shakti HR Lug is a deep wet puddling application tyre with a deep tread design and special lug pattern for better grip on deep, wet and slushy soil conditions and a strong casing for added durability.

J .D. POWER CUSTOMER SATISFACTION AWARD

PASSENGER CAR TYRES -
MRF TOPS J.D. POWER STUDY FOR THE 13th TIME



MRF was ranked highest in the J.D. Power Asia Pacific 2018 India Original Equipment Tire Customer Satisfaction Index (TCSI) Study in the mid-size car and utility vehicle segments. MRF is the only Indian tyre manufacturer to have won this award for a record 13 times.



RANKED NO.1 IN MIDSIZE CARS



RANKED NO.1 IN UTILITY VEHICLES

J .D. POWER CUSTOMER SATISFACTION AWARD

MRF RANKED HIGHEST IN THE INAUGURAL
J.D POWER TRACTOR TYRE STUDY



MRF had the unique distinction of being ranked highest in the inaugural 2018 J.D. Power India Tractor Tyre Satisfaction Index (TTSI) Study.

WORLD-CLASS TYRE CARE



MRF TYREDROME - CHENNAI

A landmark destination for tyre and vehicle care in Chennai, the MRF Tyredrome celebrated 30 years of serving the discerning customers of Chennai. There are currently 4 MRF Tyredromes in the country.



MRF MUSCLE ZONE

MRF continues to set benchmarks in tyre care and the newest retail brand which caters exclusively to the commercial tyre segment is the MRF Musclezone. A state-of-the-art service facility for commercial vehicles with services like wheel alignment, wheel balancing, nitrogen filling and many more. There are currently 6 MRF Musclezone outlets in the country.



INNOVATION- GOING BEYOND CONVENTIONAL THINKING

TRUCK TYRES



New axle load regulation was implemented for trucks from August 2018. In accordance with the new regulation, a new size tyre was required to meet the increased axle loads as the current 10 R 20 was not cleared by ITTAC for the increased loads.

While most of the companies thought that tubeless tyres was the only way to go, MRF used all its experience and knowledge of the Indian market and the Indian consumer to ensure that the customer would be comfortable with the tube type tyres and there will be no major disruptions from the current practices.



Hence MRF invented a new tyre size 295/90 R 20 which was not a standard size anywhere in the world. The proposal by MRF was verified by authorities in Europe and Japan before it was inducted in ITTAC.

SPECIALITY COATINGS



MRF Corp Limited had a good year in 2018-19. With the successful launch of the first 2-in-1 Acrylic Emulsion Paint, ALTURA, MRF Vapocure Paints sold more than 1000 kl of Wall finishes during the year for the very first time. Launch events in 10 cities, innovative trade schemes, interesting incentive programs for sales teams and a host of marketing initiatives along with the installation of 100 water based Tinting Machines scripted the success in the Wall Finishes segment. There are also plans to install at least 300 more water based tinting machines in 2019-20.

A new hub was created at Ghaziabad to stock materials for the Northern Markets. This will help the business cater to interior markets and will also create a positive perception in the minds of the customers.

A Training Center has been set up for the first time in Mumbai for training internal sales teams and external stakeholders like Architects, Interior Designers, Paint Contractors, Painters and also Dealers. Similar training centers are planned to be commissioned at Ghaziabad and Kochi in 2019-20.