MRF

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

071/SH/SE/BOARD/MAY-2018/KGG
3rd May,2018

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,

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH,2018

Please refer to our letter dated 24th April,2018.

Pursuant to the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, please find the following:

1. Audited financial results (standalone and consolidated) for the year ended 31st March,2018 as approved by the Board of Directors in the Board Meeting held today. Declaration with respect to Auditors' Report with unmodified opinion is given in Audited financial results.

2. Auditors' Report for audited financial results for both standalone and consolidated for the year ended 31st March,2018.

3. The Board of Directors have recommended a final dividend of Rs.54/-each per share on paid-up equity share capital of the Company. The Company has already declared and paid two interim dividends of Rs.3/- each per share for the financial year ended 31st March,2018. With the recommendation of final dividend of Rs.54/- per share, the total dividend for the above period works out to Rs.60/- per share.

4. The Register of Members will remain closed from 3rd August,2018, to 9th August,2018 (both days inclusive) for the purpose of payment of final dividend and Annual General Meeting.

5. The date of payment of dividend is on or after 17th August,2018 subject to the approval of the shareholders in the ensuing Annual General Meeting.

6. The Annual General Meeting of the Company is scheduled to be held on 9th August,2018.

7. The Board of Directors have approved issue of Non-Convertible Debentures not exceeding Rs. 500 Crores through Private Placement basis. For this purpose, approval of the shareholders is proposed to be obtained in the ensuing Annual General Meeting.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m and concluded at ...1:45... p.m.

Kindly take the same on your record.

Thanking you

Yours faithfully

For MRF LIMITED

RAVI MANNATH
COMPANY SECRETARY

MRF LIMITED

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

CIN: L25111TN1960PLC004306; Website: www.mrftyres.com; Email: mrfshare@mrfmail.com; Ph: 044-28292777 FAX: 28295087

Rs.Crores

Statement of Standalone/Consolidated Financial Results for the Quarter and Year ended 31st March,2018

PARTICULARS	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	Year ended
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Unaudited (Refer Note 3)	Unaudited	Unaudited (Refer Note 3)	Audited	Audited	Audited	Audited
I Revenue from Operations	3,865.38	3,798.82	3,712.84	15,227.07	14,749.40	15,410.99	14,929.21
II Other Income	79.37	44.83	65.39	282.48	328.61	284.63	330.97
III Total Income(I + II)	3,944.75	3,843.65	3,778.23	15,509.55	15,078.01	15,695.62	15,260.18
IV Expenses							
a) Cost of materials consumed	2,212.86	2,195.77	2,119.94	8,946.93	7,679.19	8,985.38	7,679.95
b) Purchase of stock-in-trade	9.30	7.39	10.15	44.89	42.38	45.96	42.85
c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	65.00	15.98	(132.60)	76.04	(222.08)	77.61	(227.71)
d) Excise Duty	-	-	374.40	405.15	1,497.18	410.59	1,516.98
e) Employee benefits expense	271.92	276.75	252.78	1,074.65	983.14	1,092.36	1,000.36
f) Finance costs	64.83	57.68	61.52	245.17	245.52	253.12	251.47
g) Depreciation and amortisation expense	186.71	177.82	162.19	705.34	609.15	706.72	610.58
h) Other expenses	620.27	599.75	565.42	2,409.47	2,177.16	2,471.23	2,276.33
Total expenses(IV)	3,430.89	3,331.14	3,413.80	13,907.64	13,011.64	14,042.97	13,150.81
V Profit before Exceptional Items and Tax (III-IV)	513.86	512.51	364.43	1,601.91	2,066.37	1,652.65	2,109.37
VI Exceptional Items	-	-	-	-	-	-	
VII Profit before Tax	513.86	512.51	364.43	1,601.91	2,066.37	1,652.65	2,109.37
VIII Tax expense:							
(1) Current Tax	125.37	150.00	1.50	390.77	457.00	402.14	465.06
(2) Deferred Tax	43.17	22.00	76.16	118.86	158.29	118.90	158.09
IX Profit for the period from Continuing operations (VII - VIII)	345.32	340.51	286.77	1,092.28	1,451.08	1,131.61	1,486.22
X Other Comprehensive Income(OCI)							
A(i) Items that will not be reclassified to profit or loss	15.29	(5.60)	(5.02)	(4.28)	(17.70)	(3.93)	(18.09)
(ii) Incometax relating to items that will not be reclassified to profit or loss	(5.29)	1.94	1.74	1.48	6.13	1.48	6.13
B(i) Items that will be reclassified to profit or loss	4.19	7.25	4.23	1.37	(8.06)	(0.64)	(9.58)
(ii) Incometax relating to items that will be reclassified to profit or loss	(1.45)	(2.51)	(1.46)	(0.46)	2.79	(0.46)	2.79
XI Total Comprehensive Income for the year attributable to:							
Owners of the Company	358.06	341.59	286.26	1,090.39	1,434.24	1,128.06	1,467.47
Non Controlling Interest	-	-	-	-	-	-	-
XII Paid up Equity Share Capital (Face Value of Rs.10/- each)	4.24	4.24	4.24	4.24	4.24	4.24	4.24
XIII Paid up Debt Capital*	500.00	500.00	500.00	500.00	500.00	500.00	500.00
XIV Earnings Per Share for Continuing Operations (of Rs.10/- each) (not annualised):							
Basic (Rs. Per Share)	814.20	802.87	676.17	2,575.43	3,421.44	2,668.17	3,504.29
Diluted (Rs. Per Share)	814.20	802.87	676.17	2,575.43	3,421.44	2,668.17	3,504.29
XV Other Equity excluding Revaluation Reserve	-	-	-	9,599.96	8,540.18	9,733.95	8,636.52
XVI Debenture Redemption Reserve	103.40	99.71	88.62	103.40	88.62	103.40	88.62
XVII Net Worth				9,604.20	8,544.42	9,738.19	8,640.76
XVIII Debt-Equity Ratio**				0.16	0.18	0.15	0.18
XIX Debt service coverage Ratio***				5.41	11.48	5.45	11.38
XX Interest service coverage Ratio****				10.68	12.28	10.65	12.18

See accompanying Notes to the financial results

SCA AND ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

MAHESH, VIRENDER & SRIRAM HYDERABAD CHARTERED ACCOUNTANTS

Standalone/Consolidated Statement of Assets and Liabilities

Rs.Crores

Particulars	Standalone		Consolidated	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
	Audited	Audited	Audited	Audited
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	6,057.84	5,474.35	6,074.70	5,489.01
(b) Capital Work-in-Progress	1,078.84	846.96	1,078.91	847.93
(c) Other Intangible Assets	17.47	13.23	17.47	13.23
(d) Financial Assets				
(i) Investments	1,092.42	1,080.57	1,071.27	1,059.39
(ii) Loans	14.09	3.68	14.15	3.87
(iii) Other financial assets	13.98	14.13	16.35	16.10
(e) Deferred Tax Asset(Net)			0.26	0.31
(f) Other non-current assets	342.31	304.72	342.61	304.99
(2) Current Assets				
(a) Inventories	2,172.07	2,392.92	2,197.33	2,425.27
(b) Financial Assets				
(i) Investments	3,054.02	2,313.78	3,073.73	2,322.71
(ii) Trade Receivables	2,135.92	1,959.95	2,149.93	1,969.00
(iii) Cash and cash Equivalents	98.79	178.35	193.06	246.54
(iv)Bank balances other than Cash and Cash Equivalents	40.62	96.07	40.62	96.07
(v) Loans	1.90	3.98	1.90	3.98
(vi) Other financial assets	8.64	10.08	8.63	10.15
(c) Other current assets	172.89	232.35	197.56	239.92
TOTAL ASSETS	**16,301.80**	**14,925.12**	**16,478.48**	**15,048.47**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	4.24	4.24	4.24	4.24
(b) Other Equity	9,599.96	8,540.18	9,733.95	8,636.52
(c) Non Controlling Interest	-	-	0.12	0.12
Total Equity	9,604.20	8,544.42	9,738.31	8,640.88
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1,319.33	1,238.32	1,319.33	1,238.32
(b) Provisions	152.74	137.26	153.04	137.49
(c) Deferred Tax Liabilities (Net)	619.01	501.17	619.83	502.00
(d) Other non-current liabilities	58.08	27.74	58.08	27.74
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	228.37	573.34	688.52	834.13
(ii) Trade Payables	1,998.96	1,677.08	1,568.51	1,408.37
(iii) Other Financial Liabilities	531.12	550.85	536.55	576.05
(b) Other Current Liabilities	1,638.90	1,491.62	1,640.64	1,496.42
(c) Provisions	142.83	120.88	142.73	121.62
(d) Current Tax Liabilities (Net)	8.26	62.44	12.94	65.45
Total Liabilities	6,697.60	6,380.70	6,740.17	6,407.59
TOTAL EQUITY AND LIABILITIES	**16,301.80**	**14,925.12**	**16,478.48**	**15,048.47**

PCA AND ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

MAHESH, VIRENDER & SRIRAM HYDERABAD CHARTERED ACCOUNTANTS

Notes:

(1) Sales included in Revenue from operations for the Quarter ended 31st March,2018 is net of Goods and Service Tax(GST). However, Sales included in Revenue from operations till period ended 30th June,2017 and comparative periods is gross of Excise Duty.

(2) The above Financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 3rd May,2018.

(3) The figures for the Quarter ended 31 March, 2018 and 31st March,2017 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third Quarter of the Financial year.

(4) 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 Conveyor Belt. These 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.

(5) The Board of Directors has recommended a final dividend of Rs.54/- per share which along with two interim dividends of Rs.3 each already paid works out to Rs. 60/- per share for the year ended 31st March,2018.

(6) The Company's rating agencies,i.e.CARE and ICRA has reaffirmed its rating of "CARE AAA" / " [ICRA] AAA" for Non Convertible Debentures: CARE has also reaffirmed the rating of "CARE AAA" for Long term Banking Facility and, " CARE A1+" for Short term Banking Facility.

(7) In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27 May, 2016 the Company hereby declares that the auditors have issued audit reports both for standalone and consolidated financial results with unmodified opinion for the year ended 31 March 2018

(8) The Listed Secured Redeemable Non Convertible Debentures of the Company aggregating to Rs.500 Crore as on 31st March,2018 are secured by way of legal mortgage of Company's Land at Gujarat, India and hypothecation by way of first charge on Plant & Machinery at the Company's Plants at Perambalur, Trichy, Tamilnadu, equivalent to the outstanding amount.

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

Sl No	Particulars	Previous Due Date (Paid on Due date)		Next Due Date	
		Principal	Interest	Principal (Part redemption)	Interest
1	10.09% Non-Convertible Debentures - 500 Crs	-	29th May 2017	27th May 2019	28th May 2018

(10) The figures for the previous periods have been regrouped wherever necessary.

* Paid up Debt Capital represents Secured Redeemable Non-Convertible Debentures.

** Debt to Equity : Long Term Debts/Total Net Worth

*** Debt Service Coverage Ratio : EBDIT/(Interest + Principal Repayment during the period)

**** Interest Service Coverage Ratio : EBDIT/Interest Expenses

For MRF LIMITED

RAHUL MAMMEN MAPPILLAI
Managing Director

Place: Chennai
Date: 3rd May, 2018

SCA AND ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

MAHESH, VIRENDER & SRIRAM CHARTERED ACCOUNTANTS HYDERABAD

SCA AND ASSOCIATES
Chartered Accountants,
501-D, 5th Floor
Poonam Chambers A Wing
Dr. Annie Besant Road, Worli
MUMBAI-400 018

MAHESH, VIRENDER & SRIRAM
Chartered Accountants,
BADHE HOUSE
6-3-788/36 & 37/A
Durga Nagar, Ameerpet,
HYDERABAD-500 016

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF MRF LIMITED

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1. We have audited the accompanying Statement of Standalone Financial Results of MRF Limited ("the Company") for the year ended 31st March, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. The statement, as it relates to the quarter ended 31st March, 2018, has been compiled from the related standalone financial statements prepared in accordance with Indian Accounting Standard 34 Interim Financial Reporting" and are the balancing figures between the audited figures in respect of the full financial year and year-to-date figures up to the third quarter of the financial year, subjected to Limited Review (Refer Note 3) and as it relates to the year ended 31st March, 2018 has been compiled from the related annual standalone financial statements prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone financial statements for the year ended 31st March, 2018 and our review of standalone financial results for the quarter ended 31st March, 2018.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error.

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SCA AND ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

MAHESH, VIRENDER & SRIRAM HYDERABAD CHARTERED ACCOUNTANTS

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In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:

   i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016; and

   ii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the profit and total Comprehensive Income and other financial information of the Company for the year ended 31st March, 2018.

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For SCA AND ASSOCIATES
Chartered Accountants
Firm Reg.No.101174W

Shivratan Agarwal
Partner
Mem.No.104180

Place: Chennai
Date May 03, 2018

For MAHESH, VIRENDER & SRIRAM
Chartered Accountants
Firm Reg.No.001939S

B R Mahesh
Partner
Mem.No.18628

SCA AND ASSOCIATES
Chartered Accountants,
501-D, 5th Floor
Poonam Chambers A Wing
Dr. Annie Besant Road, Worli
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MAHESH, VIRENDER & SRIRAM
Chartered Accountants,
BADHE HOUSE
6-3-788/36 & 37/A
Durga Nagar, Ameerpet,
HYDERABAD-500 016

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF MRF LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of MRF Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31st March, 2018 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement is the responsibility of the Holding Company's Management and is approved by the Board of Directors. This statement, as it relates to the year ended 31st March, 2018 has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

SCA AND ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

MAHESH, VIRENDER & SRIRAM HYDERABAD CHARTERED ACCOUNTANTS

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4. Our opinion on the Statement is not modified in respect of the above matter with regard to our reliance on the work done and the reports of the other auditors.

5. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in Paragraph 4 above, the Statement;

   i. includes the results of entities as given below:

      MRF Corp Limited
      MRF International Limited
      MRF Lanka (Private) Limited
      MRF SG Pte Ltd.

   ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016; and

   iii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the profit, total comprehensive income and other financial information of the Group for the year ended 31st March, 2018.

6. We did not audit the financial statements of certain subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.677.83 Crores as at 31st March, 2018, total revenues of Rs.1,503.94 Crores, total net profit after tax of Rs. 43.79 Crores and total comprehensive income of Rs.44.14 Crores for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, on the Statement, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

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For SCA AND ASSOCIATES
Chartered Accountants
Firm Reg.No.101174W

Shivratan Agarwal
Partner
Mem.No.104180

SCA AND ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

For MAHESH, VIRENDER & SRIRAM
Chartered Accountants
Firm Reg.No.001939S

B R Mahesh
Partner
Mem.No.18628

MAHESH, VIRENDER & SRIRAM HYDERABAD CHARTERED ACCOUNTANTS

Place: Chennai
Date May 03, 2018

PRESS RELEASE

MRF's total income [net of excise duty], is Rs 15,104.40 Crores for the year ended 31st March 2018, an increase of 11.22% as compared to Rs.13,580.83 Crore in the previous year. The Profit before tax stood at Rs 1601.91 Crore for the year ended 31st March 2018, as against Rs.2,066.37 Crore for the previous financial year. After making provision for Income-Tax, the net profit for the year ended 31st March 2018 is Rs 1092.28 Crores as against Rs.1,451.08 Crores for the previous financial year.

The Company's export for the year ended 31st March 2018, was Rs. 1353 Crore as against Rs.1,316 Crore for the previous year ended 31st March 2017.

The Board of Director's today recommended a final dividend of Rs 54/- per share (540 %) for the year ended 31st March 2018. With two interim dividends of Rs.3/- each paid during the above year, the aggregate dividend for the year is Rs 60/- per share. (600%)

MRF is ranked among the worlds' top 20 Tyre Manufacturers and 2018 marks the year where the company enters the 31st year of its leadership of the Indian Tyre industry.

In the last fiscal, the introduction of the landmark Goods and Services Tax (GST) brought in some uncertainties as businesses adjusted to the new tax regime. However a good monsoon resulted in a healthy upswing in the agrarian economy and stoked a recovery in rural demand. Heavy spending on infrastructure by the government helped support long-term growth.

The Indian Automotive sector clocked significant growth in the 2018 fiscal, buoyed by healthy volume growth across segments. The Commercial Vehicle category witnessed robust growth, especially during the second half of the last financial year, which augurs well for the Tyre industry.

Escalation in the cost of crude based inputs remains a concern and will add pressure to the bottom-line. At the same time the competitive intensity in the industry continues to remain at fever-pitch due to anticipated 'on-streaming' of several Greenfield and Brownfield capacities by many players in the months ahead.

Date : 03/05/2018

Place : Chennai