

Independent Auditor's Report to the Members of Mahindra & Mahindra Limited

Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of **Mahindra & Mahindra Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and the statement of changes in equity of the Group including its Associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in para 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor's on separate financial statements of the subsidiaries, associates and joint ventures referred to below in the other matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31st March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

8. We did not audit the financial statements of one hundred and forty one subsidiaries, whose financial statements reflect the total assets of Rs. 77,957.45 Crores as at 31st March, 2017, the total revenues of Rs. 40,906.57 Crores and net cash inflows amounting to Rs. 550.97 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 125.53 Crores for the year ended 31st March, 2017, as considered in the consolidated Ind AS financial statements, in respect of six associates and twenty joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far

as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of subsection 3 of 143 of the Act, in so far as it relates to aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

9. The comparative financial information for the year ended 31st March, 2016, in respect of one hundred twenty subsidiaries, twenty six associates and eight joint ventures and the transition date opening balance sheet as at 1st April, 2015, in respect of seventy six subsidiaries, seven associates and eight joint ventures included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.
10. Our opinion on the consolidated Ind AS financial statements above, 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.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor's on separate financial statements and the other financial information of subsidiaries, associates and joint venture companies incorporated in India, referred to in the Other Matter paragraph above we report, to the extent applicable, 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 Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS 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, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary companies, associate company's and joint venture company's (incorporated in India) internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.
 - (ii) Provision has been made in the Consolidated Ind AS financial statements, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (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, associate companies and joint venture companies incorporated in India.
 - (iv) The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tala
Partner

Mumbai, 30th May, 2017

(Membership No. 38320)

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 11 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of Mahindra & Mahindra Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, 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 the 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over

financial reporting of its Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to fifty six subsidiary companies, four associate companies and eighteen joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

Consolidated Balance Sheet as at 31st March, 2017, 31st March, 2016 and 1st April, 2015

Rupees crores

	Note	2017	2016	2015
I. ASSETS				
NON-CURRENT ASSETS				
Property, Plant and Equipment.....	5	17,976.36	18,004.76	15,549.02
Capital Work-in-Progress.....		1,887.86	752.96	1,237.51
Goodwill.....	6	558.61	542.17	592.62
Other Intangible Assets.....	7	2,123.43	2,037.78	909.31
Intangible Assets Under Development.....		2,391.08	1,618.39	1,737.72
Financial Assets				
(i) Investments.....	8A	9,872.02	8,286.49	7,392.67
(ii) Trade Receivables.....	9A	576.59	476.00	360.72
(iii) Loans.....	10A	25,198.51	20,629.94	18,398.18
(iv) Other Financial Assets.....	11A	427.41	147.75	307.35
Income Tax Assets (Net).....		938.00	879.56	803.92
Deferred Tax Assets (Net).....	12	906.67	780.26	672.88
Other Non-Current Assets.....	13A	3,082.75	2,564.82	3,199.19
		65,939.29	56,720.88	51,161.09
CURRENT ASSETS				
Inventories.....	14	8,886.01	9,116.12	7,015.81
Financial Assets				
(i) Investments.....	8B	4,639.34	3,316.09	1,897.78
(ii) Trade Receivables.....	9B	7,199.26	5,817.60	4,587.82
(iii) Cash and Cash Equivalents.....	15A	2,945.79	2,521.72	2,676.12
(iv) Bank Balances other than Cash and Cash Equivalents.....	15B	1,708.24	2,005.83	1,622.85
(v) Loans.....	10B	20,897.95	18,869.91	16,900.07
(vi) Other Financial Assets.....	11B	611.16	783.25	704.89
Other Current Assets.....	13B	1,998.57	1,480.68	1,352.55
		48,886.32	43,911.20	36,757.89
TOTAL ASSETS		1,14,825.61	1,00,632.08	87,918.98
II. EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital.....	16	270.89	270.40	269.78
Other Equity.....	17	29,467.10	26,222.25	23,645.85
Equity attributable to owners of the Company.....		29,737.99	26,492.65	23,915.63
Non-controlling Interests.....		6,356.90	5,920.20	5,277.30
		36,094.89	32,412.85	29,192.93
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
(i) Borrowings.....	18	30,157.33	23,598.78	21,121.00
(ii) Trade Payables.....	19A	4.38	41.77	14.73
(iii) Other Financial Liabilities.....	20A	1,392.78	1,233.08	825.78
Provisions.....	21A	3,313.18	3,289.61	2,756.33
Deferred Tax Liabilities (Net).....	12	1,787.45	1,433.20	1,058.45
Other Non-current Liabilities.....	22A	2,192.49	1,979.25	1,771.14
		38,847.61	31,575.69	27,547.43
CURRENT LIABILITIES				
Financial Liabilities				
(i) Borrowings.....	18	10,124.08	7,077.12	6,294.82
(ii) Trade Payables.....	19B	15,544.60	13,376.49	11,096.52
(iii) Other Financial Liabilities.....	20B	11,124.65	12,938.96	10,941.99
Other Current Liabilities.....	22B	1,701.64	1,819.62	1,326.69
Provisions.....	21B	1,093.72	1,190.02	1,246.60
Current Tax Liabilities (Net).....		294.42	241.33	272.00
		39,883.11	36,643.54	31,178.62
TOTAL EQUITY AND LIABILITIES		1,14,825.61	1,00,632.08	87,918.98

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

Shyamak R Tata
Partner

Deepak S. Parekh
Nadir B. Godrej
M. M. Murugappan
R. K. Kulkarni
Anupam Puri
Vishakha N. Desai
Vikram Singh Mehta
S. B. Mainak
T. N. Manoharan

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 30th May, 2017

Mumbai, 30th May, 2017

Consolidated Statement of Profit and Loss

for the years ended 31st March, 2017 and 31st March, 2016
Rupees crores

	Note	2017	2016
INCOME			
Revenue from Operations	23	88,983.03	80,461.87
Other Income	24	730.10	521.05
Total Income		89,713.13	80,982.92
EXPENSES			
Cost of Materials Consumed	25	45,230.68	41,565.20
Purchases of Stock-in-Trade		4,849.82	4,019.15
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	(13.83)	(458.51)
Excise Duty		5,209.98	4,620.45
Employee Benefits Expense	27	8,910.63	7,689.40
Finance Costs	28	3,648.46	3,367.59
Depreciation and Amortisation Expense	5, 7	2,809.11	2,441.65
Other Expenses	29	15,022.93	13,420.08
		85,667.78	76,665.01
Less : Cost of manufactured/purchased products capitalised		958.40	476.34
Total Expenses		84,709.38	76,188.67
Profit Before Exceptional Items and Tax		5,003.75	4,794.25
Exceptional Items	30	447.11	31.75
Share of Profit/(Loss) of Associates and Joint Ventures		899.40	846.03
Profit Before Tax		6,350.26	5,672.03
Tax Expense	12		
Current Tax		2,059.33	1,856.77
Deferred Tax		240.40	260.76
Profit for the year		4,050.53	3,554.50
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss	17		
(a) Remeasurements of the defined benefit plans		226.75	(73.68)
(b) Equity instruments through other comprehensive income		(5.38)	1.01
(c) Share of other comprehensive income/(loss) of equity accounted investee		(2.42)	2.06
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.19	(6.24)
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(40.38)	90.25
(b) Debt instruments through other comprehensive income		(1.20)	3.06
(c) Effective portion of gains and losses on designated portion of hedging instruments in cash flow hedge		41.52	112.65
(d) Share of other comprehensive income/(loss) of equity accounted investees		(30.64)	33.68
(ii) Income tax relating to items that will be reclassified to profit or loss		(3.00)	(12.10)
Total Other Comprehensive Income		189.44	150.69
Total Comprehensive Income for the year		4,239.97	3,705.19
Profit for the year attributable to:			
Owners of the Company		3,698.04	3,148.43
Non-controlling interests		352.49	406.07
		4,050.53	3,554.50
Other Comprehensive Income for the year attributable to:			
Owners of the Company		127.60	91.35
Non-controlling interests		61.84	59.34
		189.44	150.69
Total Comprehensive Income for the year attributable to:			
Owners of the Company		3,825.64	3,239.78
Non-controlling interests		414.33	465.41
		4,239.97	3,705.19
Earnings per equity share :	31		
(Face Value Rs. 5/- per share) (Rupees)			
Basic		68.33	56.77
Diluted		67.95	56.49

In terms of our report attached.

For Deloitte Haskins & Sells Chartered Accountants Shyamak R Tata Partner	Deepak S. Parekh Nadir B. Godrej M. M. Murugappan R. K. Kulkarni Anupam Puri Vishakha N. Desai Vikram Singh Mehta S. B. Mainak T. N. Manoharan	Directors	Anand G. Mahindra Dr. Pawan Goenka V. S. Parthasarathy Narayan Shankar	Executive Chairman Managing Director Group Chief Financial Officer & Group CIO Company Secretary
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Mumbai, 30th May, 2017

Mumbai, 30th May, 2017

Consolidated Statement of Changes in Equity for the years ended 31st March, 2017 and 31st March, 2016

A) Equity Share Capital	Rupees crores	
	2017	2016
Issued and Subscribed :		
Balance as at the beginning of the year	270.40	269.78
Add : Allotment of shares by ESOP Trust to Employees	0.49	0.62
Issued and Subscribed Share Capital	270.89	270.40
Refer Note 16 for additional information.		

	Attributable to owners of the Company										Rupees crores	
	Reserves and Surplus			Items of Other Comprehensive Income**				Total Other Equity	Non-controlling interests	Total		
	Capital Reserve on consolidation	Securities Premium Account	Employee stock options outstanding	Other Reserves **	Retained Earnings #	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income					Effective portion of Cash Flow Hedges (Note 33)
As at 1st April, 2015	1,204.25	2,280.44	100.68	3,955.34	16,186.43	(1.37)	(0.18)	(79.74)	—	23,645.85	5,277.30	28,923.15
Profit for the year	—	—	—	—	3,148.43	—	—	—	—	3,148.43	406.07	3,554.50
Other Comprehensive Income / (Loss).....	—	—	—	—	(54.67)	2.00	(1.10)	70.61	74.51	91.35	59.34	150.69
Total Comprehensive Income for the year..	—	—	—	—	3,093.76	2.00	(1.10)	70.61	74.51	3,239.78	465.41	3,705.19
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	(774.64)	—	—	—	—	(774.64)	(158.64)	(933.28)
Transfers to Retained Earnings/Investment fluctuation reserve.....	—	—	—	(202.90)	202.90	—	—	—	—	—	—	—
Transfers from Retained Earnings/Investment fluctuation reserve	—	—	—	225.64	(225.64)	—	—	—	—	306.34	—	306.34
On business combinations during the year.	306.34	—	—	—	—	—	—	—	—	—	—	—
Exercise of employee stock options.....	—	52.09	(52.09)	—	—	—	—	—	—	—	—	—
Allotment of shares by ESOP Trust to employees	—	1.52	—	(0.31)	—	—	—	—	—	1.21	—	1.21
Debiture issue expenses.....	—	(0.03)	—	—	—	—	—	—	—	(0.03)	—	(0.03)
On account of employee stock options lapsed/forfeited	—	—	(0.23)	0.23	—	—	—	—	—	—	—	—
Share-based payment expense.....	—	—	89.14	(82.37)	—	—	—	—	—	89.14	—	89.14
Utilisation during the year *	—	—	—	(2.04)	(200.99)	—	—	—	—	(82.37)	—	(82.37)
Consequent to change in Group's interest..	—	—	—	—	—	—	—	—	—	(203.03)	336.13	133.10
As at 31st March, 2016	1,510.59	2,334.02	137.50	3,893.59	18,281.82	0.63	(1.28)	(9.13)	74.51	26,222.25	5,920.20	32,142.45

Consolidated Statement of Changes in Equity for the years ended 31st March, 2017 and 31st March, 2016 (contd.)

Rupees crores

	Attributable to owners of the Company										Total Other Equity	Non- controlling interests	Total
	Reserves and Surplus			Items of Other Comprehensive Income**				Retained Earnings #	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income			
Capital Reserve on consolidation	Securities Premium Account	Employee stock options outstanding	Other Reserves **	Equity instrument through Other Comprehensive Income	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges (Note 33)				Foreign currency Translation Reserve	Total Other Equity	Non-controlling interests
As at 1st April, 2016	1,510.59	2,334.02	137.50	3,893.59	18,281.82	0.63	(1.28)	(9.13)	74.51	26,222.25	5,920.20	32,142.45	
Profit for the year	—	—	—	—	3,698.04	—	—	—	—	3,698.04	352.49	4,050.53	
Other Comprehensive Income / (Loss).....	—	—	—	—	166.09	(0.78)	(7.03)	104.53	(135.21)	127.60	61.84	189.44	
Total Comprehensive Income for the year	—	—	—	—	3,864.13	(0.78)	(7.03)	104.53	(135.21)	3,825.64	414.33	4,239.97	
Dividend paid on Equity Shares(including tax thereon)	—	—	—	—	(773.67)	—	—	—	—	(773.67)	(164.28)	(937.95)	
Transfers to Retained earnings.....	—	—	—	(70.24)	70.24	—	—	—	—	—	—	—	
Transfers from Retained earnings.....	—	—	—	159.19	(159.19)	—	—	—	—	—	—	—	
On business combinations during the year	7.54	—	—	—	—	—	—	—	—	7.54	—	7.54	
Exercise of employee stock options.....	—	48.37	(48.37)	—	—	—	—	—	—	—	—	—	
Allotment of shares by ESOP Trust to Employees	—	1.20	—	(0.25)	—	—	—	—	—	0.95	—	0.95	
On account of employee stock options lapsed/forfeited	—	—	(0.27)	0.27	—	—	—	—	—	—	—	—	
Share-based payment expense.....	—	—	127.97	—	—	—	—	—	—	127.97	—	127.97	
Consequent to change in Group's Interest	—	—	—	—	56.42	—	—	—	—	56.42	186.65	243.07	
As at 31st March, 2017	1,518.13	2,383.59	216.83	3,982.56	21,339.75	(0.15)	(8.31)	95.40	(60.70)	29,467.10	6,356.90	35,824.00	

Remeasurement gains/losses (net) on defined benefit plans during the year is recognised as part of retained earnings.

* Utilised during the year for Impairment of investment in Joint venture.

** Refer C) for Other Reserves and refer D) for Items of Other Comprehensive Income.

Consolidated Statement of Changes in Equity for the years ended 31st March, 2017 and 31st March, 2016 (contd.)

C) Other Reserves

Rupees crores

Particulars	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	Investment Fluctuation Reserve	General Reserve	Statutory Reserve	Total
As at 1 st April, 2015.....	73.69	23.52	277.45	56.29	2,939.72	584.64	3,955.34
Transfer from Retained Earnings	—	—	40.61	61.48	43.67	79.88	225.64
Transfer to Retained Earnings	—	—	(167.50)	(35.40)	—	—	(202.90)
Utilisation during the year	—	—	—	(82.37)	—	—	(82.37)
Consequent to change in Group's Interest / Disposal of Subsidiary....	—	—	—	—	(1.64)	(0.40)	(2.04)
Allotment of shares by ESOP Trust to Employees.....	—	—	—	—	(0.31)	—	(0.31)
On account of employee stock options lapsed/forfeited.....	—	—	—	—	0.23	—	0.23
As at 31st March, 2016	73.69	23.52	150.56	—	2,981.70	664.12	3,893.59
As at 1 st April, 2016	73.69	23.52	150.56	—	2,981.70	664.12	3,893.59
Transfer from Retained Earnings	—	—	71.98	—	30.82	56.39	159.19
Transfer to Retained Earnings	—	—	(70.24)	—	—	—	(70.24)
Allotment of shares by ESOP Trust to employees.....	—	—	—	—	(0.25)	—	(0.25)
On account of employee stock options lapsed/forfeited	—	—	—	—	0.27	—	0.27
As at 31st March, 2017	73.69	23.52	152.30	—	3,012.54	720.51	3,982.56

D) Items of Other Comprehensive Income

Rupees crores

Particulars	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges (Note 33)	Foreign currency Translation Reserve	Total
As at 1 st April, 2015.....	(1.37)	(0.18)	(79.74)	—	(81.29)
Net Fair value gain / (loss) on investment in Debt instruments at FVTOCI	2.00	—	—	—	2.00
Net Fair value gain / (loss) on investment in Equity instruments at FVTOCI.....	—	(1.10)	—	—	(1.10)
Gain / (loss) on change in fair value of effective portion of cash flow hedges	—	—	70.61	—	70.61
Exchange differences arising on translation of foreign operations	—	—	—	74.51	74.51
As at 31st March, 2016	0.63	(1.28)	(9.13)	74.51	64.73
As at 1 st April, 2016.....	0.63	(1.28)	(9.13)	74.51	64.73
Net Fair value gain / (loss) on investment in Debt instruments at FVTOCI	(0.78)	—	—	—	(0.78)
Net Fair value gain / (loss) on investment in Equity instruments at FVTOCI.....	—	(7.03)	—	—	(7.03)
Gain / (loss) on change in fair value of effective portion of cash flow hedges	—	—	104.53	—	104.53
Exchange differences arising on translation of foreign operations	—	—	—	(135.21)	(135.21)
As at 31st March, 2017	(0.15)	(8.31)	95.40	(60.70)	26.24

Consolidated Statement of Changes in Equity for the years ended 31st March, 2017 and 31st March, 2016 (contd.)

Notes:

- a) The Company has reduced the Share Capital by **Rs. 13.49 crores** (2016: Rs. 13.73 crores; 2015 : Rs. 14.04 crores) and Securities Premium Account by **Rs. 255.58 crores** (2016: Rs. 256.78 crores; 2015 : Rs. 258.30 crores) for the 2,69,73,260 shares of Rs. 5 each (2016: 2,74,61,619 shares of Rs. 5 each; 2015 : 2,80,82,384 shares of Rs. 5 each) held by M&M ESOP Trust pending transfer to the eligible employees.
- b) The Share Capital of the Company has also been reduced and the General Reserve increased by **Rs. 0.25 crores** (2016: Rs. 0.50 crores; 2015 : Rs. 0.81 crores) for the 5,08,597 bonus shares of Rs. 5 each (2016: 9,96,958 bonus shares of Rs. 5 each; 2015 : 16,17,722 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the M&M ESOP Trust but not yet transferred by trust to the employees.
- c) The Company has also reduced the Share Capital by **Rs. 25.92 crores** (2016: Rs. 25.92 crores; 2015 : Rs. 25.92 crores) and Retained Earnings by **Rs. 1,433.85 crores** (2016: Rs. 1,433.85 crores; 2015 : Rs. 1,433.85 crores) for the 5,18,35,214 shares of Rs. 5 each (2016: 5,18,35,214 shares of Rs. 5 each; 2015 : 5,18,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

Deepak S. Parekh
Nadir B. Godrej
M. M. Murugappan
R. K. Kulkarni
Anupam Puri
Vishakha N. Desai
Vikram Singh Mehta
S. B. Mainak
T. N. Manoharan

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 30th May, 2017

Consolidated Cash Flow Statement for the years ended 31st March, 2017 and 31st March, 2016

Rupees crores

	2017	2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax	5,003.75	4,794.25
Adjustments for :		
Depreciation, Amortisation and Impairment	2,941.51	2,472.32
(Gain) / Loss on foreign exchange fluctuations (Net).....	(27.37)	138.65
Investment and Interest Income [excluding Rs. 0.27 crores (2016 : Rs. 0.19 crores) in respect of investment enterprises consolidated].....	(422.81)	(387.14)
Interest, Commitment and Finance charges [excluding Rs 3,186.45 crores (2016: 2,920.28 crores) in respect of financial enterprises consolidated]	462.01	447.31
Share-based payment expenses	170.70	116.45
Net (gain) / loss on financial instruments.....	(52.86)	(56.61)
(Profit)/Loss on Property, Plant and Equipment sold / scrapped / written off (Net).....	31.65	28.10
Impairment of Intangible Assets Under Development.....	22.25	9.44
Net (gain) / loss arising on financial instruments measured at fair value through profit or loss	(217.38)	32.51
	2,907.70	2,801.03
Operating Profit before Working Capital changes.....	7,911.45	7,595.28
Changes in :		
Trade and other receivables.....	(2,263.97)	176.77
Financial Services receivable *	(6,434.37)	(4,240.72)
Inventories.....	212.59	(1,112.81)
Trade and other payables.....	2,644.95	1,938.77
	(5,840.80)	(3,237.99)
Cash generated from operations.....	2,070.65	4,357.29
Income Taxes paid (Net of refunds)	(2,004.81)	(1,972.53)
Net Cash flow from Operating Activities.....	65.84	2,384.76
* In respect of financial enterprises consolidated.		
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire Property, Plant and Equipment and other intangible assets	(5,026.15)	(4,172.00)
Proceeds from sale of Property, Plant and Equipment and other intangible assets	62.63	58.63
Payment to acquire investments	(1,32,172.74)	(87,898.05)
Proceeds from sale of investments.....	1,30,940.06	86,435.51
Interest received.....	345.88	310.77
Dividends received from Joint venture and Associate.....	391.21	200.27
Dividends received from others.....	17.71	8.17
Bank deposits (Net).....	305.75	(387.59)
Changes in earmarked balances and Margin account with banks.....	(7.53)	0.68
Purchase of Investment in Joint ventures and Associates	(654.86)	(146.55)
Purchase consideration paid on acquisition of Subsidiaries.....	(225.64)	(253.75)
Subscription (Net) paid/received on acquisition/divestiture of Interest in Subsidiaries/Sale proceeds on disposal of Subsidiaries	(18.74)	45.37
Exceptional Items :		
Sale of Long Term Investments.....	358.38	—
Net Cash used in Investing Activities	(5,684.04)	(5,798.54)

Consolidated Cash Flow Statement for the years ended 31st March, 2017 and 31st March, 2016 (contd.)

	Rupees crores	
	2017	2016
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Shares to Employees by ESOP Trust.....	12.19	18.03
Proceeds from borrowings.....	76,103.36	78,697.08
Repayments of borrowings.....	(70,021.83)	(75,094.71)
Net increase in Loans repayable on demand and cash credit.....	1,176.60	722.00
Dividends paid (including dividend distribution tax).....	(935.94)	(932.39)
Interest, Commitment and Finance charges paid.....	(442.67)	(443.20)
Net Cash from Financing Activities.....	5,891.71	2,966.81
Net Increase/(Decrease) In Cash and Cash Equivalents.....	273.51	(446.97)
Cash and Cash Equivalents at the beginning of the year.....	2,521.72	2,676.12
Cash and Bank Balance On Acquisition/(Disposal) Of Subsidiaries (Net).....	142.17	292.74
Unrealised Gain/(loss) on foreign currency Cash and Cash Equivalents.....	0.09	(0.17)
Cash and Cash Equivalents at the end of the year.....	2,937.49	2,521.72
1 Non-Cash transactions		
Investment in equity accounted Associates (refer note 34).....	354.60	—

The above Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS 7 - Statement of Cash Flow

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

Deepak S. Parekh
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V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 30th May, 2017

Notes forming part of the Consolidated Financial Statements

1. General information :

Mahindra & Mahindra Limited ('the Company') is a limited company incorporated in India. The address of its registered office and principal activities of the Company are disclosed in the introduction to the Annual Report.

The Ordinary (Equity) shares of the Company are listed on the National Stock Exchange ("NSE"), the Bombay Stock Exchange ("BSE") in India. The Global Depository Receipts (GDRs) (underlying equity shares) of the Company are listed on the Luxembourg Stock Exchange and London Stock Exchange.

2. Significant Accounting Policies :

a) Statement of compliance and basis of preparation

These consolidated financial statements of Mahindra & Mahindra Limited and its subsidiaries ('the Group' or 'Mahindra Group') have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

The Group's financial statements upto and for the year ended 31st March, 2016 were prepared in accordance with the Standards as per Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act which was the previous GAAP (IGAAP).

These are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Group has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from IGAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 43.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 30th May, 2017.

b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries.

Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Associates

Associates are the entities over which the Group has significant influence. Investment in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint Arrangements

A joint venture is a joint arrangement whereby the parties have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for liabilities relating to the arrangement), the Group recognises its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to the joint operations.

c) Measurement of fair values

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has established policies and procedures with respect to the measurement of fair values. The Chief Financial Officer and persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of Ind AS.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

d) First-time adoption of Ind AS – mandatory exceptions and optional exemptions

Overall principle

The Group has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Group.

Significant items are as discussed below:

i) Past business combinations

The Group has elected not to apply Ind AS 103 – Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April, 2015.

ii) Deemed cost for property, plant and equipment and intangible assets

The Group has not elected the exemption of previous GAAP carrying value of all its property, Plant and Equipment and Intangible Assets recognised as of 1st April, 2015 (transition date) as deemed cost. Consequently, cost in respect of property, plant and equipment and intangible assets has been retrospectively remeasured in accordance with Ind AS.

iii) Currency translation reserve

The Group has opted to reset the balance in Foreign Currency Translation Reserve on transition date to zero.

iv) De-recognition of financial assets and financial liabilities

The Group has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

v) Long term foreign currency monetary items

The Group has not availed the exemption of continuing the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

vi) Government grants

The Group has applied the mandatory exception of applying Ind AS 20 Government grants to loans received from government at below market rate of interest after the date of transition to Ind AS.

vii) Share-based payments

The Group has availed the exemption of not applying Ind AS 102 Share-based payment to options already vested as on the transition date.

viii) Leases

The Group has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on transition date.

e) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, based on the Group's expected usage pattern supported by technical assessment:

	<u>Useful lives</u>
i) Plant and equipment	2-25 years
ii) Buildings, including roads	3-60 years
iii) Vehicles	2-10 years

f) Goodwill and Intangible Assets

Goodwill is initially recognised as the excess of the acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

Intangible assets are initially recognised at cost unless acquired in a business combination on or after the transition date (1st April, 2015) in which case it is recognised at their acquisition date fair value.

Subsequent to initial recognition, intangible assets other than goodwill and intangible assets with indefinite useful lives are carried at cost less accumulated amortisation and accumulated impairment, if any. Intangible assets with indefinite useful lives are reviewed annually to determine whether indefinite-life assessment continues to be supportable. Intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

Intangible assets under development

The Group expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

Intangible assets acquired under business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value on acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Other intangible assets

Technical Knowhow

The expenditure incurred is amortised over the estimated period of benefit, not exceeding six years commencing with the year of purchase of the technology.

Development Expenditure

The expenditure incurred on technical services and other project/product related expenses are amortised over the estimated period of benefit, not exceeding five years.

Brand licence fee

The expenditure incurred is amortised over the period of relevant licence fee or the estimated period of benefit, whichever is lower.

Software Expenditure

The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.

Others

The expenditure incurred is amortised over the estimated period of benefit.

The amortisation period for intangible assets with finite useful lives are reviewed annually and changes in expected useful lives are treated as changes in estimates.

g) Impairment of Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier. Impairment loss recognised in profit or loss are presented as part of 'Other expenses'.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower. Excise duty is included in the value of finished goods inventory.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

i) Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer policy on Derivative Financial Instruments and Hedge Accounting).

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposal (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

j) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss. Dividend income received on such equity investments are recognised in profit or loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Compound instruments

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of other financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest method.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derivative financial instruments and hedge accounting

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts and interest rate swaps, to manage its exposure to foreign exchange and interest rate risks. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Impairment of financial assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

k) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty and net of customer returns, trade allowance, rebates, value added taxes and amount collected on behalf of third parties.

Sale of goods

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- c) the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Sale of services are recognised on rendering of such services.

Dividend and interest income

Dividend from investments are recognised in profit or loss when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from financing business

Interest income and expense related to financing business of the Group are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Amortised costs and gross carrying value

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Long Term Construction Contracts and Property Development Activity

When the outcome of the construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting periods, measured based on the proportion of the contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under trade receivables.

Further, in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the Institute of Chartered Accountants of India, revenues from real estate projects are recognised only when -

- i. all critical approvals necessary for commencement of the project have been obtained,
- ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost),
- iii. when at least 10% of the sales consideration is realised, and
- iv. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is measured based on the proportion of costs incurred for rendering of the service to date relative to the estimated total costs, except where this would not be representative of the stage of completion.

Vacation Ownership Business

The activity of selling vacation ownership and providing holiday facilities to members is for a specified period each year, over a number of years, for which membership fee is collected either in full up front, or on a deferred payment basis. Admission fee, which is non-refundable, is recognized as income on admission of a member to the extent there is no significant uncertainty as to its collectability at inception. Entitlement fee, which entitles the members the vacation ownership facilities over the agreed membership period, is recognized as income equally over the tenure of membership (33 years / 25 years / 10 years or any other tenure applicable to the respective member), commencing from the year of admission of each member. Entitlement fees which will be recognised in future periods are disclosed under Other Liabilities – Deferred income.

Annual subscription fee dues from members are recognized as income on accrual basis and fees pertaining to the period beyond the date of the balance sheet is recognised as deferred income. Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the agreed rates. Income of resorts from room rentals, food and beverages, etc. is recognized when services are rendered.

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Group. Revenue with respect to instalments / contracts where there is an uncertainty about collectability is deferred (even though the membership is not cancelled). The estimation of such revenues doubtful of recovery has been made by the Group based on past trends of year-wise cancellation of memberships and considering factors impacting future trends.

Revenue from sale of vacation ownership weeks is recognised when related right to use the specific property over the specific week(s) is transferred to the buyer for a consideration, which coincides with transfer of significant risks and rewards of ownership.

Income from sale of vacation ownership weeks in villas is recognized when the outcome of a Villa project can be estimated reliably; Project revenue and contract costs associated with the contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the project activity at the reporting date.

The percentage of completion of a contract is determined considering the proportion that project costs incurred for work performed upto the reporting date bear to the estimated total projects costs. Outcome of a project necessarily involves technical estimates of the percentage of completion of each project, and costs to completion of the project, on the basis of which profits/ losses are accounted.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in profit or loss in the period in which such probability occurs.

l) Government Grants

The Group, directly or indirectly through a consortium of Mahindra Group Companies, is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Group accounts for its entitlement as income on accrual basis.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

The benefit of a government loan at a below market-rate of interest is treated as government grant and is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

m) Employee Benefits**Superannuation Fund, ESIC and Labour Welfare Fund**

The Group's contribution paid / payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in profit or loss.

Provident Fund

Contributions to Provident Fund are made to Trusts administered by the Group/Regional Provident Fund Commissioners and are charged to profit or loss as incurred. The Group is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Group companies.

Long term Compensated Absences

The liability towards long term compensated absences are determined by independent actuaries using the projected unit credit method.

Gratuity, post retirement medical benefit and post retirement housing allowance schemes

The liability towards gratuity, post retirement medical benefit and post retirement housing allowance schemes are determined by independent actuaries, using the projected unit credit method. Past services are recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs / termination benefits.

The obligation on long term compensated absences and other defined benefit plan are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the balance sheet date on government bonds (high quality corporate bonds in case of foreign companies) where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

Share based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Share appreciation rights which are cash settled share-based payments are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date.

n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

o) Income taxes**Current tax**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted

or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax against which the MAT paid will be adjusted. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Provisions for the expected cost of warranty obligations are recognised at the time of sale of the relevant products, at the best estimate of the expenditure required to settle the Group's obligation.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of the subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 - Provisions, Contingent Assets and Contingent Liabilities and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 - Revenue.

q) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Certain arrangements convey a right to use an asset in return for a payment or series of payments. At inception of the arrangement, the Group determines whether such an arrangement is or contains a lease and separates the consideration into those for the lease and those for other elements. The lease component is accounted as per Group's accounting policy on leasing transactions.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

r) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The difference between the fair value of the purchase consideration paid together with non-controlling interest on acquisition date and the fair value of net assets acquired is recognised as goodwill or capital reserve on acquisition. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill. Any shortfall is recognised as capital reserve on consolidation.

In case of a bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

The interest in non-controlling interest is initially measured at fair value or at the proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to initial acquisition, the carrying amount of non-controlling interest is the amount of those interest in initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Group in business combination includes assets or liabilities resulting in a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

Measurement period adjustments are adjustments that arise from additional information during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as the measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Business Combination under common control

Business Combination under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

s) Acquisition of interest in associate and joint venture

Acquisition of interest in an associate or a joint venture, is initially recognised at cost. Any excess of the cost of the investment over the Group's share of the fair value of the identifiable assets and liabilities of the investee is regarded as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised in equity as capital reserve in the period in which the investment is acquired.

3. Critical Accounting Estimates and Judgments :

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, provision for product warranty and fair value of financial assets / liabilities.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Useful lives of property, land and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

Provision for product warranties

The Group recognises provision for warranties in respect of its products that it sells. Provisions are discounted, where necessary, to its present value based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Fair value of financial assets and liabilities and investments

The Group measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

Impairment of goodwill

The Group estimates the value in use of the Cash Generating Unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGUs represent the weighted average cost of capital based on historical market returns of comparable companies.

4. Recent accounting pronouncements :

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Group from 1st April, 2017.

Amendment to Ind AS 7 - Statement of cash flows

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102 - Share-based payment

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Group is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

The above carrying amounts of Property, Plant and Equipment includes following assets given on operating lease :

Rupees crores

Description of Assets	Land - Freehold	Buildings - Freehold	Batteries	Total
As at 31st March, 2017				
Cost	0.44	22.24	19.86	42.54
Accumulated depreciation and impairment.....		(5.32)	(5.00)	(10.32)
Net carrying amount.....	0.44	16.92	14.86	32.22
As at 31st March, 2016				
Cost	0.44	22.24	17.29	39.97
Accumulated depreciation and impairment.....	—	(4.37)	(2.25)	(6.62)
Net carrying amount.....	0.44	17.87	15.04	33.35
As at 1st April, 2015				
Cost	0.44	21.63	6.68	28.75
Accumulated depreciation and impairment.....	—	(3.43)	(0.56)	(3.99)
Net carrying amount.....	0.44	18.20	6.12	24.76

6. Goodwill :

Rupees crores

	2017	2016
Balance at the beginning of the year.....	542.17	592.62
Additional amounts recognised from business combinations occurring during the year	101.10	50.95
Derecognised during the year	(77.34)	(103.01)
Exchange differences.....	(7.32)	1.61
Balance at the end of the year.....	558.61	542.17

Segmentwise allocation of Goodwill

Goodwill is monitored by the management at the level of operating segments as described in note no. 37. The carrying amount of goodwill has been allocated to segments as below.

Rupees crores

	2017	2016	2015
Automotive	77.43	78.69	77.08
Farm Equipment	128.92	48.35	55.74
Financial Services.....	1.34	1.34	1.34
Real Estate.....	103.59	103.59	103.59
Hospitality	81.20	84.86	134.28
Two-Wheelers	103.94	105.90	103.40
Others.....	62.19	119.44	117.19
Total.....	558.61	542.17	592.62

At the end of the reporting period, the Group has assessed the goodwill for impairment and determined that no write-down of the carrying amounts was necessary. Hence, there is no impairment of goodwill during the year ended 31st March, 2017 and 2016 respectively.

7. Other Intangible assets :

Rupees crores

Description of Assets	Development Expenditure	Computer Software	Trademarks	Others*	Total
Cost					
Balance as at 1 st April, 2016.....	2,723.87	490.47	31.61	138.34	3,384.29
Additions from separate acquisitions.....	525.01	83.37	132.83	4.10	745.31
Acquisitions through business combinations	4.72	14.93	—	42.62	62.27
Foreign exchange translation differences	(3.60)	(2.82)	(1.05)	(3.55)	(11.02)
Disposals	(57.33)	(23.81)	—	(5.07)	(86.21)
Balance as at 31st March, 2017.....	3,192.67	562.14	163.39	176.44	4,094.64
Accumulated depreciation and impairment					
Balance as at 1 st April, 2016	852.08	370.33	9.20	114.90	1,346.51
Amortisation expense for the year	563.74	86.17	8.29	8.70	666.90
Foreign exchange translation differences	(2.66)	(1.96)	(0.16)	(0.43)	(5.21)
Eliminated on disposal of assets.....	(57.33)	(22.93)	—	(4.56)	(84.82)
Impairment losses recognised in profit or loss	47.83	—	—	—	47.83
Balance as at 31st March, 2017.....	1,403.66	431.61	17.33	118.61	1,971.21

Rupees crores

Description of Assets	Development Expenditure	Computer Software	Trademarks	Others*	Total
Cost					
Balance as at 1 st April, 2015	1,504.62	410.32	12.99	123.64	2,051.57
Additions from separate acquisitions	1,444.37	67.61	5.36	1.32	1,518.66
Acquisitions through business combinations	—	29.91	12.89	13.03	55.83
Foreign exchange translation differences	21.49	4.49	0.37	0.42	26.77
Disposals	(246.61)	(21.55)	—	(0.07)	(268.23)
Derecognition on disposal of subsidiaries.....	—	(0.31)	—	—	(0.31)
Balance as at 31st March, 2016	2,723.87	490.47	31.61	138.34	3,384.29
Accumulated depreciation and impairment					
Balance as at 1 st April, 2015	732.38	297.91	5.51	106.46	1,142.26
Amortisation expense for the year	354.93	90.16	3.31	8.28	456.68
Foreign exchange translation differences	7.06	4.01	0.38	0.17	11.62
Eliminated on disposal of assets.....	(246.61)	(21.44)	—	(0.03)	(268.08)
Derecognition on disposal of subsidiaries.....	—	(0.31)	—	—	(0.31)
Impairment losses recognised in profit or loss	4.32	—	—	0.02	4.34
Balance as at 31st March, 2016	852.08	370.33	9.20	114.90	1,346.51
Carrying amount					
Net carrying amount as at 31st March, 2017.....	1,789.01	130.53	146.06	57.83	2,123.43
Net carrying amount as at 31 st March, 2016	1,871.79	120.14	22.41	23.44	2,037.78
Net carrying amount as at 1 st April, 2015.....	772.24	112.41	7.48	17.18	909.31

* Others comprises of technical knowhow, non-compete fees, websites, customer relationship and management contracts.

8A. Non Current Investments :

Rupees crores

Particulars	2017	2016	2015
(a) Measured as per Equity Accounting method			
Quoted			
Investments in Equity Instruments			
– of Associates*	6,496.26	5,819.66	5,053.49
Total	6,496.26	5,819.66	5,053.49
Unquoted			
Investments in Equity Instruments			
– of Associates*	1,140.54	388.77	334.04
– of Joint ventures*	1,136.15	1,038.93	1,134.15
– of Other entities	22.59	23.67	—
Total	2,299.28	1,451.37	1,468.19
Total Investments measured as per Equity Accounting method (a)	8,795.54	7,271.03	6,521.68
(b) Measured at Amortised Cost			
Quoted			
Investments in Government securities.....	708.90	636.27	508.92
Total	708.90	636.27	508.92
Unquoted			
Investments in Preference Shares			
– of Associate*	0.68	—	—
– of Joint ventures*	5.00	42.00	42.00
– of Other entities	10.13	10.42	9.88
Investments in Non-Convertible debentures / bonds			
– of Joint ventures*	282.86	275.52	277.93
– of Other entities	0.41	1.62	4.03
Total	299.08	329.56	333.84
Total Investments measured at Amortised Cost (b)	1,007.98	965.83	842.76
(c) Measured at Fair Value through Other Comprehensive Income			
Quoted			
Investments in Equity Instruments.....	5.38	5.03	2.03
Total	5.38	5.03	2.03
Unquoted			
Investments in Equity Instruments.....	48.62	37.76	18.90
Total	48.62	37.76	18.90
Total Investments measured at Fair Value Through Other Comprehensive Income (c)	54.00	42.79	20.93
(d) Measured at Fair Value through Profit or Loss			
Unquoted			
Investments in Mutual Funds and Alternate Investment Fund	6.21	1.50	—
Investments in Equity Instruments.....	8.29	5.34	7.30
Total	14.50	6.84	7.30
Total Investments measured at Fair Value Through Profit or Loss (d)	14.50	6.84	7.30
Total Investments measured at Fair Value (c+d)	68.50	49.63	28.23
Total carrying amount of investments (a)+(b)+(c)+(d)	9,872.02	8,286.49	7,392.67
Other disclosures :			
Aggregate amount of quoted investments (Gross).....	7,210.54	6,460.96	5,564.44
Market Value of quoted investment	16,608.84	16,291.50	19,935.13
Aggregate amount of unquoted investments (Gross)	2,661.48	1,825.53	1,828.23

* Refer note 35

8B. Current Investments :

Rupees crores

Particulars	2017	2016	2015
(a) Measured at Amortised Cost			
Unquoted			
Investments in Certificate of Deposits	1.20	251.32	8.64
Investments in Corporate Fixed Deposits.....	200.00	—	—
Investments in Commercial paper.....	225.00	150.00	15.00
Total.....	426.20	401.32	23.64
Total Investments measured at Amortised Cost (a).....	426.20	401.32	23.64
(b) Measured at Fair value through Other Comprehensive Income			
Quoted			
Investments in Equity Instruments.....	0.01	0.01	0.01
Investments in Debentures / Bonds	20.25	42.73	48.16
Investments in Government Securities	1.93	1.94	9.93
Total.....	22.19	44.68	58.10
Unquoted			
Investments in Debentures / Bonds	210.83	—	—
Investments in Certificate of Deposits	698.21	619.28	275.10
Investments in Commercial paper.....	199.74	—	—
Total.....	1,108.78	619.28	275.10
Total Investments measured at Fair Value Through Other Comprehensive Income (b).....	1,130.97	663.96	333.20
(c) Measured at Fair Value through Profit or Loss			
Unquoted			
Investments in Mutual Funds	3,082.17	2,250.81	1,540.94
Total.....	3,082.17	2,250.81	1,540.94
Total Investments measured at Fair Value Through Profit or Loss (c)	3,082.17	2,250.81	1,540.94
Total Investments measured at Fair Value (b+c).....	4,213.14	2,914.77	1,874.14
Total carrying amount of investments (a)+(b)+(c)	4,639.34	3,316.09	1,897.78
Other disclosures :			
Aggregate amount of quoted investments.....	22.19	44.68	58.10
Market value of quoted investments.....	22.19	44.68	58.10
Aggregate amount of unquoted investments.....	4,617.15	3,271.41	1,839.68

9A. Non Current Trade Receivables :

Rupees crores

Particulars	2017	2016	2015
(a) Unsecured, considered good	576.59	476.00	360.72
(b) Doubtful.....	0.91	50.91	81.31
	577.50	526.91	442.03
Less: Allowance for Credit Losses.....	0.91	50.91	81.31
Total.....	576.59	476.00	360.72

9B. Current Trade receivables :

Rupees crores

Particulars	2017	2016	2015
(a) Secured, considered good.....	515.06	389.34	190.23
(b) Unsecured, considered good	6,684.20	5,428.26	4,397.59
(c) Doubtful.....	204.14	220.11	266.01
	7,403.40	6,037.71	4,853.83
Less: Allowance for Credit Losses.....	204.14	220.11	266.01
Total.....	7,199.26	5,817.60	4,587.82

Refer Note 33 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

10A. Non Current Loans :

Particulars	Rupees crores		
	2017	2016	2015
a) Security Deposits			
– Unsecured, considered good.....	219.05	283.28	193.49
– Doubtful.....	0.54	1.16	1.06
	219.59	284.44	194.55
Less: Allowance for doubtful security deposits.....	0.54	1.16	1.06
Total (a).....	219.05	283.28	193.49
b) Loans to related parties			
– Unsecured, considered good.....	32.96	87.08	203.83
– Doubtful.....	10.00	10.00	10.00
	42.96	97.08	213.83
Less: Allowance for doubtful loans.....	10.00	10.00	10.00
Total (b).....	32.96	87.08	203.83
c) Other Loans*			
– Secured, considered good.....	—	0.39	0.01
– Unsecured, considered good.....	94.32	114.07	128.04
– Doubtful.....	6.16	9.87	7.89
	100.48	124.33	135.94
Less: Allowance for doubtful loans.....	6.16	9.87	7.89
Total (c).....	94.32	114.46	128.05
d) Financial Services receivable#			
– Secured, considered good.....	25,450.07	20,494.81	18,185.03
– Doubtful.....	1,030.69	779.12	519.59
	26,480.76	21,273.93	18,704.62
Less: Allowance for doubtful loans.....	1,628.58	1,128.81	831.81
Total (d).....	24,852.18	20,145.12	17,872.81
Total (a)+(b)+(c)+(d).....	25,198.51	20,629.94	18,398.18

10B. Current Loans :

Particulars	Rupees crores		
	2017	2016	2015
a) Loans to related parties			
– Unsecured, considered good.....	16.25	14.66	21.05
– Doubtful.....	—	0.76	0.31
	16.25	15.42	21.36
Less: Allowance for doubtful loans.....	—	0.76	0.31
Total (a).....	16.25	14.66	21.05
b) Other Loans*			
– Secured, considered good.....	16.60	14.99	15.67
– Unsecured, considered good.....	1,733.73	1,436.21	1,427.71
– Doubtful.....	57.58	41.34	34.87
	1,807.91	1,492.54	1,478.25
Less: Allowance for doubtful loans.....	57.58	41.34	34.87
Total (b).....	1,750.33	1,451.20	1,443.38
c) Financial Services receivable#			
– Secured, considered good.....	17,612.08	16,320.26	14,797.23
– Doubtful.....	2,920.76	2,152.94	1,361.03
	20,532.84	18,473.20	16,158.26
Less: Allowance for doubtful loans.....	1,401.47	1,069.15	722.62
Total (c).....	19,131.37	17,404.05	15,435.64
Total (a)+(b)+(c).....	20,897.95	18,869.91	16,900.07

* Other Loans includes loans to employees and loans given to others.

Refer Note 33 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures

11A. Non Current Other Financial Assets :

Rupees crores

Particulars	2017	2016	2015
Financial assets at amortised cost			
Bank Deposit.....	168.06	79.19	253.63
Security Deposit.....	39.19	37.67	37.29
Financial Assets at Fair value			
Derivative financial assets	220.16	30.89	16.43
Total.....	427.41	147.75	307.35

11B. Current Other Financial Assets :

Rupees crores

Particulars	2017	2016	2015
Financial assets at amortised cost			
Interest Accrued on investment, other loans.....	218.43	257.58	243.26
Other financial assets.....	328.36	494.26	450.88
Financial Assets at Fair value			
Derivative financial assets	64.37	31.41	10.75
Total.....	611.16	783.25	704.89

Other financial assets include receivables out of oil royalty income, scrap sales and incentive receivable.

12. Current Tax and Deferred Tax :

a) Income Tax recognised in profit or loss

Rupees crores

Particulars	2017	2016
Current Tax		
In respect of current year.....	2,080.79	1,826.29
In respect of prior years	(21.46)	30.48
Total Current Tax.....	2,059.33	1,856.77
Deferred Tax		
In respect of current year origination and reversal of temporary differences.....	242.04	262.15
Unrecognised tax loss used to reduce deferred tax expense	(1.64)	(1.39)
Total Deferred Tax	240.40	260.76
Total Income Tax Expense.....	2,299.73	2,117.53

b) Income tax recognised in Other Comprehensive Income

	Rupees crores	
Particulars	2017	2016
Current Tax		
Remeasurement of defined benefit plans	0.04	0.19
Deferred tax		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.....	(3.42)	(11.04)
Net change in fair value of investments in debt instruments at FVTOCI	0.42	(1.06)
Net change in fair value of investments in equity shares at FVTOCI	(0.37)	(0.31)
Remeasurement of defined benefit plans	4.52	(6.12)
Total	1.19	(18.34)
Classification of income tax recognised in Other Comprehensive Income		
Income taxes related to items that will not be reclassified to profit or loss.....	4.19	(6.24)
Income taxes related to items that will be reclassified to profit or loss.....	(3.00)	(12.10)
Total	1.19	(18.34)

c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows :

	Rupees crores	
Particulars	2017	2016
Profit Before Tax	6,350.26	5,672.03
Applicable Income Tax rate.....	34.61%	34.61%
Expected Income Tax expense	2,197.70	1,962.97
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of different tax rates in local and foreign tax jurisdictions	34.67	25.16
Effect of change in tax rates	4.38	4.35
Effect of income exempt from tax.....	(38.58)	(33.12)
Effect of expenses/provision that is non-deductible in determining taxable profit	163.22	109.80
Effect of concessions (Research and Development and other allowances).....	(277.02)	(300.70)
Effect of unused tax losses and tax offsets for which no deferred tax asset has been recognised ...	341.86	460.59
Recognition of deferred tax asset on previous year tax losses	(30.68)	(36.32)
Write down/reversal of Deferred tax assets	(16.79)	(2.78)
Others (includes current tax pertaining to prior years)	(79.03)	(72.42)
Income tax expense recognised In profit or loss	2,299.73	2,117.53

d) Amounts on which deferred tax asset has not been created and related expiry period

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

	Rupees crores		
Particulars	2017	2016	2015
Deductible Temporary differences (no expiry date).....	798.86	1,016.35	240.90
Unused Tax losses (revenue in nature)	12,177.72	11,502.61	9,411.21
Unused Tax losses (capital in nature).....	11.22	79.46	53.46
Unused tax credits	134.85	90.08	70.61
Total	13,122.64	12,688.51	9,776.18

e) Unused Tax losses - Revenue in nature

Rupees crores			
Particulars	2017	2016	2015
Expiry period			
Upto Five Years.....	7,627.28	6,055.31	4,527.71
More than Five Years.....	3,627.43	4,762.93	4,473.33
No Expiry Date.....	923.00	684.37	410.17
Total.....	12,177.72	11,502.61	9,411.21

f) Unused Tax losses - Capital in nature

Rupees crores			
Particulars	2017	2016	2015
Expiry period			
Upto Five Years.....	0.03	9.00	—
More than Five Years.....	0.05	0.05	1.99
No Expiry Date.....	11.14	70.41	51.48
Total.....	11.22	79.46	53.46

g) Unused tax credits

Rupees crores			
Particulars	2017	2016	2015
Expiry period			
Upto Five Years.....	108.19	64.15	56.39
More than Five Years.....	26.66	25.93	14.22
Total.....	134.85	90.08	70.61

h) Aggregate amount of temporary differences associated with investment in subsidiaries for which deferred tax liability has not been recognised

Rupees crores			
Particulars	2017	2016	2015
Undistributed earnings.....	6,137.84	6,902.43	5,684.32

(i) Movement in deferred tax balances

Particulars	For the Year ended 31 st March, 2017					
	Opening Balance	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Exchange difference	Acquired in Business Combination	Closing Balance
Tax effect of items resulting in taxable temporary differences						
Fiscal allowances on Property, Plant and Equipment	1,004.85	100.60	—	—	—	1,105.45
Intangible Assets	765.79	148.96	—	—	3.53	918.28
Undistributed Profit of Subsidiaries, Associates and Joint Ventures	827.27	155.57	—	—	—	982.84
Others.....	7.79	23.79	(0.05)	1.81	1.90	35.24
	2,605.70	428.92	(0.05)	1.81	5.43	3,041.81

Rupees crores

Particulars	For the Year ended 31 st March, 2017					
	Opening Balance	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Exchange difference	Acquired in Business Combination	Closing Balance
Tax effect of items resulting in deductible temporary differences						
Provision for Employee Benefits.....	244.96	(8.42)	4.52	—	3.00	244.06
Allowances for Expected Credit Loss	744.85	136.28	—	—	1.27	882.40
Carryforward Tax Losses.....	53.74	51.40	—	—	—	105.14
MAT Credit.....	725.84	25.13	—	—	—	750.97
Unrealised gain on Inter-company transactions	117.72	47.20	—	—	—	164.92
Others.....	65.65	(63.07)	(3.42)	—	14.38	13.54
	1,952.76	188.52	1.10	—	18.65	2,161.03
Net Deferred Tax Asset / (Liabilities)	(652.94)	(240.40)	1.15	(1.81)	13.22	(880.78)

Rupees crores

Particulars	For the Year ended 31 st March, 2016					
	Opening Balance	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Exchange difference	Acquired in Business Combination	Closing Balance
Tax effect of items resulting in taxable temporary differences						
Fiscal allowances on Property, Plant and Equipment	912.82	48.26	—	—	43.77	1,004.85
Intangible Assets.....	520.52	245.34	—	—	(0.07)	765.79
Undistributed Profit of Subsidiaries, Associates and Joint Ventures	674.11	153.16	—	—	—	827.27
Others.....	3.35	6.45	1.37	(0.41)	(2.97)	7.79
	2,110.80	453.21	1.37	(0.41)	40.73	2,605.70
Tax effect of items resulting in deductible temporary differences						
Provision for Employee Benefits.....	233.66	0.89	(6.12)	—	16.53	244.96
Allowances for Expected Credit Loss	676.12	61.64	—	—	7.09	744.85
Carryforward Tax Losses.....	17.61	17.60	—	—	18.53	53.74
MAT Credit.....	674.04	51.80	—	—	—	725.84
Unrealised gain on Inter-company transactions	70.10	47.62	—	—	—	117.72
Others.....	53.70	12.90	(11.04)	—	10.09	65.65
	1,725.23	192.45	(17.16)	—	52.24	1,952.76
Net Deferred Tax Asset / (Liabilities)	(385.57)	(260.76)	(18.53)	0.41	11.51	(652.94)

Balances of Deferred Tax Assets / Deferred Tax Liabilities presented in Balance sheet as below :

Rupees crores

	2017	2016	2015
Deferred Tax Assets (net).....	906.67	780.26	672.88
Deferred Tax Liabilities (net).....	1,787.45	1,433.20	1,058.45
Net Deferred Tax Asset / (Liabilities)	(880.78)	(652.94)	(385.57)

13A. Other Non-Current Assets (Non-Financial) :

Rupees crores

Particulars	2017	2016	2015
a) Capital Advance	594.47	443.16	667.15
b) Balances with government authorities (other than income taxes).....	1,523.96	1,253.51	1,673.31
c) Others.....	964.32	868.15	858.73
Total	3,082.75	2,564.82	3,199.19

Others include advances to suppliers, prepaid expenses, drawback receivables, incentive receivable, other recoverable expenses etc.

13B. Other Current Assets (Non-Financial) :

Rupees crores

Particulars	2017	2016	2015
a) Balances with government authorities (other than income taxes).....	400.34	404.67	397.61
b) Government grant receivable.....	484.78	319.54	301.73
c) Others.....	1,113.45	756.47	653.21
Total	1,998.57	1,480.68	1,352.55

Others include advances to suppliers, prepaid expenses, drawback receivables, other recoverable expenses etc.

14. Inventories :

Rupees crores

Particulars	2017	2016	2015
(i) Raw Materials and Bought-out Components [includes in transit Rs. 671.69 crores (2016 : Rs. 735.96 crores; 2015 : Rs. 783.60 crores)]	3,003.85	3,174.21	2,702.25
(ii) Contracts and Work-in-Progress.....	372.39	407.28	327.60
(iii) Work-in-Progress-Property Development Activity and Long term Contract	1,407.23	1,509.49	841.87
(iv) Finished Products Produced.....	2,782.07	2,590.83	2,033.22
(v) Stock-in-Trade [includes in transit Rs. 60.68 crores (2016 : Rs. 66.66 crores; 2015 : Rs. 46.41 crores)].....	1,025.33	1,145.97	842.12
(vi) Manufactured Components.....	107.84	118.75	125.19
(vii) Stores and Spares.....	125.51	113.77	92.35
(viii) Loose Tools	50.12	44.50	45.37
(ix) Food, Beverages, Smokes and Operating Supplies	11.67	11.32	5.84
Total	8,886.01	9,116.12	7,015.81

(a) The cost of inventories recognised as an expense during the year was **Rs. 72,411.02 crores** (2016 : Rs. 66,056.88 crores).

(b) The cost of inventories recognised as an expense include **Rs. 129.70 crores** (2016 : Rs. 105.95 crores) in respect of write-down of inventory to net realisable value, and has been reduced by **Rs. 32.13 crores** (2016 : Rs. 29.18 crores) in respect of the reversal of such write downs. Reversal in provision is due to sale of Inventory on which provision was carried out.

(c). Certain companies in the group have availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, which are secured by hypothecation of inventories.

(d) Mode of valuation of inventories is stated in Note 2 (h).

15A. Cash and cash Equivalents :

Rupees crores

Particulars	2017	2016	2015
Balances with banks			
– On Current Accounts.....	2,243.35	1,718.49	910.56
– On Saving Accounts.....	0.06	0.06	0.06
– Fixed Deposits with original maturity less than 3 months.....	320.65	372.20	1,346.58
Cheques, drafts on hand.....	354.50	398.96	396.49
Cash on hand.....	27.23	32.01	22.43
Total Cash and cash equivalents.....	2,945.79	2,521.72	2,676.12

15B. Bank balances other than Cash and Cash Equivalents :

Rupees crores

Particulars	2017	2016	2015
– Earmarked balances with banks.....	23.70	22.43	25.07
– Balances with Banks on Margin Accounts.....	32.76	25.87	20.34
– Fixed Deposits.....	1,651.78	1,957.53	1,577.44
Total Other Bank balances.....	1,708.24	2,005.83	1,622.85

Reconciliation of Cash and Cash Equivalents

Rupees crores

Particulars	2017	2016	2015
Total Cash and Cash Equivalents as per Balance Sheet.....	2,945.79	2,521.72	2,676.12
Less : Bank Overdraft.....	8.30	—	—
Total Cash and Cash Equivalents as per Statement of Cash Flow.....	2,937.49	2,521.72	2,676.12

16. Equity Share Capital :

Rupees crores

Particulars	2017	2016	2015
Authorised :			
1,20,00,00,000 Ordinary (Equity) Shares of Rs. 5 each.....	600.00	600.00	600.00
25,00,000 Unclassified Shares of Rs. 100 each.....	25.00	25.00	25.00
	625.00	625.00	625.00
Issued and Subscribed :			
62,10,92,384 (2016 : 62,10,92,384; 2015 : 62,10,92,384) Ordinary (Equity) Shares of Rs. 5 each fully paid up.....	310.55	310.55	310.55
Less :			
2,74,81,857 (2016 : 2,84,58,577; 2015 : 2,97,00,106) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees.....	13.74	14.23	14.85
Less :			
5,18,35,214 (2016 : 5,18,35,214; 2015 : 5,18,35,214) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M Benefit Trust.....	25.92	25.92	25.92
Adjusted Issued and Subscribed Share Capital.....	270.89	270.40	269.78

(a) Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

	2017		2016		2015	
	No. of shares	Rupees crores	No. of shares	Rupees crores	No. of shares	Rupees crores
Issued and Subscribed :						
Balance as at the beginning of the year	62,10,92,384	310.55	62,10,92,384	310.55	61,58,92,384	307.95
Add :						
Shares issued to ESOP Trust	—	—	—	—	52,00,000	2.60
Balance as at the end of the year	62,10,92,384	310.55	62,10,92,384	310.55	62,10,92,384	310.55
Less :						
Shares issued to ESOP Trust but not allotted to Employees.....	2,74,81,857	13.74	2,84,58,577	14.23	2,97,00,106	14.85
Shares issued to M&M Benefit Trust.....	5,18,35,214	25.92	5,18,35,214	25.92	5,18,35,214	25.92
Adjusted Issued and Subscribed Share Capital	54,17,75,313	270.89	54,07,98,593	270.40	53,95,57,064	269.78

(b) The Ordinary (Equity) Shares of the Company rank pari-passu in all respects including voting rights and entitlement to dividend.

(c) Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	Rupees crores					
	2017		2016		2015	
	No. of shares	% Shareholding	No. of shares	% Shareholding	No. of shares	% Shareholding
Prudential Management and Services Pvt. Ltd.	7,07,60,970	11.39	7,07,60,970	11.39	7,07,60,970	11.39
Life Insurance Corporation of India	6,80,51,139	10.96	7,72,50,271	12.44	7,82,03,359	12.59
M&M Benefit Trust.....	5,18,35,214	8.35	5,18,35,214	8.35	5,18,35,214	8.35
J.P. Morgan Chase Bank, N.A. (for GDR holders)	3,28,79,851	5.29	—	—	—	—
The Bank of New York Mellon (for GDR holders)	—	—	3,45,30,583	5.56	3,34,13,833	5.38

(d) Issued and Subscribed Share Capital includes an aggregate of 5,917 (2016 : 40,647; 2015 : 40,647) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Schemes of Arrangement without payment having been received in cash, for a period of five years immediately preceding the end of the financial year.

17. Description of the nature and purpose of Other Equity :

(a) Capital Reserve :

Capital Reserve represents receipt of Government Grants from a package of incentive given by Maharashtra Government for setting up / extension of Plants in specified areas.

Capital Reserve on Consolidation :

Gain on bargain purchase, i.e., excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in associate is recognised as Capital Reserve on Consolidation.

Securities Premium Account :

The Securities Premium is created on issue of shares at a premium.

General Reserve :

The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/ utilised by the Company in accordance with the Companies Act, 2013.

Debenture Redemption Reserve :

Debenture Redemption Reserve is a Statutory Reserve (as per Companies Act, 2013) created out of profits of the Company available for payment of dividend for the purpose of redemption of Debentures issued by the Company. On completion of redemption, the reserve is transferred to Retained Earnings.

Investment Fluctuation Reserve (IFR) :

This reserve has been created pursuant to Schemes of Arrangement/Amalgamation approved by Hon'ble High Courts. The IFR is utilised as approved by the Hon'ble High Courts for the purpose of adjusting impairment on investments.

Employee Stock Options Outstanding :

The Employee Stock Options Outstanding represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Statutory Reserve :

Statutory Reserve has been created pursuant to section 45- IC of the RBI Act,1934 and section 29C of the National Housing Act, 1987.

(b) Details of Dividends proposed

Particulars	2017	2016	2015
Proposed Dividend per equity share (Rs.)	13.00	12.00	12.00

18. Non-current Borrowings :

Particulars	Rupees crores		
	2017	2016	2015
A. Secured (Carried at Amortised Cost)			
Debentures & Bonds.....	12,913.75	8,183.38	4,267.40
Term Loan			
(i) From Banks.....	9,168.76	9,397.06	8,874.39
(ii) From other parties	129.49	198.30	276.19
Other Loans.....	66.82	66.80	0.21
Total (a).....	22,278.82	17,845.54	13,418.19
B. Unsecured (Carried at Amortised Cost)			
Debentures and Bonds.....	3,216.98	1,736.82	1,502.09
Term Loan			
(i) From Banks.....	1,477.76	63.91	1,873.86
(ii) From other parties	78.83	86.08	43.98
Deposits.....	2,173.67	2,853.05	3,207.46
Other Loans.....	931.27	1,013.38	1,075.42
Total (b)	7,878.51	5,753.24	7,702.81
Total (a) + (b)	30,157.33	23,598.78	21,121.00

Other loans primarily comprise of deferred sales tax loans which are interest free and repayable in five equal instalments after ten years from the year of availment of respective loan.

The borrowings carry varying rate of interest ranging from 0% to 11.75% p.a. and have maturities starting from 2017 and ending with 2063.

Short Term Borrowings :

Rupees crores

Particulars	2017	2016	2015
A. Secured (Carried at Amortised Cost)			
Other Loans	1,339.57	658.84	564.15
Loans repayable on demand			
(i) From Banks and Cash credit account	2,379.95	1,294.75	784.98
(ii) From other parties	5.00	—	—
Term Loan from Bank.....	27.77	781.58	977.34
Total (a).....	3,752.29	2,735.17	2,326.47
B. Unsecured (Carried at Amortised Cost)			
Deposits.....	250.54	169.22	77.10
Other Loans	279.81	184.21	31.13
Loans repayable on demand			
(i) From Banks and Cash credit account	580.33	480.64	268.49
(ii) From other parties	33.10	3.17	3.17
Loan from related parties.....	442.76	27.00	10.01
Commercial Papers.....	4,273.18	3,109.58	3,420.20
Term Loan from Bank.....	512.07	368.13	158.25
Total (b)	6,371.79	4,341.95	3,968.35
Total (a) + (b)	10,124.08	7,077.12	6,294.82

Secured borrowings are secured by a pari-passu charge on immovable properties of certain entities both present and future, subject to certain exclusions and are also secured by pari-passu charge on the movable properties of certain entities including movable machinery, machinery spares, tools and accessories, both present and future, subject to certain exclusions.

19A. Non-current - Trade Payables :

Rupees crores

Particulars	2017	2016	2015
Trade payable - Other than micro and small enterprises	4.38	41.77	14.73
Total	4.38	41.77	14.73

19B. Current - Trade Payables :

Rupees crores

Particulars	2017	2016	2015
Acceptances.....	3,361.87	2,482.13	2,454.14
Trade payable - Micro and small enterprises	221.21	162.31	103.85
Trade payable - Other than micro and small enterprises	11,961.52	10,732.05	8,538.53
Total	15,544.60	13,376.49	11,096.52

20A. Non-current - Other Financial Liabilities :

Rupees crores

Particulars	2017	2016	2015
Carried at Amortised Cost			
Interest accrued.....	337.35	314.88	197.37
Other liabilities.....	411.14	397.15	282.84
Carried at Fair value			
Derivative financial liabilities and gross obligation to acquire non-controlling interest	644.29	521.05	345.57
Total	1,392.78	1,233.08	825.78

Other liabilities mainly include financial guarantee, dealer deposits and brand license payable.

20B. Current - Other Financial Liabilities :

Rupees crores

Particulars	2017	2016	2015
Carried at Amortised Cost			
Current maturities of long-term debt.....	8,515.75	10,877.03	9,186.87
Interest accrued.....	1,041.01	669.04	506.68
Unclaimed dividends.....	17.48	15.48	14.59
Unclaimed matured deposits and interest accrued thereon.....	0.84	0.97	0.84
Other liabilities.....	1,472.31	1,352.40	1,157.27
Carried at Fair value			
Derivatives.....	77.26	24.04	75.74
Total	11,124.65	12,938.96	10,941.99

Other liabilities mainly include capital creditors, dealer deposits and brand license payable.

21A. Non-current - Provisions :

Rupees crores

Particulars	2017	2016	2015
(i) Provision for employee benefits.....	2,503.35	2,535.96	2,091.77
(ii) Provision for Warranty.....	781.17	729.01	642.47
(iii) Provision for Service coupon.....	21.57	17.89	17.32
(iv) Provision for Others.....	7.09	6.75	4.77
Total	3,313.18	3,289.61	2,756.33

21B. Current - Provisions :

Rupees crores

Particulars	2017	2016	2015
(i) Provision for employee benefits.....	311.96	305.32	346.87
(ii) Provision for Warranty.....	594.02	575.10	538.16
(iii) Provision for Service coupon.....	113.16	115.57	106.33
(iv) Provision for Others.....	74.58	194.03	255.24
Total	1,093.72	1,190.02	1,246.60

Provision for warranty relates to warranty provision made in respect of sale of certain products, the estimated cost of which is accrued at the time of sale.

The products are generally covered under a free warranty period ranging from 6 months to 5 years.

The movement in provision for warranty and service coupon is as follows :

Rupees crores

Particulars	Provision for warranty		Provision for service coupon	
	2017	2016	2017	2016
Opening Balance	1,304.11	1,180.63	133.46	123.65
Additional provisions recognised	685.94	700.95	135.07	128.43
Adjustment due to acquisition/disposal of subsidiaries during the period	0.75	20.33	—	—
Amounts used during the period.....	(537.59)	(543.47)	(93.80)	(87.96)
Unused amounts reversed during the period	(95.32)	(103.96)	(43.55)	(35.09)
Unwinding of discount	22.19	20.63	3.55	4.02
Adjustments due to Exchange difference	(4.89)	29.00	—	0.41
Closing Balance.....	1,375.19	1,304.11	134.73	133.46
– Non-Current.....	781.17	729.01	21.57	17.89
– Current.....	594.02	575.10	113.16	115.57

22A. Other Non - Current Non - Financial Liabilities :

Rupees crores

Particulars	2017	2016	2015
(a) Advances received from customers.....	71.50	51.13	35.91
(b) Deferred Income	1,924.98	1,699.88	1,518.66
(c) Others.....	196.01	228.24	216.57
Total.....	2,192.49	1,979.25	1,771.14

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

Others mainly include government dues & taxes payable, gratuity payable & salary deductions payable.

22B. Other Current Non - Financial Liabilities :

Rupees crores

Particulars	2017	2016	2015
(a) Advances received from customers.....	515.48	800.89	457.46
(b) Deferred Income	250.19	201.79	181.49
(c) Statutory dues (other than income taxes).....	607.28	557.60	467.32
(d) Others.....	328.69	259.34	220.42
Total.....	1,701.64	1,819.62	1,326.69

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

Others mainly include taxes payable, gratuity payable & salary deductions payable.

23. Revenue from Operations :

Rupees crores

Particulars	2017	2016
Sale of products (including excise duty).....	75,347.51	69,356.27
Sale of services.....	3,862.24	2,615.95
Interest income of financial enterprises.....	7,319.66	6,826.45
Income from long term contracts.....	749.43	583.57
Lease and rental income.....	0.51	0.51
Gross Revenue from Sale of Products and Services.....	87,279.35	79,382.75
Other operating revenue		
— Government grant and incentives.....	622.39	361.99
— Dividend income of investment enterprises.....	0.27	0.19
— Scrap sales.....	171.94	166.54
— Others.....	909.08	550.40
Total.....	88,983.03	80,461.87

24. Other Income :

Rupees crores

Particulars	2017	2016
Interest Income :		
— On Financial Assets at Amortised Cost.....	298.33	284.17
— On Financial Assets at Fair Value Through Other Comprehensive Income.....	44.91	40.93
Dividend Income :		
— Dividend on financial instruments classified as equity.....	0.90	0.22
— Mutual funds.....	78.67	61.82
Net Gains/Losses on financial instruments.....	52.86	56.61
Profit on Sale of Property, Plant and Equipment and Intangible Assets.....	3.52	11.40
Other Non operating income (net of directly attributable expenses).....	250.91	65.90
Total.....	730.10	521.05

25. Cost of materials consumed :

Rupees crores

Particulars	2017	2016
Opening stock.....	3,174.21	2,702.25
Add: Purchases.....	45,069.83	41,919.23
	48,244.04	44,621.48
Add: Stock on Acquisition/(Disposal).....	26.55	41.94
	48,270.59	44,663.42
Less: Closing stock.....	3,003.85	3,174.21
Foreign currency translation difference.....	(36.06)	75.99
Total.....	45,230.68	41,565.20

26. Changes in inventories of finished goods, work-in-progress and stock-in-trade :

Rupees crores

Particulars	2017	2016
<u>Inventories at the beginning of the year:</u>		
Finished goods produced	2,590.83	2,033.22
Work-in-progress	407.28	327.60
Stock-in-trade	1,145.97	842.12
Manufactured components	118.75	125.19
	4,262.83	3,328.13
<u>Add: Stock on Acquisition/(Disposal):</u>		
Finished goods produced	18.50	192.41
Work-in-progress	11.70	20.57
Stock-in-trade	5.35	198.24
	35.55	411.22
<u>Less: Inventories at the end of the year:</u>		
Finished goods produced	2,782.07	2,590.83
Work-in-progress	372.39	407.28
Stock-in-trade	1,025.33	1,145.97
Manufactured components	107.84	118.75
	4,287.63	4,262.83
Foreign currency translation difference	(24.58)	64.97
Net (increase) / decrease in inventory	(13.83)	(458.51)

27. Employee Benefits Expense :

Rupees crores

Particulars	2017	2016
Salaries and wages, including bonus	7,175.61	6,191.91
Contribution to provident and other funds	680.65	612.46
Share based payment expenses	170.70	116.45
Staff welfare expenses	883.67	768.58
Total	8,910.63	7,689.40

28. Finance Cost :

Rupees crores

Particulars	2017	2016
Interest expense on financial liabilities at amortised cost (Net of capitalisation)	3,555.26	3,244.34
Other borrowing cost	93.20	123.25
Total	3,648.46	3,367.59

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 3.45% - 3.56% p.a. (2016 : 3.55% - 3.79% p.a.)

Other borrowing costs mainly include discounting charges and unwinding of discount.

29. Other Expenses :

Rupees crores

Particulars	2017	2016
Stores consumed.....	288.80	272.81
Tools consumed	49.69	47.09
Power and Fuel.....	657.06	639.97
Rent including lease rentals.....	597.12	496.02
Insurance	126.54	111.14
Repairs and maintenance	724.93	627.56
Advertisement	723.40	871.93
Commission on sales/contracts (net).....	1,614.89	1,499.01
Freight outward.....	1,510.36	1,292.80
Sales promotion expenses.....	1,162.06	1,030.81
Travelling and Conveyance expenses	522.88	457.15
Cost of Projects, Property etc.....	876.81	550.09
Subcontracting, Hire and Service Charges.....	1,315.07	1,121.15
Provision for doubtful trade and other receivables, loans	877.90	679.45
Donations and Contributions.....	137.91	100.32
Miscellaneous expenses	3,837.51	3,622.78
Total.....	15,022.93	13,420.08

30. Exceptional Items :

Exceptional items of **Rs. 447.11 crores** (2016 : Rs. 31.75 crores) comprise of :

- Profit on sale of franchise business **Rs. 198.83 crores** (2016 : Rs. Nil crores)
- Profit on disposal of subsidiaries and joint venture **Rs. 36.95 crores** (2016 : Rs. 11.09 crores)
- Profit on change in ownership interest/relationships of subsidiaries, associates & joint venture **Rs. 211.33 crores** (2016 : Rs. 20.66 crores)

31. Earning Per Share (EPS) :

	2017	2016
Profit for the year (Rupees crores).....	3,698.04	3,148.43
Less: Adjustment in respect of impairment of investment in joint venture debited to Investment Fluctuation Reserve.....	—	(82.37)
Profit for the year for basic and diluted EPS (Rupees crores)	3,698.04	3,066.06
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS.....	54,12,07,079	54,00,84,234
Effect of dilutive potential Ordinary (Equity) Shares	29,96,319	27,17,465
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	54,42,03,398	54,28,01,699
Basic Earnings Per Share (Rs.) (Face value of Rs. 5 per share).....	68.33	56.77
Diluted Earnings Per Share (Rs.).....	67.95	56.49

32. Employee Benefits :

General description of defined benefit plans :

Gratuity

Some of the group entities operate a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. Some entities make annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Ssangyong Motor Company provides certain severance benefit to employees on leaving service. The benefit is payable after one year of service and is one month salary for every completed year of service. Additionally, based on number of years of service an additional benefit is provided on normal retirement.

Post retirement medical

Few entities provide post retirement medical cover to select grade of employees to cover the retiring employee and their spouse upto a specified age through mediclaim policy on which the premiums are paid by the Company. The eligibility of the employee for the benefit as well as the amount of medical cover purchased is determined by the grade of the employee at the time of retirement.

Post retirement housing allowance

The Company operates a post retirement benefit scheme for a certain grade of employees in which a monthly allowance determined on the basis of the last drawn basic salary at the time of retirement, is paid to the retiring employee in lieu of housing.

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds (high quality corporate bonds, in case of foreign companies).

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Defined benefit plans – as per actuarial valuation on 31st March, 2017, 31st March, 2016 and 1st April, 2015

Rupees crores

Particulars	Funded Plan			Unfunded Plans								
	Gratuity			Gratuity			Post retirement medical benefits			Post retirement housing allowance		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
I Amount recognised in Profit or Loss for the year ended 31st March:												
1. Current service cost	84.92	80.00		269.27	238.40		1.47	1.17		2.22	2.85	
2. Effect of the limit in Para 64 (b) of the Ind AS 19	(1.57)	(0.03)		—	—		—	—		—	—	
3. Net interest expense/ (income)	15.99	17.61		52.14	50.46		1.97	1.65		3.49	3.32	
Total expenses included in employee benefits expense	99.34	97.58		321.41	288.86		3.44	2.82		5.71	6.17	
II Amount recognised in Other Comprehensive income for the year												
1. Remeasurement (gains)/ losses-Actuarial (gains)/losses arising from changes in												
(I) Demographic assumption	(0.95)	(0.46)		1.12	16.58		—	—		—	—	
(II) Financial assumption	21.63	4.78		(200.74)	23.54		0.97	0.47		1.18	0.69	
(III) Experience adjustment	(11.16)	(18.54)		(34.76)	47.98		3.35	1.95		0.86	(1.55)	
2. Return on plan assets (excluding amount included in interest income)	8.24	1.76		—	—		—	—		—	—	
Recognised in other comprehensive income	17.76	(12.46)		(234.38)	88.10		4.32	2.42		2.04	(0.86)	

Defined benefit plans – as per actuarial valuation on 31st March, 2017, 31st March, 2016 and 1st April, 2015 (contd.)

Rupees crores

Particulars	Funded Plan			Unfunded Plans								
	Gratuity			Gratuity			Post retirement medical benefits			Post retirement housing allowance		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
III Change in the obligation during the year ended 31st March												
1. Present value of defined benefit obligation at the beginning of the year	949.97	752.57		1,894.76	1,472.28		25.45	20.88		45.44	42.00	
2. Exchange rate variation	(18.86)	0.77		(29.15)	41.41		(0.14)	—		—	—	
3. Add/(Less) on account of Scheme of Arrangement/ Business transfer	(0.43)	151.25		13.46	146.90		—	—		—	—	
4. Current service cost	84.92	80.00		269.27	238.40		1.47	1.17		2.22	2.85	
5. Interest Expense	55.27	52.78		52.14	50.46		1.97	1.65		3.49	3.32	
6. Remeasurement (gains)/ losses												
(I) Demographic assumption	(0.95)	(0.46)		1.12	16.58		—	—		—	—	
(II) Financial assumption	21.63	4.78		(200.74)	23.54		0.97	0.47		1.18	0.69	
(III) Experience adjustment	(11.16)	(18.54)		(34.76)	47.98		3.35	1.95		0.86	(1.55)	
7. Benefits paid	(84.53)	(73.18)		(129.79)	(142.79)		(0.72)	(0.67)		(1.87)	(1.87)	
Present value of defined benefit obligation at the end of the year	995.86	949.97		1,836.31	1,894.76		32.35	25.45		51.32	45.44	
IV Change in fair value of plan assets during the year												
1. Fair value of plan assets at the beginning of the year	669.94	488.59										
2. Exchange rate variation	(2.12)	2.82										
3. Add/(Less) on account of Scheme of Arrangement/ Business transfer	0.14	114.06										
4. Interest income	39.28	35.17										
5. Return on plan assets excluding interest income	8.24	1.76										
6. Contributions by employer	55.42	100.72					0.72	0.67		1.87	1.87	
7. Benefits paid	(84.53)	(73.18)					(0.72)	(0.67)		(1.87)	(1.87)	
Fair value of plan assets at the end of the year	686.37	669.94					—	—		—	—	
V Net Asset/(Liability) recognised in the Balance Sheet as at 31st March												
1. Present value of defined benefit obligation	995.86	949.97	752.57	1,836.31	1,894.76	1,472.28	32.35	25.45	20.88	51.32	45.44	42.00
2. Fair value of plan assets	686.37	669.94	488.59									
3. Surplus/(Deficit)	(309.49)	(280.03)	(263.98)	(1,836.31)	(1,894.76)	(1,472.28)	(32.35)	(25.45)	(20.88)	(51.32)	(45.44)	(42.00)
4. Current portion of the above	(122.24)	(61.02)	(48.53)	(3.25)	(3.06)	(10.55)	(1.03)	(0.81)	(0.64)	(1.87)	(1.87)	(1.01)
5. Non current portion of the above	(187.25)	(219.01)	(215.45)	(1,833.06)	(1,891.70)	(1,461.73)	(31.32)	(24.64)	(20.24)	(49.45)	(43.57)	(40.99)

Defined benefit plans – as per actuarial valuation on 31st March, 2017, 31st March, 2016 and 1st April, 2015 (contd.)

Rupees crores

Particulars	Funded Plan			Unfunded Plans								
	Gratuity			Gratuity			Post retirement medical benefits			Post retirement housing allowance		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
VI Actuarial assumptions												
1. Discount rate	0.52%- 8.00%	0.46%- 8.10%	0.84%- 9.00%	0.57%- 7.70%	0.46%- 8.10%	2.28%- 9.10%	7.05%- 8.00%	7.05%- 8.00%	8.00%- 8.05%	7.60%	7.85%	8.00%
2. Attrition rate	1.00%- 48.91%	1.00%- 35.76%	1.00%- 43.91%	2.00%- 25.00%	1.00%- 25.00%	1.00%- 25.00%	8.00%- 9.00%	8.00%- 9.00%	1.00%- 9.00%			
3. Medical premium inflation ...							3.00%- 7.00%	3.00%- 7.00%	3.00%- 7.00%			

VII Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below :

Rupees crores

Assumptions	2017	2016	2015
One percentage point increase in discount rate.....	(297.93)	(315.99)	(236.41)
One percentage point decrease in discount rate	335.18	355.22	281.31
One percentage point increase in Salary growth rate.....	296.54	317.35	264.44
One percentage point decrease in Salary growth rate.....	(262.24)	(278.02)	(228.41)
One percentage point increase in attrition rate.....	(26.06)	(40.79)	(34.40)
One percentage point decrease in attrition rate.....	15.81	26.77	34.19
One percentage point increase in medical inflation rate.....	4.45	3.49	3.25
One percentage point decrease in medical inflation rate.....	(3.75)	(2.98)	(2.74)

VIII Maturity profile of defined benefit obligation :

Rupees crores

Defined benefit obligation	2017	2016
Within 1 year	161.73	156.59
2 - 5 years	622.99	613.37
Between 6 and 9 years.....	842.40	794.61
10 years and above.....	3,068.06	3,271.51

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating **Rs. 260.25 crores** (2016 : Rs. 226.01 crores) has been recognised in the Profit or Loss under the head Employee Benefits Expense.

33. Capital Management and Financial Instruments :
A. Capital management

The Group's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

The Group determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans.

The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Group.

The retail loan finance business of the companies in financial service business is subject to the capital adequacy requirements of the Reserve Bank of India (RBI) and National Housing Bank (NHB). Under RBI's capital adequacy guidelines, these companies are required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital.

The Group companies in the financial services business have complied with all regulatory requirements related to regulatory capital and capital adequacy ratios as prescribed by RBI and NHB.

Net Debt and Equity other than financial services segment is given in the table below :

Rupees crores

	2017	2016	2015
Total Shareholders' Equity	28,895.52	25,568.70	23,256.03
Net Debt			
Short term debt.....	4,036.22	2,760.76	1,451.64
Long term debt (including current portion of long term debt)	6,192.61	6,002.13	6,003.11
<i>Gross Debt</i>	10,228.83	8,762.89	7,454.75
Less :			
Current investments	4,123.31	2,858.43	1,873.63
Cash and Bank Balances.....	4,057.64	3,924.49	3,808.02
<i>Net Debt</i>	2,047.88	1,979.97	1,773.10
Total Capital	30,943.40	27,548.67	25,029.13

B. Financial Risk Management Framework

In the course of its business, the Group is exposed to certain financial risks namely interest risk, currency risk & liquidity risk. The Group's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the risk management policy which has been approved by Board of Directors of the respective Group companies.

Board of Directors of financial services businesses have established Asset and Liability Management Committee (ALCO), which is responsible for developing and monitoring risk management policies for their businesses. The financial services businesses are exposed to high credit risk given the unbanked rural customer base and diminishing value of collateral. The credit risk is managed through credit norms established based on historical experience.

1. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Group's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

(a) Currency Risk

The Group's exposure to currency risk relates primarily to the Group's operating activities including anticipated sales & purchase and borrowings where the transactions are denominated in foreign currencies.

The Group's foreign currency exposures are managed within approved parameters. The Group hedges its foreign currency risk mainly by way of Forward Covers. Other derivative instruments may be used if deemed appropriate.

The carrying amounts of the Group's foreign currency exposure at the end of the reporting period are as follows :

Rupees crores

	US Dollar	Euro	JPY	Others	Total
As at 31st March, 2017					
Financial Assets	1,310.97	444.99	15.90	240.17	2,012.03
Financial Liabilities	2,192.32	879.53	636.91	135.62	3,844.38
As at 31st March, 2016					
Financial Assets.....	1,115.38	358.55	11.31	398.29	1,883.53
Financial Liabilities	2,392.98	324.78	408.33	123.29	3,249.38
As at 1st April, 2015					
Financial Assets.....	1,150.55	242.41	5.32	282.73	1,681.01
Financial Liabilities	3,071.43	505.60	240.26	35.62	3,852.91

Of the above foreign currency exposures, the unhedged exposures as at the end of the reporting date are as follows :

	Rupees crores				
	US Dollar	Euro	JPY	Others	Total
As at 31st March, 2017					
Financial Assets	1,122.77	431.62	15.90	234.99	1,805.28
Financial Liabilities	261.98	530.72	636.91	135.62	1,565.23
As at 31st March, 2016					
Financial Assets.....	878.49	326.13	11.31	390.59	1,606.52
Financial Liabilities	1,108.07	324.04	408.28	123.29	1,963.68
As at 1st April, 2015					
Financial Assets.....	859.92	223.56	5.32	282.73	1,371.53
Financial liabilities	2,303.71	502.78	239.86	35.62	3,081.97

Hedge Accounting - Forwards

Contracts that meet the requirements for hedge accounting are accounted as per the hedge accounting requirements of Ind AS 109 - Financial Instruments, while other contracts are accounted as derivatives measured through profit or loss.

Details of Forward Foreign Currency Contracts outstanding at the end of reporting period

Rupees crores						
Outstanding Contracts	Average exchange rate	Notional value (#)	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Change in the fair value of hedging instrument during the year	Change in the value of hedged item used to determine hedge effectiveness
31st March, 2017						
Cash Flow Hedges						
<i>Buy currency</i>						
Maturing less than 1 year						
— USD/INR	68.64	268.50	1:1	(12.88)	(12.88)	12.88
— USD/EUR	1.07	10.39	1:1	0.07	0.07	(0.07)
— CNY/EUR	7.51	10.04	1:1	(0.20)	(0.20)	0.20
Maturing in 1 + years						
— EUR/INR	100.82	346.48	1:1	(31.74)	(31.74)	31.74
<i>Sell currency</i>						
Maturing less than 1 year						
— USD/KRW	1,190.67	0.37	1:1	27.51	27.98	(27.98)
— USD/INR	69.71	368.53	1:1	18.79	18.79	(18.79)
— EUR/KRW	1,287.21	0.08	1:1	7.45	7.06	(7.06)
— ZAR/INR	4.87	86.95	1:1	1.13	1.13	(1.13)
— GBP/KRW	1,480.80	0.09	1:1	7.26	7.20	(7.20)

Notional value of respective currency pair have been converted into presentation currency i.e. INR using year end closing exchange rate

Details of Forward Foreign Currency Contracts outstanding at the end of reporting period

Rupees crores

Outstanding Contracts	Average exchange rate	Notional value (#)	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Change in the fair value of hedging instrument during the year	Change in the value of hedged item used to determine hedge effectiveness
31st March, 2016						
Cash Flow Hedges						
<i>Buy currency</i>						
Maturing less than 1 year						
— USD/INR	67.87	470.87	1:1	8.63	8.63	(8.63)
— USD/EUR	1.06	40.48	1:1	(2.54)	(2.54)	2.54
— CNY/EUR	7.30	685.98	1:1	(1.40)	(1.40)	1.40
<i>Sell currency</i>						
Maturing less than 1 year						
— USD/KRW	1,214.04	0.24	1:1	13.83	13.68	(13.68)
— USD/INR	70.39	652.61	1:1	6.85	6.85	(6.85)
— EUR/KRW	1,321.97	0.08	1:1	0.79	0.46	(0.46)
— EUR/INR	77.46	44.50	1:1	—	—	—
— AUD/INR	52.23	45.09	1:1	0.05	0.05	(0.05)
— ZAR/INR	4.28	69.12	1:1	(0.01)	(0.01)	0.01
1st April, 2015						
Cash Flow Hedges						
<i>Buy currency</i>						
Maturing less than 1 year						
— EUR/INR	65.94	107.20	1:1	(1.20)	—	—
<i>Sell currency</i>						
Maturing less than 1 year						
— USD/KRW	1,087.58	2.68	1:1	(56.86)	—	—
— USD/INR	62.20	827.53	1:1	2.69	—	—
— EUR/INR	72.66	33.47	1:1	0.55	—	—

Notional value of respective currency pair have been converted into presentation currency i.e. INR using year end closing exchange rate

Details of hedge ineffectiveness in respect of Outstanding Contracts

Rupees crores

	Ineffectiveness Recognised in Profit or Loss	Effective portion Recognised in OCI
Year Ended 31st March, 2017		
Cash Flow Hedges	(0.01)	82.67
Year Ended 31st March, 2016		
Cash Flow Hedges	0.48	25.89

(b) Interest Rate Risk

The Group uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

Interest Rate risk on variable rate borrowings is managed by way of interest rate swaps.

1. Hedge Accounting : Interest Rate Swaps

Interest Rate swaps entered into by the Group meet the requirements for hedge accounting under Ind AS 109 - Financial Instruments, and thus are accounted as such.

Details of Interest Rate Swaps outstanding at the end of reporting period

						Rupees crores	
Outstanding Contracts	Average interest rate	Notional value (contractual currency)	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Change in the fair value of hedging instrument for the period	Change in the value of hedged item used to determine hedge effectiveness	
31st March, 2017							
Cash Flow Hedges							
<i>Floating to fixed Interest Rate Swaps</i>							
EUR							
Maturing in 1 + years.....	0.74%	346.48	1:1	3.54	3.54	(3.54)	
Total				3.54	3.54	(3.54)	
31st March, 2016							
Cash Flow Hedges							
<i>Floating to fixed Interest Rate Swaps</i>							
USD							
Maturing less than 1 year.....	2.33%	993.83	1:1	(3.68)	6.95	(6.95)	
Total				(3.68)	6.95	(6.95)	
1st April, 2015							
Cash Flow Hedges							
<i>Floating to fixed Interest Rate Swaps</i>							
USD							
Maturing less than 1 year.....	4.16%	937.50	1:1	(19.02)			
Maturing in 1 + years.....	2.33%	937.50	1:1	(10.63)			
Total				(29.65)			

Details of hedge ineffectiveness in respect of outstanding contracts

			Rupees crores	
		Ineffectiveness Recognised in Profit or Loss	Effective portion Recognised in OCI	
Year Ended 31st March, 2017				
Cash Flow Hedges		—	3.54	
Year Ended 31st March, 2016				
Cash Flow Hedges		—	(3.68)	

The movements in Cash Flow Hedge Reserve for instruments designated in a cash flow hedge are as follows :

Rupees crores

	2017			2016		
	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance at the beginning of the year.....	(6.71)	(2.42)	(9.13)	(60.34)	(19.40)	(79.74)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction	(45.71)	3.68	(42.03)	60.79	29.65	90.44
Deferred Tax on the above	10.94	(1.28)	9.66	3.37	(10.25)	(6.88)
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur.....	(2.66)	—	(2.66)	—	—	—
Deferred Tax on the above	0.92	—	0.92	—	—	—
Change in Fair Value of Effective Portion of cash flow hedges.....	82.67	3.54	86.21	25.89	(3.68)	22.21
Deferred Tax on the above	(12.78)	(1.22)	(14.00)	(5.43)	1.26	(4.17)
Balance at the end of the year.....	26.67	2.30	28.97	24.28	(2.42)	21.86
Less : Non Controlling interest	(9.47)	—	(9.47)	(20.56)	—	(20.56)
Add: Share of Associate/Joint Venture.....	75.90	—	75.90	(10.43)	—	(10.43)
Total.....	93.10	2.30	95.40	(6.71)	(2.42)	(9.13)
Of the above :						
Balance relating to continuing hedges.....	93.10	2.30	95.40	(6.71)	(2.42)	(9.13)
Balance relating to hedges for which hedge accounting is no longer applied....	—	—	—	—	—	—
	93.10	2.30	95.40	(6.71)	(2.42)	(9.13)

2. Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

(a) Financial Guarantees

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the Group. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on.

Accordingly, the amount recognised in Balance Sheet as liabilities :

Rupees crores

Particulars	2017	2016	2015
Financial Guarantee Liabilities	43.79	—	—

(b) Trade Receivables

The Group applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Group. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

The loss allowance for trade receivables using expected credit losses for different ageing periods are as follows:

Other than related to hospitality segment

Rupees crores

Particulars	Not due	Less than 6 months past due	More than 6 months past due	Total
As at 31st March, 2017				
Gross carrying amount.....	2,352.86	3,627.77	398.92	6,379.55
Loss allowance provision	—	(2.41)	(124.46)	(126.87)
Net	2,352.86	3,625.36	274.46	6,252.68
As at 31st March, 2016				
Gross carrying amount.....	2,024.46	2,665.28	351.92	5,041.66
Loss allowance provision	—	(0.86)	(122.58)	(123.44)
Net	2,024.46	2,664.42	229.34	4,918.22
As at 1st April, 2015				
Gross carrying amount.....	1,567.69	2,153.25	267.24	3,988.18
Loss allowance provision	—	(0.33)	(104.06)	(104.39)
Net	1,567.69	2,152.92	163.18	3,883.79

Related to hospitality segment

Rupees crores

Particulars	2017	2016	2015
Gross carrying amount.....	1,601.35	1,522.96	1,307.68
Loss allowance provision	(78.18)	(147.58)	(242.93)
Net	1,523.17	1,375.38	1,064.75

Reconciliation of loss allowance for Trade Receivables - other than related to hospitality segment

Rupees crores

Particulars	2017	2016
Balance at beginning of the year	123.44	104.39
Additions during the year	35.14	36.27
Amounts written off during the year.....	(8.44)	(10.70)
Amount recovered during the year	(2.65)	(3.16)
Impairment losses reversed/written back.....	(19.02)	(5.09)
Foreign exchange translation gains and losses.....	(1.60)	2.18
Addition/reduction on business combination and loss of control	—	(0.45)
Balance at end of the year	126.87	123.44

Reconciliation of loss allowance for Trade Receivables - related to hospitality segment

Rupees crores

Particulars	2017	2016
Balance at beginning of the year	147.58	242.93
Addition during the year.....	21.18	—
Impairment losses reversed/written back.....	(90.58)	(95.35)
Balance at end of the year	78.18	147.58

The Group's maximum exposure to credit risk in respect of Financial Guarantee contracts is **Rs. 792.70 crores** and Rs. Nil crores as at **31 March, 2017** and 2016 respectively

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets.

(c) Credit risk related to financial services business :

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on months past due information. The amount represents gross carrying amount.

Particulars	Rupees crores		
	2017	2016	2015
Gross carrying value of loan assets			
Neither Past due nor impaired	31,063.28	25,286.40	22,481.47
Past Due but not impaired.....			
1 month past due.....	5,494.94	5,079.59	4,292.14
2-3 months past due	5,159.23	4,870.27	4,440.68
Impaired (above 3 months).....	6,519.56	5,693.89	4,706.77
Total Gross carrying value as at reporting date	48,237.01	40,930.15	35,921.06

Credit Quality of Financial Loans

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The company categorises loan assets into stages based on the Months Past Due status :

- Stage 1: 0-1 month Past Due
- Stage 2: 2-3 months Past Due
- Stage 3: More than 3 months Past Due

Assumptions considered in the ECL model

The financial services business has made the following assumptions in the ECL Model :

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all retails loans.
- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

Estimation Technique

The financial services business has applied the following estimation technique in its ECL model :

- Probability of default for Stage 1 loan assets is calculated as average of 5 years of movement of cases from Stage 1 to Stage 3 in next 12 months. Probability of default of Stage 2 is calculated based on lifetime ageing of 4 years completed portfolio moving to stage 3. In case of housing loan probability of default of Stage 2 is calculated based on outstanding loan portfolio till March 2016 (1st April, 2015 and 31st March, 2016: March 2015) moving to stage 3.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.

Forward Looking Information

In calculating the expected credit loss rates, the financial services business considers historical loss rates on portfolio over a period which covers most external factors like drought, government and policy changes etc. and analysis of data has not shown any correlation directly with external events on repayment by retail loan customers.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort. The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

Definition of default

The definition of default used for internal credit risk management purposes is based on RBI Guidelines and in case of housing loan based on NHB Guidelines. Under Ind AS, the financial services business considers a financial asset to be in default when it is more than 90 days past due. The financial services business considers a financial asset under default as 'credit impaired'.

Policy for write off of Loan Assets

The financial services business writes off all loans on half yearly basis which is past due by 6 months from the date of maturity and in case of housing loan when there is no collection for last 3 years.

Impairment loss

The expected credit loss allowance provision is determined as follows:

	Rupees crores			
	Performing Loans - 12 month ECL	Under performing loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 st March, 2017.....	36,558.22	5,159.23	6,519.56	48,237.01
Expected credit loss rate.....	1.18%	6.61%	35.33%	—
Carrying amount as at 31st March, 2017 (net of impairment provision).....	36,127.42	4,817.96	4,216.00	45,161.38
Gross Balance as at 31 st March, 2016.....	30,365.99	4,870.27	5,693.89	40,930.15
Expected credit loss rate.....	0.98%	5.53%	29.12%	—
Carrying amount as at 31st March, 2016 (net of impairment provision).....	30,067.39	4,600.74	4,035.74	38,703.87
Gross Balance as at 1 st April, 2015.....	26,773.60	4,440.68	4,706.77	35,921.05
Expected credit loss rate.....	0.85%	3.65%	25.23%	—
Carrying amount as at 1st April, 2015 (net of impairment provision).....	26,546.38	4,278.47	3,519.12	34,343.97

Level of Assessment - Aggregation Criteria

The financial services business recognises expected credit losses on a collective basis that takes into account comprehensive credit risk information.

Financial services business has recognised expected credit loss on a collective basis, considering the economic and risk characteristics, pricing range and sector concentration.

Reconciliation of loss allowance provision for loans

	Rupees crores			
Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1st April, 2015.....	227.22	162.21	1187.65	1577.08
— Transferred to/from 12 months ECL.....	152.85	(29.59)	(123.26)	—
— Transferred to/from lifetime ECL not credit impaired...	(26.83)	108.45	(81.62)	—
— Transferred to/from lifetime ECL credit impaired.....	(17.74)	(58.69)	76.43	—
— Loans that have been derecognised during the period	(24.17)	(19.38)	(308.47)	(352.02)
New loans originated during the year.....	174.95	70.72	105.00	350.67
Write-offs.....	(0.02)	(0.20)	(84.39)	(84.61)
Net remeasurement of loss allowance.....	(187.66)	36.01	886.81	735.16
Balance as at 31st March, 2016.....	298.60	269.53	1,658.15	2,226.28

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1 st April, 2016	298.60	269.53	1,658.15	2,226.28
— Transferred to/from 12 months ECL.....	174.95	(49.47)	(125.48)	—
— Transferred to/from lifetime ECL not credit impaired...	(35.86)	108.55	(72.69)	—
— Transferred to/from lifetime ECL credit impaired.....	(21.26)	(100.57)	121.83	—
— Loans that have been derecognised during the period	(30.94)	(34.19)	(330.99)	(396.12)
New loans originated during the year.....	262.61	79.02	98.73	440.36
Write-offs.....	(0.02)	(0.39)	(135.71)	(136.12)
Net remeasurement of loss allowance.....	(217.28)	68.79	1,089.72	941.23
Balance as at 31 st March, 2017.....	430.80	341.27	2,303.56	3,075.63

'12 months ECL' and 'lifetime ECL not credit impaired' are collectively assessed. 'Lifetime ECL credit impaired' are individually assessed.

Loan which are written off continue to be subject of enforcement activity.

Significant changes in the gross carrying value that contributed to change in loss allowance

The financial services business mostly provides loans to retail individual customers in rural and semi urban areas which are of small ticket size. Change in any single customer repayment will not have significant impact on provisioning. All customers are being monitored based on past due status of outstanding loan and corrective actions are taken accordingly to limit the financial services business risk.

Concentration of Credit Risk

Financial services business loan portfolio is predominantly to finance retail automobile and allied equipment loans, housing loans and other business loans. The financial services business manages concentration of risk primarily by geographical region in India. The following tables show the geographical concentrations of financial loans as at year end:

Rupees crores

Particulars	2017	2016	2015
Carrying Value	48,237.01	40,930.15	35,921.06
Concentration by Geographical region in India:			
North	12,467.26	10,487.45	8,848.85
East.....	5,244.54	4,359.14	3,909.86
West.....	19,940.68	16,629.57	13,958.92
South	10,584.53	9,453.99	9,203.43
Total Loans as at reporting period.....	48,237.01	40,930.15	35,921.06

Maximum Exposure to credit risk

The maximum exposure to credit risk of loans and investment securities is their carrying amount. The maximum exposure is before considering both the effect of mitigation through collateral and use of master netting arrangements.

Narrative Description of Collateral

The amount of collateral obtained, if deemed necessary by the financial services business upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral include vehicles and residential units purchased by retail loan customers.

Quantitative Information of Collateral - Credit Impaired assets

(Collateral Coverage - Value of collateral available to mitigate credit exposure)

Rupees crores

Loan To Value (LTV) range	Gross Value of loans in stage 3		
	2017	2016	2015
Upto 50% coverage.....	1,022.12	3,291.28	1,698.68
51 - 70% coverage	1,146.12	925.33	1,288.38
71 - 100% coverage.....	1,620.86	652.91	1,062.79
Above 100% coverage.....	2,730.46	824.37	656.92

Quantitative Information of Collateral - Repossessed Assets

Rupees crores

Particulars	2017	2016	2015
Carrying Value of repossessed collateral.....	380.00	193.77	227.45

3. LIQUIDITY RISK

Liquidity risk management

Maturity profile of financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2017				
Short term borrowings - Principal	10,272.99	—	—	—
Short term borrowings - Interest	61.62	—	—	—
Long term borrowings - Principal	—	20,146.55	4,583.50	5,552.65
Long term borrowings - Interest	281.99	3,885.31	1,239.30	4,158.03
Current maturities of long term debt - Principal	8,515.75	—	—	—
Current maturities of long term debt - Interest	1,540.40	—	—	—
Trade payables	15,544.60	4.38	—	—
Financial Guarantee	792.70	—	—	—
Other Financial Liabilities	1,436.40	310.55	—	64.69
Total.....	38,446.45	24,346.79	5,822.80	9,775.37
As at 31st March, 2016				
Short term borrowings - Principal	7,125.51	—	—	—
Short term borrowings - Interest	47.85	—	—	—
Long term borrowings - Principal	11.12	14,006.22	5,744.89	3,946.08
Long term borrowings - Interest	256.87	2,993.09	1,130.70	2,889.77
Current maturities of long term debt - Principal	10,877.03	—	—	—
Current maturities of long term debt - Interest	2,036.89	—	—	—
Trade payables	13,376.49	41.77	—	—
Other Financial Liabilities	1,321.68	333.88	—	62.66
Total.....	35,053.44	17,374.96	6,875.59	6,898.51
As at 1st April, 2015				
Short term borrowings - Principal	6,349.63	—	—	—
Short term borrowings - Interest	38.77	—	—	—
Long term borrowings - Principal	—	15,143.08	3,484.42	2,594.69
Long term borrowings - Interest	250.12	2,661.19	591.00	2,469.75
Current maturities of long term debt - Principal	9,186.87	—	—	—
Current maturities of long term debt - Interest	1,772.99	—	—	—
Trade payables	11,096.52	14.73	—	—
Other Financial Liabilities	1,161.10	175.34	45.33	62.17
Total.....	29,856.00	17,994.34	4,120.75	5,126.61

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

The following table details the Group's liquidity analysis for its derivative financial instruments. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

Particulars	Rupees crores		
	Less than 1 Year	1-3 Years	3 Years to 5 Years
Derivative financial instruments - Receivable/(Payables), net			
As at 31st March, 2017			
<i>Net settled</i>			
Interest rate swaps	2.33	(29.38)	(5.66)
Commodity futures.....	1.62	—	—
Foreign exchange forward contracts.....	(22.32)	—	—
<i>Gross settled</i>			
Foreign exchange forward contracts.....	40.10	—	(31.74)
Total	21.73	(29.38)	(37.40)
As at 31st March, 2016			
<i>Net settled</i>			
Interest rate swaps	(2.56)	(0.46)	(7.68)
Commodity futures.....	1.03	—	—
Foreign exchange forward contracts.....	(6.76)	11.95	—
<i>Gross settled</i>			
Foreign exchange forward contracts.....	75.04	—	—
Total	66.75	11.49	(7.68)
As at 1st April, 2015			
<i>Net settled</i>			
Interest rate swaps	(4.09)	0.59	—
Foreign exchange forward contracts.....	7.57	1.68	—
Others	0.58	—	—
<i>Gross settled</i>			
Interest rate swaps	(0.19)	—	—
Foreign exchange forward contracts.....	(56.25)	—	—
Total	(52.38)	2.27	—

Sensitivity Analysis

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Rupees crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31 st March, 2017.....	KRW/USD	+10%	26.22	—
	KRW/JPY	+10%	(62.27)	—
	INR/EUR	+10%	47.28	—
Year ended 31 st March, 2016.....	KRW/USD	+10%	9.30	—
	KRW/JPY	+10%	(37.82)	—
	INR/EUR	+10%	(0.82)	(4.51)

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rupees crores

Particulars	Currency	Increase/decrease in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 st March, 2017.....	INR	+50 bps	(50.82)	—
	EUR	+25 bps	(0.63)	3.91
Year ended 31 st March, 2016.....	INR	+50 bps	(52.42)	—
	EUR	+25 bps	(0.48)	—

If the change in rates decline by a similar percentage, there will be an opposite impact of similar amount on Profit Before Tax and pre-tax Equity.

Offsetting of balances: The Company has not offset financial assets and financial liabilities.

Fair Value Disclosures

Financial Instruments regularly measured using Fair Value – recurring Items		Fair Value			Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
		Category	2017	2016					
1) Foreign currency forwards, Interest rate swaps & commodity derivatives	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL / FVTOCI	(22.60)	(12.16)	(84.85)	Level 2	Discounted Cash Flow	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.	
2) Currency options	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL	(6.18)	16.57	4.54	Level 2	Black Scholes valuation model	Strike rate, spot rate, time to maturity, volatility and risk free interest rate.	
3) Derivatives on interest over subsidiaries, associates and joint ventures	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL	185.22	36.73	14.75	Level 3	Comparable Companies Method / Method / Discounted Cash-flow / Price of recent transactions / Comparable Companies quoted multiples	For Comparable Companies Method / Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, profit & loss account along with underlying assumptions.	Any change (increase / decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of derivatives on interest in subsidiaries and associates.
4) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	3,088.38	2,252.31	1,540.94	Level 1	Quoted market price		
5) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	5.38	5.03	2.03	Level 1	Quoted bid price in active market		
6) Investment in equity instruments - Unquoted	Financial Assets	Financial instrument designated at FVTOCI	48.62	37.76	18.90	Level 3	Discounted Cash Flow / Market Multiple approach	For Discounted Cash Flow approach - The discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, long term pre tax operating profit margin, WACC, Discount for lack of market for respective equity instrument.	Increase or decrease in multiple will result in increase or decrease in valuation.
7) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTPL	8.29	5.34	7.30	Level 3	Income Approach - Discounted Cash Flow	For Market Multiple approach - In this approach fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue Multiple etc.	
8) Investment in debt instruments - Debentures/ Bonds, etc.	Financial Assets	Financial instrument measured at FVTOCI	231.08	42.73	48.16	Level 1	Quoted market price		
9) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	897.95	619.28	275.10	Level 1	Quoted market price		

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

Rupees crores

Particulars	Unquoted Equity investment	Derivatives on interest over Subsidiaries, associates and joint ventures (Net)	Total
Year Ended 31st March, 2017			
Opening balance	43.10	36.73	79.83
Total gains or losses recognised:			
a) in profit or loss	2.98	171.50	174.48
b) in other comprehensive income.....	(5.55)	—	(5.55)
Purchases made during the year	16.42	(23.01)	(6.59)
Sale made during the year.....	(0.04)	—	(0.04)
Closing balance.....	56.91	185.22	242.13
Year Ended 31st March, 2016			
Opening balance	26.20	14.75	40.95
Total gains or losses recognised:			
a) in profit or loss	(1.97)	(0.44)	(2.41)
b) in other comprehensive income.....	1.10	—	1.10
Purchases made during the year	17.77	22.42	40.19
Closing balance	43.10	36.73	79.83

Equity Investments designated at Fair value through Other Comprehensive Income

Rupees crores

Particulars	2017	2016	2015
Investment in quoted and unquoted equity instruments:			
Fair Value of Investment at the end of the reporting period	54.00	42.79	20.93
Dividend income on investments held.....	—	0.02	0.01

There are no disposal of investment during the year ended 31 March 2017 and 2016 respectively.

Financial Instruments measured at amortised cost

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31st March, 2017					
Financial assets					
a) Investments	1,434.18	1,483.60	756.32	727.28	—
b) Trade Receivables.....	7,775.85	7,775.85	—	7,775.85	—
c) Financial Services Receivables.....	43,983.55	43,294.38	—	167.50	43,126.88
d) Security Deposits.....	258.24	258.24	—	258.24	—
e) Other Loans.....	2,440.65	2,525.35	—	1,144.92	1,380.43
f) Fixed Deposits.....	168.06	168.97	—	168.97	—
Total	56,060.53	55,506.39	756.32	10,242.76	44,507.31

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
Financial liabilities					
a) Non-current Borrowings	30,157.33	31,082.44	14,919.75	16,162.69	—
b) Trade Payables.....	15,548.98	15,548.98	—	15,548.98	—
c) Short Term Borrowings	10,124.08	10,124.08	—	10,124.08	—
d) Other Financial Liabilities	11,795.88	11,795.88	2,433.80	9,230.21	131.87
Total	67,626.27	68,551.38	17,353.55	51,065.96	131.87
As at 31st March, 2016					
Financial assets					
a) Investments	1,367.15	1,390.16	659.28	730.88	—
b) Trade Receivables.....	6,293.60	6,293.60	—	6,293.60	—
c) Financial Services Receivables.....	37,549.17	37,673.17	—	112.79	37,560.38
d) Security Deposits.....	320.95	320.95	—	320.95	—
e) Other Loans.....	2,419.24	2,358.27	—	1,067.17	1,291.10
f) Fixed Deposits	79.19	79.48	—	79.48	—
Total	48,029.30	48,115.63	659.28	8,604.87	38,851.48
Financial liabilities					
a) Non-current Borrowings	23,598.78	23,621.12	8,735.37	14,739.63	146.12
b) Trade Payables.....	13,418.26	13,418.26	—	13,418.26	—
c) Short Term Borrowings	7,077.12	7,077.12	—	7,077.12	—
d) Other Financial Liabilities	13,626.95	13,647.06	2,344.85	10,853.74	448.47
Total	57,721.11	57,763.56	11,080.22	46,088.75	594.59
As at 1st April, 2015					
Financial assets					
a) Investments	866.40	893.10	535.62	357.48	—
b) Trade Receivables.....	4,948.54	4,948.54	—	4,948.54	—
c) Financial Services Receivables.....	33,308.45	34,329.87	—	132.29	34,197.58
d) Security Deposits.....	230.78	230.78	—	230.78	—
e) Other Loans.....	2,490.45	2,504.34	—	1,332.40	1,171.94
f) Fixed Deposits	253.63	256.95	—	256.95	—
Total	42,098.25	43,163.58	535.62	7,258.44	35,369.52
Financial liabilities					
a) Non-current Borrowings	21,121.00	20,987.16	4,724.81	15,716.67	545.68
b) Trade Payables.....	11,111.25	11,111.25	11.68	11,099.57	—
c) Short Term Borrowings	6,294.82	6,294.82	—	6,294.82	—
d) Other Financial Liabilities	11,346.46	11,347.97	1,523.20	8,889.90	934.87
Total	49,873.53	49,741.20	6,259.69	42,000.96	1,480.55

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

There were no transfers between Level 1 and Level 2 during the year.

34. Business Combinations :

a) Acquisition of Subsidiaries

Mitsubishi Mahindra Agricultural Machinery Co. Ltd (MAM)

On 1st October, 2015, the Group acquired 33.33% of voting shares and 66.67% of Class A equity shares (without voting rights) of Mitsubishi Agricultural Machinery Co. Ltd (MAM), Japan which is a full range agri-machinery company producing and selling tractors, combine harvesters, rice transplanters and other agri-machinery. The primary reason for business combination was part of the vision of the Farm Equipment Sector to become a global full line player in the agriculture machinery space and through the partnership with MAM enhance product development capabilities and strengthen the Group's position in the North American market and help gain entry into new markets. The results of MAM operations have been consolidated by the Group from the consummation date of 1st October, 2015 on a line-by-line basis. The purchase consideration for this acquisition amounted to Rs.164.78 crore (JPY 3.0 billion), entire amount comprising of initial cash consideration.

	Rupees crores
Purchase consideration paid	164.78
Non-controlling interest (measured at proportionate share of identifiable assets and liabilities acquired).....	234.76
Less: Fair value of net asset/(liabilities) acquired	(682.82)
Capital Reserve on acquisition.....	(283.28)

Holiday Club Resorts Oy Group

The Group held 22.34% of voting shares of Holiday Club Resorts Oy (HCRO) and 18.70% of voting shares of HCR Management Oy (HCRM) as of 31st March, 2015. On 15th September, 2015 the Group acquired further 59.03% of voting shares of the said entity. The acquisition was made with the objective of expanding the Group's international footprint.

On 2nd September, 2015 the Group acquired further 81.30% of voting shares of the said entity. Through this acquisition, the Group also obtained indirect holding to the extent of 4.24%, increasing its stake in HCRO to 85.61%.

These investees have been accounted using equity method till the date when control has been obtained on acquisition of additional stake in September 2015 after which the results of HCRO & HCRM (HCRO Group) have been consolidated by the Group on a line-by-line basis. The consideration transferred and goodwill on acquisition is as below:

	Rupees crores
Consideration transferred	261.99
Non-controlling interest (measured at fair value using the weighted average cost of recent share purchase)	57.33
Fair value of previously held interest.....	100.00
Less: Fair value of net assets/(liabilities) acquired.....	(373.16)
Goodwill on acquisition.....	46.16

The goodwill has been allocated to Hospitality segment.

The fair value of assets and liabilities acquired in respect of the above business combinations are as under:

	Rupees crores	
	MAM	HCRO group
Property, Plant and Equipment	642.62	242.49
Intangible Assets - acquired on acquisition	—	24.30
Intangible Assets - others.....	9.56	20.15
Investments	94.17	4.28
Cash and cash equivalents	379.31	85.09
Other current and non-current assets (net).....	(152.27)	(34.75)
Borrowings.....	(249.57)	—
Value of call & put options over remaining interest in acquiree	(21.46)	—
Deferred tax assets/ (liabilities), net	(19.54)	31.60
Fair value of net asset/(liabilities) acquired	682.82	373.16

OFD Group

On 22nd February, 2017, Mahindra Overseas Investment Company (Mauritius) Limited (MOICML) a wholly owned Subsidiary of Mahindra & Mahindra Limited, acquired 60% interest in the Netherlands based OFD Holding BV, a Global Fruit Distribution Company.

The consideration for this acquisition amounted to Rs 29.58 crores comprising of initial cash consideration. Non-controlling interest of Rs. 16.91 crores has been recognised. The purchase price is allocated on the basis of valuation done by the independent valuer to customer relationship intangible asset - Rs. 14.69 crores, property, plant and equipment & current assets - Rs. 121.36 crores, Non Current & current liabilities - Rs. 79.08 crores & resultant goodwill of Rs 4.21 crores has been recognised. The goodwill has been allocated to the 'Others' segment.

	Rupees crores
Consideration transferred	29.58
Non-controlling interest (measured at proportionate share of net identifiable assets acquired)	16.91
Less: Fair value of net assets/(liabilities) acquired.....	(42.28)
Goodwill on acquisition.....	<u>4.21</u>

Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Hisarlar)

On 30th March, 2017, the Group acquired 75.07% of voting shares of Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Hisarlar), a farm equipment company based in Turkey. Hisarlar is a key player in the agriculture machinery industry, tractor cabins and components for off highway machinery.

The results of Hisarlar operations have been consolidated by the Group from the consummation date of 30th March, 2017 on a line-by-line basis. The consideration for this acquisition amounted to Rs. 126.94 crores in the form of infusion of funds into Hisarlar. Purchase price has been preliminarily allocated based on book values of identifiable net assets of Rs. 76.41 crores resulting in goodwill on consolidation of Rs. 69.58 crores. The goodwill has been allocated to 'Farm Equipment' segment.

	Rupees crores
Consideration transferred	126.94
Non-controlling interest (measured at proportionate share of net identifiable assets acquired)	19.05
Less: Fair value of net asset/(liabilities) acquired	(76.41)
Goodwill on acquisition.....	<u>69.58</u>

Classic Legends Private Limited (CLPL) & BSA Company Limited (BSA)

On 21st October, 2016, the Group formed 60% stake in Classic Legends Private Limited (CLPL) for a consideration of Rs. 6.00 crores. CLPL acquired 100% voting shares of BSA Company Limited, a UK Company for a consideration of Rs. 28.07 crores including all its existing global brand rights. The purchase price has been allocated to identifiable net assets as Brand intangible asset of Rs. 27.08 crores, other assets of Rs. 0.13 crores and resulting goodwill of Rs. 0.86 crores. The goodwill has been allocated to Two Wheelers segment.

Tractors unit of Bramont, Brazil

On 31st October, 2016, the Group acquired the tractors unit of Bramont Montadora Industrial E Commercial De Veículos S.A. (Bramont), Brazil. Bramont imported and manufactured Mahindra tractors for sale in Brazil. The results of the acquired business have been consolidated by the Group from the consummation date of 31st October, 2016. The consideration for this acquisition amounted to Rs. 41.59 crores as cash consideration. The purchase price is allocated on the basis of valuation done by the independent valuer to current assets - Rs. 24.91 crores, deferred tax asset - Rs. 5.70 crores & resultant Goodwill of Rs. 10.98 crores has been recognised and allocated to Farm Equipment segment.

Impact of acquisitions on the results of the Group

Revenue and Profit for the year ended 31st March, 2016 includes Rs.1375.77 crores and Rs. 2.63 crores respectively pertaining to acquisitions made during the year. If the acquisitions had happened at the beginning of the year, the reported Revenue for the year ended 31st March, 2016 would have been higher by Rs. 1161.05 crores and Profit for the year lower by Rs. 37.15 crores.

Revenue and Profit for the year ended 31st March, 2017 includes Rs.7.14 crores and loss Rs. 6.01 crores respectively pertaining to acquisitions made during the year. If the acquisitions had happened at the beginning of the year, the reported Revenue for the year ended 31st March, 2017 would have been higher by Rs. 709.43 crores and Profit for the year lower by Rs. 175.12 crores.

b) Disposal of Subsidiaries

Swaraj Automotive Limited (SAL)

On 2nd February, 2016, the Company has sold its entire stake in Swaraj Automotive Limited. Consequently, Swaraj Automotive Limited has been consolidated upto 1st February, 2016.

c) Reduction in shareholding resulting in loss of control

Bright Solar Renewable Energy Private Limited (BREPL)

On 20th January, 2016, the Group sold 49% stake in its subsidiary Bright Solar Renewable Energy Private Limited to Trina Solar (Singapore) Third Pte. Limited for a total consideration of Rs. 15.90 crores. Subsequent to the reduction in interest and by virtue of a joint venture agreement, BREPL has become a joint venture company. Accordingly, the results of BREPL have been accounted on a line-by-line consolidation method upto the 20th January, 2016 and using equity method of accounting thereafter.

d) Acquisition of Associates and Joint ventures :

i) Acquisition of interests in Associates

Sampo Rosenlew Oy (Sampo)

On 1st July, 2016, the Group acquired 35% of voting shares of Sampo Rosenlew Oy, a combine harvester company based in Finland. The consideration for this acquisition amounted to Rs. 83.90 crores, entire amount comprising of initial cash consideration. The results of Sampo operations have been accounted using equity method of accounting by the Group from the consummation date of 1st July, 2016.

Brainbees Solutions Private Limited (Brainbees)

On 15th October, 2016, the Group sold its franchise business of Mahindra Retail Private Limited to Brainbees Solutions Private Limited (Brainbees) vide a business transfer agreement. Brainbees has retail operations for selling baby & allied products. In consideration for the transfer, as a part of the agreement, the Group acquired 27.16% of voting shares of Brainbees on a fully diluted basis.

The results of Brainbees operations have been accounted using equity method of accounting by the Group from the consummation date of 15th October, 2016. The consideration for the 27.16% stake acquired amounted to Rs. 456.00 crores.

Medwell Ventures Private Limited (Medwell)

On 31st March, 2017 the Group acquired 17.10% of voting shares of Medwell Ventures Private Limited, a home healthcare services provider. The consideration for this acquisition amounted to Rs. 52.50 crores. The results of Medwell operations have been accounted using equity method of accounting by the Group from the consummation date of 31st March, 2017.

35. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest :

(a) Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *			Proportion of voting power where different		
		2017	2016	2015	2017	2016	2015
Mahindra Vehicle Manufacturers Limited.....	India	100.00%	100.00%	100.00%			
Mahindra Heavy Engines Limited (formerly known as Mahindra Heavy Engines Private Limited).....	India	100.00%	100.00%	100.00%			
Mahindra Electric Mobility Limited (formerly known as Mahindra Reva Electric Vehicles Limited)	India	98.87%	93.70%	75.72%			
Mahindra Trucks and Buses Limited	India	100.00%	100.00%	100.00%			
Mahindra Automobile Distributor Private Limited	India	95.00%	95.00%	95.00%			
NBS International Limited	India	100.00%	100.00%	100.00%			
Mahindra Automotive Australia Pty. Limited	Australia	100.00%	100.00%	100.00%			
Ssangyong Motor Company.....	South Korea	72.46%	73.23%	73.23%			
Ssangyong Motor (Shanghai) Company Limited....	China	72.46%	73.23%	73.23%	100.00%	100.00%	100.00%
Ssangyong European Parts Center B.V.	Netherlands	72.46%	73.23%	73.23%	100.00%	100.00%	100.00%
Mahindra Europe S.r.l.	Italy	100.00%	100.00%	100.00%			
Mahindra and Mahindra South Africa (Proprietary) Limited.....	South Africa	100.00%	100.00%	100.00%			
Mahindra Graphic Research Design S.r.l.	Italy	100.00%	100.00%	100.00%			
Mahindra North American Technical Center, Inc. ..	U.S.A.	100.00%	100.00%	100.00%			
Mahindra West Africa Ltd (w.e.f. 20 th May, 2016)..	Nigeria	100.00%					
Mahindra International UK Limited (w.e.f. 13 th October, 2015)	U.K.	100.00%	100.00%				
Mahindra Gujarat Tractor Limited.....	India	60.00%	60.00%	60.00%			
Auto Digitech Private Limited (formerly known as Mahindra Punjab Tractors Private Limited).....	India	100.00%	100.00%	100.00%			
Swaraj Automotive Limited (upto 1 st February 2016)	India			71.19%			
Kota Farm Services Limited	India	47.81%	47.81%	47.81%	51.02%	51.02%	51.02%
Trringo.com Limited (w.e.f. 23 rd May, 2016).....	India	100.00%					
Mahindra USA Inc.	U.S.A.	100.00%	100.00%	100.00%			
Mitsubishi Mahindra Agricultural Machinery Co., Ltd (w.e.f. 1 st October, 2015) \$.....	Japan	66.67%	66.67%		33.33%	33.33%	
Mitsubishi Noki Hanbai Co., Ltd. (w.e.f. 1 st October, 2015).....	Japan	66.67%	66.67%		100.00%	100.00%	
Ryono Factory Co., Ltd. (w.e.f. 1 st October, 2015) ..	Japan	66.67%	66.67%		100.00%	100.00%	
Ryono Engineering Co., Ltd. (w.e.f. 1 st October, 2015).....	Japan	66.67%	66.67%		100.00%	100.00%	
Daiya Computer Services Co., Ltd. (w.e.f. 1 st October, 2015).....	Japan	66.67%	66.67%		100.00%	100.00%	
MAM Rental Co., Ltd. (Ceased w.e.f. 24 th May, 2016)	Japan		66.67%			100.00%	
Daiya Kikou Co., Ltd. (w.e.f. 1 st October, 2015)	Japan	66.67%	66.67%		100.00%	100.00%	
Ryono Asset Management Co., Ltd. (w.e.f. 1 st October, 2015).....	Japan	66.67%	66.67%		100.00%	100.00%	
Mahindra Mexico S. de. R. L (w.e.f. 8 th August, 2016)	Mexico	99.00%					
Mahindra do Brasil Industrial Ltda (w.e.f. 14 th October, 2016)	Brazil	100.00%					
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (w.e.f. 30 th March, 2017)	Turkey	75.07%					
Hisarlar İthalat İhracat Pazarlama Anonim Şirketi (w.e.f. 30 th March, 2017)	Turkey	75.07%			100.00%		
Mahindra & Mahindra Financial Services Limited ..	India	51.54%	51.58%	51.62%			
Mahindra Insurance Brokers Limited	India	43.81%	43.84%	43.88%	85.00%	85.00%	85.00%
Mahindra Rural Housing Finance Limited	India	45.10%	45.13%	45.17%	87.50%	87.50%	87.50%
Mahindra Asset Management Company Private Limited.....	India	51.54%	51.58%	51.62%	100.00%	100.00%	100.00%

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *			Proportion of voting power where different		
		2017	2016	2015	2017	2016	2015
Mahindra Trustee Company Private Limited.....	India	51.54%	51.58%	51.62%	100.00%	100.00%	100.00%
Mahindra Lifespace Developers Limited.....	India	50.78%	50.80%	50.83%			
Mahindra Infrastructure Developers Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Mahindra World City (Maharashtra) Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Mahindra Integrated Township Limited	India	37.25%	37.27%	37.29%	73.36%	73.36%	73.36%
Knowledge Township Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Mahindra Residential Developers Limited	India	37.25%	37.27%	37.29%	100.00%	100.00%	100.00%
Industrial Township (Maharashtra) Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Raigad Industrial & Business Park Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Anthurium Developers Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Industrial Cluster Private Limited	India	50.78%	50.80%	50.83%	100.00%	100.00%	100.00%
Mahindra Water Utilities Limited (w.e.f. 27 th July, 2015)	India	50.27%	50.29%		99.00%	99.00%	
Kismat Developers Private Limited	India	50.72%	50.75%	50.78%	99.90%	99.90%	99.90%
Topical Builders Private Limited	India	50.75%	50.78%	50.80%	99.95%	99.95%	99.95%
Rathna Bhoomi Enterprises Private Limited.....	India	50.76%	50.79%	50.82%	99.97%	99.97%	99.97%
Deepmangal Developers Private Limited	India	50.78%	48.26%	48.28%	100.00%	94.99%	94.99%
Moonshine Construction Private Limited.....	India	50.62%	50.64%	50.67%	99.69%	99.69%	99.69%
Mahindra Consulting Engineers Limited	India	84.93%	84.93%	84.93%			
Mahindra Holidays & Resorts India Limited.....	India	67.93%	75.62%	75.64%			
Mahindra Hotels and Residences India Limited.....	India	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
Gables Promoters Private Limited	India	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
Divine Heritage Hotels Private Limited #	India			75.64%			100.00%
Holiday on Hills Resorts Private Limited #	India			75.64%			100.00%
Competent Hotels Private Limited #	India			75.64%			100.00%
Heritage Bird (M) Sdn. Bhd.	Malaysia	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
Infinity Hospitality Group Company Limited	Thailand	50.25%	55.94%	55.97%	100.00%	100.00%	100.00%
MH Boutique Hospitality Limited @.....	Thailand	33.28%	37.05%	37.07%	49.00%	49.00%	49.00%
MHR Holdings (Mauritius) Limited.....	Mauritius	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
Convington S.a.r.l.....	Luxembourg	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
HCR Management Oy (w.e.f. 2 nd September, 2015)...	Finland	67.93%	75.62%		100.00%	100.00%	
Holiday Club Resort Oy (w.e.f. 2 nd September, 2015)...	Finland	62.45%	64.73%		91.93%	85.61%	
Kiinteistö Oy Himos Gardens (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Suomen Vapaa-aikakiinteistöt Oy LKV (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Himoksen Tähti 2 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Vanha Ykköstii (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Katinnurkka (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Tenetinlahti (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Mällösnieniemi (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Rauhan Ranta 1 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Rauhan Ranta 2 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Tiurunniemi (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Rauhan Liikekiinteistöt 1 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Supermarket Capri Oy (w.e.f. 2 nd September, 2015)	Finland	62.45%	64.73%		100.00%	100.00%	

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *			Proportion of voting power where different		
		2017	2016	2015	2017	2016	2015
Kiinteistö Oy Kylpylätorni 1 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Spa Lofts 2 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Spa Lofts 3 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Kiinteistö Oy Tunturinrivi (w.e.f. 2 nd September, 2015) (upto 28 th February, 2017)	Finland		64.73%			100.00%	
Caribia Service Oy (w.e.f. 2 nd September, 2015) (upto 4 th July, 2016).....	Finland		64.73%			100.00%	
Kiinteistö Oy Kuusamon Pulkajärvi 1 (w.e.f. 2 nd September, 2015).....	Finland	62.45%	64.73%		100.00%	100.00%	
Saimaa Gardens Arena Oy (w.e.f. 19 th January, 2016) (upto 28 th February, 2017).....	Finland		64.73%			100.00%	
Ownership Services Ab (w.e.f. 2 nd September, 2015)	Sweden	62.45%	64.73%		100.00%	100.00%	
Are Semesterby A (w.e.f. 2 nd September, 2015) (upto 7 th September, 2016)	Sweden		64.73%			100.00%	
Are Semesterby B (w.e.f. 2 nd September, 2015) (upto 7 th September, 2016)	Sweden		64.73%			100.00%	
Are Semesterby C (w.e.f. 2 nd September, 2015) (upto 7 th September, 2016)	Sweden		64.73%			100.00%	
Are Semesterby D (w.e.f. 2 nd September, 2015) (upto 7 th September, 2016)	Sweden		64.73%			100.00%	
Are Villas 1 Ab (w.e.f. 2 nd September, 2015).....	Sweden	62.45%	64.73%		100.00%	100.00%	
Are Villas 2 Ab (w.e.f. 2 nd September, 2015).....	Sweden	62.45%	64.73%		100.00%	100.00%	
Holiday Club Sweden Ab Åre (w.e.f. 2 nd September, 2015).....	Sweden	62.45%	64.73%		100.00%	100.00%	
Holiday Club Sport and Spa AB (w.e.f. 1 st December, 2015)	Sweden	31.85%	33.01%		51.00%	51.00%	
Holiday Club Rus LLC (w.e.f. 2 nd September, 2015)	Russia	62.45%	64.73%		100.00%	100.00%	
Holiday Club Canarias Investments S.L. (w.e.f. 2 nd September, 2015).....	Spain	62.45%	64.73%		100.00%	100.00%	
Holiday Club Canarias Sales & Marketing S.L. (w.e.f. 2 nd September, 2015).....	Spain	62.45%	64.73%		100.00%	100.00%	
Holiday Club Canarias Resort Management S.L. (w.e.f. 2 nd September, 2015).....	Spain	62.45%	64.73%		100.00%	100.00%	
Arabian Dreams Hotel Apartments LLC @	U.A.E	33.28%	37.05%	37.06%	49.00%	49.00%	49.00%
Mahindra Two Wheelers Limited	India	92.25%	91.26%	88.91%			
Mahindra Two Wheelers Europe Holdings S.a.r.l... ..	Luxembourg	100.00%	91.26%	88.91%		100.00%	100.00%
Peugeot Motorcycles S.A.S.....	France	51.00%	46.54%	45.34%		51.00%	51.00%
Peugeot Motorcycles Deutschland GmbH	Germany	51.00%	46.54%	45.34%	100.00%	100.00%	100.00%
Peugeot Motorcycles Italia S.p.A.....	Italy	51.00%	46.54%	45.34%	100.00%	100.00%	100.00%
Mahindra Tractor Assembly Inc.....	U.S.A.	100.00%	100.00%	100.00%			
Mahindra Agri Solutions Limited (formerly known as Mahindra Shubhlabh Services Limited).....	India	98.40%	100.00%	100.00%			
EPC Industrie Limited.....	India	54.73%	54.76%	54.78%			
Mahindra HZPC Private Limited.....	India	59.95%	59.95%	59.95%			
Mahindra Greenyard Private Limited (Formerly known as Mahindra UNIVeG Private Limited)	India	59.04%	60.00%	60.00%	60.00%		
OFD Holding B.V. (w.e.f. 22 nd February, 2017)	Netherlands	60.00%					
Origin Direct Asia Ltd. (w.e.f. 22 nd February, 2017) ...	Hong Kong	60.00%			100.00%		
Origin Fruit Direct B.V. (w.e.f. 22 nd February, 2017) ...	Netherlands	60.00%			100.00%		
Origin Fruit Services South America SpA (w.e.f. 22 nd February, 2017)	Chile	60.00%			100.00%		
Origin Direct Asia (Shanghai) Trading Co. Ltd. (w.e.f. 22 nd February, 2017)	China	60.00%			100.00%		

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *			Proportion of voting power where different		
		2017	2016	2015	2017	2016	2015
Bristlecone Limited.....	Cayman Islands	75.35%	76.87%	77.71%			
Bristlecone Consulting Limited.....	Canada	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone (Malaysia) Sdn. Bhd.	Malaysia	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone International AG.....	Switzerland	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone UK Limited	U.K.	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone Inc.	U.S.A.	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone Middle East DMCC (w.e.f. 18 th July, 2016)	U.A.E.	75.35%			100.00%		
Bristlecone India Limited.....	India	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone GmbH.....	Germany	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Bristlecone (Singapore) Pte. Limited	Singapore	75.35%	76.87%	77.71%	100.00%	100.00%	100.00%
Mahindra Intertrade Limited	India	100.00%	100.00%	100.00%			
Mahindra Steel Service Centre Limited	India	61.00%	61.00%	61.00%			
Mahindra Electrical Steel Private Limited.....	India	100.00%	100.00%	100.00%			
Mahindra Auto Steel Private Limited.....	India	51.00%	51.00%	51.00%			
Mahindra MiddleEast Electrical Steel Service Centre (FZC)	U.A.E.	90.00%	90.00%	90.00%			
Mahindra Holdings Limited	India	100.00%	100.00%	100.00%			
Mahindra Overseas Investment Company (Mauritius) Limited	Mauritius	100.00%	100.00%	100.00%			
Mahindra Racing S.p.A. (formerly known as Mahindra Racing S.r.l.).....	Italy	100.00%	100.00%	100.00%			
Mahindra Racing UK Limited.....	U.K.	100.00%	100.00%	100.00%			
Mahindra Susten Private Limited (formerly known as Mahindra EPC Services Private Limited)	India	100.00%	100.00%	100.00%			
Mahindra Renewables Private Limited (formerly known as Mahindra Offgrid Services Private Limited)	India	100.00%	100.00%	100.00%			
Brightsolar Renewable Energy Private Limited (upto 20 th January, 2016).....	India			100.00%			
Cleansolar Renewable Energy Private Limited	India	100.00%	100.00%	100.00%			
MachinePulse Tech Private Limited (w.e.f. 5 th January, 2016).....	India	100.00%	100.00%				
Divine Solren Private Limited (w.e.f. 8 th May, 2015)....	India	100.00%	100.00%				
Neo Solren Private Limited (w.e.f. 1 st July, 2015)....	India	100.00%	100.00%				
Marvel Solren Private Limited (w.e.f. 10 th October, 2015).....	India	100.00%	100.00%				
Astra Solren Private Limited (w.e.f. 14 th October, 2015)	India	100.00%	100.00%				
Mahindra Suryaurja Private Limited (w.e.f. 16 th February, 2017)	India	100.00%					
Mahindra Engineering and Chemical Products Limited.....	India	100.00%	100.00%	100.00%			
Mahindra Internet Commerce Private Limited (upto 22 nd March, 2017)	India		98.96%	96.22%		100.00%	100.00%
Retail Initiative Holdings Limited	India	100.00%	100.00%	100.00%			
Mahindra Retail Private Limited.....	India	100.00%	98.96%	96.22%			
Defence Land Systems India Limited	India	100.00%	100.00%	100.00%			
Mahindra Defence Naval Systems Private Limited	India	100.00%	100.00%	100.00%			
Mahindra Defence Systems Limited	India	100.00%	100.00%	100.00%			
Mahindra First Choice Wheels Limited @.....	India	48.68%	45.50%	45.50%			
Mahindra First Choice Services Limited	India	100.00%	100.00%	100.00%			
Mahindra Namaste Limited.....	India	84.93%	84.93%	100.00%	100.00%	100.00%	
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%	100.00%			

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *			Proportion of voting power where different		
		2017	2016	2015	2017	2016	2015
Mahindra Telecommunications Investment Private Limited.....	India	100.00%	100.00%	100.00%			
Mahindra 'Electoral Trust' Company.....	India	100.00%	100.00%	100.00%			
Mahindra eMarket Limited (formerly known as Mriyalguda Farm Solution Limited)	India	83.47%	83.47%	83.47%	100.00%	100.00%	100.00%
Gateway Housing Company Limited.....	India	100.00%	100.00%	50.00%			
Orizonte Business Solutions Limited (Formerly known as Mega One Stop Farm Services Limited)	India	98.14%	100.00%	64.68%			
Mahindra Construction Company Limited	India	64.99%	64.68%	64.70%	91.66%	91.66%	91.66%
Officemartindia.com Limited.....	India	50.00%	50.00%	50.00%			
Mahindra & Mahindra Contech Limited.....	India	46.66%	46.66%	46.66%			
Mumbai Mantra Media Limited	India	100.00%	100.00%	100.00%			
Mahindra Airways Limited (w.e.f. 27 th July, 2016)..	India	100.00%					
Mahindra Marine Private Limited (w.e.f. 3 rd October, 2016).....	India	81.58%					
Mahindra MSTC Recycling Private Limited (w.e.f. 16 th December, 2016).....	India	50.00%					
Classic Legends Private Limited (w.e.f. 18 th October, 2016).....	India	60.00%					
BSA Company Limited (w.e.f. 21 st October, 2016) ..	India	60.00%			100.00%		
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	51.54%	51.58%	51.62%	100.00%	100.00%	100.00%
Mahindra Holidays & Resorts India Limited ESOP Trust	India	67.93%	75.62%	75.64%	100.00%	100.00%	100.00%
Mahindra & Mahindra Benefit Trust.....	India	100.00%	100.00%	100.00%			
Mahindra & Mahindra ESOP Trust.....	India	100.00%	100.00%	100.00%			
ST-42-Jupiter Trust A Jan 13-Axis/ITSL	India	51.54%	51.54%	51.54%			
ST-43-MM TRUST MAR 13 I-IDBI/ITSL	India	51.54%	51.54%	51.54%			
ST-44-MM TRUST MAR 13 II-Citi/ITSL	India	51.54%	51.54%	51.54%			
ST-46-MM TRUST MAR 13 IV-HDFC/ITSL.....	India	51.54%	51.54%	51.54%			
ST-47-MM TRUST MARCH 14 I-IDBI/ITSL.....	India	51.54%	51.54%	51.54%			
ST-48-MM TRUST MARCH 14 II-YES/ITSL	India	51.54%	51.54%	51.54%			
ST-49-MM TRUST MARCH 14 III-HDFC/ITSL	India	51.54%	51.54%	51.54%			
ST-51-MM TRUST SEPTEMBER 14 -YES/ITSL	India	51.54%	51.54%	51.54%			
ST-52-MM TRUST NOVEMBER 14 I-ICICI/ITSL.....	India	51.54%	51.54%	51.54%			
ST-53-MM TRUST Feb 15-ICICI/ITSL	India	51.54%	51.54%	51.54%			
ST-54-MM TRUST Mar 15 I-ICICI/ITSL	India	51.54%	51.54%	51.54%			
ST-55-MM TRUST Mar 15 II-HDFC/ITSL.....	India	51.54%	51.54%	51.54%			
Sunrise Initiatives Trust.....	India	100.00%	100.00%	100.00%			
Mahindra First Choice Wheels Ltd ESOP Trust.....	India	48.68%	45.50%	45.50%	100.00%	100.00%	100.00%
Mahindra Consulting Engineers Limited ESOP Trust...	India	84.93%	84.93%	84.93%	100.00%	100.00%	100.00%

* excluding shares issued to ESOP Trusts of the respective entities/their holding companies but not allotted to employees.
represents companies which ceased to be subsidiaries during the year as per scheme of arrangement. The appointed date and effective date is 1st April, 2015 and 31st March, 2016 respectively
@ entities have been treated as subsidiaries even though the Group holds less than half of the voting power in these entities as it has unilateral control over the investees due to other factors that give power like control over composition of board, management control etc.
\$ In addition to JPY750 million Common Stock (which represents 33.33% of the Common Stock), the Company owns the entire JPY2250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.
Reduction in ownership interest during the year 31st March, 2017 has not resulted in loss of control
Reduction in ownership interest during the year 31st March, 2016 has resulted in loss of control in respect of Brightsolar Renewable Energy Private Limited

(b) Details of Non-Wholly Owned Subsidiaries that have material Non Controlling Interest

Rupees crores

Sr. No.	Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and voting rights held by Non-controlling interests			Profit / (Loss) allocated to Non-controlling interest		Accumulated Non-controlling interest		
			2017	2016	2015	2017	2016	2017	2016	2015
1	Mahindra & Mahindra Financial Services Limited	India	48.46%	48.42%	48.38%	236.66	452.29	3,211.16	3,094.48	2,761.64
2	Ssangyong Motor Company...	South Korea	27.54%	26.77%	26.77%	62.61	(38.28)	1,307.74	1,271.17	1,141.54
3	Individually Immaterial Non Controlling interest.....					53.22	(7.94)	1,838.00	1,554.55	1,374.12
	Total					352.49	406.07	6,356.90	5,920.20	5,277.30

Mahindra & Mahindra Financial Services Limited's Principal activity - Financing of Automotive vehicles and Tractors.

Ssangyong Motor Company's Principal activity - Manufacturing & selling of vehicles & automotive parts

(c) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations and are based on their standalone financial statements.

Rupees crores

Particulars	Mahindra & Mahindra Financial Services Limited			Ssangyong Motor Company		
	2017	2016	2015	2017	2016	2015
Current Assets.....	20,700.62	18,932.22	15,923.42	3,759.43	2,869.89	3,688.11
Non Current Assets	23,576.82	19,291.64	17,256.09	8,626.64	8,431.66	7,971.78
Current Liabilities	15,243.85	13,501.65	12,679.45	5,306.74	4,508.56	5,180.83
Non Current Liabilities.....	22,407.16	18,331.30	14,791.84	2,330.85	2,553.27	2,214.79
Equity Interest attributable to the owners.....	3,415.26	3,296.43	2,946.58	3,440.76	2,968.56	3,122.72
Non-controlling interest.....	3,211.16	3,094.48	2,761.64	1,307.74	1,271.17	1,141.54
Revenue.....	6,644.67	6,327.09		21,153.12	19,519.64	
Expenses.....	6,143.59	5,392.55		20,919.94	19,662.64	
Profit / (Loss) for the year	501.08	934.54		233.18	(143.00)	
Profit / (Loss) attributable to the owners of the company.....	264.42	482.25		170.57	(104.72)	
Profit / (Loss) attributable to the Non-controlling interest	236.66	452.29		62.61	(38.28)	
Dividends paid to Non-controlling interest.....	132.38	129.71	122.77			
Opening Cash & Cash Equivalents.....	218.77	191.23		266.26	1012.61	
Closing Cash & Cash Equivalents.....	411.45	218.77		1,057.41	266.26	
Net Cash inflow/(outflow)	192.68	27.54		791.15	(746.35)	

36. Investment in Joint Arrangements and Associates :

The Group's interests in jointly controlled entities of the Group are :

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest		
		2017	2016	2015
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%	74.00%
Mahindra Bebanco Developers Limited #.....	India	70.00%	70.00%	70.00%
Mahindra World City Developers Limited #.....	India	89.00%	89.00%	89.00%
Mahindra Homes Private Limited #.....	India	74.98%	50.00%	50.00%
Mahindra Inframan Water Utilities Private Limited	India	50.00%	50.00%	50.00%
Mahindra Water Utilities Limited (upto 26 th July, 2015)	India			50.00%
Mahindra Sanyo Special Steel Private Limited #.....	India	51.00%	51.00%	51.00%
Mahindra Aerospace Private Limited #.....	India	66.67%	66.67%	66.67%
Mahindra Solar One Private Limited	India	26.00%	26.00%	26.00%
Mahindra Tsubaki Conveyor Systems Private Limited	India	49.00%	49.00%	49.00%
Mahindra Telephonics Integrated Systems Limited #.....	India	51.00%	51.00%	74.00%
Mahindra Logistics Limited #	India	74.12%	84.01%	84.01%
Mahindra Sona Limited (upto 16 th December, 2016).....	India		29.77%	29.77%
Mahindra Marine Private Limited (upto 2 nd October, 2016) #	India		74.21%	74.21%
Brightsolar Renewable Energy Private Limited (w.e.f 21 st January, 2016) #....	India	51.00%	51.00%	
Mahindra Yueda (Yancheng) Tractor Company Limited #	China	51.00%	51.00%	51.00%
Jinan Qingqi Peugeot Motorcycles Co Ltd.	China	50.00%	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%	57.00%
SY Auto Capital Company Limited (w.e.f. 28 th October, 2015) #	South Korea	51.00%	51.00%	
Mahindra Emirates Vehicle Armouring FZ-LLC #	U.A.E.	51.00%	51.00%	51.00%
Tropiikin Rantasauna Oy (w.e.f. 4 th July, 2016)	Finland	50.00%		

Entities have been treated as Joint Ventures even though the Group holds more than half of the voting power in these entities as it does not have unilateral control over the investee, primarily due to existence of joint venture agreements that give the other investors substantive rights.

Interests in Associates :

The Group's interests in associates of the Group are :

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest		
		2017	2016	2015
Swaraj Engines Limited	India	33.22%	33.22%	33.22%
Tech Mahindra Limited	India	26.35%	26.50%	26.69%
Mahindra Finance USA LLC	U.S.A.	49.00%	49.00%	49.00%
Holiday Club Resort Oy (upto 01 st September, 2015)	Finland			22.34%
Mahindra CIE Automotive Limited #.....	India	17.26%	20.18%	20.21%
CIE Automotive S.A. #.....	Spain	12.44%	12.44%	12.44%
PSL Media & Communications Limited	India	36.11%	36.12%	36.12%
The East India Company Spirits Pte. Ltd.	Singapore	20.00%	20.00%	20.00%
The East India Company Group Ltd #	U.K.	18.60%	18.60%	18.60%

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest		
		2017	2016	2015
Koy Sallan Kylpyla (w.e.f. 02 nd September, 2015).....	Finland	49.00%	49.00%	
Kiinteistö Oy Seniori-Saimaa (w.e.f. 2 nd September, 2015)	Finland	31.15%	31.15%	
Saimaa Adventures Oy (w.e.f. 2 nd September, 2015) (upto 27 th March, 2017)..	Finland		30.00%	
Shiga Mitsubishi Co, Ltd. (w.e.f 1 st October, 2015).....	Japan	22.40%	22.40%	
Kagawa Mitsubishi Co, Ltd. (w.e.f 1 st October, 2015).....	Japan	33.33%	33.33%	
Okanetsu Kogyo Co, Ltd. (w.e.f 1 st October, 2015).....	Japan	33.77%	33.77%	
Kita-Iwate Ryono Co, Ltd. (w.e.f. 1 st October, 2015)	Japan	25.00%	25.00%	
Aizu Ryono Co, Ltd. (w.e.f. 1 st October, 2015).....	Japan	21.25%	21.25%	
Jyoban Ryono Co, Ltd. (w.e.f. 1 st October, 2015)	Japan	20.00%	20.00%	
Fukuryo Kiki Hanbai Co, Ltd. (w.e.f. 1 st October, 2015)	Japan	20.00%	20.00%	
Ibaraki Ryono Co, Ltd. (w.e.f. 1 st October, 2015)	Japan	21.64%	21.64%	
Kotobuki Noki Co, Ltd. (w.e.f. 1 st October, 2015)	Japan	33.33%	33.33%	
Honda Seisakusho Co, Ltd. (w.e.f. 1 st October, 2015).....	Japan	25.00%	25.00%	
Yamaichi Honten KK Co, Ltd. (w.e.f. 1 st October, 2015).....	Japan	42.86%	42.86%	
Hokkaido Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	27.90%	27.90%	
Tohoku Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	28.28%	28.28%	
Tobu Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	40.90%	40.90%	
Chubu Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	49.88%	49.88%	
Seibu Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	36.11%	37.47%	
Kyushu Mitsubishi Noki Partnership (w.e.f. 1 st October, 2015)	Japan	24.84%	24.84%	
P.F. holding B.V. (w.e.f. 27 th May, 2016)	Netherlands	40.00%		
Merakisan Private Limited (w.e.f. 28 th September, 2016)	India	33.17%		
Sampo Rosenlew Oy (w.e.f. 1 st July, 2016).....	Finland	35.00%		
Brainbees Solutions Private Limited (w.e.f. 15 th October, 2016)	India	27.16%		
Medwell Ventures Private Limited (w.e.f. 31 st March, 2017) #	India	17.10%		
HDG-Asia Ltd (w.e.f. 22 nd February, 2017)	Netherlands	50.00%		
Scoot Networks Inc (w.e.f. 1 st July, 2016) #	U.S.A.	12.96%		

The financial statements of the Associates are drawn upto 31st March, 2017, other than for CIE Automotive, S.A, Mahindra CIE Automotive Limited, The East India Company Group Ltd & Scoot Networks Inc where it is upto 31st December, 2016.

entities have been treated as Associate even though the Group holds less than 20% of the voting power in these entities as it has influence over the entity due to the board representation.

All of the above associates/Joint ventures are accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material associate is set out below

Rupees crores

Particulars	Tech Mahindra Limited - Consolidated		
	2017	2016	2015
Current assets			
Cash and cash equivalents.....	2,001.27	2,397.78	1,208.72
Other assets.....	14,325.27	12,588.29	11,120.56
Total current assets.....	16,326.54	14,986.07	12,329.28
Total Non-current assets.....	9,740.00	7,538.58	6,473.54
Current liabilities			
Financial liabilities.....	3,568.87	3,350.94	2,957.68
Other liabilities.....	4,054.44	3,515.04	3,396.46
Total current liabilities.....	7,623.31	6,865.98	6,354.14
Total Non-current liabilities.....	1,541.92	875.03	604.28
Non-controlling interest.....	464.12	192.73	158.30
Revenue from Operations.....	29,140.84	26,494.23	
Interest Income.....	124.84	99.48	
Depreciation and amortisation.....	978.06	758.92	
Interest Cost.....	124.84	99.48	
Income tax expense.....	1,002.13	830.13	
Profit / (Loss) for the year.....	2,850.87	3,026.61	
Other Comprehensive Income for the year.....	83.34	236.81	
Total Other Comprehensive Income for the year.....	2,934.21	3,263.42	

Tech Mahindra Limited's Principal activity - information Technology (IT) and IT Enabled Services

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

Rupees crores

Particulars	Tech Mahindra Limited - Consolidated		
	2017	2016	2015
Closing Net assets.....	16,437.19	14,590.91	11,686.10
Group share in %.....	26.33%	26.50%	26.69%
Group share in Rs.....	4,327.91	3,866.59	3,119.02
Goodwill & other adjustments.....	452.01	497.27	496.31
Carrying amount.....	4,779.92	4,363.86	3,615.33
Market Value.....	11,786.47	12,192.94	16,142.28

37. Segment information :

Operating Segments

The reportable segments of the Group are Automotive, Farm Equipment, Financial Services, Real Estate, Hospitality, Two Wheelers and Others. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of products and services and profile of customers. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Description of the each of the reportable segments is as under:

Automotive: This segment comprises of sale of automobiles, spares and related services.

Farm Equipment: This segment comprises of sale of tractors, implements, spares and related services.

Financial Services: This segment comprise of services relating to financing, leasing and hire purchase of automobiles, tractors, etc.

Real Estate: This segment comprise of operating of commercial complexes, project management and development

Hospitality: This segment comprises of sale of Timeshare and vacation ownership.

Two Wheelers: This segment comprise of sale of two wheelers, spare parts and related services.

Others: This segment comprise of IT Services, After-market, Defence, Steel trading and processing, Powerol, Construction Equipment, Agri Business, etc.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the consolidated financial statements. Segment result represents the profit before interest and tax without allocation of central administration costs, share of profit / (loss) of associates and joint ventures, as well as finance costs. Information regarding the Group's reportable segments is presented below.

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Two Wheelers	Others	Total	Eliminations	Consolidated Total
Revenue										
External Revenue	53,535.42	18,739.69	7,492.85	762.97	2,283.90	1,166.77	5,001.43	88,983.03	-	88,983.03
Inter Segment Revenue	50,295.00	14,709.60	6,971.45	599.58	1,601.81	1,498.45	4,785.98	80,461.87	-	80,461.87
	236.62	303.79	15.22	20.18	0.39	0.74	519.23	1,096.17	(1,096.17)	-
	169.24	329.55	14.44	20.87	0.36	1.09	462.83	998.38	(998.38)	-
Total Revenue	53,772.04	19,043.48	7,508.07	783.15	2,284.29	1,167.51	5,520.66	90,079.20	(1,096.17)	88,983.03
	50,464.24	15,039.15	6,985.89	620.45	1,602.17	1,499.54	5,248.81	81,460.25	(998.38)	80,461.87
Result										
Segment Result before exceptional items	2,138.49	2,609.04	963.56	72.11	219.99	(692.41)	(117.16)	5,193.62	65.95	5,259.57
Exceptional Items allocated to Segments	2,282.51	1,981.76	1,597.28	105.16	179.46	(865.91)	33.41	5,313.67	(25.89)	5,287.78
	-	-	-	-	-	-	-	-	-	-
Segment result after exception items	2,138.49	2,609.04	963.56	72.11	219.99	(692.41)	(117.16)	5,193.62	65.95	5,259.57
Share of Profit/(Loss) of equity accounted investees (net)	2,282.51	1,981.76	1,597.28	105.16	179.46	(865.91)	33.41	5,313.67	(25.89)	5,287.78
Reconciliation to Profit/(Loss) for the year										
1. Unallocable corporate expenses, net of income										899.40
2. Interest expenses not allocable to segments										846.03
3. Interest income not allocable to segments										(137.05)
4. Exceptional Items unallocable to segment										(371.32)
Profit before tax										(462.01)
										(447.31)
										343.24
										325.10
										447.11
										31.75
										6,350.26
										5,672.03
Other information:										
Depreciation and Amortisation expense	2,171.17	301.10	53.72	4.69	106.06	67.73	68.60	2,773.07	-	2,773.07
Additions to non-current assets	1,888.92	236.37	45.70	4.28	97.55	73.17	63.06	2,409.05	-	2,409.05
	3,204.25	364.17	62.61	11.79	183.42	34.19	1,154.07	5,014.50	-	5,014.50
	3,064.64	369.38	55.47	5.06	134.93	84.83	416.94	4,131.25	-	4,131.25

Notes:

1. Addition to non-current assets consist of capital expenditure on property, plant and equipment, intangible assets including those under development and capital advances.
2. Figures in the above table for the current financial year have been presented in bold. Comparatives for each item have been presented below the respective current year figures.

Segment Assets and Liabilities

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Two Wheelers	Others	Total	Eliminations	Consolidated Total
Segment Assets	28,978.19	8,860.39	47,590.55	2,020.55	3,712.11	1,114.45	6,250.82	98,527.06	-	98,527.06
	27,284.68	7,759.05	40,719.67	2,081.59	3,413.33	1,357.51	4,502.51	87,118.34	-	87,118.34
Segment Liabilities	14,046.98	4,361.41	41,536.98	343.02	2,568.64	483.66	1,671.66	65,012.35	-	65,012.35
	13,396.57	3,684.44	34,823.06	361.11	2,324.74	758.29	1,237.39	56,585.60	-	56,585.60
Reconciliations										
Reconciliation of segment assets to total assets:										
Segment Assets										98,527.06
										87,118.34
Unallocable Assets										16,298.55
										13,513.74
Total Assets										1,14,825.61
										1,00,632.08

Unallocable Assets primarily comprise of certain equity accounted investment in associates and joint ventures, investments in current assets, income tax assets, deferred tax assets.

Reconciliation of segment liabilities to total liabilities:

Segment Liabilities	65,012.35
	56,585.60
Unallocable Liabilities	13,718.37
	11,633.63
Total Liabilities	78,730.72
	68,219.23

Unallocable Liabilities primarily comprise of borrowings and deferred tax liability.

Revenue from type of products and services

The operating segments are primarily based on nature of products and services and hence the revenue from external customers of each segment is representative of revenue based on products and services.

Geographical information

The Group operates in principal geographical areas – India (country of domicile), and Overseas. The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:

Particulars	Rupees crores	
	2017	2016
	Revenue from external customers	Non-Current assets
India	55,763.14	51,513.80
Overseas.....	33,219.89	28,948.07
	88,983.03	80,461.87
	28,958.09	26,400.44

The revenue information above is based on the location of the customer. The non-current assets in the above table represent Property plant and Equipment, Capital Work-in-progress, Goodwill, Other Intangible Assets Under Development, Income Tax Assets (Net) and Other Loan Assets (Non-financial).

Information about major customers

During the year ended 31st March, 2017 and 31st March, 2016 respectively, revenues from transactions with a single external customer did not amount to 10 per cent or more of the Group's revenues from external customers.

38. Related Party Disclosures :

(a) Names of related parties where transactions have taken place during the year:

(i) Direct & Indirect Associates :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1	Mahindra CIE Automotive Limited	10	Tech Mahindra (Shanghai) Co. Limited
2	Tech Mahindra Limited	11	Merakisan Private Limited
3	CIE Automotive, S.A.	12	Brainbees Solutions Private Limited
4	Swaraj Engines Limited	13	The East India Company Group Ltd.
5	Mahindra Finance USA, LLC	14	HDG-Asia Ltd
6	Pininfarina S.p.A. (w.e.f. 30 th May, 2016)	15	Mahindra Gears Transmission Private Limited
7	PF Holdings B.V. (w.e.f. 29 th April, 2016)	16	Tech Mahindra Foundation
8	Satyam Venture Engineering Services Private Limited	17	PSL Media and communications Limited
9	Tech Mahindra (Americas) Inc.		

(ii) Joint Ventures :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1	Mahindra Solar One Private Limited	12	Mahindra World City Developers Limited
2	Mahindra Tsubaki Conveyor Systems Private Limited	13	Mahindra Sona Limited (Ceased w.e.f. 16 th December, 2016)
3	Mahindra Logistics Limited	14	Mahindra Sanyo Special Steel Private Limited
4	Mahindra Homes Private Limited	15	Mahindra Aerospace Private Limited
5	Mahindra Bebanco Developers Limited	16	Mahindra-BT Investment Company (Mauritius) Limited
6	Mahindra Telephonics Integrated Systems Limited	17	Jinan Qingqi Peugeot Motorcycles Co Ltd
7	Mahindra Industrial Park Chennai Limited	18	2 x 2 Logistics Private Limited
8	Brightsolar Renewable Energy Private Limited	19	Gipps Aero Pty Limited
9	Mahindra Yueda (Yancheng) Tractor Company Limited	20	Lords Freight (India) Private Limited
10	Mahindra Aerostructures Private Limited	21	Mahindra Suryaprakash Private Limited
11	Mahindra World City (Jaipur) Limited	22	Mahindra Emirates Vehicle Armouring FZ LLC

(iii) Key Management Personnel (KMP) :

Sl. No.	Designation	Name of KMP
1	Executive Chairman	Mr. Anand G. Mahindra
2	Managing Director	Dr. Pawan Goenka

(iv) Enterprise over which KMP is able to exercise significant influence :

Sl. No.	Name of the Company
1	Prudential Management & Services Pvt Ltd

(v) Post employment benefit plans of M&M

Sl. No.	Name of the Funds
1	M&M Employees' Welfare Fund 1
2	M&M Employees' Welfare Fund 2
3	M&M Employees' Welfare Fund 3
4	Mahindra World School Education Trust

(b) The related party transactions are as under :

							Rupees crores
Sl. No.	Nature of Transactions		Associate Companies	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/close member of KMP	Welfare Funds	
1	Purchases :						
		Goods.....	2017	1,883.85	384.49	-	-
			2016	1,521.38	351.49	-	-
		Property, Plant and Equipment	2017	6.36	0.46	-	-
			2016	2.82	0.67	-	-
		Services.....	2017	189.16	1,397.25	-	-
		2016	133.09	1,316.56	-	-	
2	Sales :						
		Goods.....	2017	164.94	7.42	4.25	-
			2016	148.25	26.29	-	-
		Property, Plant and Equipment.....	2017	-	-	-	-
			2016	0.43	-	-	-
		Services.....	2017	8.22	24.64	-	-
		2016	13.47	24.86	-	-	
	Lease	2017	-	1.52	-	-	
		2016	-	1.30	-	-	
3	Investments :						
		Purchases/Subscribed/Conversion.....	2017	253.40	213.46	-	-
			2016	45.30	28.95	-	-
		Sales/Redemption/Conversion	2017	-	-	0.02	-
		2016	-	-	-	-	
4	Management contracts including Deputation of personnel :						
		From Parties.....	2017	0.04	0.04	-	-
			2016	0.79	0.03	-	-
		To Parties.....	2017	3.93	0.98	-	-
			2016	5.63	0.85	-	-
		Managerial Remuneration	2017	-	-	15.06	-
	2016	-	-	12.97	-		
6	Stock Options.....						
			2017	-	-	-	-
		2016	-	-	5.21	-	
7	Write Back of provision for Doubtful debts/ advances.....						
			2017	-	1.80	-	-
		2016	-	-	-	-	
8	Finance :						
		Inter Corporate deposits given.....	2017	8.02	20.94	-	-
			2016	-	5.00	-	-
		Inter Corporate Deposits Refunded by parties....	2017	-	14.29	-	-
			2016	-	14.76	-	-
		Loan given.....	2017	-	-	-	-
			2016	-	-	9.00	-
		Loan taken	2017	417.00	-	-	-
			2016	-	-	-	-
		Refund of loan given.....	2017	-	-	4.50	-
			2016	-	-	4.50	-
		Interest Income.....	2017	-	50.57	0.26	-
	2016	-	79.24	0.19	-		

Sl. No.	Nature of Transactions		Associate Companies	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/close member of KMP	Welfare Funds
	Interest Expense	2017	2.09	2.47	-	-
		2016	-	0.76	-	-
	Dividend received.....	2017	364.34	32.54	-	-
		2016	191.62	12.00	-	-
	Dividend Distributed.....	2017	-	-	87.29	2.44
		2016	-	-	87.17	2.44
9	Other Transactions :					
	Other Income.....	2017	2.34	3.49	0.35	-
		2016	0.85	0.76	-	-
	Other Expenses.....	2017	160.57	99.21	0.95	-
		2016	121.02	20.79	1.91	-
	Reimbursements received from parties.....	2017	12.30	13.83	-	0.80
		2016	9.77	11.42	-	0.75
	Reimbursements made to parties	2017	4.19	2.14	-	0.08
		2016	7.00	1.84	-	0.08
	Guarantee given.....	2017	792.70	-	-	-
		2016	-	-	-	-
10	Outstandings :					
	Payable	2017	267.95	105.26	3.81	-
		2016	172.43	174.21	3.19	-
		2015	152.54	103.14	2.86	-
	Receivable	2017	113.08	176.52	5.91	17.00
		2016	24.03	118.21	5.80	17.00
		2015	30.65	142.94	1.09	17.00
	Debenture/Bonds issued by parties	2017	-	320.17	-	-
		2016	-	320.17	-	-
		2015	-	337.82	-	-
	Inter Corporate Deposits Given	2017	-	27.65	-	-
		2016	-	179.65	-	-
		2015	-	162.00	-	-
	Inter Corporate Deposits Taken.....	2017	417.00	25.00	-	-
		2016	-	189.00	-	-
11	Provision for Doubtful debts/advances	2017	-	1.74	-	10.00
		2016	-	1.73	-	10.00
		2015	0.53	-	-	10.00
12	Security Deposit paid.....	2017	0.02	1.04	-	-
		2016	0.03	1.11	-	-
13	Advances given.....	2017	26.68	-	0.02	-
		2016	-	-	0.02	-
14	Advances Refunded	2017	24.24	0.44	-	-
		2016	-	-	-	-
15	Security Deposit received.....	2017	0.02	0.05	-	-
		2016	-	0.29	-	-

The Significant related party transactions are as under: (Contd.)

Sl. No.	Nature of Transactions		Associates/Associates of Subsidiaries	Rupees Crores	Joint Ventures/Joint Ventures of Subsidiaries/Joint Operations	Rupees Crores
1	Purchases - Goods	2017	Swaraj Engines Limited	788.09	Mahindra Sona Limited	135.99
		2016		622.50		199.05
2	Purchases - Services	2017	Tech Mahindra Limited	188.76	Mahindra Logistics Limited	1,397.41
		2016		133.07		1,308.05
		2017	Mahindra CIE Automotive Limited	1,044.51		
		2016		898.87		
3	Investments - Purchased/Subscribed	2017	PF Holdings B.V.	126.01	Mahindra Aerospace Private Limited	190.00
		2016		-		-
4	Guarantees Given	2017	PF Holdings B.V.	792.70		
		2016		-		

39. Employees Stock Option Plan :

The Company has allotted 55,24,219 Ordinary (Equity) Shares of Rs. 10 each, 10,00,000 Ordinary (Equity) Shares of Rs. 10 each, 1,73,53,034 Ordinary (Equity) Shares of Rs. 5 each, 19,11,628 Ordinary (Equity) Shares of Rs. 5 each and 52,00,000 Ordinary (Equity) Shares of Rs. 5 each in the years ended 31st March, 2002, 31st March, 2010, 31st March, 2011, 31st March, 2014 and 31st March, 2015 respectively to the Mahindra & Mahindra Employees' Stock Option Trust set up by the Company. The trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the Compensation Committee.

Options granted under Mahindra & Mahindra Limited Employees Stock Option Scheme - 2000 ("2000 Scheme") vest in 4 equal installments on the expiry of 12 Months, 24 Months, 36 Months and 48 Months from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

Options granted under Mahindra & Mahindra Limited Employees Stock Option Scheme - 2010 ("2010 Scheme") vest in

- i) 5 equal instalments on the expiry of 12 Months, 24 Months, 36 Months, 48 Months and 60 Months from the date of grant. OR
- ii) 4 instalments bifurcated as 20% on the expiry of 18 months, 20% on the expiry of 30 months, 30% on the expiry of 42 months and 30% on the expiry of 54 months. The options may be exercised on any day over a period of 5 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

Summary of stock options

Nature of Transactions	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2016 (including 27,22,366 options outstanding from 4 years vesting grant)	49,17,380	65.46
Options granted during the year (including 1,43,467 options with 4 years vesting grant)	3,02,070	5.00
Options forfeited/lapsed during the year (including 85,438 options forfeited from 4 years vesting grants)	3,68,678	239.86
Options exercised during the year (including 1,41,976 options exercised from 4 years vesting grants)	9,76,720	125.02
Options outstanding on 31 st March, 2017 (including 26,38,419 options outstanding from 4 years vesting grants)	38,74,052	29.13
Options vested but not exercised on 31 st March, 2017 (including 3,32,932 options vested from 4 years vesting grants)	10,62,310	93.01

Average share price on the date of exercise of the options are as under

Date of exercise	Weighted average share price (Rs.)
21 st April, 2016 to 27 th March, 2017	1,326.14

Information in respect of options outstanding as at 31st March, 2017

Range of exercise price	Number of options	Weighted average remaining life
Rs. 5.00	35,49,939	6.48 years
Rs. 250.00	2,25,160	0.37 Years
Rs. 362.00	88,953	1.59 Years
Rs. 662.00	10,000	3.98 Years

The fair values of options granted during the year are as follows:

Grant dated 10 th November, 2016 (5 years vesting)	Rs. 1,265.51 per option
Grant dated 10 th November, 2016(4 years vesting)	Rs. 1,263.31 per option
Grant dated 9 th February, 2017 (4 years vesting)	Rs. 1,207.36 per option

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

	Grant dated		
	10 th Nov, 2016 (5 years vesting)	10 th Nov, 2016 (4 years vesting)	9 th Feb, 2017 (4 years vesting)
Risk free interest rate	6.63%	6.64%	6.96%
Expected life	5.51 years	5.70 years	5.70 years
Expected volatility	28.43%	28.09%	27.84%
Expected dividend yield	0.90%	0.90%	0.94%
Exercise Price (Rs.)	5.00	5.00	5.00
Stock Price (Rs.)	1,333.35	1,333.35	1,277.30

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes **Rs. 118.59 crores** (2016 : Rs. 84.12 crores) being expenses on account of share based payments, after adjusting for reversals on account of options lapsed. The amount excludes **Rs. 9.38 crores** (2016 : Rs 5.02 crores) charged to its subsidiaries for options issued to their employees.

40. Contingent Liability & Commitments :

(A) Contingent Liability :

(a) Claims against the Group not acknowledged as debts comprise of :

- (i) Excise Duty, Sales Tax and Service Tax claims disputed by the Group relating to issues of applicability and classification aggregating **Rs. 3,700.07 crores** before tax (2016 : Rs. 3,070.75 crores before tax, 2015 : Rs 2,086.27 crores before tax).
- (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 277.37 crores** before tax (2016 : Rs. 370.48 crores before tax, 2015 : Rs 128.00 crores before tax).

(b) Taxation matters :

- (i) Demands against the Group not acknowledged as debts and not provided for, relating to issues of deductibility and tax ability in respect of which the Group is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
- Income-tax : **Rs. 1,069.96 crores** (2016 : Rs. 829.19 crores, 2015 : Rs. 888.82 crores).
- (ii) Items in respect of which the Group has succeeded in appeal, but the Income-tax Department is pursuing/likely to pursue in appeal/reference and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
- Income-tax matters : **Rs. 382.18 crores** (2016 : Rs. 383.70 crores, 2015 : Rs. 351.50 crores).
 - Surtax matters : **Rs. Nil crores** (2016 : Rs. 0.13 crores, 2015 : Rs. 0.13 crores).

- (c) The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) by its order dated 7th December, 2009 has rejected the Company's appeal against the order dated 30th March, 2005 passed by the Commissioner of Central Excise (Adjudication), Navi Mumbai confirming the demand made on the Company for payment of differential excise duty (including penalty) of Rs. 304.10 crores in connection with the classification of Company's Commander range of vehicles, during the years 1991 to 1996. Whilst the Company had classified the Commander range of vehicles as 10-seater attracting a lower rate of excise duty, the Commissioner of Central Excise (Adjudication), Navi Mumbai, has held that these vehicles could not be classified as 10-seater as they did not fulfil the requirement of 10-seater vehicles, as provided under the Motor Vehicles Act, 1988 (MVA) read with Maharashtra Motor Vehicles Rules, 1989 (MMVR) and as such attracted a higher rate of excise duty. The Company has challenged the CESTAT order in the Supreme Court.

In earlier collateral proceedings on this issue, the CESTAT had, by an order dated 19th July, 2005 settled the controversy in the Company's favour. The CESTAT had accepted the Company's submission that MVA and MMVR could not be referred to for determining the classification for the purpose of levy of excise duty and rejected the Department's appeal against the order of the Collector, Central Excise classifying the Commander range of vehicles as 10-seater. The Department had challenged the CESTAT order in the Supreme Court.

Without prejudice to the grounds raised in this appeal, the Company has paid an amount of Rs. 40.00 crores in January, 2010. The Supreme Court has admitted the Company's appeal and has stayed the recovery of the balance amount till further orders.

Both these orders of the Tribunals were heard and disposed off by the Honourable Supreme Court, in August 2014. Since contrary views were expressed by the Tribunals in two parallel proceedings, the Honourable Supreme Court directed that a larger bench of the Tribunal be constituted to hear the appeals without expressing any opinion on the issues. The Larger Bench of the CESTAT heard the matter in February, 2015 and by an order dated 27th February, 2015, remanded the matter to the Commissioner of Central Excise for consideration of the case afresh keeping all issues open. The company strongly believes, based on legal advice it has received, that it has a good case on merits so as to ultimately succeed in the matter.

In another case relating to Armada range of vehicles manufactured during the years 1992 to 1996, by the Company at its Nashik facility, the Commissioner of Central Excise, Nashik passed an order dated 20th March, 2006 confirming a demand of Rs. 24.75 crores, on the same grounds as adopted for Commander range of vehicles. The CESTAT has given an unconditional stay against this order. The matter was heard by the Hon'ble Tribunal on 18th May, 2017. After hearing the matter, the Hon'ble Tribunal pronounced an Order setting aside the Order in original, and allowing the Company's appeal. The Order is awaited.

As such, the Company does not expect any liability on this account. However, in view of the CESTAT orders and subsequent proceedings, pending their final outcome, the Company has reflected the above amount aggregating **Rs. 328.85 crores** (2016 : Rs. 328.85 crores) and the interest of **Rs. 407.73 crores** (2016 : Rs. 377.64 crores, 2015 : Rs. 341.44 crores) accrued on the same upto 31st March, 2017, under Note (a)(i) above.

- (d) In respect of (a) & (b) above, it is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any.

(B) Commitments :

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2017 is **Rs. 1,151.48 crores** (2016 : Rs. 1,109.61 crores, 2015 : Rs. 1,296.23 crores) and other commitment as at 31st March, 2017 is **Rs. 7.50 crores** (2016: Rs. 8.50 crores, 2015 : Rs. Nil crores)

41. Research and Development expenditure :

- (a) Research and Development Expenditure debited to the Statement of Profit and Loss, including certain expenditure based on allocations made by the Group, aggregate Rs. **1,352.67 crores** (2016 : Rs. 1,459.32 crores)

42. Specified Bank Note Disclosure :

Details of Specified Bank Notes (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 are as provided in the table below:

	Rupees crores		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08th November, 2016	39.16	5.14	44.30
(Add) Non-Permitted receipts	0.02	10.03	10.05
(Add) Permitted receipts	2.05	895.43	897.48
(Add) Other receipts from third parties accepted by banks without authorization	0.14	–	0.14
(Add) Other receipts	3.25	–	3.25
(Less) Permitted payments	(0.01)	(2.36)	(2.37)
(Less) Non-Permitted payments	(0.01)	–	(0.01)
(Less) Amount deposited in Banks	(44.60)	(879.15)	(923.75)
Closing cash in hand as on 30th December, 2016	–	29.09	29.09

Specified bank notes held by the subsidiary amounting to Rs. 4.17 crores which were received on or prior to November 8, 2016 has been duly remitted in the banks across various locations.

43. First-time adoption of Ind-AS :

Reconciliations between Ind-AS and Indian GAAP (previous GAAP) for equity and profit or loss are given below.

(i) Reconciliation of Total Equity as at 31st March, 2016 and 1st April, 2015

		Rupees crores	
	Footnote Ref.	As at	
		31 st March, 2016	1 st April, 2015
Equity as reported under previous GAAP		28,619.64	25,856.38
Ind AS Adjustments			
a) Change in scope of consolidated entities & change of relationships	1	(1,352.84)	(1,302.34)
b) Interest income and expense measured using effective interest method	2	559.93	46.00
c) Allowance for expected credit losses	2	(768.53)	(694.21)
d) Reversal of exchange difference capitalised to property, plant & equipment and depreciation thereon	3	(266.50)	(258.36)
e) Changes in gross obligation value of written put options to Non-Controlling Interest	4	(475.81)	(328.58)
f) Effect of reduction in interest in equity accounted investees and interest in subsidiaries resulting in loss of control	5	26.48	–
g) Fair valuation of assets and liabilities on acquisition of business	6	(51.22)	–
h) Effect of change in discount rate for defined benefit obligations by foreign subsidiaries	7	252.36	254.40
i) Share of Ind AS adjustments by equity accounted associates & joint ventures	8	(365.43)	(324.66)
j) Share of Ind AS adjustments related to Non-controlling interest	9	(38.81)	88.10
k) Reversal of Proposed Dividend including tax thereon	10	841.68	846.80
l) Deferred tax adjustments	11	(429.82)	(219.97)
m) Other Adjustments	12	(58.48)	(47.93)
		(2,126.99)	(1,940.75)
Shareholder's Equity as per Ind AS		26,492.65	23,915.63
Non-Controlling Interest considered as part of Total Equity under Ind AS		5,920.20	5,277.30
Total Comprehensive Income / Total Equity as per Ind AS		32,412.85	29,192.93

(ii) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

		Footnote Ref.	Rupees crores 2016
	Profit attributable to owners of the Company as reported under previous GAAP		3,211.26
a)	Change in scope of consolidated entities & change of relationships	1	(62.20)
b)	Interest income and expense measured using effective interest method	2	513.93
c)	Allowance for expected credit losses	2	(74.32)
d)	Reversal of exchange difference capitalised to property, plant & equipment and depreciation on exchange difference capitalised under previous GAAP	3	(14.69)
e)	Reversal of exchange difference deferred under previous GAAP to Foreign Currency Monetary items Translation Difference Account (FCMITDA) and amortisation thereof	3	74.63
f)	Changes in gross obligation value of written put options to Non-controlling interest	4	(57.09)
g)	Gain/(loss) on reduction in interest in equity accounted associates & joint ventures and loss of control in subsidiaries	5	26.48
h)	Effect of change in discount rate for defined benefit obligations by foreign subsidiaries	7	(70.15)
i)	Share of Ind AS adjustments by equity accounted associates & joint ventures	8	(40.77)
j)	Share of Ind AS adjustments related to Non-controlling interest	9	(126.91)
k)	Deferred tax adjustments	11	(287.96)
l)	Other Adjustments	12	56.22
	Profit attributable to owner's of the company as per Ind AS		3,148.43
	Profit attributable to Non-Controlling Interest		406.07
	Profit as per Ind AS		3,554.50
	Other Comprehensive Income		150.69
	Total Comprehensive Income as per Ind AS		3,705.19

No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with Profit attributable to owners of the Company as reported under previous GAAP.

Explanatory Notes

1 Change in scope of consolidated entities and change of relationships

Certain investees that were not considered as subsidiaries, associates or joint ventures under previous GAAP have now been treated as subsidiaries, associates or joint ventures under Ind AS. As a result of consolidation of Mahindra & Mahindra Benefit Trust, the shares of the Company held by the trust has been treated as treasury shares and presented as deduction from equity on 1st April, 2015 and 31st March, 2016. Further, the equity has increased due to recognition of assets and liabilities of entities consolidated under Ind AS for the first time on transition date. Consequently, the profit or loss of these entities net of inter-company eliminations, have impacted the consolidated profit for the year ended 31st March, 2016.

2 Interest income and expense measured using effective interest method and Allowance for expected credit loss

Under previous GAAP, the measurement of interest income and provisioning for loans given by the financial services business of the Group was in accordance with the guidelines prescribed by Reserve Bank of India. Under Ind AS, the recognition of interest income has been recomputed in accordance with effective interest method as required under Ind AS 109 - Financial instruments. Similarly, transaction costs for borrowings including fixed deposits accepted have been measured using effective interest method under Ind AS. Further, as required by Ind AS 109, allowance for expected credit loss for financial instruments is made based on 12 month expected credit loss and life-time expected credit loss methods. Further, where there is objective evidence of impairment, interest income is recognised on net carrying amount (net of credit allowance). This difference in method of income recognition on credit impaired financial assets and method of allowance for credit losses has impacted equity as at 1st April, 2015 and 31st March, 2016 and profit for the year ended 31st March, 2016.

3 Reversal of exchange difference capitalised to property, plant & equipment and depreciation thereon

Under previous GAAP, the Group had elected the accounting policy of capitalising exchange difference on long term foreign currency denominated monetary items to the extent the monetary item related to acquisition of property, plant and equipment. Difference in exchange on other long term foreign currency monetary items were deferred and amortised over its tenor. Under Ind AS, the Group has not elected to continue the policy and consequently, the difference in exchange capitalised prior to transition date has been adjusted in transition date balance of property, plant and equipment and retained earnings. Further, the amount deferred in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) has been transferred to retained earnings and the addition to and amortisation from FCMITDA during the year ended 31st March, 2016 have been reversed in profit or loss.

- 4 Changes in gross obligation value of written put options to Non-Controlling Interest
On transition date, the Group had written put options for acquiring remaining interest in its subsidiary 'Peugeot Motorcycles S.A.' (PMTC). On 31st March, 2016 the Group had written put options in respect of PMTC, Holiday Club Resorts Oy Group (HCRO) and Mitsubishi Mahindra Agricultural Machinery Co. Ltd (MAM). Under Ind AS, gross obligation has been recognised by debit to Other Equity for the expected amount payable in case of exercise of the put by NCI. The effect of change in estimate as on 31st March, 2016 has been recognised in profit or loss.
- 5 Effect of reduction in interest in equity accounted investees and interest in subsidiaries resulting in loss of control
Under previous GAAP, the Group recognised gain/loss on deemed divestiture of interest in associates through equity. Under Ind AS, the gain / loss for such deemed divestiture have been recognised in profit or loss. Further, under Ind AS, reduction in ownership interest in subsidiary resulting in loss of control requires remeasurement of retained interest and gain/loss recognised in profit or loss. Accordingly, gain on remeasurement of retained interest in Brightsolar Renewables Energy Pvt Ltd (BREPL) has been recognised in profit or loss during the year ended 31st March, 2016 under Ind AS.
- 6 Fair valuation of assets and liabilities on acquisition of business
Under previous GAAP, accounting for business combination was based on carrying amounts of assets and liabilities existing in the books of the acquiree. Ind AS requires fair valuation of assets and liabilities acquired including acquired intangibles. Accordingly, the fair valuation adjustment for assets and liabilities in case of acquisition of MAM has resulted in reduction in Capital Reserve on Consolidation.
- 7 Effect of change in discount rate for defined benefit obligations by foreign subsidiaries
Under previous GAAP, defined benefit obligations were required to be discounted using yield on government securities. However, Ind AS allows use of yield on high quality corporate bond rate to be used in respect of obligations that are in countries which have deep market for high quality corporate bonds. Accordingly, under Ind AS. the defined benefit obligations of Ssangyong Motor Company (SYMC) have been determined by using yield on high quality corporate bond rate with consequent impact on retained earnings on transition date and 31st March, 2016.
- 8 Share of Ind AS adjustments by equity accounted associates and joint ventures
This adjustment relates to the Group's share of effect of Ind AS adjustments made by associates and joint ventures on transition to Ind AS.
- 9 Share of Ind AS adjustments related to Non-controlling interest
This adjustment relates to the NCI's share of effect of Ind AS adjustments made by subsidiaries on transition to Ind AS.
- 10 Proposed Dividend
Under previous GAAP, dividends proposed after the reporting date was treated as adjusting event and accordingly, provision for dividend was recognised with debit to retained earnings. Under Ind AS, proposed dividends are non-adjusting events and are recognised when they are authorised for issue. Accordingly, the proposed dividends have been added to retained earnings on transition date and 31st March, 2016.
- 11 Deferred tax adjustments
This includes deferred tax effect of Ind AS adjustments recognised on transition date and during the year ended 31st March, 2016. Additionally, deferred tax liability has been recognised on the temporary difference arising on investment in subsidiaries, associates and joint ventures due to undistributed profits.
- 12 Others
This includes adjustment on account of discounting of provisions, share-based payments measured using fair value method under Ind AS as compared to intrinsic value method under previous GAAP.

(iii) Material adjustments to the Statement of Cash Flows

	Year ended 31 st March, 2016		
	Previous GAAP	Adjustments	Ind AS
Net cash flows from operating activities	970.69	1,414.07	2,384.76
Net cash flows from investing activities	(5,238.37)	(560.17)	(5,798.54)
Net cash flows from financing activities	3,971.46	(1,004.65)	2,966.81
Net increase (decrease) in cash and cash equivalents	(296.22)	(150.75)	(446.97)
Cash and cash equivalents at beginning of year	2,999.67	(323.55)	2,676.12
Cash and Bank Balance On Acquisition/(Disposal) Of Subsidiaries (Net)	88.57	204.17	292.74
Unrealised Gain/(loss) on foreign currency Cash and Cash Equivalents	(0.19)	0.02	(0.17)
Cash and cash equivalents at end of year	2,791.83	(270.11)	2,521.72

Explanation of material adjustments to cash flow

The material adjustments to the Statement of Cash flows primarily arise from the accounting based on assessment of control under Ind AS. Under Ind AS,

- (a) Control exists when the investor -
 - (i) has power over the investee;
 - (ii) is exposed to, or has rights, to variable returns from its involvement with the investee, and
 - (iii) has the ability to use its power to affect its returns.
- (b) Significant influence exists when the investor has power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies;
- (c) Joint control exists only when the decisions about the relevant activities require unanimous consent of the parties sharing control.

Under Ind AS, subsidiaries are consolidated using full line-by-line consolidation method whereas associates and joint ventures are accounted using equity method. Under previous GAAP, joint ventures were accounted using proportionate line-by-line consolidation method.

These have resulted into adjustment to the Statement of Cash flows under Ind AS.

44. Additional information as required by Schedule III to the Companies Act, 2013 :

Statement of net assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling interest

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
PARENT								
Mahindra and Mahindra Limited	86.32%	25,669.56	97.66%	3,955.65	1.29%	2.45	93.35%	3,958.10
SUBSIDIARIES								
Indian								
Mahindra Vehicle Manufacturers Limited	15.75%	4,682.27	0.62%	25.04	-0.07%	(0.13)	0.59%	24.91
Mahindra Heavy Engines Limited	1.11%	330.16	0.67%	27.27	0.08%	0.15	0.65%	27.42
Mahindra Electric Mobility Limited	0.77%	228.48	-2.79%	(113.18)	0.06%	0.12	-2.67%	(113.06)
Mahindra Trucks and Buses Limited	0.31%	93.38	0.20%	8.02	-0.01%	(0.01)	0.19%	8.01
Mahindra Automobile Distributor Private Limited	0.08%	22.53	0.33%	13.51	0.00%	-	0.32%	13.51
NBS International Limited	-0.02%	(7.38)	-0.13%	(5.08)	0.05%	0.09	-0.12%	(4.99)
Mahindra Gujarat Tractor Limited	0.09%	26.20	-0.13%	(5.21)	-0.06%	(0.12)	-0.13%	(5.33)
Auto Digitech Private Limited	0.00%	0.27	-0.12%	(4.98)	0.00%	-	-0.12%	(4.98)
Kota Farm Services Limited	0.00%	(0.30)	0.00%	-	0.00%	-	0.00%	-
Trringo.com Limited	0.01%	3.25	-0.15%	(6.25)	0.00%	-	-0.15%	(6.25)
Mahindra & Mahindra Financial Services Limited	22.28%	6,626.42	12.37%	501.08	-2.33%	(4.42)	11.71%	496.66
Mahindra Insurance Brokers Limited	0.90%	268.78	1.32%	53.46	-0.22%	(0.41)	1.25%	53.05
Mahindra Rural Housing Finance Limited	1.57%	468.26	2.55%	103.25	-0.20%	(0.38)	2.43%	102.87
Mahindra Asset Management Company Private Limited	0.22%	66.19	-0.51%	(20.57)	-0.01%	(0.02)	-0.49%	(20.59)
Mahindra Trustee Company Private Limited	0.00%	0.23	0.00%	(0.18)	0.00%	-	0.00%	(0.18)
MMFSL Securitisation Trust SPV	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Mahindra Lifespace Developers Limited	5.02%	1,492.79	1.21%	48.94	0.36%	0.68	1.17%	49.62
Mahindra Infrastructure Developers Limited	0.01%	1.78	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Mahindra World City (Maharashtra) Limited	0.00%	(0.27)	-0.01%	(0.30)	0.00%	-	-0.01%	(0.30)
Mahindra Integrated Township Limited	0.31%	93.08	0.34%	13.70	0.00%	-	0.32%	13.70
Knowledge Township Limited	0.12%	34.41	0.00%	0.03	0.00%	-	0.00%	0.03
Mahindra Residential Developers Limited	0.30%	90.11	-0.07%	(2.74)	0.00%	-	-0.06%	(2.74)
Industrial Township (Maharashtra) Limited	0.02%	4.84	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Raigad Industrial & Business Park Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Anthurium Developers Limited	0.00%	0.15	0.00%	0.05	0.00%	-	0.00%	0.05
Industrial Cluster Private Limited	0.00%	0.03	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Mahindra Water Utilities Limited	0.18%	53.47	0.08%	3.40	-0.06%	(0.11)	0.08%	3.29
Kismat Developers Private Limited	0.00%	(0.52)	0.00%	-	0.00%	-	0.00%	-
Topical Builders Private Limited	-0.02%	(5.92)	-0.01%	(0.21)	0.00%	-	0.00%	(0.21)
Rathna Bhoomi Enterprises Private Limited	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

Statement of net assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Deepmangal Developers Private Limited	0.00%	(0.12)	0.00%	(0.04)	0.00%	–	0.00%	(0.04)
Moonshine Construction Private Limited	0.00%	(0.29)	0.00%	(0.04)	0.00%	–	0.00%	(0.04)
Mahindra Consulting Engineers Limited	0.05%	15.54	0.08%	3.10	–0.06%	(0.11)	0.07%	2.99
Mahindra Holidays & Resorts India Limited	2.27%	674.42	3.23%	130.65	–0.02%	(0.03)	3.08%	130.62
Mahindra Hotels and Residences India Limited	0.00%	(0.10)	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Gables Promoters Private Limited	0.16%	48.85	–0.01%	(0.29)	0.00%	–	–0.01%	(0.29)
Mahindra Two Wheelers Limited	0.47%	140.19	–11.64%	(471.60)	0.33%	0.62	–11.11%	(470.98)
Mahindra Agri Solutions Limited	0.50%	150.11	–1.25%	(50.62)	0.06%	0.11	–1.19%	(50.51)
EPC Industrie Limited	0.45%	134.18	0.24%	9.91	–0.01%	(0.02)	0.23%	9.89
Mahindra HZPC Private Limited	0.03%	7.81	–0.19%	(7.73)	–0.02%	(0.03)	–0.18%	(7.76)
Mahindra UNIVEG Private Limited	0.02%	4.87	–0.09%	(3.72)	0.03%	0.05	–0.09%	(3.67)
Bristlecone India Limited	0.25%	75.34	0.34%	13.85	0.00%	–	0.33%	13.85
Mahindra Intertrade Limited	1.67%	496.54	1.47%	59.67	–0.17%	(0.32)	1.40%	59.35
Mahindra Steel Service Centre Limited	0.33%	98.16	0.08%	3.36	–0.03%	(0.05)	0.08%	3.31
Mahindra Electrical Steel Private Limited	0.00%	(0.91)	–0.02%	(0.77)	0.00%	–	–0.02%	(0.77)
Mahindra Auto Steel Private Limited	0.27%	78.92	0.18%	7.22	–0.01%	(0.01)	0.17%	7.21
Mahindra Holdings Limited	3.80%	1,130.63	0.01%	0.60	0.00%	–	0.01%	0.60
Mahindra Susten Private Limited	1.85%	550.33	1.03%	41.90	–0.08%	(0.15)	0.98%	41.75
Mahindra Renewables Private Limited	0.96%	286.04	–0.07%	(2.72)	0.00%	–	–0.06%	(2.72)
Cleansolar Renewable Energy Private Limited	0.21%	61.29	0.03%	1.38	0.00%	–	0.03%	1.38
MachinePulse Tech Private Limited	0.00%	0.03	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Divine Solren Private Limited	0.25%	73.77	–0.04%	(1.73)	0.00%	–	–0.04%	(1.73)
Neo Solren Private Limited	0.22%	64.01	0.00%	0.19	0.00%	–	0.00%	0.19
Marvel Solren Private Limited	0.00%	(0.01)	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Astra Solren Private Limited	0.21%	61.82	–0.08%	(3.42)	0.00%	–	–0.08%	(3.42)
Mahindra Suryaurja Private Limited	0.00%	–	0.00%	(0.03)	0.00%	–	0.00%	(0.03)
Mahindra Engineering & Chemical Products Limited	2.28%	677.89	0.01%	0.31	0.00%	–	0.01%	0.31
Retail Initiative Holdings Limited	–0.46%	(137.05)	0.00%	(0.10)	0.00%	–	0.00%	(0.10)
Mahindra Retail Private Limited	0.84%	249.30	4.32%	175.08	0.05%	0.10	4.13%	175.18
Mahindra Internet Commerce Private Limited	0.00%	–	–0.29%	(11.85)	0.00%	–	–0.28%	(11.85)
Defence Land Systems India Limited	0.40%	120.27	–0.22%	(8.79)	0.03%	0.05	–0.21%	(8.74)
Mahindra Defence Naval Systems Private Limited	0.02%	5.94	–0.19%	(7.53)	0.12%	0.22	–0.17%	(7.31)
Mahindra Defence Systems Limited	0.88%	262.67	0.31%	12.66	–0.01%	(0.02)	0.30%	12.64
Mahindra First Choice Wheels Limited	0.18%	54.31	–0.40%	(16.16)	–0.13%	(0.24)	–0.39%	(16.40)
Mahindra First Choice Services Limited	–0.04%	(12.12)	–1.12%	(45.45)	–0.05%	(0.09)	–1.07%	(45.54)
Mahindra Namaste Limited	0.00%	0.12	0.00%	0.06	0.00%	–	0.00%	0.06
Mahindra Integrated Business Solutions Private Limited	0.03%	7.44	0.04%	1.53	0.04%	0.08	0.04%	1.61
Mahindra Telecommunications Investment Private Limited	0.02%	7.07	0.01%	0.33	0.00%	–	0.01%	0.33
Mahindra 'Electoral Trust' Company	0.00%	0.04	0.00%	*	0.00%	–	0.00%	*
Mahindra eMarket Limited	0.00%	(0.04)	0.00%	0.01	0.00%	–	0.00%	0.01
Gateway Housing Company Limited	0.00%	0.86	0.00%	0.03	0.00%	–	0.00%	0.03
Orizonte Business Solutions Limited	0.01%	2.86	–0.22%	(9.11)	0.00%	–	–0.21%	(9.11)
Mahindra Construction Company Limited	–0.07%	(22.27)	–0.01%	(0.23)	0.00%	–	–0.01%	(0.23)
Officemartindia.com Limited	0.00%	(0.24)	0.00%	–	0.00%	–	0.00%	–
Mahindra & Mahindra Contech Limited	0.04%	10.90	0.02%	0.94	0.36%	0.69	0.04%	1.63
Sunrise Initiatives Trust	0.00%	0.16	–1.15%	(46.66)	0.00%	–	–1.10%	(46.66)
Mumbai Mantra Media Limited	0.01%	2.47	0.00%	(0.20)	0.00%	–	0.00%	(0.20)
Mahindra Marine Private Limited	0.04%	11.51	0.01%	0.52	–0.01%	(0.02)	0.01%	0.50
Mahindra MSTC Recycling Private Limited	0.02%	5.26	–0.02%	(0.93)	0.00%	–	–0.02%	(0.93)
Mahindra Airways Limited	0.00%	0.83	–0.04%	(1.42)	0.00%	–	–0.03%	(1.42)
Classic Legends Private Limited	0.03%	8.54	–0.04%	(1.46)	0.00%	–	–0.03%	(1.46)

Statement of net assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling interest (contd.)

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Mahindra & Mahindra Financial Services Limited ESOP Trust	0.10%	30.11	0.07%	3.00	0.00%	–	0.07%	3.00
Mahindra Holidays & Resorts India Limited ESOP Trust	0.02%	6.49	0.08%	3.19	0.00%	–	0.08%	3.19
Mahindra & Mahindra Benefit Trust	4.91%	1,459.76	1.54%	62.20	0.00%	–	1.47%	62.20
Mahindra & Mahindra ESOP Trust	1.49%	444.00	0.81%	32.62	0.00%	–	0.77%	32.62
Mahindra First Choice Wheels Ltd ESOP Trust	0.00%	(0.01)	0.00%	–	0.00%	–	0.00%	–
Mahindra Consulting Engineers Limited ESOP Trust	0.01%	3.22	0.00%	0.16	0.00%	–	0.00%	0.16
Foreign								
Mahindra Automotive Australia Pty. Limited ^	0.05%	15.71	0.00%	0.13	0.00%	–	0.00%	0.13
Ssangyong Motor Company »	16.01%	4,759.68	5.71%	231.19	138.52%	262.42	11.64%	493.61
Ssangyong Motor (Shanghai) Company Limited >	0.04%	11.88	–0.11%	(4.49)	0.00%	–	–0.11%	(4.49)
Ssangyong European Parts Center B.V. €	–0.06%	(17.10)	0.05%	2.20	0.00%	–	0.05%	2.20
Mahindra Europe S.r.l. €	0.05%	14.25	0.01%	0.50	0.00%	–	0.01%	0.50
Mahindra and Mahindra South Africa (Proprietary) Limited Ž	0.28%	81.90	0.14%	5.62	0.70%	1.32	0.16%	6.94
Mahindra Graphic Research Design S.r.l. €	0.02%	4.99	–0.02%	(0.92)	0.00%	–	–0.02%	(0.92)
Mahindra North American Technical Center, Inc. \$	–0.04%	(12.48)	–0.63%	(25.69)	0.00%	–	–0.61%	(25.69)
Mahindra West Africa Ltd ◊	0.00%	1.30	0.00%	0.02	0.00%	–	0.00%	0.02
Mahindra International UK Limited £	0.00%	1.42	–0.44%	(18.01)	0.00%	–	–0.42%	(18.01)
Mahindra USA Inc. \$	0.46%	136.61	0.77%	31.08	0.00%	–	0.73%	31.08
Mitsubishi Mahindra Agricultural Machinery Co., Ltd (Consolidated) ¥	2.36%	702.84	–0.55%	(22.43)	–4.21%	(7.98)	–0.72%	(30.41)
Mahindra Mexico S. de. R. L ©	0.00%	(1.32)	–0.03%	(1.33)	0.00%	–	–0.03%	(1.33)
Mahindra do Brasil Industrial Ltda β	0.13%	40.09	–0.15%	(6.11)	0.00%	–	–0.14%	(6.11)
Hisarlar Makina Sanayi ve Ticaret Anonim Sirketi †	0.31%	90.93	0.00%	–	0.00%	–	0.00%	–
Hisarlar Ithalat Ihracat Pazarlama Anonim Sirketi †	–0.03%	(9.39)	0.00%	–	0.00%	–	0.00%	–
Heritage Bird (M) Sdn. Bhd. **	0.00%	(0.97)	–0.01%	(0.30)	0.00%	–	–0.01%	(0.30)
Infinity Hospitality Group Company Limited #	0.02%	7.05	–0.02%	(0.86)	0.00%	–	–0.02%	(0.86)
MH Boutique Hospitality Limited #	0.00%	(0.34)	–0.01%	(0.51)	0.00%	–	–0.01%	(0.51)
MHR Holdings (Mauritius) Limited €	–0.04%	(12.54)	–0.12%	(5.05)	0.00%	–	–0.12%	(5.05)
Convington S.a.r.l. €	0.52%	156.02	0.04%	1.46	0.00%	–	0.03%	1.46
HCR Management Oy €	0.05%	14.47	0.00%	0.19	0.00%	–	0.00%	0.19
Holiday Club Resort Oy €	1.27%	379.00	0.13%	5.41	0.00%	–	0.13%	5.41
Kiinteistö Oy Himos Gardens €	0.02%	7.40	0.00%	0.05	0.00%	–	0.00%	0.05
Suomen Vapaa-aikakiinteistöt Oy LKV ≥	0.00%	0.14	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Himoksen Tähti 2 €	0.02%	4.74	0.00%	0.10	0.00%	–	0.00%	0.10
Kiinteistö Oy Vanha Ykköstii €	0.00%	0.37	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Katinnurkka €	0.01%	2.14	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Tenetilahti €	0.00%	0.77	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Mällönsieni €	0.01%	2.09	0.00%	0.01	0.00%	–	0.00%	0.01
Kiinteistö Oy Rauhan Ranta 1 €	0.00%	0.89	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Rauhan Ranta 2 €	0.00%	1.43	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Tiurunnieni €	0.01%	2.51	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Kiinteistö Oy Rauhan Liikekiinteistöt 1 €	0.04%	11.65	–0.05%	(1.86)	0.00%	–	–0.04%	(1.86)
Supermarket Capri Oy €	0.00%	0.81	–0.02%	(0.76)	0.00%	–	–0.02%	(0.76)
Kiinteistö Oy Kylpyläntorni 1 €	0.01%	1.75	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Spa Lofts 2 €	0.00%	1.01	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Spa Lofts 3 €	0.00%	0.99	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Kiinteistö Oy Kuusamon Pulkajärvi 1 €	0.01%	1.91	0.00%	0.01	0.00%	–	0.00%	0.01
Ownership Services Ab ≥	0.00%	1.48	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Are Villas 1 Ab ≥	0.00%	0.04	0.00%	–	0.00%	–	0.00%	–

Statement of net assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Are Villas 2 Ab ≥	0.00%	0.04	0.00%	–	0.00%	–	0.00%	–
Holiday Club Sweden Ab Åre ≥	0.35%	105.51	0.12%	4.87	0.00%	–	0.11%	4.87
Holiday Club Sport and Spa AB ≥	0.02%	4.50	–0.15%	(6.21)	0.00%	–	–0.15%	(6.21)
Holiday Club Rus LLC R	–0.03%	(7.69)	0.03%	1.40	0.00%	–	0.03%	1.40
Holiday Club Canarias Investments S.L. €	0.00%	0.03	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Holiday Club Canarias Sales & Marketing S.L. €	0.04%	11.99	–0.35%	(14.22)	0.00%	–	–0.34%	(14.22)
Holiday Club Canarias Resort Management S.L. €	0.07%	21.29	0.05%	2.22	0.00%	–	0.05%	2.22
Arabian Dreams Hotel Apartments LLC •	–0.02%	(7.18)	0.01%	0.25	0.00%	–	0.01%	0.25
Mahindra Two Wheelers Europe Holdings S.a.r.l. €	0.61%	180.65	0.00%	(0.17)	0.00%	–	0.00%	(0.17)
Peugeot Motorcycles S.A.S. €	–0.71%	(212.07)	–3.97%	(160.75)	0.00%	–	–3.79%	(160.75)
Peugeot Motorcycles Deutschland GmbH €	0.01%	2.79	0.01%	0.29	0.00%	–	0.01%	0.29
Peugeot Motorcycles Italia S.p.A. €	0.01%	2.08	0.03%	1.12	0.00%	–	0.03%	1.12
Mahindra Tractor Assembly Inc. \$	0.24%	70.52	–2.77%	(112.40)	0.00%	–	–2.65%	(112.40)
OFD Holding BV €	0.11%	32.92	0.00%	–	0.00%	–	0.00%	–
Origin Direct Asia Ltd. €	0.01%	1.98	0.00%	–	0.00%	–	0.00%	–
Origin Fruit Direct B.V. €	0.10%	29.46	0.00%	–	0.00%	–	0.00%	–
Origin Fruit Services South America SpA €	0.00%	0.28	0.00%	–	0.00%	–	0.00%	–
Origin Direct Asia (Shanghai) Trading Co. Ltd. €	0.00%	0.27	0.00%	–	0.00%	–	0.00%	–
Bristlecone Consulting Limited @	0.01%	3.46	0.00%	0.01	0.00%	–	0.00%	0.01
Bristlecone Limited \$	0.07%	21.99	–0.52%	(21.19)	0.00%	–	–0.50%	(21.19)
Bristlecone (Malaysia) Sdn.Bhd **	0.01%	3.87	0.01%	0.44	0.00%	–	0.01%	0.44
Bristlecone International AG <	0.03%	10.36	0.10%	4.13	0.00%	–	0.10%	4.13
Bristlecone (UK) Limited £	0.01%	1.93	–0.02%	(0.61)	0.00%	–	–0.01%	(0.61)
Bristlecone Inc. \$	0.44%	131.91	0.37%	15.10	0.00%	–	0.36%	15.10
Bristlecone Middle East DMCC •	0.00%	1.42	0.03%	1.33	0.00%	–	0.03%	1.33
Bristlecone GmbH €	0.09%	26.00	0.16%	6.63	0.00%	–	0.16%	6.63
Bristlecone (Singapore) Pte. Limited ≤	0.00%	0.14	0.00%	0.04	0.00%	–	0.00%	0.04
Mahindra Middleeast Electrical Steel Service Centre (FZC) •	0.10%	30.32	0.02%	0.76	0.00%	–	0.02%	0.76
Mahindra Overseas Investment Company (Mauritius) Limited. \$	1.59%	471.54	–3.92%	(158.81)	0.00%	–	–3.75%	(158.81)
Mahindra Racing S.p.A. €	0.04%	11.95	0.00%	0.15	0.00%	–	0.00%	0.15
Mahindra Racing UK Limited £	0.00%	(0.06)	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
BSA Company Limited £	0.00%	0.33	0.09%	3.71	0.00%	–	0.09%	3.71
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.32%	94.15	0.56%	22.87	0.04%	0.07	0.54%	22.94
Tech Mahindra Limited	14.55%	4,327.43	18.28%	740.55	13.44%	25.46	18.07%	766.01
Mahindra CIE Automotive Limited	1.90%	563.87	0.72%	29.18	–1.67%	(3.17)	0.61%	26.01
PSL Media & Communications Limited	0.00%	0.77	0.00%	–	0.00%	–	0.00%	–
Merakisan Private Limited	0.00%	(0.07)	–0.01%	(0.23)	0.00%	–	–0.01%	(0.23)
Brainbees Solutions Private Limited	0.81%	240.88	–0.37%	(14.87)	0.00%	–	–0.35%	(14.87)
Medwell Ventures Private Limited	0.04%	12.48	0.00%	–	0.00%	–	0.00%	–
Foreign								
Mahindra Finance USA LLC \$	0.94%	280.58	0.64%	25.91	–3.67%	(6.95)	0.45%	18.96
CIE Automotive S.A. €	2.21%	656.25	3.45%	139.78	–15.77%	(29.87)	2.59%	109.91
The East India Company Group Ltd £	0.03%	9.23	0.15%	6.13	–7.88%	(14.92)	–0.21%	(8.79)
P.F. holding BV €	0.61%	182.62	0.35%	14.24	–7.79%	(14.76)	–0.01%	(0.52)

Statement of net assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling interest (contd.)

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	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Scoot Networks Inc. \$	0.00%	0.05	-0.11%	(4.64)	0.67%	1.26	-0.08%	(3.38)
Sampo Rosenlew Oy €	0.26%	76.65	0.34%	13.74	-4.53%	(8.59)	0.12%	5.15
Koy Sallan Kypyla €	0.02%	5.62	0.00%	0.06	0.00%	-	0.00%	0.06
Kiinteistö Oy Seniori-Saimaa €	0.04%	10.67	0.00%	-	0.00%	-	0.00%	-
HDG-Asia Ltd >	0.00%	(0.32)	0.00%	-	0.00%	-	0.00%	-
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra World City (Jaipur) Limited	0.65%	192.47	0.82%	33.34	0.00%	-	0.79%	33.34
Mahindra Bebanco Developers Limited	0.04%	10.70	0.12%	4.69	0.00%	-	0.11%	4.69
Mahindra World City Developers Limited	0.37%	108.80	-0.07%	(2.80)	0.00%	-	-0.07%	(2.80)
Mahindra Homes Private Limited	0.02%	4.74	0.20%	7.99	0.00%	-	0.19%	7.99
Mahindra Inframan Water Utilities Private Limited	0.00%	0.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Mahindra Sanyo Special Steel Private Limited	0.31%	91.22	-0.58%	(23.50)	0.59%	1.12	-0.53%	(22.38)
Mahindra Aerospace Private Limited	0.27%	79.45	-1.42%	(57.68)	-1.97%	(3.74)	-1.45%	(61.42)
Mahindra Solar One Private Limited	0.10%	28.76	0.01%	0.25	0.00%	-	0.01%	0.25
Mahindra Tsubaki Conveyor Systems Private Limited	0.10%	28.95	0.01%	0.25	0.00%	-	0.01%	0.25
Mahindra Telephonics Integrated Systems Limited	0.05%	15.76	-0.06%	(2.26)	0.02%	0.04	-0.05%	(2.22)
Mahindra Logistics Limited	0.88%	261.24	0.83%	33.81	-0.16%	(0.31)	0.79%	33.50
Mahindra Sona Limited (up to 16.12.2016)	0.00%	-	0.13%	5.32	0.00%	-	0.13%	5.32
Mahindra Marine Private Limited (upto 02.10.2016)	0.00%	-	-0.03%	(1.20)	0.00%	-	-0.03%	(1.20)
Brightsolar Renewable Energy Private Limited	0.03%	10.19	0.00%	0.12	0.00%	-	0.00%	0.12
Foreign								
Mahindra Yueda (Yancheng) Tractor Company Limited >	0.12%	34.52	-1.94%	(78.75)	-2.97%	(5.62)	-1.99%	(84.37)
Jinan Qingqi Peugeot Motocycles Co Ltd. >	0.14%	42.55	0.09%	3.60	0.00%	-	0.08%	3.60
Mahindra-BT Investment Company (Mauritius) Limited \$	0.24%	70.12	0.01%	0.28	-0.66%	(1.25)	-0.02%	(0.97)
SY Auto Capital Co., LTD »	0.27%	80.90	0.53%	21.56	-0.21%	(0.39)	0.50%	21.17
Mahindra Emirates Vehicle Armouring FZ-LLC •	0.04%	11.65	0.14%	5.80	-0.15%	(0.28)	0.13%	5.52
Tropiikin Rantasauna Oy €	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non controlling Interest	-21.38%	(6,356.90)	-8.70%	(352.49)	-32.64%	(61.84)	-9.77%	(414.33)
Inter Company Adjustments	-88.77%	(26,390.57)	-18.36%	(744.51)	31.00%	58.70	-16.17%	(685.82)
Total	100.00%	29,737.99	100.00%	4,050.53	100.00%	189.44	100.00%	4,239.97

* Denotes amounts less than Rs. 50,000.

• Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 17.65 as on 31st March, 2017

^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs. 49.55 as on 31st March, 2017

β Converted into Indian Rupees at the exchange rate, 1 BRL = Rs. 20.73 as on 31st March, 2017

@ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs. 48.73 as on 31st March, 2017

< Converted into Indian Rupees at the exchange rate, 1 CHF = Rs. 64.80 as on 31st March, 2017

> Converted into Indian Rupees at the exchange rate, 1 CNY = Rs. 9.42 as on 31st March, 2017

€ Converted into Indian Rupees at the exchange rate, 1 EUR = Rs. 69.26 as on 31st March, 2017

£ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 80.94 as on 31st March, 2017

¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.5788 as on 31st March, 2017

» Converted into Indian Rupees at the exchange rate, 1 KRW = Rs. 0.0580 as on 31st March, 2017

© Converted into Indian Rupees at the exchange rate, 1 MXN = Rs. 3.46 as on 31st March, 2017

** Converted into Indian Rupees at the exchange rate, 1 MYR = Rs. 14.64 as on 31st March, 2017

◇ Converted into Indian Rupees at the exchange rate, 1 NGN = Rs. 0.2119 as on 31st March, 2017

℞ Converted into Indian Rupees at the exchange rate, 1 RUB = Rs. 1.15 as on 31st March, 2017

≥ Converted into Indian Rupees at the exchange rate, 1 SEK = Rs. 7.26 as on 31st March, 2017

≤ Converted into Indian Rupees at the exchange rate, 1 SGD = Rs. 46.42 as on 31st March, 2017

Converted into Indian Rupees at the exchange rate, 1 THB = Rs. 1.89 as on 31st March, 2017

† Converted into Indian Rupees at the exchange rate, 1 TRY = Rs. 17.87 as on 31st March, 2017

\$ Converted into Indian Rupees at the exchange rate, 1 USD = Rs. 64.88 as on 31st March, 2017

Ž Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 4.83 as on 31st March, 2017

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

Part "A" : Subsidiaries

Rupees crores

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
1	Mahindra Vehicle Manufacturers Limited	25/05/2007	INR	1.00	3,897.95	784.32 (304.24)	8,550.74	3,868.47	1,669.18	10,128.91	265.28	240.24	25.04	103.47	100.00%	100.00%
2	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40		566.01	235.85	10.00	722.24	27.27	—	27.27	—	100.00%	100.00%
3	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	207.57	20.91	330.68	102.20	4.95	119.57	(113.18)	—	(113.18)	—	98.87%	98.87%
4	Mahindra Trucks and Buses Limited	01/10/2005	INR	1.00	79.46	13.92	122.42	29.04	14.85	131.57	12.41	4.39	8.02	5.78	100.00%	100.00%
5	Mahindra Automobile Distributor Private Limited	05/08/2005	INR	1.00	1.00	21.53	32.21	9.68	9.94	74.28	20.37	6.86	13.51	13.50	95.00%	95.00%
6	NBS International Limited	05/02/2001	INR	1.00	9.55	(16.93)	31.31	38.69	—	133.15	(5.08)	—	(5.08)	—	100.00%	100.00%
7	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	49.55	22.67	(6.96)	60.11	44.40	—	125.86	0.13	—	0.13	—	100.00%	100.00%
8	Ssangyong Motor Company #	09/02/2011	KRW	0.0580	4,000.53	759.15	12,397.26	7,637.58	3.25	20,972.33	231.19	—	231.19	—	72.46%	72.46%
9	Ssangyong Motor (Shanghai) Company Limited #	09/02/2011	CNY	9.42	28.26	(16.38)	15.09	3.21	—	1.10	(4.49)	—	(4.49)	—	72.46%	100.00%
10	Ssangyong European Parts Center B.V. #	09/02/2011	EUR	69.26	4.85	(21.95)	65.78	82.88	—	93.88	2.81	0.61	2.20	—	72.46%	100.00%
11	SY Auto Capital Co., LTD #	28/10/2015	KRW	0.0580	116.00	42.62	362.67	204.05	—	231.97	53.63	11.35	42.28	—	36.96%	51.00%
12	Mahindra Europe S.r.l.	31/05/2005	EUR	69.26	9.84	4.41	113.80	99.55	—	108.18	0.68	0.18	0.50	—	100.00%	100.00%
13	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	4.83	25.12	56.78	201.56	119.66	—	475.61	10.86	5.24	5.62	—	100.00%	100.00%
14	Mahindra Graphic Research Design S.r.l.	20/02/2008	EUR	69.26	6.65	(1.66)	10.55	5.56	—	22.14	(0.82)	0.10	(0.92)	—	100.00%	100.00%
15	Mahindra North American Technical Center, Inc.	18/12/2013	USD	64.88	*	(12.48)	37.19	49.67	—	24.75	(41.78)	(16.09)	(25.69)	—	100.00%	100.00%
16	Mahindra West Africa Ltd	20/05/2016	NGN	0.21	1.28	0.02	2.79	1.49	—	1.96	0.02	—	0.02	—	100.00%	100.00%
17	Mahindra International UK Limited	13/10/2015	GBP	80.94	19.43	(18.01)	6.11	4.69	—	1.56	(18.01)	—	(18.01)	—	100.00%	100.00%
18	Mahindra Gujarat Tractor Limited	18/12/1999	INR	1.00	54.30	(28.10)	74.07	47.87	—	75.39	(5.21)	—	(5.21)	—	60.00%	60.00%
19	Auto Digiotech Private Limited	09/10/2009	INR	1.00	0.01	0.26	3.87	3.60	—	0.01	(4.98)	—	(4.98)	—	100.00%	100.00%
20	Trringo.com Limited	23/05/2016	INR	1.00	9.50	(6.25)	5.32	2.07	—	0.83	(6.25)	—	(6.25)	—	100.00%	100.00%
21	Mahindra U.S.A. Inc.	08/06/1994	USD	64.88	90.83	45.78	1,400.12	1,263.51	—	3,329.20	42.59	11.51	31.08	3.63	100.00%	100.00%
22	Mahindra Mexico S. de. R. L. **	08/08/2016	MXN	3.46	0.01	(1.33)	4.04	5.36	—	—	(1.64)	(0.31)	(1.33)	—	99.00%	99.00%
23	Mahindra do Brasil Industrial Ltda	14/10/2016	BRL	20.73	49.83	(9.74)	42.58	2.49	—	7.25	(8.04)	(1.93)	(6.11)	—	100.00%	100.00%
24	Mahindra Yueda (Yancheng) Tractor Company Limited #	28/10/2008	CNY	9.42	484.19	(416.49)	771.56	703.86	—	324.42	(154.41)	—	(154.41)	—	51.00%	51.00%
25	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	30/03/2017	TRY	17.87	165.25	(74.32)	402.90	311.97	—	—	—	—	—	—	75.07%	75.07%
26	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	30/03/2017	TRY	17.87	2.68	(12.07)	12.79	22.18	—	—	—	—	—	—	75.07%	100.00%

Part "A" : Subsidiaries (contd.)

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different	Rupees crores	Company Overview	Board's Report	Management Discussion and Analysis	Corporate Governance	Business Responsibility Report	Standalone Accounts	Consolidated Accounts	
																								100.00%	100.00%
27	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	113.01	6,364.24	45,985.24	39,507.99	1,564.98	6,237.54	620.07	219.84	400.23	160.97	51.54%	51.54%									
28	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	2.58	266.20	290.10	21.32	119.40	174.23	82.36	28.90	53.46	5.43	43.81%	85.00%									
29	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	95.13	380.75	4,914.88	4,439.00	—	703.37	126.90	43.89	83.01	17.18	45.10%	87.50%									
30	Mahindra Asset Management Company Private Limited	20/06/2013	INR	1.00	91.00	(24.99)	71.78	5.77	63.48	8.81	(20.47)	—	(20.47)	—	51.54%	100.00%									
31	Mahindra Trustee Company Private Limited	25/04/2013	INR	1.00	0.50	(0.28)	0.24	0.02	0.17	0.03	(0.20)	—	(0.20)	—	51.54%	100.00%									
32	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	41.05	1,451.74	2,460.64	967.85	148.48	753.20	70.55	21.61	48.94	28.29	50.78%	50.78%									
33	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	(16.22)	3.06	1.28	0.02	0.03	(0.05)	*	(0.05)	—	50.78%	100.00%									
34	Mahindra World City (Maharashtra) Limited **	21/09/2005	INR	1.00	1.17	(1.44)	3.55	3.82	3.50	*	(0.30)	—	(0.30)	—	50.78%	100.00%									
35	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.44	42.64	217.55	124.47	—	65.58	15.21	1.51	13.70	—	37.25%	73.36%									
36	Knowledge Township Limited	16/08/2007	INR	1.00	21.00	13.41	54.88	20.47	—	0.05	0.03	—	0.03	—	50.78%	100.00%									
37	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	89.86	117.07	26.96	—	13.15	(2.74)	—	(2.74)	—	37.25%	100.00%									
38	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(0.16)	5.17	0.33	—	—	(0.02)	—	(0.02)	—	50.78%	100.00%									
39	Raigad Industrial & Business Park Limited	18/07/2009	INR	1.00	0.11	(0.11)	0.06	0.06	—	—	(0.01)	—	(0.01)	—	50.78%	100.00%									
40	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.10	2.37	2.22	—	0.08	0.07	0.02	0.05	—	50.78%	100.00%									
41	Industrial Cluster Private Limited	29/03/2013	INR	1.00	0.05	(0.02)	92.31	92.28	—	—	(0.01)	—	(0.01)	—	50.78%	100.00%									
42	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	53.37	57.14	3.67	0.03	17.59	5.72	2.32	3.40	—	50.27%	99.00%									
43	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	102.25	568.87	446.62	115.00	60.93	(4.73)	(1.59)	(3.14)	—	45.19%	89.00%									
44	Mahindra World City Jaipur Limited	26/08/2005	INR	1.00	150.00	110.10	700.71	440.61	42.24	175.28	69.75	24.69	45.06	10.83	37.57%	74.00%									
45	Mahindra Bebanco Developers Limited	03/06/2008	INR	1.00	0.05	15.24	105.01	89.72	—	49.52	10.66	3.95	6.71	—	35.54%	70.00%									
46	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	5.57	241.56	65.99	—	—	(2.09)	—	(2.09)	—	27.11%	60.00%									
47	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.82	8.65	1,085.59	1,076.12	—	204.19	24.70	8.72	15.98	—	38.07%	74.98%									
48	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.95	13.59	19.78	4.24	*	17.13	4.66	1.56	3.10	—	84.93%	—									
49	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	88.23	586.19	2,986.41	2,311.99	100.77	1,105.93	200.94	70.29	130.65	53.43	67.93%	67.93%									
50	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.15)	0.01	0.11	—	—	(0.01)	—	(0.01)	—	67.93%	100.00%									
51	Gables Promoters Private Limited **	24/08/2012	INR	1.00	49.68	(0.83)	105.60	56.75	—	*	(0.29)	*	(0.29)	—	67.93%	100.00%									
52	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	14.64	0.44	(1.41)	6.04	7.01	—	1.24	(0.31)	—	(0.31)	—	67.93%	100.00%									
53	Infinity Hospitality Group Company Limited	05/11/2012	THB	1.89	28.35	(21.30)	34.66	27.61	—	7.95	(0.86)	—	(0.86)	—	50.25%	100.00%									

Part "A" : Subsidiaries (contd.)

		Rupees crores														
Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
54	MH Boutique Hospitality Limited	02/11/2012	THB	1.89	1.89	(2.23)	7.20	7.54	—	—	(0.51)	—	(0.51)	—	33.28%	49.00%
55	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	69.26	1.00	(13.54)	356.56	369.10	—	5.38	(5.05)	—	(5.05)	—	67.93%	100.00%
56	Convington S.a.r.l.	17/07/2014	EUR	69.26	0.09	155.93	422.22	266.20	—	8.47	1.46	—	1.46	—	67.93%	100.00%
57	HCR Management Oy	02/09/2015	EUR	69.26	0.02	14.45	14.68	0.21	14.51	0.35	0.19	—	0.19	—	67.93%	100.00%
58	Holiday Club Resort Oy	02/09/2015	EUR	69.26	82.82	296.18	815.65	436.65	87.30	875.97	7.84	2.43	5.41	8.20	62.45%	91.93%
59	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	69.26	0.02	7.38	7.41	0.01	—	—	0.06	0.01	0.05	—	62.45%	100.00%
60	Suomen Vapaa-aikakiinteistö Oy **	02/09/2015	SEK	7.26	0.02	0.12	0.14	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
61	Kiinteistö Oy Himoksen Tähti 2	02/09/2015	EUR	69.26	0.02	4.72	4.75	0.01	—	0.13	0.10	—	0.10	—	62.45%	100.00%
62	Kiinteistö Oy Vanha Ykköstii	02/09/2015	EUR	69.26	0.00	0.37	0.37	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
63	Kiinteistö Oy Katinnurkka	02/09/2015	EUR	69.26	0.02	2.12	2.14	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
64	Kiinteistö Oy Tenetilahti	02/09/2015	EUR	69.26	0.02	0.75	0.77	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
65	Kiinteistö Oy Mällönsieni	02/09/2015	EUR	69.26	0.06	2.03	2.36	0.27	—	0.03	0.01	—	0.01	—	62.45%	100.00%
66	Kiinteistö Oy Rauhan Ranta 1	02/09/2015	EUR	69.26	0.02	0.87	0.89	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
67	Kiinteistö Oy Rauhan Ranta 2	02/09/2015	EUR	69.26	0.02	1.41	1.43	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
68	Kiinteistö Oy Tiurunniemi	02/09/2015	EUR	69.26	0.02	2.49	2.51	0.00	—	—	(0.02)	—	(0.02)	—	62.45%	100.00%
69	Kiinteistö Oy Rauhan Liikekiinteistö 1	02/09/2015	EUR	69.26	0.02	11.63	68.53	56.88	—	4.71	(1.86)	—	(1.86)	—	62.45%	100.00%
70	Supermarket Capri Oy	02/09/2015	EUR	69.26	0.69	0.12	1.02	0.21	0.01	2.76	(0.76)	—	(0.76)	—	62.45%	100.00%
71	Kiinteistö Oy Kypyläntorni 1	02/09/2015	EUR	69.26	0.02	1.73	1.75	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
72	Kiinteistö Oy Spa Lofts 2	02/09/2015	EUR	69.26	0.02	0.99	1.01	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
73	Kiinteistö Oy Spa Lofts 3	02/09/2015	EUR	69.26	0.02	0.97	0.99	0.00	—	—	(0.01)	—	(0.01)	—	62.45%	100.00%
74	Kiinteistö Oy Kuusamon Pulkajärvi 1	02/09/2015	EUR	69.26	0.02	1.89	2.49	0.58	—	0.09	0.02	0.01	0.01	—	62.45%	100.00%
75	Ownership Services Ab	02/09/2015	SEK	7.26	0.07	1.41	7.19	5.71	—	—	(0.02)	—	(0.02)	—	62.45%	100.00%
76	Are Villas 1 Ab **	02/09/2015	SEK	7.26	0.04	—	0.16	0.12	—	—	—	—	—	—	62.45%	100.00%
77	Are Villas 2 Ab **	02/09/2015	SEK	7.26	0.04	—	0.05	0.01	—	—	—	—	—	—	62.45%	100.00%
78	Holiday Club Sweden Ab Åre	01/12/2015	SEK	7.26	0.07	105.44	169.18	63.67	6.75	51.59	4.87	—	4.87	—	62.45%	100.00%
79	Holiday Club Sport and Spa AB	02/09/2015	SEK	7.26	0.73	3.77	41.89	37.39	—	84.22	(6.21)	—	(6.21)	—	31.85%	51.00%
80	Holiday Club Rus LLC #	02/09/2015	RUB	1.15	0.03	(7.72)	3.23	10.92	—	1.37	1.78	0.38	1.40	—	62.45%	100.00%
81	Holiday Club Canarias Investments S.L.	02/09/2015	EUR	69.26	0.02	0.01	5.65	5.62	5.64	—	(0.02)	—	(0.02)	—	62.45%	100.00%
82	Holiday Club Canarias Sales & Marketing S.L.	02/09/2015	EUR	69.26	0.02	11.97	121.58	109.59	—	54.12	(15.01)	(0.79)	(14.22)	—	62.45%	100.00%
83	Holiday Club Canarias Resort Management S.L.	02/09/2015	EUR	69.26	0.02	21.27	59.55	38.26	—	36.68	3.18	0.96	2.22	—	62.45%	100.00%
84	Mahindra Two Wheelers Limited	29/09/2008	INR	1.00	2,998.39	(2,858.20)	364.20	224.01	—	333.89	(471.81)	(0.21)	(471.60)	—	92.25%	—
85	Mahindra Two Wheelers Europe Holdings S.a.r.l.	02/12/2014	EUR	69.26	103.20	77.45	180.79	0.14	—	—	(0.17)	—	(0.17)	—	100.00%	—
86	Peugeot Motorcycles S.A.S. #	19/01/2015	EUR	69.26	67.94	(280.01)	391.50	603.57	—	657.09	(160.75)	—	(160.75)	—	51.00%	100.00%
87	Peugeot Motorcycles Deutschland GmbH #	19/01/2015	EUR	69.26	0.18	2.61	13.87	11.08	—	46.22	0.29	—	0.29	—	51.00%	100.00%
88	Peugeot Motorcycles Italia S.p.A. #	19/01/2015	EUR	69.26	1.83	0.25	35.64	33.56	—	98.83	1.12	—	1.12	—	51.00%	100.00%

Part "A" : Subsidiaries (contd.)

Si. No.	Name of Subsidiary	The date since subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different	Rupees crores	Company Overview	Board's Report	Management Discussion and Analysis	Corporate Governance	Business Responsibility Report	Standalone Accounts	Consolidated Accounts
89	Mahindra Tractor Assembly Inc.	25/01/2013	USD	64.88	280.35	(209.83)	204.08	133.56	—	26.14	(112.39)	0.01	(112.40)	—	100.00%	100.00%								
90	Mahindra Agri Solutions Limited	16/08/2000	INR	1.00	69.27	80.84	348.02	197.91	—	484.91	(57.15)	(6.53)	(50.62)	—	98.40%	98.40%								
91	EPC Industrie Limited	08/09/2011	INR	1.00	27.67	106.51	184.18	50.00	4.51	203.28	9.68	(0.23)	9.91	—	54.73%	54.73%								
92	Mahindra HZPC Private Limited	25/04/2013	INR	1.00	7.89	(0.08)	41.09	33.28	—	12.07	(7.74)	*	(7.74)	—	59.95%	59.95%								
93	Mahindra Greenyard Private Limited	09/07/2014	INR	1.00	5.55	(0.68)	10.57	5.70	1.20	37.58	(3.72)	—	(3.72)	—	59.04%	60.00%								
94	OFD Holding BV	22/02/2017	EUR	69.26	0.22	32.70	39.52	6.60	—	—	—	—	—	—	60.00%	60.00%								
95	Origin Direct Asia Ltd.	22/02/2017	USD	64.88	0.01	1.97	50.02	48.04	—	—	—	—	—	—	60.00%	100.00%								
96	Origin Fruit Direct B.V.	22/02/2017	EUR	69.26	0.09	29.37	87.81	58.35	—	—	—	—	—	—	60.00%	100.00%								
97	Origin Fruit Services South America SpA	22/02/2017	CLP	0.10	0.01	0.27	0.44	0.16	—	—	—	—	—	—	60.00%	100.00%								
98	Origin Direct Asia (Shanghai) Trading Co. Ltd.	22/02/2017	CNY	9.42	0.87	(0.60)	55.26	54.99	—	—	—	—	—	—	60.00%	100.00%								
99	Bristlecone Limited	17/05/2004	USD	64.88	0.16	21.83	189.91	167.93	—	1.38	(21.19)	—	(21.19)	—	75.35%	75.35%								
100	Bristlecone India Limited	25/09/1995	INR	1.00	19.05	56.29	139.25	63.91	—	271.66	21.42	7.57	13.85	—	75.35%	100.00%								
101	Bristlecone Consulting Limited	01/06/2010	CAD	48.73	*	3.46	3.52	0.06	—	0.08	0.01	*	0.01	—	75.35%	100.00%								
102	Bristlecone (Malaysia) Sdn.Bhd	30/05/2007	MYR	14.64	0.15	3.72	5.33	1.46	—	7.14	0.62	0.18	0.44	—	75.35%	100.00%								
103	Bristlecone International AG	21/06/2011	CHF	64.80	0.65	9.71	16.98	6.62	—	23.63	4.32	0.19	4.13	—	75.35%	100.00%								
104	Bristlecone (UK) Limited	31/05/1999	GBP	80.94	19.02	(17.09)	2.42	0.49	—	1.45	(0.61)	—	(0.61)	—	75.35%	100.00%								
105	Bristlecone Inc.	17/05/2004	USD	64.88	44.45	87.46	185.09	53.18	—	253.78	27.60	12.50	15.10	—	75.35%	100.00%								
106	Bristlecone Middle East DMCC	18/07/2016	AED	17.65	0.09	1.33	3.23	1.81	—	3.21	1.33	—	1.33	—	75.35%	100.00%								
107	Bristlecone GmbH	09/12/2003	EUR	69.26	0.35	25.65	39.73	13.73	—	81.26	8.65	2.02	6.63	—	75.35%	100.00%								
108	Bristlecone (Singapore) Pte. Limited	21/02/2003	SGD	46.42	7.75	(7.61)	1.00	0.86	—	1.01	0.04	—	0.04	—	75.35%	100.00%								
109	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	64.88	77.08	45.94	123.13	0.11	—	1.14	0.49	—	0.49	—	57.00%	57.00%								
110	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	479.94	705.07	208.53	57.55	1,007.20	90.29	30.62	59.67	23.98	100.00%	100.00%								
111	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	81.62	186.51	88.35	—	244.36	5.32	1.96	3.36	0.82	61.00%	61.00%								
112	Mahindra Electrical Steel Private Limited **	11/7/2009	INR	1.00	0.30	(1.21)	7.34	8.25	—	—	(1.05)	(0.28)	(0.77)	—	100.00%	100.00%								
113	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	10.42	116.90	37.98	2.50	107.46	11.26	4.04	7.22	1.81	51.00%	51.00%								
114	Mahindra Middleeast Electrical Steel Service Centre (FZC)	08/08/2004	AED	17.65	3.56	26.76	70.18	39.86	—	68.13	0.76	—	0.76	—	90.00%	90.00%								
115	Mahindra Holdings Limited	02/10/2007	INR	1.00	1,107.82	22.81	1,184.58	53.95	119.61	3.16	0.60	—	0.60	—	100.00%	100.00%								
116	Mahindra Overseas Investment Company (Mauritius) Limited.	24/12/2004	USD	64.88	846.29	(374.75)	1,687.40	1,215.86	992.70	78.98	(150.91)	7.90	(158.81)	—	100.00%	100.00%								
117	Mahindra Racing S.p.A.	23/01/2012	EUR	69.26	12.34	(0.39)	24.56	12.61	—	40.23	0.51	0.36	0.15	—	100.00%	100.00%								
118	Mahindra Racing UK Limited	04/03/2011	GBP	80.94	0.16	(0.22)	17.20	17.26	—	78.54	(0.20)	(0.18)	(0.02)	—	100.00%	100.00%								
119	Mahindra Susten Private Limited	04/03/2011	INR	1.00	138.26	412.07	1,289.96	739.63	0.10	1,254.37	66.95	25.05	41.90	—	100.00%	100.00%								
120	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	279.42	6.62	305.25	19.21	5.31	1.84	(2.93)	(0.21)	(2.72)	—	100.00%	100.00%								

Part 'A' : Subsidiaries (contd.)

		Rupees crores														
Sl. No.	Name of subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
121	Cleansolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.62	51.67	262.62	201.33	—	23.53	1.98	0.60	1.38	—	100.00%	
122	MachinePulse Tech Private Limited **	05/01/2016	INR	1.00	0.05	(0.02)	0.05	0.02	—	—	(0.02)	—	(0.02)	—	100.00%	
123	Divine Solren Private Limited	08/05/2015	INR	1.00	12.08	61.69	320.02	246.25	—	0.33	(2.31)	(0.58)	(1.73)	—	100.00%	
124	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	54.69	71.72	7.71	20.71	1.30	(0.26)	(0.45)	0.19	—	100.00%	
125	Marvel Solren Private Limited	10/10/2015	INR	1.00	0.01	(0.02)	0.01	0.02	—	—	(0.02)	*	(0.02)	—	100.00%	
126	Astra Solren Private Limited	14/10/2015	INR	1.00	8.49	53.33	439.48	377.66	—	0.76	(4.62)	(1.20)	(3.42)	—	100.00%	
127	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	10.46	83.79	63.81	—	12.22	0.33	0.10	0.23	—	51.00%	
128	Mahindra Suryaurja Private Limited	16/02/2017	INR	1.00	0.06	(0.06)	0.05	0.05	—	—	(0.03)	—	(0.03)	—	100.00%	
129	Mahindra Engineering and Chemical Products Limited	30/04/1964	INR	1.00	87.45	590.44	679.41	1.52	5.12	1.50	0.18	(0.13)	0.31	—	100.00%	
130	Retail Initiative Holdings Limited	01/07/2009	INR	1.00	20.55	(157.60)	357.43	494.48	—	*	(0.10)	—	(0.10)	—	100.00%	
131	Mahindra Retail Private Limited	01/07/2009	INR	1.00	748.46	(499.16)	426.98	177.68	355.48	181.46	211.08	36.00	175.08	—	100.00%	
132	Defence Land Systems India Limited	04/03/2009	INR	1.00	219.00	(98.73)	137.85	17.58	7.70	32.79	(8.79)	—	(8.79)	—	100.00%	
133	Mahindra Defence Naval Systems Private Limited	18/05/2012	INR	1.00	15.03	(9.09)	17.10	11.16	—	13.29	(7.53)	—	(7.53)	—	100.00%	
134	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	14.93	247.74	549.48	286.81	—	346.43	19.56	6.90	12.66	—	100.00%	
135	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(19.88)	39.70	8.80	—	22.65	(4.44)	—	(4.44)	—	51.00%	
136	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	17.65	17.65	5.19	42.33	19.49	—	57.56	5.80	—	5.80	—	51.00%	
137	Mahindra First Choice Wheels Ltd	24/03/2008	INR	1.00	73.84	(19.53)	113.00	58.69	2.53	95.33	(16.06)	0.10	(16.16)	—	48.68%	
138	Mahindra First Choice Services Limited	15/11/1999	INR	1.00	264.00	(276.12)	25.91	38.03	—	79.15	(45.45)	—	(45.45)	—	100.00%	100.00%
139	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(8.89)	0.23	0.11	—	0.58	0.06	—	0.06	—	84.93%	
140	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	1.50	5.94	15.29	7.85	2.16	24.17	2.10	0.57	1.53	0.24	100.00%	
141	Mahindra Telecommunications Investment Private Limited	29/09/2011	INR	1.00	0.47	6.60	7.16	0.09	—	0.52	0.48	0.15	0.33	—	100.00%	
142	Mahindra 'Electoral Trust' Company	30/12/2013	INR	1.00	0.05	(0.01)	0.04	*	—	—	*	—	*	—	100.00%	
143	Mahindra eMarket Limited	11/08/2014	INR	1.00	0.80	(0.84)	0.43	0.47	—	0.02	0.01	*	0.01	—	83.47%	100.00%
144	Gateway Housing Company Limited	10/03/2016	INR	1.00	0.05	0.81	1.99	1.13	—	0.15	0.04	0.01	0.03	—	100.00%	
145	Orizonte Business Solutions Limited	25/11/2015	INR	1.00	15.06	(12.20)	6.64	3.78	2.41	3.00	(9.11)	—	(9.11)	—	98.14%	
146	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	6.20	(0.94)	5.48	0.22	—	0.03	(0.92)	0.01	(0.93)	—	50.00%	
147	Mahindra Airways Limited	27/07/2016	INR	1.00	2.25	(1.42)	1.40	0.57	1.33	0.03	(1.42)	—	(1.42)	—	100.00%	
148	Classic Legends Private Limited	18/10/2016	INR	1.00	10.00	(1.46)	34.13	25.59	—	*	(1.46)	—	(1.46)	—	60.00%	
149	BSA Company Limited	21/10/2016	GBP	80.94	0.97	(0.64)	0.62	0.29	—	0.26	3.71	—	3.71	—	60.00%	100.00%
150	Mahindra Logistic Limited	12/12/2007	INR	1.00	68.00	280.82	769.02	420.20	58.06	2,597.65	67.67	22.87	44.80	—	74.12%	
151	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	7.01	(0.70)	41.70	35.39	—	37.78	(1.06)	(0.33)	(0.73)	—	40.77%	55.00%
152	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	2.51	16.70	11.83	0.01	66.77	1.21	(0.82)	2.03	—	44.47%	60.00%

Rupees crores

Sl. No.	Name of Subsidiary	The date since subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
153	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	230.29	245.19	481.60	6.12	—	0.95	(5.25)	0.26	(5.51)	—	66.67%	—
154	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	235.36	(181.81)	203.00	149.45	—	31.77	(52.53)	—	(52.53)	—	66.67%	100.00%
155	Mahindra Aerospace Australia Pty Limited	13/04/2010	AUD	49.55	350.51	(131.06)	314.95	95.50	—	5.98	(0.18)	—	(0.18)	—	66.67%	100.00%
156	Aerostaff Australia Pty Limited	10/05/2010	AUD	49.55	24.53	(27.31)	3.53	6.31	—	7.68	0.10	—	0.10	—	66.67%	100.00%
157	Gipp Aero Investemnts Pty Limited	28/06/2010	AUD	49.55	318.59	(107.76)	210.92	0.09	—	*	(0.05)	—	(0.05)	—	66.67%	100.00%
158	Gippaero Pty Limited	28/06/2010	AUD	49.55	283.67	(235.38)	250.57	202.28	—	83.49	(27.72)	—	(27.72)	—	66.67%	100.00%
159	Airvan Flight Services Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
160	GAB Airvan Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
161	GA200 Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
162	Nomad TC Pty Limited	28/06/2010	AUD	49.55	0.06	(0.10)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
163	Airvan 10 Pty Limited	10/12/2015	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
164	Mahindra Sanyo Special Steel Private Limited	11/11/2011	INR	1.00	11.98	166.88	662.28	483.42	—	918.43	(46.08)	—	(46.08)	—	51.00%	—

Notes:

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

denotes companies where reporting period is 1st January, 2016 to 31st December, 2016. The financial year for all other subsidiaries is 1st April, 2016 to 31st March, 2017

@ excluding shares issued to ESOP Trusts of the respective entities/their holding companies but not allotted to employees

Names of subsidiaries which have ceased to exist during the year on account of Liquidation/ Sale/Merger through scheme of arrangement are as under (also refer note 1 of Consolidated Financial Statements):

Kiinteistö Oy Tunturinrivi

Are semesterby B

Caribia Service Oy

Are semesterby C

Saimaa Gardens Arena Oy

Are semesterby D

Are semesterby A

Mahindra Internet Commerce Private Limited

Part "B" Details of Associates / Joint Ventures

Rupees crores

Name of Associates / Joint Ventures	Audited Balance Sheet Date (dd/mm/yyyy)	Date of Acquisition (dd/mm/yyyy)	No. of Equity shares held	% of Holding	Cost of Investments (Equity Shares)	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
Associates ~								
Swaraj Engines Limited	31/03/2017	11/08/2008	4,126,417	33.22%	1.63	94.15	22.87	45.97
Tech Mahindra Limited ##	31/03/2017	31/08/2012	256,450,608	26.33%	2691.53	4327.43	740.55	2072.32
Mahindra CIE Automotive Limited #	31/12/2016	04/10/2013	65,271,407	17.26%	531.48	563.87	29.18	139.83
CIE Automotive S.A. @	31/12/2016	04/10/2013	16,040,706	12.43%	850.98	656.25	139.78	984.31
Mahindra Tsubaki Conveyor Systems Private Limited @@	31/03/2017	31/07/2014	15,376,025	49.00%	18.31	28.95	0.25	0.27
Mahindra Contech Limited ***	31/03/2017	01/04/2010	700,000	46.66%	1.73	5.09	0.44	0.50
Officemartindia.com Limited	31/03/2017	31/03/2002	749,997	50.00%	0.22	(0.12)	*	*
Mahindra Construction Company Limited	31/03/2017	13/03/2015	900,000	37.49%	0.97	(8.35)	(0.09)	(0.14)
Kota Farm Services Limited	31/03/2017	15/04/2011	273,420	45.00%	0.27	(0.14)	*	*
PSL Media & Communications Limited ***	31/03/2017	29/05/2010	39,498	36.11%	0.02	0.77	*	*
Kismat Developers Private Limited ^	31/03/2017	09/09/2013	15	42.86%	*	(0.23)	*	*
P.F. holding BV	31/03/2017	27/05/2016	16,736,050	40.00%	126.01	182.62	14.24	21.37
Merakisan Private Limited »	31/03/2017	28/09/2016	500,000	33.17%	0.50	(0.07)	(0.23)	(0.46)
Sampo Rosenlew Oy	30/09/2016	01/07/2016	1,050	35.00%	110.49	76.65	(14.47)	(26.87)
Brainbees Solutions Private Limited ©	31/03/2017	15/10/2016	23,347,960	27.16%	455.98	240.88	(14.87)	(39.89)
Medwell Ventures Private Limited \$\$	31/03/2017	31/03/2017	82,586	17.10%	52.44	12.48	—	—
Koy Sallan Kylpyla ££	31/12/2016	02/09/2015	49	45.05%	0.06	5.62	0.06	—
Kiinteistö Oy Seniori-Saimaa ££	31/12/2016	02/09/2015	950,000	28.64%	1.07	10.67	—	(1.01)
HDG-Asia Ltd †	31/12/2016	22/02/2017	5,000	50.00%	0.97	(0.32)	*	*
Joint Ventures								
Mahindra Finance USA LLC †	31/03/2017	27/09/2010	31,558,353	49.00%	184.29	280.58	25.91	26.96
Arabian Dreams Hotel Apartments LLC >	31/03/2017	26/03/2013	147	49.00%	0.52	(3.52)	0.13	0.13
Mitsubishi Mahindra Agricultural Machinery co., Ltd. §	31/03/2017	01/10/2015	4	33.33%	191.59	468.58	(14.95)	(7.48)
Mahindra Inframan Water Utilities Pvt. Limited **	31/03/2017	19/01/2004	25,000	50.00%	0.03	0.02	*	*
Mahindra Solar One Pvt. Ltd. \$\$	31/03/2017	22/09/2010	2,781,640	26.00%	27.73	28.76	0.25	0.73
Jinan Qingqi Peugeot Motorcycles Co Ltd. €	31/12/2016	19/01/2015	1	50.00%	47.10	42.55	3.60	3.60
Tropiikin Rantasauna Oy ££	\$	31/08/2016	50	45.97%	0.43	—	(0.01)	(0.02)

Notes :

1. No associates/ Joint ventures are yet to commence operations.
2. Mahindra Sona Limited, a Joint venture, has been sold during the year.
3. Saimaa Adventures Oy, an associate, has been sold during the year.

* Denotes amount less than Rs. 50000

~ Significant influence is exercised through shareholding except CIE Automotive, S.A. and Mahindra CIE Automotive Limited where it is through contractual representation on the board of the company

\$ Tropiikin Rantasauna Oy was incorporated during the year and will prepare it's first statutory accounts for the period ending December 31, 2017.

** Shareholding is through a subsidiary, Mahindra Infrastructure Developers Limited.

» Shareholding is through a subsidiary, Mahindra Greenyard Private Limited.

© Shareholding is through a subsidiary, Mahindra Retail Private Limited, Mahindra Engineering and Chemical Products Limited and Mahindra Holdings Limited.

^ Shareholding is through a subsidiary, Mahindra Lifespace Developers Limited.

@@ Shareholding is through a subsidiary, Mahindra Engineering and Chemical Products Limited.

Shareholding is through the Company and its subsidiaries, Mahindra Holdings Limited and Mahindra-BT Investment Company (Mauritius) Limited.

† Shareholding is through a subsidiary, OFD Holding B.V.

- ££ Shareholding is through a subsidiary, Holiday Club Resort Oy.
- > Shareholding is through a subsidiary, Mahindra Holidays and Resorts India Limited.
- \$\$ Shareholding is through a subsidiary, Mahindra Holdings Limited.
- *** Shareholding is through the Company and its subsidiary, Mahindra Holdings Limited
- € Shareholding is through a subsidiary, Peugeot Motocycles S.A.S.,
- § In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock), the Company owns the entire JPY 2,250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.
- # Shareholding is through a subsidiary, Mahindra Vehicle Manufacturers Limited
- @ Shareholding is through a subsidiary, Mahindra Overseas Investment Company (Mauritius) Limited.
- † Shareholding is through a subsidiary, Mahindra & Mahindra Financial Services Limited.

<p>Deepak S. Parekh Nadir B. Godrej M. M. Murugappan R. K. Kulkarni Anupam Puri Vishakha N. Desai Vikram Singh Mehta S. B. Mainak T. N. Manoharan</p>	}	Directors	<p>Anand G. Mahindra</p> <p>Dr. Pawan Goenka</p> <p>V. S. Parthasarathy</p> <p>Narayan Shankar</p>	<p>Executive Chairman</p> <p>Managing Director</p> <p>Group Chief Financial Officer & Group CIO</p> <p>Company Secretary</p>
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Mumbai, 30th May, 2017

