

REF:NS:SEC:
9th July, 2020

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

Sub: Notice of Annual General Meeting, Integrated Annual Report for Financial Year 2019-20 and Secretarial Audit Report of Material Unlisted Subsidiary- Compliance under Regulations 24A, 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please refer to our letter dated 12th June, 2020 intimating that the 74th Annual General Meeting of the Company will be held on 7th August, 2020 at 3.00 p.m. (IST) through Video Conferencing/Other Audio Visual Means.

In continuation of the aforesaid letter and pursuant to Regulations 30 & 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

- 1) Notice of the 74th Annual General Meeting of the Company (including e-voting instructions). The brief details of the agenda items proposed to be transacted thereat are given in Annexure I;
- 2) Integrated Annual Report for the Financial Year 2019-20.

The PDF and Flip Book version of the Integrated Annual Report and AGM Notice can be accessed / downloaded from the weblink given below:

- <https://www.mahindra.com/resources/investor-reports/FY20/Annual-Reports/MM-Annual-Report-2019-20.pdf>
- <https://www.mahindra.com/investors/annual-report-FY2020/index.html>



Mahindra & Mahindra Ltd.

Mahindra Towers,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018 India
Tel: +91 22 24901441
Fax: +91 22 24975081

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company/KFin Technologies Private Limited ("Registrar and Transfer Agents" of the Company) or the Depositories.

Further, please find enclosed the Secretarial Audit Report of Mahindra Vehicle Manufacturers Limited ("MVML"), a material unlisted Indian subsidiary of the Company for the year ended 31st March, 2020 carried out pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of MVML submitted by Mr. Sachin Bhagwat, Practicing Company Secretary does not contain any qualification, reservation or adverse remark or disclaimer.

This is for your information.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR
COMPANY SECRETARY
Encl: as above

Annexure I

Brief Summary of the Resolutions proposed to be transacted at the 74th AGM of the Company:

Resolution No.	Details of the Resolution	Ordinary/ Special Resolution
Ordinary Business:		
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2020 and the Reports of the Board of Directors and Auditors thereon.	Ordinary
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2020 and the Report of the Auditors thereon.	Ordinary
3.	Declaration of dividend on Ordinary (Equity) Shares.	Ordinary
4.	Appointment of a Director in place of Mr. Anand G. Mahindra (DIN: 00004695), who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary
Special Business:		
5.	Ratification of Remuneration payable to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No.000611), appointed as the Cost Auditors of the Company for the Financial Year ending 31 st March, 2021.	Ordinary
6.	Re-designation of Dr. Pawan Goenka (DIN: 00254502), as "Managing Director and Chief Executive Officer" with effect from 1 st April, 2020, revision in the remuneration payable to him with effect from 1 st August, 2020 upto his current term i.e. 11 th November, 2020 and his re-appointment as "Managing Director and Chief Executive Officer" of the Company with effect from 12 th November, 2020 to 1 st April, 2021.	Special
7.	Appointment of Dr. Anish Shah (DIN: 02719429), as a Director, liable to retire by rotation.	Ordinary
8.	Appointment of Dr. Anish Shah (DIN: 02719429), as Whole-time Director designated as "Deputy Managing Director and Group Chief Financial Officer" from 1 st April, 2020 to 1 st April, 2021 and as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" with effect from 2 nd April, 2021 to 31 st March, 2025.	Special
9.	Appointment of Mr. Rajesh Jejurikar (DIN: 00046823), as a Director, liable to retire by rotation.	Ordinary
10.	Appointment of Mr. Rajesh Jejurikar (DIN: 00046823), as Whole-time Director designated as "Executive Director (Automotive and Farm Sectors)" for a period of 5 years with effect from 1 st April, 2020 to 31 st March, 2025.	Special
11.	Appointment of Mr. CP Gurnani (DIN: 00018234), as a Non-Executive Non-Independent Director.	Ordinary

THE SEVENTY FOURTH ANNUAL GENERAL MEETING OF MAHINDRA & MAHINDRA LIMITED will be held on Friday, the 7th day of August, 2020 at 3:00 p.m. (IST), through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following businesses.

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Gateway Building, Apollo Bunder, Mumbai – 400 001 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Report of the Auditors thereon.
3. To declare a dividend on Ordinary (Equity) Shares.
4. To appoint a Director in place of Mr. Anand G. Mahindra (DIN: 00004695), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. Ratification of Remuneration to Cost Auditors

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to Messrs D. C. Dave & Co., Cost Accountants having Firm Registration Number 000611, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2021, amounting to Rs. 8,00,000 (Rupees Eight Lakhs only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be ratified.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

6. Re-designation of Dr. Pawan Goenka as "Managing Director and Chief Executive Officer" with effect from 1st April, 2020, revision in the remuneration payable to him with effect from 1st August, 2020 upto his current term i.e. 11th November, 2020 and his re-appointment as "Managing Director and Chief Executive Officer" of the Company with effect from 12th November, 2020 to 1st April, 2021

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the:

- (i) Re-designation of Dr. Pawan Goenka (DIN: 00254502) as "Managing Director and Chief Executive Officer" of the Company with effect from 1st April, 2020, and revision in the remuneration payable to him, by way of change in the scale of basic salary to Rs. 18,00,000 to Rs. 30,00,000 per month with effect from 1st August, 2020 upto his current term i.e. 11th November, 2020.
- (ii) Re-appointment of Dr. Pawan Goenka as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" of the Company with effect from 12th November, 2020 to 1st April, 2021 (both days inclusive) on a basic salary in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month.

FURTHER RESOLVED that the approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to revise the basic salary payable to Dr. Pawan Goenka, Managing Director & Chief Executive Officer of the Company (hereinafter referred to as the appointee) within the above mentioned scale of salary.

FURTHER RESOLVED that the perquisites (including allowances) payable or allowable and commission to the appointee be as follows:

Perquisites:

1. In addition to the salary, the appointee shall also be entitled to perquisites which would include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, gas, electricity, water, furnishings, medical reimbursement and leave travel concession for self and family, club fees, use of Company cars, medical and personal accident insurance and other benefits, amenities and facilities including those under the Company's Special Post Retirement Benefits Scheme in accordance with the Rules of the Company.

The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

2. Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity would not

be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

3. Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration.
4. Provision of car for use on Company's business, telephone and other communication facilities at residence would not be considered as perquisites.

Commission:

In addition to the salary and perquisites, the appointee would be entitled to such commission based on the net profits of the Company in any financial year not exceeding 1% (one percent) of such profits as the Governance, Nomination and Remuneration Committee shall decide, having regard to the performance of the Company.

Provided that the remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) does not exceed the limits laid down in section 197 and computed in the manner laid down in section 198 of the Act, including any statutory modification(s) or re-enactment(s) thereof.

FURTHER RESOLVED that where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

7. Appointment of Dr. Anish Shah as a Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Dr. Anish Shah (DIN: 02719429), who was appointed by the Board of Directors as an Additional Director of the Company, with effect from 1st April, 2020 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual

General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as a Director of the Company, liable to retire by rotation."

8. Appointment of Dr. Anish Shah as Whole-time Director designated as "Deputy Managing Director and Group Chief Financial Officer" from 1st April, 2020 to 1st April, 2021 and as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" with effect from 2nd April, 2021 to 31st March, 2025

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment of Dr. Anish Shah (DIN: 02719429) as Whole-time Director of the Company designated as "Deputy Managing Director and Group Chief Financial Officer" of the Company with effect from 1st April, 2020 to 1st April, 2021 (both days inclusive), on a basic salary of Rs. 19,65,714 per month in the scale of Rs. 16,00,000 to Rs. 26,00,000 per month, and as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" with effect from 2nd April, 2021 to 31st March, 2025 (both days inclusive), on a basic salary in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month.

FURTHER RESOLVED that the approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to revise the basic salary payable to Dr. Anish Shah, as the Deputy Managing Director and Group Chief Financial Officer of the Company (from 1st April, 2020 to 1st April, 2021) and as the Managing Director and Chief Executive Officer of the Company (from 2nd April, 2021 to 31st March, 2025) (hereinafter referred to as the appointee) within the above mentioned scale of salary.

FURTHER RESOLVED that in addition to the basic salary, the perquisites (including benefits and allowances) payable or allowable and performance pay, to the appointee be as follows:

Perquisites:

1. In addition to the basic salary, the appointee shall also be entitled to perquisites not exceeding 200% of the Annual Basic Salary which would

include accommodation (furnished or otherwise including interest on housing deposit and rent) or house rent allowance in lieu thereof, soft furnishings, retention bonus, medical reimbursement, domiciliary expenses at actuals to cover self, spouse and children below the age of 25 years and leave travel concession for self and family, club subscription, use of Company cars (amount of car Lease, Fuel & Maintenance, Driver Reimbursement), education subsidy, Employer and Employee contribution to National Pension System, medical and personal accident insurance, subsidy for Parents' Medical Insurance, Group term Insurance and Club Mahindra/Holiday Home Facility, and such other allowances, benefits, amenities and facilities in accordance with the Rules of the Company.

The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

2. In addition to the above, the appointee shall be entitled to ESOPs in accordance with the Company's ESOPs Scheme(s) as may be approved by the Governance, Nomination and Remuneration Committee ("GNRC") from time to time.
3. Contribution to Provident Fund, Superannuation Fund, National Pension Scheme, Gratuity as per rules of the Fund/ Scheme in force from time to time would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
4. Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration.

Performance Pay:

In addition to the salary, perquisites and ESOPs, as mentioned above, the appointee would be entitled to Performance Pay based on the performance of the appointee and the Company not exceeding 150% of the Annual Basic Salary.

Provided that any revision(s) in the remuneration, will be decided by the Board based on the recommendations of the GNRC and the recommendation of GNRC will be based on Company performance and individual performance.

Provided that the remuneration payable to the appointee (including the salary, perquisites, ESOPs, performance pay) does not exceed the limits laid down in section 197 and computed in the manner laid down in section 198 of the Act, including any statutory modifications or re-enactment thereof.

FURTHER RESOLVED that where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration by way

of salary, perquisites, other allowances, benefits and Performance Pay as specified above subject to receipt of the requisite approvals, if any.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

9. Appointment of Mr. Rajesh Jejurikar as a Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Rajesh Jejurikar (DIN: 00046823), who was appointed by the Board of Directors as an Additional Director of the Company, with effect from 1st April, 2020 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as a Director of the Company, liable to retire by rotation."

10. Appointment of Mr. Rajesh Jejurikar as Whole-time Director designated as "Executive Director (Automotive and Farm Sectors)" for a period of 5 years with effect from 1st April, 2020 to 31st March, 2025

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment of Mr. Rajesh Jejurikar (DIN: 00046823) as Whole-time Director of the Company designated as "Executive Director (Automotive and Farm Sectors)" of the Company for a period of 5 years with effect from 1st April, 2020 to 31st March, 2025 (both days inclusive) on a basic salary of Rs. 16,97,345 per month in the scale of Rs. 12,00,000 to Rs. 26,00,000 per month.

FURTHER RESOLVED that the approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to revise the basic salary payable to Mr. Rajesh Jejurikar as Executive Director (Automotive and Farm Sectors) (hereinafter referred to as the appointee) within the above mentioned scale of salary.

FURTHER RESOLVED that in addition to the basic salary, the perquisites (including benefits and allowances) payable or allowable and performance pay, to the appointee be as follows:

Perquisites:

1. In addition to the basic salary, the appointee shall also be entitled to perquisites not exceeding 200% of the Annual Basic Salary which would include accommodation (furnished or otherwise including interest on housing deposit and rent) or house rent allowance in lieu thereof, soft furnishings, retention bonus, medical reimbursement, domiciliary expenses at actuals to cover self, spouse and children below the age of 25 years and leave travel concession for self and family, club subscription, use of Company cars (amount of car Lease, Fuel & Maintenance, Driver Reimbursement), education subsidy, Employer and Employee contribution to National Pension System, medical and personal accident insurance, subsidy for Parents' Medical Insurance, Group term Insurance and Club Mahindra/Holiday Home Facility, and such other allowances, benefits, amenities and facilities in accordance with the Rules of the Company.

The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

2. In addition to the above, the appointee shall be entitled to ESOPs in accordance with the Company's ESOPs Scheme(s) as may be approved by the Governance, Nomination and Remuneration Committee ("GNRC") from time to time.
3. Contribution to Provident Fund, Superannuation Fund, National Pension Scheme, Gratuity as per rules of the Fund/ Scheme in force from time to time would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
4. Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration.

Performance Pay:

In addition to the salary, perquisites and ESOPs, as mentioned above, the appointee would be entitled to Performance Pay based on the performance of the appointee and the Company not exceeding 150% of the Annual Basic Salary.

Provided that any revision(s) in the remuneration, will be decided by the Board based on the recommendations of the GNRC and the recommendation of GNRC will be based on Company performance and individual performance.

Provided that the remuneration payable to the appointee (including the salary, perquisites, ESOPs, performance pay) does not exceed the limits laid down in section 197 and computed in the manner laid down in section 198 of the Act, including any statutory modifications or re-enactment thereof.

FURTHER RESOLVED that where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration by way of salary, perquisites, other allowances, benefits and Performance Pay as specified above subject to receipt of the requisite approvals, if any.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

11. Appointment of Mr. CP Gurnani as a Non-Executive Non-Independent Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. CP Gurnani (DIN: 00018234), who was appointed by the Board of Directors as an Additional Director of the Company, with effect from 1st April, 2020 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

Notes:

1. In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and

13th April, 2020 respectively, and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Company will be conducting this Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing/Other Audio Visual Means (“VC”/“OAVM”).

KFin Technologies Private Limited, Registrar & Transfer Agent of the Company, (earlier known as Karvy Fintech Private Limited) (“KFin” or “KFintech”) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No.23 below.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above mentioned MCA Circulars, **physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.**
3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the applicable MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutiniser at e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindra.com, authorising its representative(s) to attend and vote through VC/OAVM on their behalf at the Meeting, pursuant to Section 113 of the Act.
5. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
6. In compliance with applicable provisions of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with above mentioned MCA and SEBI Circulars, the AGM of the Company is being conducted through VC/OAVM.

In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

7. The Explanatory Statement as required under section 102 of the Act is annexed hereto. Further, additional information with respect to Item No. 4 is also annexed hereto.

The Board of Directors have considered and decided to include the Item Nos. 5 to 11 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
8. Messrs B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 71st Annual General Meeting held on 4th August, 2017. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 7th August, 2020. Members seeking to inspect such documents can send an email to agm.inspection@mahindra.com.
10. The Company’s Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are KFin having their office at Selenium, Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
11. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from Saturday, 18th July, 2020 to Friday, 7th August, 2020 (both days inclusive) for the purpose of Dividend and AGM.
12. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax

at source, as may be applicable, after 7th August, 2020, to those persons or their mandates:

- (a) whose names appear as Beneficial Owners as at the end of the business hours on Friday, 17th July, 2020 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- (b) whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Friday, 17th July, 2020 after giving effect to:
 - (i) valid request(s) received for transmission/transposition of shares; and
 - (ii) valid requests of transfer of shares in physical form (re-lodgment cases i.e. requests for transfer(s) which were received prior to 1st April, 2019 and returned due to deficiency in the documents) lodged with the Company/ its Registrar & Share Transfer Agents on or before Friday, 17th July, 2020.

13. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from 1st April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, Members are requested to refer to the Finance Act, 2020 and amendments thereof. Members are requested to update their Permanent Account Number ("PAN") with the Company/KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 7.5% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2020-21 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-tax Act, 1961.

However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2020-21 does not exceed Rs. 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the FY 2020-21.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

For **Non-resident Shareholders,** taxes are required to be withheld in accordance with the provisions of section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of GDRs and Foreign Portfolio Investors/ Foreign Institutional Investors, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them.

However, as per Section 90 read with Section 195 of the Income-tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2020-21;
- Self declaration in Form 10F;
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration in the format prescribed by the Company, certifying the following points:
 - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;
 - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the Financial Year 2020-21. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
 - v. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - vi. Non-resident shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective 1st April, 2020 (if applicable).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident shareholder.

Members may submit the aforementioned documents at <https://ris.kfintech.com/form15/> on or before Friday, 17th July, 2020 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination/ deduction shall be entertained post Friday, 17th July, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

The Company shall arrange to email the soft copy of TDS certificate to the Shareholders at the registered email ID in due course, post payment of the said Dividend.

An email communication informing the Shareholders regarding this change in the Income-tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate is being sent by the Company at the registered email IDs of the Shareholders.

14. **IEPF:** Under the Act, dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government. An amount of Rs. 2,28,78,013 being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2012 was transferred in September, 2019 & March, 2020 (reversal of unencashed demand drafts) to IEPF. In addition, an amount of Rs. 4,738 being unclaimed/unpaid dividend upon reversal of unencashed demand drafts of the Company for the financial year ended 31st March, 2011 was also transferred in March, 2020 to IEPF.

The Company paid to IEPF on 8th August, 2019, an amount of Rs. 1,92,18,262 towards dividend for the financial year ended 31st March, 2019 on such Shares which were transferred to IEPF.

Members who have not encashed the dividend warrants/demand drafts so far in respect of the unclaimed and unpaid dividends declared by the Company for the Financial Year 2012-13 and thereafter, are requested to make their claim to KFinTech well in advance of the last dates for claiming such unclaimed and unpaid dividends as specified hereunder:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid/ unclaimed dividend
31 st March, 2013	13 th August, 2013	11 th September, 2020
31 st March, 2014	8 th August, 2014	7 th September, 2021
31 st March, 2015	7 th August, 2015	8 th September, 2022
31 st March, 2016	10 th August, 2016	8 th September, 2023
31 st March, 2017	4 th August, 2017	2 nd September, 2024
31 st March, 2018	7 th August, 2018	5 th September, 2025
31 st March, 2019	7 th August, 2019	5 th September, 2026

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2019 on the website of the Company at <https://www.mahindra.com> and also on the website of the MCA at <http://www.iepf.gov.in/>.

Members are requested to note that, pursuant to the provisions of section 124 of the Act read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the MCA.

In accordance with the aforesaid IEPF Rules, the Company has sent individual communication to all Members whose shares are due for transfer to the IEPF Authority and whose email IDs are available, informing them to claim their unclaimed/unpaid dividend before due date to avoid such transfer of shares to IEPF Authority and has also published notice in this regards in Newspapers.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

15. **NOMINATION:** Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to KFin at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
16. **ELECTRONIC CREDIT OF DIVIDEND:** SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended

the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account alongwith the original cancelled cheque bearing the name of the Member to KFin /Company to update their Bank Account details.

Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant. The Company or KFin cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

In view of the COVID-19 pandemic scenario, in case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal/courier services, dispatch the dividend warrant/demand draft to such Member by post/courier.

17. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of KFin/Company to seek guidance in the demat procedure. Members may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website www.mahindra.com.

18. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:** In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the financial statements (including Board's Report,

Auditor's Report or other documents required to be attached therewith) for the Financial Year ended 31st March, 2020 pursuant to section 136 of the Act and Notice calling the Annual General Meeting pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ KFin/Company or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member.

Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFin/Company by following due procedure.

A copy of the Notice of this AGM alongwith Annual Report for the Financial Year 2019-2020 is available on the website of the Company at www.mahindra.com, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.karvy.com>.

19. Members are requested to:
- intimate to KFin, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
 - intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form;
 - quote their folio numbers/Client ID/DP ID in all correspondence;
 - consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - register their PAN with their Depository Participants, in case of Shares held in dematerialised form and KFin/Company, in case of Shares held in physical form, as directed by SEBI.
20. **SCRUTINISER FOR E-VOTING:** Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) and failing him Mr. Prashant Vaishampayan, Practicing Company Secretary (Membership No. FCS 4251) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
21. **SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:**
- For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id investors@mahindra.com, at least 48 hours before the time fixed for the AGM

i.e. by 3.00 p.m. (IST) on 5th August, 2020, mentioning their name, demat account no./folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

- b. Alternatively, Members holding shares as on the cut-off date i.e. Friday, 31st July, 2020, may also visit <https://emeetings.kfintech.com> and click on the tab "Post Your Queries" and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall be closed 48 hours before the time fixed for the AGM at 3.00 p.m. (IST) on 5th August, 2020.
- c. Members can also post their questions during AGM through the "Ask A Question" tab, which is available in the VC/OAVM Facility as well as in the one way live webcast facility.

The Company will, at the AGM, endeavour to address the queries received till 3.00 p.m. (IST) on 5th August, 2020 from those Members who have sent queries from their registered email IDs. Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date.

22. **SPEAKER REGISTRATION BEFORE AGM:** Members of the Company, holding shares as on the cut-off date i.e. Friday, 31st July, 2020 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by visiting <https://emeetings.kfintech.com> and clicking on "Speaker Registration" during the period from Monday, 3rd August, 2020 (9:00 a.m. IST) upto Wednesday, 5th August, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

23. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) **ATTENDING THE AGM:** Members will be provided with a facility to attend the AGM through video conferencing platform provided by KFin. Members are requested to login at <https://emeetings.kfintech.com> and click on the "Video Conference" tab to **join the Meeting by using the remote e-voting credentials.**
- b) Please note that Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in Note No. 24.
- c) Members may join the Meeting through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any

disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Members are encouraged to join the Meeting through Laptops with latest version of Google Chrome for better experience.

- d) Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned at Note No. 23(a) above in the Notice, and this mode will be available throughout the proceedings of the AGM.
- e) In case of any query and/or help, in respect of attending AGM through VC/OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC/OAVM' user manual available at the download Section of <https://evoting.karvy.com> or contact at investors@mahindra.com, or Sri Sai Karthik TikkiSETTI, Manager - Corporate Registry, KFinTech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1500 or call KFin's toll free No.: 1800-3454-001 for any further clarifications.

24. PROCEDURE FOR REMOTE E-VOTING

In compliance with the provisions of section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin on all resolutions set forth in this Notice, through remote e-voting.

Members are requested to note that the Company is providing facility for remote e-voting and the business may be transacted through electronic voting system. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:

Instructions:

- a. Member will receive an e-mail from KFin [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number ("EVEN"), USER ID and password:
 - (i) Launch internet browser by typing the URL: [https:// evoting.karvy.com](https://evoting.karvy.com).

- (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can login by using your existing User ID and password for casting your vote.
 - (iii) After entering these details appropriately, click on "LOGIN".
 - (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (v) You need to login again with the new credentials.
 - (vi) On successful login, the system will prompt you to select the "EVENT" i.e. Mahindra & Mahindra Limited.
 - (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - (viii) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - (ix) Members holding multiple folios/ demat accounts shall vote separately for each folio/ demat account.
 - (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote.
 - (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., duly authorising their authorized representative(s) to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting to the Scrutiniser at his e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindra.com.

It should reach the Scrutiniser & the Company by email not later than Thursday, 6th August, 2020 (5:00 p.m. IST). In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of AGM.
- b. In case e-mail ID of a Member is not registered with the Company/ Depository Participant(s), then such Member is requested to register/update their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) and inform KFin at the email ID evoting@kfintech.com (in case of Shares held in physical form):
 - (i) Upon registration, Member will receive an e-mail from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password.
 - (ii) Please follow all steps from Note. No. 24(a) (i) to (xii) above to cast your vote by electronic means.
- 25. OTHER INSTRUCTIONS:**
- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download Section of <https://evoting.karvy.com> or contact at investors@mahindra.com, or Mr. Sri Sai Karthik Tikisetti, Manager - Corporate Registry, KFin at KFinTech, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1500 or call KFin's toll free No.: 1800-3454-001 for any further clarifications.
 - b. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
 - c. The remote e-voting period commences on Monday, 3rd August, 2020 (9:00 a.m. IST) and ends on Thursday, 6th August, 2020 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Friday, 31st July, 2020 may cast their votes electronically.

The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

- d. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday, 31st July, 2020, being the cut-off date. Members are eligible to cast vote only if they are holding shares as on that date.

- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, i.e. Friday, 31st July, 2020, he/she/it may obtain the User ID and Password in the manner as mentioned below:

- (i) If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> Folio No. or DP ID Client ID to +91 9212993399. In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

(XXXX being EVEN)

- (ii) If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- (iii) Member may call KFin toll free number 1800-3454-001.
- (iv) Member may send an e-mail request to evoting@kfintech.com.

KFin shall send User ID and Password to those new Members whose e-mail IDs are available.

26. VOTING AT THE AGM:

- a. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM.
- b. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
- c. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

- d. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

- e. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting through VC/OAVM; however, these Members are not entitled to cast their vote again during the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting through VC/OAVM mode during the AGM.

27. The results shall be declared not later than forty-eight hours from conclusion of the Meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://www.mahindra.com> and the website of KFin: <https://evoting.karvy.com> immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed and shall be displayed at the Registered Office as well as at the Corporate Office of the Company.

28. PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES AND OBTAINING THE AGM NOTICE AND E-VOTING INSTRUCTIONS BY THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES (IN CASE OF MEMBERS HOLDING SHARES IN DEMAT FORM) OR WITH KFIN (IN CASE OF MEMBERS HOLDING SHARES IN PHYSICAL FORM):

- I. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
- a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.
- b. Members holding shares in physical form may register their email address and mobile number with KFin Technologies Private Limited by sending an email request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the e-voting instructions.
- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with KFin for registration of email addresses of the Members in terms of the MCA Circulars. Eligible Members who have not submitted their email address to the Company or KFin are required to

provide their email address to KFin, on or before 5:00 p.m. (IST) on 31st July, 2020.

The process for registration of email address with KFin for receiving the Notice of AGM and login ID and password for e-voting is as under:

- i. Visit the link: https://ris.kfintech.com/email_registration/
- ii. Select the Company name viz. Mahindra & Mahindra Limited.
- iii. Enter the DP ID & Client ID/Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member shall enter one of the Share Certificate numbers.
- iv. Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation.
- v. Enter your email address and mobile number.
- vi. The system will then confirm the email address for receiving this AGM Notice.

The Members may also visit the website of the Company www.mahindra.com and click on the "email registration" and follow the registration process as guided thereafter.

Please note that in case of shareholding in dematerialised form, the updation of email address will be temporary only upto AGM.

- III. After successful submission of the email address, KFin will email a copy of this AGM Notice along with the e-voting user ID and password. In case of any queries, Members are requested to write to KFin.
- IV. Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs / KFin to enable serving of notices / documents / Annual Reports and other communications electronically to their email address in future.

29. **KPRISM – Mobile service application by KFin:**

Members are requested to note that KFin has launched a mobile application – KPRISM and a website <https://kprism.kfintech.com> for online service to Shareholders.

Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFin, Dividend status, requests for change of address, change/update Bank Mandate. Through the Mobile application, Members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Members may alternatively visit the link <https://kprism.kfintech.com/app/> to download the mobile application.

30. **Webcast:**

Your Company will be providing the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the website of KFin at <https://emeetings.kfintech.com> using their secure login credentials. Members are encouraged to use this facility of webcast. During the live webcast of AGM, Members may post their queries in the message box provided on the screen.

By Order of the Board

NARAYAN SHANKAR
Company Secretary

Registered Office:

Gateway Building, Apollo Bunder,
Mumbai – 400 001.

CIN : L65990MH1945PLC004558

e-mail : investors@mahindra.com

Website : <https://www.mahindra.com>

Tel. : +91 22 22895500

Fax : +91 22 22875485

Mumbai, 12th June, 2020

Additional Information with respect to Item No. 4:

Mr. Anand G. Mahindra (DIN: 00004695), the Executive Chairman of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Mr. Mahindra has completed 65 years of age. Mr. Mahindra graduated with Honours (Magna cum laude) from Harvard College, Cambridge, Massachusetts, in 1977. In 1981, he secured an MBA degree from the Harvard Business School, Boston, Massachusetts. He returned to India that year and joined erstwhile Mahindra Uginde Steel Company Limited ("MUSCO"), which was, at that time, the country's foremost producer of specialty steels as Executive Assistant to the Finance Director. In 1989, he was appointed Deputy Managing Director and President of MUSCO. During his stint at MUSCO, he initiated the Mahindra Group's diversification into the new business areas of real estate development and hospitality management.

Mr. Mahindra was first appointed as a Director on the Board of the Company on 23rd November, 1989. He took over as Deputy Managing Director of the flagship company, Mahindra & Mahindra Limited in 1991 at a time when the turnover was US\$ 177 million. He initiated a comprehensive change programme in Mahindra & Mahindra Limited to make the Company an efficient and aggressive competitor in the new liberalised economic environment in India.

In April 1997, he was appointed as Managing Director of Mahindra & Mahindra Limited and in January 2001 given the additional responsibility of Vice Chairman. In August 2012, he was appointed as Chairman and designated as Chairman & Managing Director of Mahindra & Mahindra Limited and Chairman of the Mahindra Group. In November, 2016, Mr. Mahindra was re-designated as Executive Chairman of Mahindra & Mahindra Limited and continues to be Chairman of the Mahindra Group.

During his tenure, Mahindra has also grown inorganically, seizing opportunities across the globe with acquisitions such as Swaraj Tractors, Reva Electric Car Company, Satyam Computer Services, Aerostaff Australia, Ssangyong Motors, Gippsland Aeronautics, Peugeot Motorcycles, Holiday Club Resorts, SOFGEN Holdings Limited, Lightbridge Communications Corporation and Pininfarina S.p.A. amongst others.

India Inc. Leader

Mr. Mahindra is the co-founder of the Harvard Business School Association of India, an association dedicated to the promotion of professional management in India.

He was a co-promoter of Kotak Mahindra Finance Limited, which was converted into the Kotak Mahindra Bank in 2003. It is one of foremost private sector banks in India today. As a leading industry figure, he has served as President of the Confederation of Indian Industry in 2003-04 and has also been President of the Automotive Research

Association of India (ARAI). He also served on the Boards of the National Stock Exchange of India and the National Council of Applied Economic Research, as Chairman of the Governing Council of the National Institute of Design and the India Design Council, and as a member of the Council of Scientific & Industrial Research.

Recognition

Mr. Mahindra continues to receive several honours, which are:

International Honours:

Featured in Barron's List of Top 30 CEOs worldwide (2016), Appointed Chevalier de l'Ordre national la Légion d'Honneur (Knight in the National Order of the Legion of Honour) by the President of the French Republic (March, 2016), First Indian recipient of the Harvard Medal by the Harvard Alumni Association (2014), Sustainable Development Leadership Award from The Energy and Resources Institute (2014), Knighted as 'Grand Officer of the Order of the Star of Italy', a civilian award of State (2013), Global Leadership Award by the US-India Business Council (2012), Business Courage Award by Asia Business Leadership Forum (2012), Best Transformational Leader Award by the Asian Centre for Corporate Governance & Sustainability (2012), Featured in Asia's 25 most powerful business people by Fortune magazine (2011) and Lloyds Banking Group Business Leader of the Year Award at The Asian Awards (2011).

Indian Honours:

'Disruptor Personality of the Year Award' by Bloomberg TV India (2016), 'Social Media Person of the Year' by the Internet and Mobile Association of India (2016), Conferred the degree of Doctor of Science (Honoris Causa) by the Indian Institute of Technology, Bombay (2015), Business Today CEO of the Year (2014), 'Special Recognition for Creating a True Global Indian MNC' at India's Best Market Analyst Award by Zee Business (2013), Forbes India Leadership Awards 'Entrepreneur for the Year' (2013), Business Leader of the Year by NDTV (2012), JRD Tata Corporate Leadership Award from All India Management Association (2011), IMC Juran Quality Medal by IMC Ramkrishna Bajaj National Quality Award Trust (2010), CNBC TV18 Outstanding Business Leader of the Year (2009), Business Leader of the Year by Economic Times (2009), Ernst & Young Entrepreneur of the Year India Award (2009) and an Indian of the Year award by NDTV (2009).

Mr. Mahindra is an Executive Chairman of Mahindra & Mahindra Limited, Chairman of Tech Mahindra Limited and Classic Legends Private Limited and Director of Mahindra Holdings Limited, Prudential Management & Services Private Limited, The Mahindra United World College of India, Tech Mahindra Foundation, Araku Originals Private Limited, Naandi Community Water Services Private Limited and Invest India.

During the year 1st April, 2019 to 31st March, 2020, six Board Meetings of the Company were held, and Mr. Anand Mahindra had attended all Meetings.

Mr. Mahindra is a Chairman/Member of the following Board Committees:

Name of the Company	Name of the Committee	Position Held
Mahindra & Mahindra Limited	Strategic Investment Committee	Chairman
	Loans & Investment Committee	Chairman
	Sale of Assets Committee	Chairman
	Corporate Social Responsibility Committee	Member
	Stakeholders Relationship Committee	Member
	Research and Development Committee	Member

The terms and conditions of re-appointment and remuneration of Mr. Mahindra would be governed by the terms and conditions approved by the Members of the Company at the Annual General Meeting held on 4th August, 2017. The remuneration paid to Mr. Mahindra during the Financial Year 2019-20 is Rs. 871.56 lakhs.

Mr. Mahindra holds 14,30,008 Ordinary (Equity) Shares in the Company. Mr. Mahindra is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Brief resume of Mr. Mahindra, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

Save and except Mr. Mahindra, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

Explanatory Statement in respect of the Special Business pursuant to section 102 of the Companies Act, 2013

ITEM NO. 5:

The Board of Directors, at its Meeting held on 12th June, 2020, upon the recommendation of the Audit Committee, approved the appointment of Messrs D. C. Dave & Co., Cost

Accountants having Firm Registration Number 000611, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending 31st March, 2021, at a remuneration of Rs. 8,00,000 (Rupees Eight Lakhs only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2021.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6:

Dr. Pawan Goenka was appointed as an Additional Director of the Company with effect from 23rd September, 2013. The Shareholders of the Company had at the 68th Annual General Meeting held on 8th August, 2014 appointed Dr. Pawan Goenka as a Whole-time Director designated as Executive Director and President - Automotive and Farm Equipment Sectors for a period of 5 (five) years from 23rd September, 2013 to 22nd September, 2018 on a salary of Rs. 10,32,300 per month in the scale of Rs. 7,00,000 to Rs. 15,00,000 per month.

Further, the Shareholders of the Company had at the 71st Annual General Meeting held on 4th August, 2017 approved the elevation of Dr. Pawan Goenka as a Managing Director for a period of 4 (four) years from 12th November, 2016 upto and including 11th November, 2020, on a salary of Rs. 14,17,245 per month in the scale of Rs. 14,00,000 to Rs. 20,00,000 per month.

The Board of Directors of the Company at its Meeting held on 20th December, 2019 has pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, approved the elevation of Dr. Pawan Goenka as Managing Director and Chief Executive Officer of the Company with effect from 1st April, 2020.

Further, the Board of Directors of the Company has pursuant to the recommendation of the Governance, Nomination and Remuneration Committee and subject to the approval of the Members at the ensuing General Meeting of the Company, also approved revision in his remuneration by way of change in the scale of basic salary payable to Dr. Pawan Goenka, as the Managing Director and Chief Executive Officer of the Company, with effect from 1st August, 2020 upto his current term i.e. 11th November, 2020

in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month, and his re-appointment as Managing Director of the Company designated as “Managing Director and Chief Executive Officer” of the Company with effect from 12th November, 2020 to 1st April, 2021, on a basic salary in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month.

Profile:

Dr. Goenka has completed 65 years of age. Dr. Pawan Goenka has earned his B. Tech. in Mechanical Engineering from IIT, Kanpur and Ph.D. from Cornell University, U.S.A. He is also a Graduate of Advanced Management Program from Harvard Business School. He worked at General Motors R&D Centre in Detroit, U.S.A. from 1979 to 1993. Thereafter, he joined Mahindra & Mahindra Ltd., as General Manager (R&D). During his R&D tenure he led the development of the Scorpio SUV. He was appointed COO (Automotive Sector) in April 2003, President (Automotive Sector) in September 2005, President (Automotive & Farm Equipment Sectors) in April 2010. Dr. Pawan Goenka was first appointed as an Executive Director and President (AFS) on the Board of the Company on 23rd September, 2013, Executive Director and Group President (AFS) in April 2015, Managing Director of Mahindra & Mahindra Ltd. in November 2016 and designated as Managing Director & CEO on 1st April, 2020. Dr. Goenka is also a member of the Group Executive Board and serves on the board of several Mahindra Group Companies.

Dr. Goenka received the Extraordinary Accomplishment Award from General Motors in 1986, the Burt L. Newkirk Award for the year 1987, the Charles L. McCuen Achievement Award from General Motors for the years 1985 & 1991, an Outstanding International Advisor Award from SAE in 1997, and a Distinguished Alumni Award from IIT, Kanpur in 2004. He received the Engineering Excellence Award 2012 from SAE India Foundation. He is a Fellow of SAE International and of The Indian National Academy of Engineers.

In January 2011, Dr. Pawan Goenka was honoured with the Automotive Man of the Year award at the NDTV Car & Bike Awards. In December 2011, Dr. Goenka featured as Autocar Professional’s Man of the Year 2011. He was conferred the ‘CV Man of the Year’ award at the annual Apollo CV Awards 2012 in recognition of his extensive contribution within the automotive industry in India and globally. Dr. Goenka was conferred with the Doctor of Science (honoris causa) by IIT, Kanpur in 2015. Dr. Goenka has been awarded the 2016 FISITA Medal of Honour, which is bestowed for his ‘particularly distinguished achievement and leadership in the global automotive industry’ and is the first Indian to receive this prestigious recognition. In February 2020, he was presented with the Lifetime Achievement Award by Car India & Bike India Awards 2020 for his leadership and commitment towards the progress of the Indian Automotive Industry.

Dr. Goenka is past President of SIAM, of the Society of Automotive Engineers India, the ARAI Governing Council, and also served as a Board Member of National Skills Development Corporation (NSDC). He is currently a National Council Member of Confederation of Indian Industries (CII) and Chairman of its Manufacturing Council. He is currently

serving as the Chairman of the Board of Governors of IIT, Madras.

Dr. Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, SsangYong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Automobili Pininfarina GmbH. He is the Managing Director and Chief Executive Officer of Mahindra & Mahindra Limited and also on the Boards of Swaraj Engines Limited and New Democratic Electoral Trust.

Dr. Goenka is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Loans & Investment Committee	Member
		Stakeholders Relationship Committee	Member
		Research & Development Committee	Member
		Sale of Assets Committee	Member
2.	Mahindra Vehicle Manufacturers Limited	Strategic Investments Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member
3.	Mahindra Electric Mobility Limited	Nomination and Remuneration Committee	Member
4.	Ssangyong Motor Company	Management Committee	Chairman
		Outside Director Candidate Recommendation Committee	Member
5.	Mahindra Agri Solutions Limited	Nomination and Remuneration Committee	Member
		Allotment Committee	Member

Dr. Goenka holds 79,188 Ordinary (Equity) Shares in the Company.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Dr. Pawan Goenka in terms of section 190 of the Act.

During the year 1st April, 2019 to 31st March, 2020, six Board Meetings of the Company were held, and Dr. Goenka had attended all the six Meetings.

Pursuant to sections 196, 197, 198 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V of the Act, the revision in remuneration payable to Dr. Goenka, his re-appointment as well as his re-designation are now

being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry:

The Company is, inter alia, in the business of manufacture of different range of automotive vehicles, agricultural tractors, implements, industrial engines, etc.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 2nd October, 1945 and started assembly of jeep type vehicles in the year 1949.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

(iv) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2020:

Particulars	Rs. in crores
Gross Turnover & Other Income	47,155.59
Net profit as per Statement of Profit & Loss (After Tax)	1,330.55
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	5,081.82
Net Worth	34,467.84

(v) Foreign investments or collaborators, if any:

Not Applicable.

II. Information about the appointee:

(i) Background details: Refer profile Section as stated above

(ii) Past remuneration during the financial year ended 31st March, 2020: Rs. 1,003.44 lakhs

(iii) Recognition or awards: Refer profile Section stated above

(iv) Job Profile and his suitability:

Dr. Goenka joined the Company as General Manager (R&D) in the year 1993. During his R&D tenure he led the development of the Scorpio SUV. He was appointed COO (Automotive Sector) in April, 2003, President (Automotive Sector) in September, 2005, President (Automotive & Farm Equipment Sectors) in April, 2010, Executive Director and Group President (AFS) in April, 2015, and Managing Director of Mahindra & Mahindra Limited, in November, 2016.

At the 68th Annual General Meeting held on 8th August, 2014, Members appointed Dr. Pawan Goenka as a Whole-time Director designated as Executive Director and President - Automotive and Farm Equipment Sectors for a period of five years from 23rd September, 2013 to 22nd September, 2018.

Further, at the 71st Annual General Meeting held on 4th August, 2017, Members appointed Dr. Pawan Goenka as the Managing Director of the Company for a period of four years with effect from 12th November, 2016 upto and including 11th November, 2020.

The Company has witnessed intrinsic growth post liberalisation under his leadership.

Taking into consideration his qualifications and expertise in relevant fields, the Managing Director & CEO of the Company is best suited for the responsibilities currently assigned to him.

(v) Remuneration proposed:

Scale of Salary: Basic Salary in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month.

Perquisites and Commission: As stated in Resolution No. 6.

Dr. Goenka is also entitled to grant of Stock Options as may be decided by the Governance, Nomination and Remuneration Committee of the Company, from time to time.

In the Explanatory Statement annexed to the Notice dated 30th May, 2017 convening the 71st Annual General Meeting on 4th August, 2017, the Company had mentioned that the expected perquisite value of options to be granted to Dr. Goenka during his period of appointment upto 11th November, 2020 could be around Rs. 15 crores. The expected perquisite value of options to be granted to Dr. Goenka during his period of re-appointment upto 1st April, 2021 would be within the said overall limit of Rs. 15 crores.

The number of Stock Options granted and outstanding as on 31st March, 2020 are 86,252 of which 57.68% have vested and are unexercised and the balance 43.32% would vest as per the vesting schedule.

The value of perquisites availed by Dr. Goenka in the Financial Year 2020 was Rs. 46.54 lakhs.

It is proposed to authorise the Board (which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Dr. Pawan Goenka, within the abovementioned scale of salary. Notice period applicable to a Whole-time Director of the Company is six months.

- (vi) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile of Dr. Pawan Goenka, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

- (vii) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to him, the Managing Director & CEO does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:

- (i) **Reasons of loss or inadequate profits:**

Not applicable, as the Company has posted a net profit after tax of Rs. 1,330.55 crores during the year ended 31st March, 2020.

- (ii) **Steps taken or proposed to be taken for improvement and**

- (iii) **Expected increase in productivity and profits in measurable terms:**

Not applicable as the Company has adequate profits.

IV. Disclosures:

The information and Disclosures of the remuneration package of all Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration to Directors".

Dr. Pawan Goenka satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. Dr. Goenka is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief resume of Dr. Goenka, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, as stipulated

under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

Save and except Dr. Goenka, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

ITEM NOS. 7 & 8:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee of the Board and subject to the approval of the Members at the ensuing General Meeting of the Company, appointed Dr. Anish Shah (DIN: 02719429) as an Additional and Whole-time Director of the Company designated as Deputy Managing Director and Group Chief Financial Officer of the Company with effect from 1st April, 2020 till 1st April, 2021 and as the Managing Director and Chief Executive Officer of the Company with effect from 2nd April, 2021 to 31st March, 2025. He holds office upto the date of the ensuing Annual General Meeting pursuant to section 161 of the Companies Act, 2013 ("the Act") and Article 107 of the Articles of Association of the Company.

The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Profile:

Dr. Shah has completed 50 years of age. Dr. Shah holds a Ph.D. from Carnegie Mellon's Tepper School of Business where his doctoral thesis was in the field of Corporate Governance. He also received a Masters Degree from Carnegie Mellon and has a Post- Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. Dr. Shah has received various scholarships, including the William Latimer Mellon Scholarship, Industry Scholarship at IIMA, National Talent Search and Sir Dorabji Tata Trust.

Dr. Anish Shah is currently the Deputy Managing Director and Group CFO for the Mahindra Group, with responsibility for the Group Corporate Office and oversight of all businesses other than the Auto and Farm sectors. The Board has appointed him as the Managing Director and CEO designate for the Mahindra Group, effective 2nd April, 2021. His prior role was Group President (Strategy), where he led strategy development; built capabilities such as digitisation and data sciences; enabled synergies across Group companies and managed the Risk and performance review organisations.

Dr. Shah was President and CEO of GE Capital India from 2009-14, where he led the transformation of the business, including a turnaround of its SBI Card joint venture. His career at GE spanned 14 years, during which he held several leadership positions at GE Capital's US and global units. As Director, Global Mortgage, Dr. Shah worked across 33 countries to drive growth and manage risk. As Senior Vice President (Marketing and Product Development) at GE Mortgage Insurance, he led various growth initiatives and played a key role in preparing the business for an IPO, as a spinoff from GE. In his initial years with GE, Dr. Shah also led Strategy, eCommerce and Sales Force Effectiveness. Dr. Shah also received GE's prestigious Lewis Latimer Award for outstanding utilisation of Six Sigma in developing a "Digital Cockpit".

Dr. Shah also has diverse experience with global businesses beyond GE. Dr. Shah led Bank of America's US Debit Products business, where he launched an innovative rewards program, led numerous initiatives in payment technology and worked closely with various teams across the Bank to enhance value for the customer. As a strategy consultant at Bain & Company in Boston, Dr. Shah worked across multiple industries, including Banking, Oil Rigs, Paper, Paint, Steam Boilers and Medical Equipment. His first role was with Citibank in Mumbai, where he issued Bank Guarantees and Letters of Credit as Assistant Manager, Trade Services.

Dr. Anish Shah is the Deputy Managing Director and Group Chief Financial Officer of Mahindra & Mahindra Limited, Director of Mahindra and Mahindra Financial Services Limited, Mahindra Lifespace Developers Limited, Mahindra Trucks and Buses Limited, Tech Mahindra Limited and Mahindra Holidays & Resorts India Limited.

Dr. Shah is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Member
2.	Mahindra & Mahindra Financial Services Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Strategic Investment Committee	Member
3.	Mahindra Lifespace Developers Limited	Audit Committee	Member
		Loans & Investment Committee	Member
		Nomination and Remuneration Committee	Member
4.	Tech Mahindra Limited	Investment Committee	Member
		Risk Management Committee	Member

Dr. Shah holds 1,11,352 Ordinary (Equity) Shares in the Company.

The appointment of Dr. Shah as an Additional Director is effective from 1st April, 2020 and he has attended all the Board Meetings of the Company held since 1st April, 2020 till date.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Dr. Anish Shah as Deputy Managing Director and Group Chief Financial Officer (from 1st April, 2020 to 1st April, 2021) and as the Managing Director and Chief Executive Officer (from 2nd April, 2021 to 31st March, 2025) in terms of section 190 of the Act.

Pursuant to sections 196, 197, 198 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V of the Act, the appointment of and remuneration payable to Dr. Shah is now being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry:

The Company is, inter alia, in the business of manufacture of different range of automotive vehicles, agricultural tractors, implements, industrial engines, etc.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 2nd October, 1945 and started assembly of jeep type vehicles in the year 1949.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

(iv) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2020:

Particulars	Rs. in crores
Gross Turnover & Other Income	47,155.59
Net profit as per Statement of Profit & Loss (After Tax)	1,330.55
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	5,081.82
Net Worth	34,467.84

(v) Foreign investments or collaborators, if any:

Not Applicable.

II. Information about the appointee:

(i) Background details: Refer profile Section as stated above

(ii) Past remuneration during the financial year ended 31st March, 2020: Rs. 1,305.64 lakhs (as Group President – Strategy)

(iii) Recognition or awards: Refer profile Section stated above

(iv) Job Profile and his suitability:

Dr. Shah is currently the Deputy Managing Director and Group Chief Financial Officer for the Mahindra Group, with responsibility for the Group Corporate Office and oversight of all businesses other than the Auto and Farm sectors. The Board has appointed him as the Managing Director and CEO designate effective 2nd April, 2021. His prior role was Group President (Strategy), where he led strategy development; built capabilities such as digitization and data sciences; enabled synergies across Group companies and managed the Risk and performance review organisations.

The Company has witnessed intrinsic growth under his leadership in the office of Group President - Strategy.

Taking into consideration his qualifications and expertise in relevant fields, Dr Shah is best suited for the responsibilities currently assigned to him.

(v) Remuneration proposed:

Scale of Salary: Basic Salary of Rs. 19,65,714 per month in the scale of Rs. 16,00,000 to Rs. 26,00,000 per month with effect from 1st April, 2020 upto and including 1st April, 2021, and basic salary in the scale of Rs. 18,00,000 to Rs. 30,00,000 per month with effect from 2nd April, 2021 to 31st March, 2025 (both days inclusive).

Perquisites and Performance Pay: As stated in Resolution No. 8.

Dr. Shah is also entitled to grant of Stock Options as may be decided by the Governance, Nomination and Remuneration Committee of the Company, from time to time. The number of Stock Options granted and outstanding as on 31st March, 2020, are 36,504, all of which are unvested and would vest during the period of his appointment.

Based on certain eligibility criteria including number of years' service, grade and performance rating, and basis the market price of equity shares of the Company as on 31st March, 2020 the expected perquisite value of options to be granted to Dr. Shah during his period of appointment could be around Rs. 25 crores. The exact perquisite value of the ESOPs to be granted during his period of appointment, would depend on the actual number of options that may be granted by Governance, Nomination and Remuneration Committee, number of options exercised by Dr. Shah and the market price of the shares on the date of exercise of options granted.

It is proposed to authorise the Board (which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Dr. Shah, within the above mentioned scale of salary. Notice period applicable to a Whole-time Director of the Company is six months.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Dr. Shah, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to him, Dr. Shah does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:**(i) Reasons of loss or inadequate profits:**

Not applicable, as the Company has posted a net profit after tax of Rs. 1,330.55 crores during the year ended 31st March, 2020.

(ii) Steps taken or proposed to be taken for improvement and**(iii) Expected increase in productivity and profits in measurable terms:**

Not applicable as the Company has adequate profits.

IV. Disclosures:

Since the appointment of Dr. Shah as an Additional Director is effective from 1st April, 2020, the information and disclosures of the remuneration package of Dr. Shah as per the requirements of Section II of Part II of Schedule V of the Act is not mentioned in the Annual Report in the Corporate Governance Report Section. However, the information and Disclosures of the remuneration package of all Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration to Directors".

Dr. Shah satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his appointment. Dr. Shah is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. Dr. Shah is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief resume of Dr. Shah, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/chairmanships of Board Committees,

shareholding in the Company, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

The Board is of the view that Dr. Shah's knowledge and experience will be of immense benefit and value to the Company and pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, recommends his appointment to the Members.

The Articles of Association of the Company are available for inspection by the Members in electronic form as per the instructions provided in the Note No. 9 of this Notice.

Save and except Dr. Shah, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 7 & 8 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the Ordinary Resolution set out at Item No. 7 and Special Resolution set out at Item No. 8 of the Notice for approval of the Members.

ITEM NOS. 9 & 10:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee of the Board and subject to the approval of the Members at the ensuing General Meeting of the Company, appointed Mr. Rajesh Jejurikar (DIN: 00046823) as an Additional and Whole-time Director of the Company with effect from 1st April, 2020 designated as Executive Director (Automotive and Farm Sectors) of the Company for a period of 5 years with effect from 1st April, 2020 to 31st March, 2025. He holds office upto the date of the ensuing Annual General Meeting pursuant to section 161 of the Companies Act, 2013 ("the Act") and Article 107 of the Articles of Association of the Company.

The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Profile:

Mr. Jejurikar has completed 55 years of age. Mr. Jejurikar is an MBA from S.P. Jain Institute of Management and had attended the Advanced Management Program at The Wharton School, University of Pennsylvania and was awarded the British Chevening Scholarship to study at the Manchester Business School, UK.

Mr. Rajesh Jejurikar has diverse experience across Packaged Goods, Advertising, Media, Automotive and Farm Equipment. He joined Mahindra in 2000 as Vice President – Marketing for Automotive Sector. In 2003, he was appointed Executive Vice President – Sales & Marketing and in 2005, he was given additional responsibility as the Managing Director of Mahindra Renault in India. In 2008, he became

Chief of Operations of the Automotive Sector and when Automotive & Farm Equipment Sector (AFS) was formed in 2010, he was appointed Chief Executive for the Automotive Division and Member of the Group Executive Board.

In 2013, Mr. Jejurikar joined the Farm Equipment Sector as Chief Executive – Tractor & Farm Mechanisation and became the Sector President in 2015.

Mr. Jejurikar serves on the Governing Council of S. P. Jain Institute. He was a member of CII National Council in 2016, 2017 and currently is a Member of the CII National Council on Agriculture. He is also a Member of the CII National Committee on IT/ITeS, where he Co-Chairs the Working Group for Agriculture.

Mr. Jejurikar is the Chairman of Peugeot Motorcycles SAS, Mahindra Two Wheelers Europe Holdings S.a.r.l., Mahindra USA Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Ltd. He is an Executive Director (Auto & Farm Sectors) of Mahindra and Mahindra Limited, Director of Swaraj Engines Limited and Classic Legends Private Limited. He is an Independent Director of Aliaxis SA.

Mr. Jejurikar is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Member
2.	Peugeot Motorcycle SAS	Strategy and Synergies Committee	Chairman
		Nomination and Compensation Committee	Member
		Audit & Finance Committee	Member
3.	Swaraj Engines Limited	Stakeholders Relationship Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member
4.	Classic Legends Private Limited	Nomination and Remuneration Committee	Chairman

Mr. Jejurikar holds 99,627 Ordinary (Equity) Shares in the Company.

The appointment of Mr. Jejurikar as an Additional Director is effective from 1st April, 2020, and he has attended all the Board Meetings of the Company held since 1st April, 2020 till date.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. Rajesh Jejurikar in terms of section 190 of the Act.

Pursuant to sections 196, 197, 198 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V of the Act, the appointment of and remuneration payable to Mr. Jejurikar is now being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry:

The Company is, inter alia, in the business of manufacture of different range of automotive vehicles, agricultural tractors, implements, industrial engines, etc.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 2nd October, 1945 and started assembly of jeep type vehicles in the year 1949.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

(iv) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2020:

Particulars	Rs. in crores
Gross Turnover & Other Income	47,155.59
Net profit as per Statement of Profit & Loss (After Tax)	1,330.55
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	5,081.82
Net Worth	34,467.84

(v) Foreign investments or collaborators, if any:

Not Applicable.

II. Information about the appointee:

(i) Background details: Refer profile Section as stated above

(ii) Past remuneration during the financial year ended 31st March, 2020: Rs. 574.40 lakhs (as President – Farm Equipment Sector)

(iii) Recognition or awards: Refer profile Section stated above

(iv) Job Profile and his suitability:

Mr. Jejurikar has diverse experience across Packaged Goods, Advertising, Media, Automotive and Farm Equipment. He joined the Company in the year 2000 as Vice President – Marketing for Automotive Sector. In 2003, he was appointed as Executive Vice President – Sales & Marketing. In 2005, he was given additional responsibility as the Managing Director of Mahindra Renault in India. In 2008, he became Chief of Operations of the Automotive Sector and when Automotive & Farm Equipment Sector (AFS) was formed in 2010, he was appointed Chief Executive for the Automotive Division and Member of the Group Executive Board. In 2013, Mr. Jejurikar joined the Farm Equipment Sector as Chief Executive – Tractor & Farm Mechanisation and became the Sector President in 2015.

The Company has witnessed intrinsic growth under his leadership in his past assignments in the Automotive and Farm Equipment Sectors.

Taking into consideration his qualifications and expertise in relevant fields, Mr. Jejurikar is best suited for the responsibilities currently assigned to him.

(v) Remuneration proposed:

Scale of Salary: Basic Salary of Rs. 16,97,345 per month in the scale of Rs. 12,00,000 to Rs. 26,00,000 per month, for a period of 5 years with effect from 1st April, 2020 to 31st March, 2025.

Perquisites and Performance Pay: As stated in Resolution No. 10.

Mr. Jejurikar is also entitled to grant of Stock Options as may be decided by the Governance, Nomination and Remuneration Committee of the Company, from time to time. The number of Stock Options granted and outstanding as on 31st March, 2020, are 36,001, of which 12.58% have vested and are unexercised and the balance 87.42% would vest during the period of his appointment.

Based on certain eligibility criteria including number of years' service, grade and performance rating, and basis the market price of equity shares of the Company as on 31st March, 2020, the expected perquisite value of options to be granted to Mr. Jejurikar during his period of appointment could be around Rs. 20 crores. The exact perquisite value of the ESOPs to be granted during his period of appointment, would depend on the actual number of options that may be granted by Governance, Nomination and Remuneration Committee, number of options exercised by Mr. Jejurikar and the market price of the shares on the date of exercise of options granted.

It is proposed to authorise the Board (which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. Jejurikar, within the abovementioned scale of salary. Notice period applicable to a Whole-time Director of the Company is six months.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Mr. Jejurikar, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to him, Mr. Jejurikar does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:

(i) Reasons of loss or inadequate profits:

Not applicable, as the Company has posted a net profit after tax of Rs. 1,330.55 crores during the year ended 31st March, 2020.

(ii) Steps taken or proposed to be taken for improvement and

(iii) Expected increase in productivity and profits in measurable terms:

Not applicable as the Company has adequate profits.

IV. Disclosures:

Since the appointment of Mr. Jejurikar as an Additional Director is effective from 1st April, 2020, the information and disclosures of the remuneration package of Mr. Jejurikar as per the requirements of Section II of Part II of Schedule V of the Act is not mentioned in the Annual Report in the "Corporate Governance Report Section". However, the information and Disclosures of the remuneration package of all Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration to Directors".

Mr. Jejurikar satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his appointment. Mr. Jejurikar is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. Mr. Jejurikar is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief resume of Mr. Jejurikar, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding in the Company, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

The Board is of the view that Mr. Jejurikar's knowledge and experience will be of immense benefit and value to the Company and pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, recommends his appointment to the Members.

The Articles of Association of the Company are available for inspection by the Members in electronic form as per the instructions provided in the Note No. 9 of this Notice.

Save and except Mr. Jejurikar, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 9 & 10 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the Ordinary Resolution set out at Item No. 9 and Special Resolution set out at Item No. 10 of the Notice for approval of the Members.

ITEM NO. 11:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee has appointed Mr. CP Gurnani (DIN: 00018234) as an Additional Non-Executive Non-Independent Director of the Company with effect from 1st April, 2020. He holds office upto the date of the ensuing Annual General Meeting pursuant to section 161 of the Companies Act, 2013 ("the Act") and Article 107 of the Articles of Association of the Company.

The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Mr. CP Gurnani (popularly known as 'CP' within his peer group) has completed 61 years of age. A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute. Mr. Gurnani has also been felicitated with an honorary Doctorate degree by Veer Surendra Sai University of Technology and Sharda University. His passion in the field of education even resonates today. He is on-board with Mahindra Ecole Centrale and is also the Chairman of IIM Nagpur.

An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, Mr. Gurnani led Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History – the acquisition and merger of Satyam.

His inimitable style of leadership, combined with his sharp focus on customer experience has helped Tech Mahindra emerge as one of the leading digital IT solution providers of India.

In a career spanning 38+ years, Mr. Gurnani has held several leading positions with Hewlett Packard Limited, Perot Systems (India) Limited and HCL Corporation Limited. Mr. Gurnani has also served as a Chairman of NASSCOM for the year 2016-2017. An outstanding people manager, Mr. Gurnani has an entrepreneurial style of management that is a blend of enthusiasm and dynamism. He has always focused on people's strength to bring out the best in them. 'Work hard and play hard' is his motto and he applies it to all aspects of his life with complete passion.

Mr. Gurnani's endeavours are self-explanatory which won him numerous accolades that include winning Gold at the CEO World Awards 2018 for his Organization's Wide Reskilling Initiative and the Business Today 'Best CEO' Awards 2019 in the IT & ITES category. His clinical leadership strategies have always been honoured at various platforms over the years counting in the 'Asia One Global Indian of the Year - Technology' in 2016, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard 'CEO of the Year' in 2014, Ernst and Young 'Entrepreneur of the Year, CNBC Asia's 'India Business Leader of the Year', Dataquest 'IT person of the Year' - in 2013.

Mr. Gurnani strongly believes in promoting child education. He is an active member of the Tech Mahindra Foundation – launched in 2007 to help the underprivileged children with 1,16,000 beneficiaries & counting. Mr. Gurnani along with his wife Anita, have founded 'Titliyan', an NGO located in Noida spreading smiles, happiness and education to more than 240 under privileged children – a dream project for the Gurnanis.

This is definitely a perfect culmination of his leadership capabilities in all spheres of life.

Mr. Gurnani is Chief Executive Officer and Managing Director of Tech Mahindra Limited. He is Non-Executive and Non-Independent Director on the Board of Mahindra and Mahindra Limited, Director of Comviva Technologies Limited, Tech Mahindra Foundation, Pinfarina S.p.A and a Nominee Director of T-Hub Foundation and Mahindra Educational Institution. He is also Chairman of Indian Institute of Management, Nagpur.

Mr. CP Gurnani is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Tech Mahindra Limited	Corporate Social Responsibility Committee	Chairman
		Stakeholders Relationship Committee	Member
		Investment Committee	Member
		Securities Allotment Committee	Member
2.	Comviva Technologies Limited	Nomination & Remuneration Committee	Member

Mr. Gurnani does not hold any Ordinary (Equity) Shares in the Company.

Mr. CP Gurnani being a Whole-time Director of Tech Mahindra Limited, has waived his right to receive sitting fees for attending the Meetings of the Board of Directors or any Committee thereof on which he may be appointed from time to time or any other remuneration payable to the Non-Executive Directors of the Company, effective from 1st April, 2020

being the date of his appointment as a Director on the Board of Directors of the Company, during his tenure as a Non-Executive Non-Independent Director of the Company.

Mr. Gurnani is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. Mr. Gurnani is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority.

The Board is of the view that Mr. Gurnani's knowledge and experience will be of immense benefit and value to the Company and pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, recommends his appointment to the Members.

The Articles of Association of the Company are available for inspection by the Members in electronic form as per the instructions provided in the Note No. 9 of this Notice.

Save and except Mr. CP Gurnani, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 11 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

Brief resume of Mr. Gurnani, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding in the Company, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

The Board recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval of the Members.

By Order of the Board

NARAYAN SHANKAR
Company Secretary

Registered Office:
Gateway Building, Apollo Bunder,
Mumbai – 400 001.

CIN : L65990MH1945PLC004558
e-mail : investors@mahindra.com
Website : <https://www.mahindra.com>
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Mumbai, 12th June, 2020

Information at a glance

Sr. No.	Particulars	Details
1.	Day, Date and Time of AGM	Friday, 7 th August, 2020, 3:00 p.m. (IST)
2.	Mode	Video conference and other audio-visual means
3.	Participation through Video-Conferencing	Members can login from 2:30 p.m. (IST) on the date of AGM at https://emeetings.kfintech.com
4.	Helpline Number for VC participation	Phone No.: 040-6716 1500 or call KFinTech's toll free No.: 1800-3454-001
5.	Submission of Questions / Queries Before AGM	<p>Questions/queries shall be submitted 48 hours before the time fixed for AGM i.e. by 3:00 p.m. (IST) on 5th August, 2020, by any of the following process:</p> <ul style="list-style-type: none"> • Email to investors@mahindra.com mentioning name, demat account no./folio number, email ID, mobile number, etc. • Members holding shares as on the cut-off date i.e. Friday, 31st July, 2020, may also visit https://emeetings.kfintech.com and click on "Post Your Queries" and post queries/views/questions in the window provided, by mentioning name, demat account number/folio number, email ID and mobile number. <p>Members can also post their questions during AGM through the "Ask A Question" tab which is available in the VC/OAVM Facility as well as in the one way live webcast facility.</p>
6.	Speaker Registration Before AGM	Visit https://emeetings.kfintech.com and click on "Speaker Registration" during the period from Monday, 3 rd August, 2020 (9:00 a.m. IST) upto Wednesday, 5 th August, 2020 (5:00 p.m. IST).
7.	Recorded transcript	Will be made available post AGM at https://www.mahindra.com/investors/reports-and-filings
8.	Dividend for FY20 recommended by Board	Rs. 2.35 (47%) per Ordinary (Equity) Share of the face value of Rs. 5 each
9.	Dividend Book Closure dates	Saturday, 18 th July, 2020 to Friday, 7 th August, 2020 (both days inclusive)
10.	Dividend payment date	After Friday, 7 th August, 2020
11.	Information of tax on Dividend 2019-20	https://www.mahindra.com/investors/reports-and-filings
12.	Cut-off date for e-voting	Friday, 31 st July, 2020
13.	Remote E-voting start time and date	Monday, 3 rd August, 2020 (9:00 a.m. IST)
14.	Remote E-voting end time and date	Thursday, 6 th August, 2020 (5:00 p.m. IST)
15.	Remote E-voting website of KFin	https://evoting.karvy.com
16.	Name, address and contact details of e-voting service Provider and Registrar and Transfer Agent	<p>KFin Technologies Private Limited (earlier known as Karvy Fintech Private Limited)</p> <p>Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032</p> <p>Contact detail: Phone No.: 040-6716 1500 or call KFinTech's toll free No.: 1800-3454-001</p>
17.	Email Registration & Contact Updation Process	<p>Demat shareholders: Contact respective Depository Participant.</p> <p>Physical Shareholders: Contact Company's Registrar and Transfer Agents, KFin Technologies Private Limited by sending an email request at einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate.</p>
18.	Email Registration on Company/ Registrar and Transfer Agent's website	<p>Members may visit the following websites and follow the registration process as guided therein:</p> <ul style="list-style-type: none"> • Company's website www.mahindra.com and click on "email registration" • KFinTech's website https://ris.kfintech.com/email_registration/

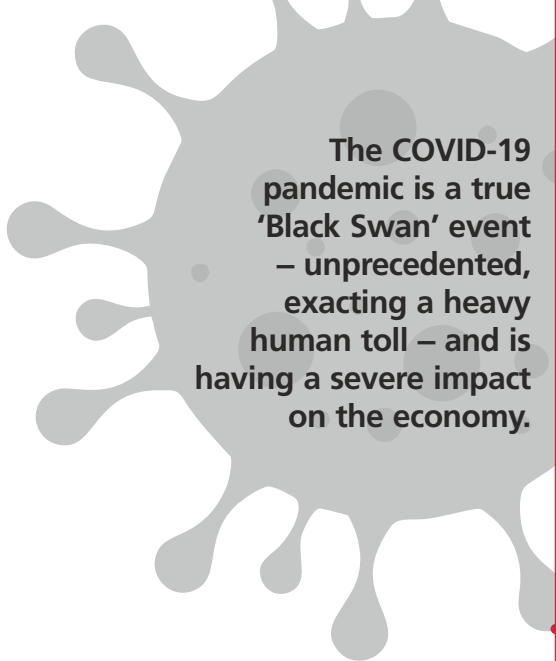
REIGNITE
REINVENT
REBOOT

RISE CRISIS



When crisis strikes,
what matters is not the crisis,

BUT HOW WE



The COVID-19 pandemic is a true 'Black Swan' event – unprecedented, exacting a heavy human toll – and is having a severe impact on the economy.

**At Mahindra,
crisis brings out
the spirit of Rise
in each of us.**

**Built over the years in our systems,
Anti-fragility empowers us not only
to resist shocks and recover from them,
but also to deliver.**

Our businesses have prospered for 75 years exactly because of anti-fragility and our philosophy of Rising through crises. In the 1970s, we combated the oil crisis, which sent petrol prices zooming and jeep demand crashing, by adapting our tractor diesel engines to be used in our passenger vehicles, in record time. This ingenious innovation, born out of necessity, became a long-term demand driver and a source of competitive advantage for us.

Our Powerol business which today generates revenue of over ₹1,500 crore, grew out of the imperative to use the excess capacity in the tractor engine plant, generated by a cyclical slowdown in 2002. Similarly, the Scorpio grew out of the challenge to develop a world class SUV, at a fraction of the cost of such development in the West.



REIGNITE
REINVENT
REBOOT

RISE CRISIS

DEAL WITH IT

In 2009, when the Indian IT industry plunged into a confidence crisis, with the promoter of Satyam confessing to an accounting fraud, **Mahindra saw an opportunity and the rest is history. Today, Tech Mahindra is one of the top 5 IT service providers in India.**

The current regulatory requirement of migrating to BS6 compliant engines, could have meant a crisis for diesel engines because of the costs involved, **but instead spurred our innovation capacities and led us to develop cost competitive BS6 compliant engines which would enable us to hold our own in the future against petrol players.**

Cultivated over the years, we have now integrated this ability – far from being fazed by disruptions, we tend to see challenges as opportunities. The current situation is a highly improbable 'Black Swan' event, but we are using this crisis to Reboot, Reinvent and Reignite – think newer, do better, dream bigger, and ultimately emerge stronger.

We are helping the nation in its fight against the pandemic, by manufacturing personal protective equipment in record time, assisting the Government in building temporary care facilities, and providing assistance to the disadvantaged sections of society. We are Reinventing processes to rise to the challenge. We are bolstering our businesses by selling our vehicles online, firming up our farm sector plans, and Rebooting and redistributing resources to create more value, as we adapt to a new post-COVID era. We are Reigniting our dreams of building a more environment-friendly, inclusive, and equal world.

Like the light that shines in the darkness, Mahindra Rises in crisis. In true Mahindra spirit, we are inspired, more than ever before, to help our customers, stakeholders, and the society at large, to Rise.

Because if ever there was a time to put our Rise philosophy in action, **it is now.**
If ever there was a time to drive positive change proactively, **it is now.**
If ever there was a time to press the re-set button in our work and in our lives, **it is now.**

Anand Mahindra

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For the online version of the report or for any other information please visit www.mahindra.com



ANNOUNCEMENT

We embarked on our journey of Integrated Reporting in F17 in keeping with our commitment towards transparency and the highest standards of corporate governance. The following year, to present our shareholders with a more holistic view of how we create and sustain long-term value, we included key elements of the Integrated Report (IR) along with the Annual Report. While staying true to the principles of the International Integrated Reporting Council's framework that was incorporated in the past, this year our Integrated Report structure has evolved to create a more reader-friendly experience.

This IR is in consonance with SEBI's circular dated 6th February 2017. An Integrated Report takes corporate reporting beyond just discussing the financial resources, since any value creation activity requires other resources like people, natural resources and business relationships. This report will discuss how Mahindra & Mahindra Ltd. (M&M Ltd.) creates value by leveraging the interlinkages between these interdependent resources. Where necessary, we have explained the concept using charts and infographics.

Some IR related data might be management estimates and could be updated in subsequent publications, like the Mahindra Sustainability Report.

UNDERSTANDING THE REPORT

HOW TO READ THE REPORT

■ Integrated Report <IR>

Businesses exist to create value for their diverse stakeholders. Today, businesses depend on more than just financial capital or plant and machinery to create this value. Employees and the environment are significant factors, as are governance and relationships with vendors, suppliers, communities in which businesses operate and the society at large. A business's ability to sustain value over the long-term depends on how it manages, utilises and integrates all these tangible and intangible resources.



This Integrated Report provides a cohesive view of our performance and ability to create value consistently through six capitals – financial, manufactured, intellectual, human, social & relationship, and natural.

We use an easy-to-understand diagram to depict inputs, outputs and outcomes, with respect to various capitals, that are measured by KPIs. The structure of this report remains true to the principles of integrated reporting and seeks to create a more lucid flow of information for a crisp and coherent disclosure. The detailed Statutory Statements and Financial Reports are also part of this document and are in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable Secretarial Standards.

Please note that certain statements in this report with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

Throughout the report, the terms 'Mahindra', 'M&M' and 'M&M Ltd.' have been used interchangeably, to refer to Mahindra & Mahindra Ltd.

■ Scope of the Report

The reporting period of Mahindra & Mahindra Ltd. apropos this Integrated Report is 1st April 2019 to 31st March 2020. However, to discuss the significant events that took place after the reporting period, the scope of the chapter on our COVID-19 response titled 'Rising to the Challenge' (pg 16-19) extends beyond 31st March 2020.

This Integrated Report provides an overview of the operations and business development activities of the Company. It is also aligned to the nine principles of the Ministry of Corporate Affairs' National Voluntary Guidelines (NVG) on the social, environmental and economic responsibilities of a business.

The scope of this Report is restricted to the domestic business of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited (MVML), consisting of the Automotive Sector, Farm Equipment Sector, Spares Business Unit, Mahindra Research Valley, Two-Wheeler Division, Construction Equipment Division and Powertrain Business Division. Also, in the Integrated Report section (pg 1-52), we have presented some data on the basis of the combined financials of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited. We have also represented data related to other group businesses and companies, wherever required, to provide a holistic view of the Company's performance and presence.

PERFORMANCE HIGHLIGHTS

Financial Highlights - F20 (M&M+MVML)

Revenue
₹ Crore

44,866

EBITDA
₹ Crore

6,351

PAT (before EI)
₹ Crore

3,577

EBITDA Margin
Maintained at 14.2%

Investment in R&D
**Rose to ₹ 2,975 cr in F20
from ₹ 2,642 cr in F19**

Mahindra Electric
**Achieved EBITDA
breakeven in F20**

Other Highlights - F20



Total
Tractor Volume

3,01,915

*(Includes domestic sales and exports.
Includes Mahindra, Swaraj & Trakstar Brands)*



Total
Automotive Volume

4,71,141

(Includes domestic sales and exports)

Extended Tractor Domestic Leadership
**Market share increased
by 1% to 41.2% in F20
from 40.2% in F19**

CV (Commercial Vehicle)
**Market share increased
by 3.1% to 27.7% in F20
from 24.7% in F19**

Total Energy Saved
**63,038 GJ in F20
vs 54,755 GJ in F19**

Trees Planted
**1.32million in F20
vs 0.95 million in F19**

Mahindra XUV300

**The highest 5-Star Safety
Rating from Global NCAP**

**The first-ever Indian car to
receive Global NCAP's
'Safer Choice' award**





SAFEST CAR IN INDIA



COMPANY OVERVIEW

I THE GROUP

The Mahindra Group is a USD 19.4 billion federation of companies that is providing innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities.

			
<p>World's largest tractor company by volume</p>	<p>Enjoys a leading position in utility vehicles, information technology, financial services, and vacation ownership in India</p>	<p>Strong presence in renewable energy, agribusiness, logistics, and real estate development</p>	<p>Headquartered in India, Mahindra employs over 2,56,000 people across 100 countries</p>

Mahindra & Mahindra Ltd., a mobility products and farm solutions provider, is the flagship Company of the Mahindra Group. Since assembling our first vehicle in 1947, we have grown rapidly. **Today, we offer a wide range of products and solutions ranging from SUVs to electric vehicles, pickups, commercial vehicles, tractors, two-wheelers and construction equipment.** We commenced our exports in the 1960s, and today, our vehicles and tractors can be found in all six habitable continents of the world.

 <p>11 SECTORS</p>	 <p>22 INDUSTRIES</p>	 <p>150+ COMPANIES</p>
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The Mahindra Group's operations are in the key industries that form the foundation of every modern economy. The sectors along with the industries, where we are transforming lives and shaping the modern world through our presence, have been outlined in the next page.

11 Sectors

AUTOMOTIVE



Challenges convention to build award-winning vehicles that deliver unmatched quality and value for money

MOBILITY SERVICES SECTOR



Newest sector of the group, created by merging logistics, after-market and shared mobility businesses to leverage the changing business landscape

FINANCIAL SERVICES



Helps change the face of rural India by enabling Indians to finance their dreams

AEROSPACE AND DEFENCE



Manufactures world-class aircrafts that fly in all continents, and also equips security forces with a range of armoured vehicles and defence systems

INFORMATION TECHNOLOGY



Powers the connected world, offering innovative and customer-centric technology services and solutions for enterprises, associates and communities

HOSPITALITY



Rethinks the vacation paradigm by making premium holiday experiences accessible to more people

FARM EQUIPMENT



Builds high quality tractors and implements, and provides services to help farmers thrive and ultimately drive rural prosperity

AGRI BUSINESS



Empowers farmers with the latest and most relevant advances in farm technology and agricultural know-how with a vision to deliver farm prosperity

PARTNERS



Incubates and nurtures diverse new businesses for the Mahindra Group by providing growth capital and operational support to achieve critical scale and value creation

REAL ESTATE & INFRASTRUCTURE



Develops smarter, greener and more productive spaces for urban living

TWO-WHEELERS



Offers customers stylish and powerful scooters and motorcycles

22 Industries

Aerospace

Aftermarket

Agri Business

Automotive

Boats

Clean Energy

Construction Equipment

Consulting

Defence

Farm Equipment

Hospitality

Information Technology

Insurance Broking

Logistics

Power Backup

Real Estate & Infrastructure

Retail

Rural Housing Finance

Steel

Trucks & Buses

Two Wheelers

Vehicle & Equipment Finance

CHAIRMAN EMERITUS AND BOARD OF DIRECTORS



Mr. Nadir B. Godrej
Independent Director



Dr. Vishakha N. Desai
Independent Director



Mr. Vikram Singh Mehta
Independent Director



Mr. T. N. Manoharan
Independent Director



Mr. M. M. Murugappan
Independent Director



Mr. Haigreave Khaitan
Independent Director



Mr. Vijay Kumar Sharma
Nominee Director



Ms. Shikha Sharma
Independent Director



Mr. Rajesh Jejurikar
Executive Director
(Auto & Farm Sectors)



Mr. CP Gurnani
Non Executive -
Non Independent Director



Dr. Anish Shah
Deputy Managing Director
& Group Chief Financial Officer



Dr. Pawan Goenka
Managing Director
& Chief Executive Officer



Mr. Anand G. Mahindra
Executive Chairman



Mr. Keshub Mahindra
Chairman Emeritus

GROUP EXECUTIVE BOARD



1 Mr. Zhooben Bhiwandiwala
President - Mahindra Partners
and Group Legal

2 Mr. V.S. Parthasarathy
President - Mobility Services Sector

3 Mr. Hemant Sikka
President -
Farm Equipment Sector

4 Mr. Kavinder Singh
MD - Mahindra Holidays and
Resorts India Ltd. & President -
Leisure and Hospitality Sector

5 Ms. Sangeeta Prasad
MD & CEO - Mahindra
Lifespace Developers Ltd. (*)

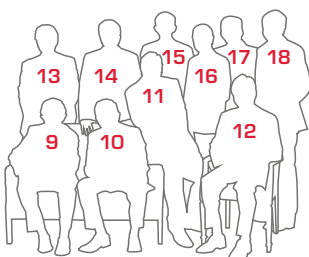
*Ms. Sangeeta Prasad has
resigned wef June 30th, 2020

6 Mr. Manoj Chugh
President - Group Public Affairs

7 Mr. Ramesh Iyer
Vice Chairman & Managing
Director - Mahindra & Mahindra
Financial Services Ltd.

8 Dr. Pawan Goenka
Managing Director & CEO





9 Mr. S. Durgashankar
President - Group Controller
of Finance & Accounts

10 Mr. Ashok Sharma
President - Agriculture Sector
and MD & CEO - MASL

11 Mr. L. Ravichandran
President & Chief Operating
Officer, Tech Mahindra Ltd.

12 Dr. Anish Shah
Deputy Managing Director
& Group Chief Financial Officer

13 Mr. ByungTae (Brandon) Yea
CEO - SsangYong Motor Company

14 Mr. Anand G. Mahindra
Executive Chairman

15 Mr. Ruzbeh Irani
President - Group HR &
Communications

16 Mr. Shriprakash Shukla
Group President (Agri, Aerospace,
Defence & Steel Sector)

17 Mr. CP Gurnani
Managing Director & CEO
of Tech Mahindra Ltd.

18 Mr. Rajesh Jejurikar
Executive Director
(Auto & Farm Sectors)

I OUR CORE PURPOSE

We will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise.



**ACCEPTING
NO LIMITS**



**ALTERNATIVE
THINKING**



**DRIVING
POSITIVE CHANGE**

I OUR CORE VALUES

■ Professionalism

We have always sought the most appropriate people for the job and have given them the freedom and the opportunity to grow under our wings. We support and celebrate innovation, out-of-the-box thinking, well-reasoned risk-taking and reward performance.



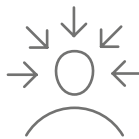
■ Good Corporate Citizenship

We are known in the business community for being an ethics-centric organisation. We have always believed in doing business with a larger social purpose, keeping in mind the welfare and growth of the communities we serve.



■ Customer First

At Mahindra, we follow an internal metric called the 'Customer as Promoter Score'. This is one of the ways in which we measure the success of our businesses by their level of customer-centricity. This is designed around our goal to create and sustain a positive experience for our customers, because of whom we exist and prosper.



■ Quality Focus

We put quality at the forefront, not just in our products but also in our actions and interactions. Each of our businesses achieves its goal through individual strategy, while keeping a close eye on maintaining quality in every step of the way.



■ Dignity of the Individual

For us, the cornerstone of our business is our human resource – our people. This is not something we merely preach, but something we truly believe in and practise at all times. We respect the time and efforts of our stakeholders and all our policies are designed keeping their well-being and betterment in mind.



I POWERED BY GOOD GOVERNANCE

Good governance leads to sustainable business. At Mahindra, governance is part of our DNA, and we have institutionalised it through a set of Core Values, Code of Conduct, policies and structures like the Corporate Governance Council. The framework is firmly in place to ensure that all governance issues are effectively and transparently addressed, so that we continue to do right by our stakeholders.

Good governance has paid us rich dividends. Business partners trust us, because we are clear on how we work and what we stand for. Foreign collaborators prefer us because they know that our expertise is supported by ethics. Our shareholders know that this is a Company that will always do the right thing and will never let them down. Our people feel a sense of pride in working for Mahindra. Good governance generates long-term sustainable value for all the stakeholders.



For more details about our corporate governance, please refer to page no.167 - 204 of our Integrated Annual Report 2019-20.

I REIGNITING VALUE CREATION

■ 2002: The Turning Point

In 2002, Mahindra & Mahindra's share price hit an all-time low. Concerned by this drop, the group made shareholder value creation as one of the prime focus areas. We launched a project called '3-2-3' - to increase the profits by 3 times and the top line by 2 times, in 3 years. What was thought as impossible then, was eventually achieved by most of the group businesses.

■ Over the Years

It did not just remain a 3-year initiative; value creation became ingrained in our DNA. M&M was the best performing NIFTY stock from 2002 to 2018 (August 2018), with an annualised return of 31% during this period. **From F02 to F18, our EPS (earnings per share) grew at an annual rate of 34%, with an impressive average RoE (return on equity) of 22%.**



anand mahindra @anandmahindra · Aug 21

In 2002, we began our annual Group conference labelled "BlueChip" because we vowed we would lift our performance & make the stock price reflect our genuine potential. So forgive us for being emotional today. The Nifty hit a high & our stock proved to be the best performer since 2002..

Tweet by Mr. Anand Mahindra on August 21, 2018

■ Legacy of Value Creation



	F02 - F18	F18 - F20
Operating Cash Flow pre Capex (₹ Cr)	2,433	5,210
EPS CAGR	34%	(87%)
Avg RoE	22%	12%

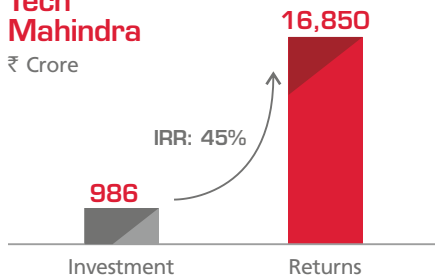
EPS and RoE on consolidated basis

Cash Flow is average per annum on standalone basis for M&M

Over the years some group companies have delivered impressive returns.

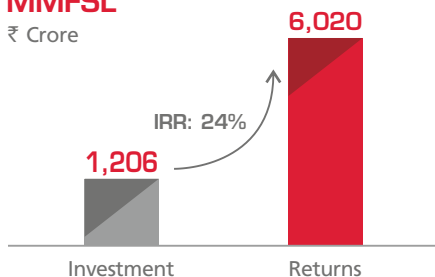
Tech Mahindra

₹ Crore



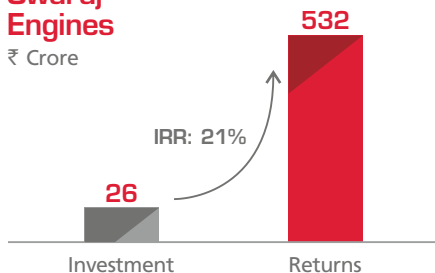
MMFSL

₹ Crore



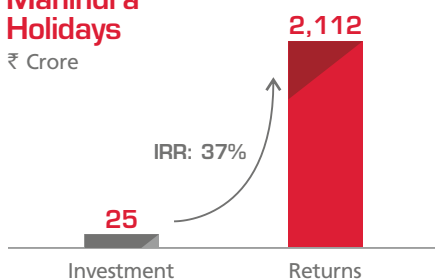
Swaraj Engines

₹ Crore



Mahindra Holidays

₹ Crore



Returns include dividends, sale & market value of the holding on 31st Mar, 2020. Investment includes both original cost and subsequent investments

Rough Terrain

In the last 2 years, our performance has been impacted by increasing losses in some of our international subsidiaries and the slowdown in Indian economy, exacerbated recently by COVID-19. Though we have generated a healthy operating cash (pre-capex) of ₹5,210 crore in the last 2 years, our EPS has slowed down bringing down the average RoE to 12%. This has had a negative impact on our stock price.

However, as the following table shows, the domestic businesses (M&M+MVML) are in good shape and would recover as soon as the economy bounces back.

Resilient Operating Performance

	F20	Vs F19	Excl. COVID, BS6
Revenue	44,866	-15%	-8%
EBITDA	6,351	-16%	-5%
PBT (before EI)	5,402	-23%	-12%

Operating margins maintained at

14.2%

Cash Generated

₹ 3,946 cr

Farm Market Share up

1%

Auto LCV < 3.5T Market Share up

1.2%

Standalone M&M + MVML

The challenge however, lies in the global subsidiaries of the Company, some of which are making significant losses. But, as is the ethos of Mahindra, we never get bogged down by any challenge. Just as in 2002, we will use the crisis to rise and reach new heights by rebooting, reinventing and reigniting value creation.

Recalibrating Capital Allocation

As part of our **rebooting strategy**, we have streamlined our capital allocation policy to maximise value creation for all stakeholders. We have not only clearly laid out criteria to allocate capital to existing businesses, but also have increased focus on improving the accountability of businesses to ensure that the outcomes are in line with the plans.

Action on Loss-making Subsidiaries

Tighter Capital Allocation Norms

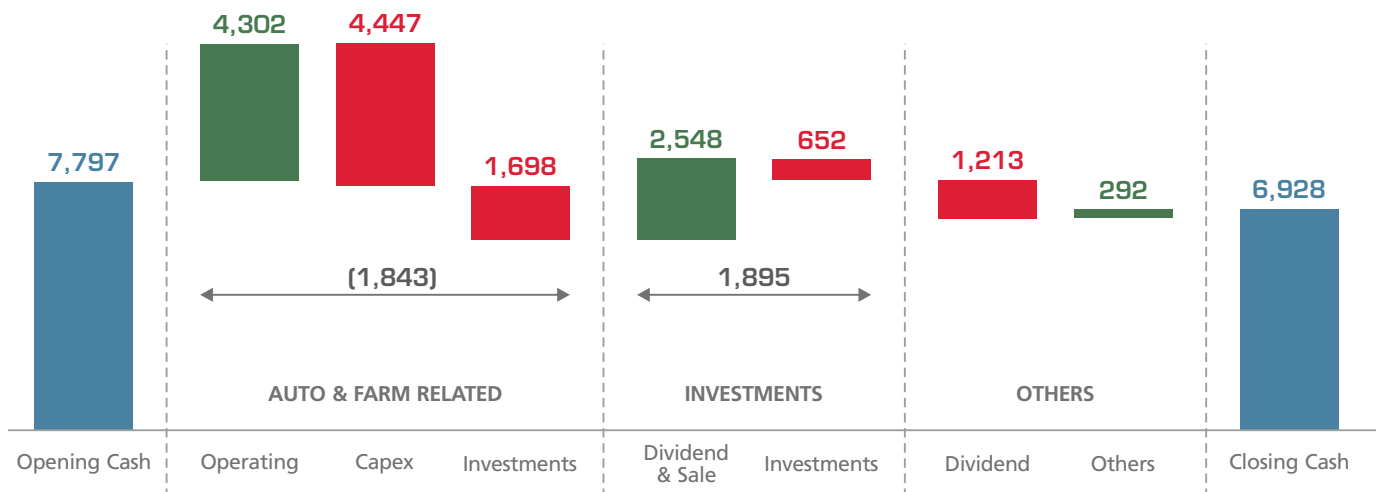
Loss-making businesses/entities to be closely scrutinised and classified into 3 categories, viz. A, B and C

Category	A	B	C
Criteria	Entities with clear path to 18% RoE	Delayed or unclear path to profitability but quantifiable strategic impact	Unclear path to profitability and no quantifiable strategic impact
Action	Continue	Continue	Exit (Explore partnership, alliance or shut-down)

It has always been our endeavour to ensure that the businesses that deserve capital are never deprived of the same. In the last year, even as the economy was showing signs of slowdown, we ensured that our Auto and Farm businesses received enough capital. Our investment portfolio returned cash for other businesses.

Cash Inflows & Outflows: F20

₹ Crore



Standalone M&M + MVML | PMTC is included in Auto & Farm related

As part of our **reinventing strategy**, we have identified a set of unlisted businesses that show huge promise and could become value creators in the next few years. The Company would focus on allocating the right resources to ensure that these businesses get the required inputs and capital to realise their true potential.

With the revamped and stringent capital allocation process (rebooting), and the strategy to identify and scale up value creators (reinventing), we are dreaming bigger and maximising value creation for all our stakeholders (reigniting).

For more information on value creation, please visit www.mahindra.com/investors/reports-and-filings

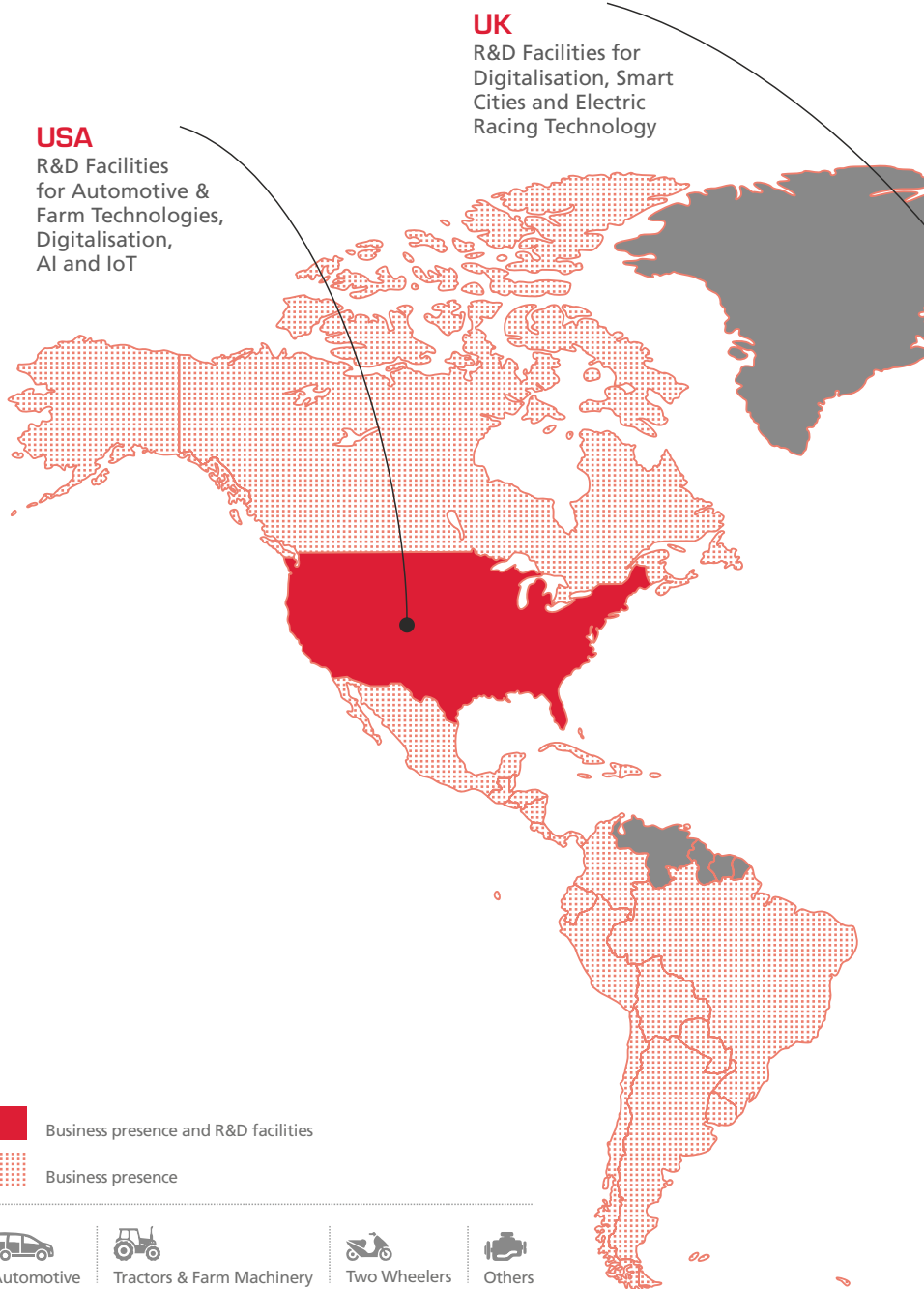
GLOBAL FOOTPRINT



THE GROUP HAS BUSINESS PRESENCE IN **100+ COUNTRIES WITH 50% REVENUE FROM OUTSIDE INDIA**

72 MANUFACTURING FACILITIES AROUND THE WORLD

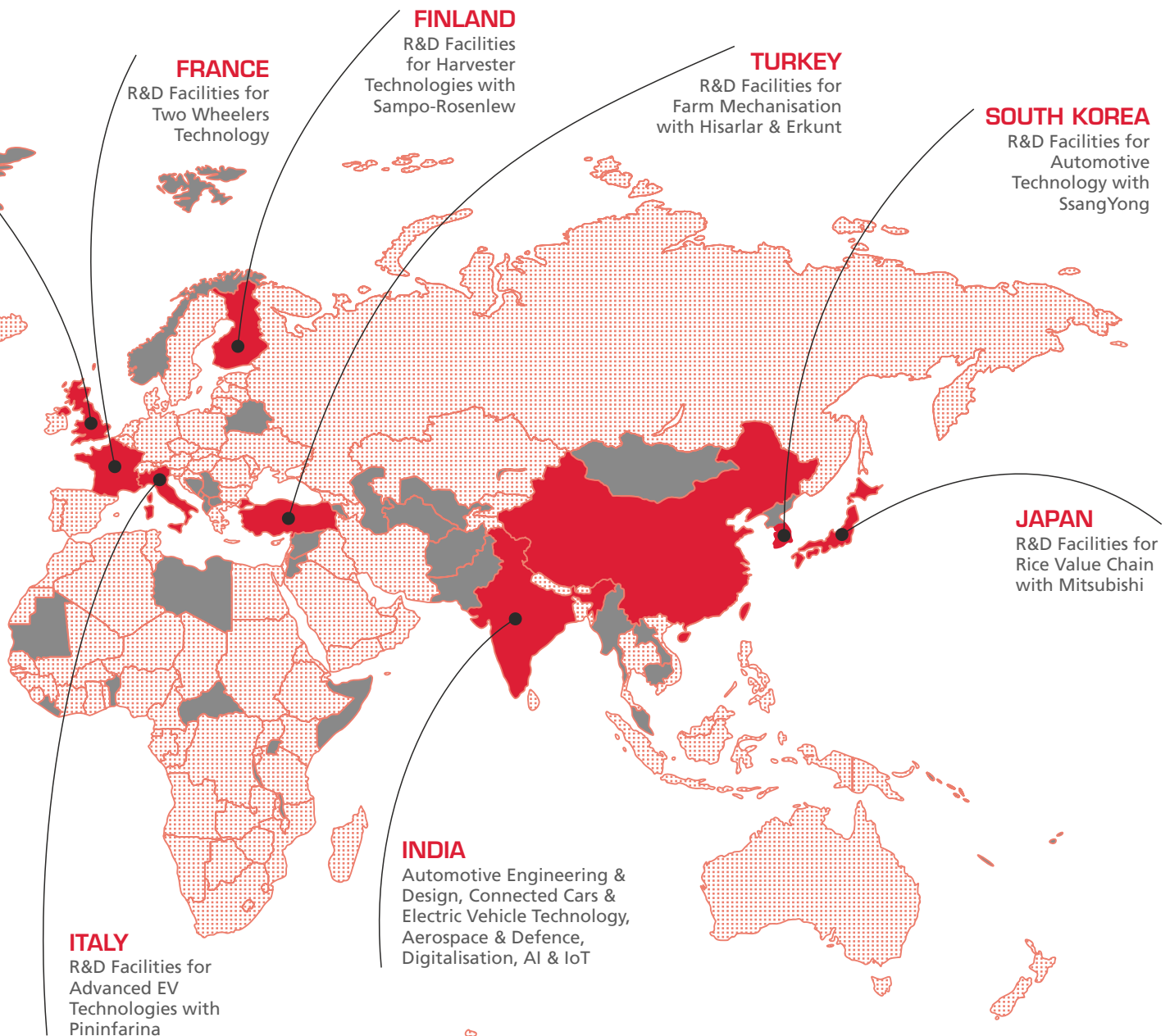
40	INDIA	
02	ALGERIA	
02	AUSTRALIA	
01	BENIN	
01	BRAZIL	
01	CANADA	
01	CHAD	
01	CHINA	
01	FINLAND	
01	FRANCE	
01	INDONESIA	
01	JAPAN	
01	KENYA	
01	MALI	
01	MEXICO	
01	NIGERIA	
02	S KOREA	
01	SOUTH AFRICA	
01	SRI LANKA	
01	TUNISIA	
03	TURKEY	
02	UAE	
05	USA	





OUR R&D FACILITIES ARE SET UP IN **20 centres across 10 countries**

China, Finland, France, India, Italy, Japan, South Korea, Turkey, UK, USA



Map not to scale.
For illustrative purposes only.

MANUFACTURING PLANTS IN INDIA

We have always led the way in transforming automotive manufacturing in India. Our facilities have accelerated the incorporation of technologies towards adopting the Industry 4.0 framework. This includes using cutting edge technologies, digital interventions from machines with sensors and edge analytics to sort relevant data. We are using telemetry based solutions, and segregated networks for machine and process security towards optimising industrial network use.

We have reduced energy utilisation and thereby our carbon footprint through digital monitoring of energy used by manufacturing devices and monitoring vehicle-wise energy consumption trends. The focus is on transforming our production processes and improving our output through Digital Manufacturing, Connected Machines, Additive Manufacturing, Artificial Intelligence, and Robotics & Automation.



As on 31st March 2020, property, plant, and equipment (including capital work-in-progress) at M&M+MVML stood at ₹ 11,588 crore.

During the year, we incurred a net capital expenditure of ₹ 4,542 crore and the major focus was on new product development.

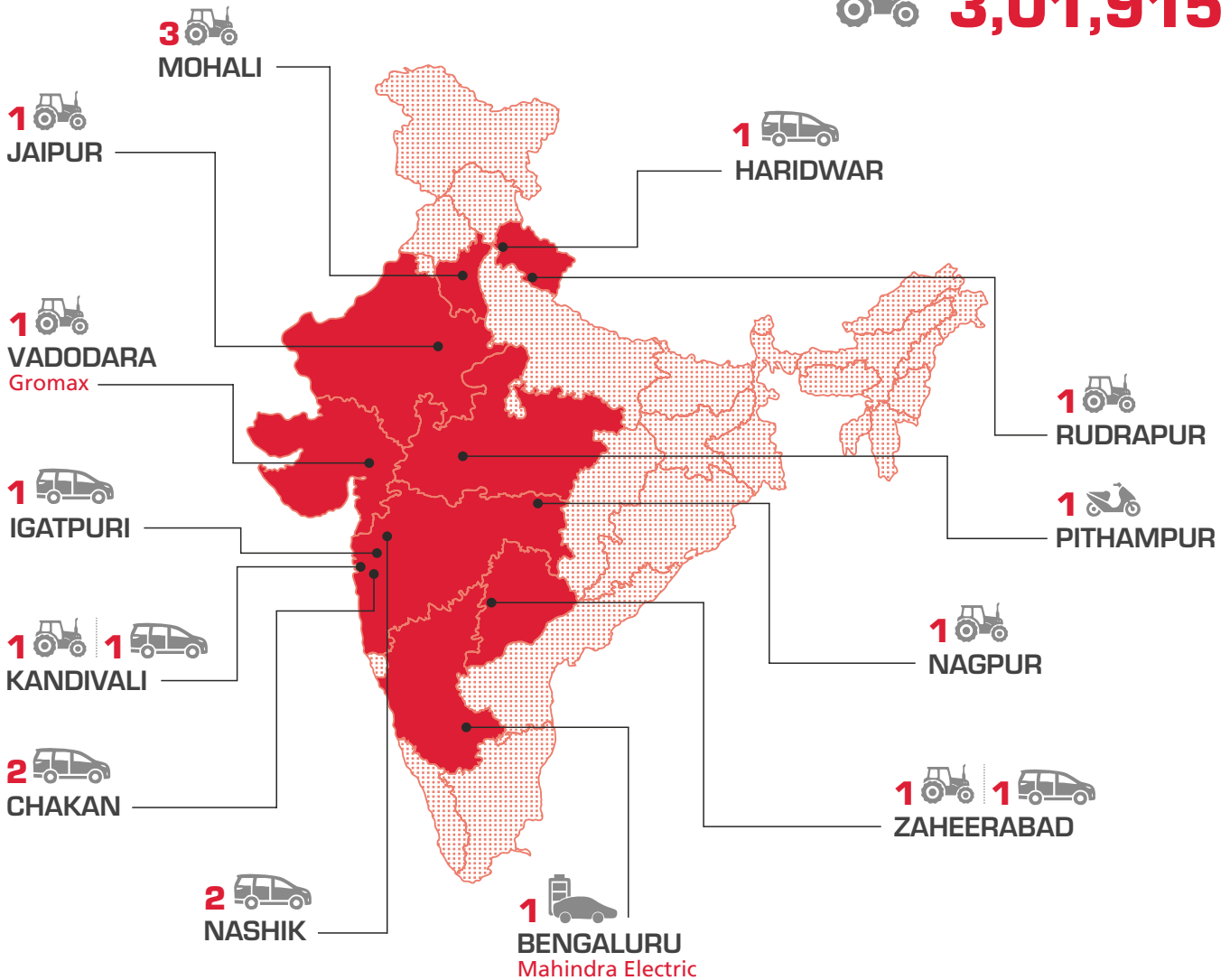


Mahindra crossed a significant milestone, rolling out the 1 millionth vehicle from each of its 3 automotive manufacturing plants in Chakan, Zaheerabad and Haridwar.

19 MANUFACTURING PLANTS ACROSS THE COUNTRY

Automotive Sector
Sales Volume (units)
4,71,141

Farm Equipment Sector
Sales Volume (units)
3,01,915



■ Manufacturing Plants



- Manufacturing plants include M&M, MVML, Mahindra Electric Mobility Ltd., Gromax Agri Equipment Ltd., Mahindra Heavy Engines Limited
- Map not to scale. For illustrative purposes only.

RISING TO THE CHALLENGE

The Mahindra Group's proactive and compassionate response to the unprecedented challenges posed by the COVID-19 pandemic is very much in keeping with its founding principles. **Our three-pronged approach to the pandemic includes ensuring the safety and well-being of our employees, supporting the health care system with innovative products and solutions, and supporting the underprivileged sections of society, who have been impacted the most by this crisis.**

**2,50,000
face shields**

produced and delivered to frontline medical staff, police, Municipal Corporation of Greater Mumbai and community members

**3,50,000
face masks**

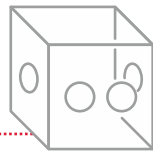


**34,000 litres
of disinfectants
& sanitisers**

produced and supplied by quickly converting existing production facilities



Started production of **aerosol aspiration box**



**SUPPORTING
THE HEALTHCARE
SYSTEM**

Re-aligned frugal engineering capabilities to prepare a prototype of **low-cost ventilators** in just 5 days



50 of our resorts

across India have been made available as temporary care facilities to the Government



Free emergency cab services (Alyte) launched in nine cities

for doctors, nurses, single mothers, specially-abled individuals and senior citizens. 5000+ registrations received in under 20 days. 1000+ customers served



ENSURING EMPLOYEE SAFETY AND WELLNESS

The Mahindra Group has always believed that our employees are our most valuable asset. So, before we got back to work, it was crucial for us to put in place certain Standard Operating Procedures (SOPs), to ensure that the safety of our people is not compromised, while business operations resume smoothly.



As per Government directives, thermal scanning, social distancing, wearing masks, usage of sanitisers, and frequent cleaning and disinfection of surfaces were made mandatory. As an added layer of safety, foot pedals were installed on doors to ensure employees don't touch door knobs or handles. A similar arrangement was made for sanitiser dispensers.

Some other initiatives undertaken by us are:

- Group-level Rapid Action Force for constant monitoring and swift action
- Effective connectivity and digital security to ensure remote access of applications/folders and enable employees to work from home (WFH)
- Dedicated microsite with regular updates from Government circulars and WHO guidelines
- 24x7 emergency helpline for employees
- Regular webinars for physical and emotional well-being of employees
- Online fitness sessions for employees
- Virtual engagements and exchange of ideas among employees through collaboration platforms



I RISING FOR GOOD

■ Rebuilding the Community



2,10,000+ people

provided with meals/ration packets. Since 30th March 2020, 9,000+ beneficiaries have received daily nourishment across 12 locations

Crowdsourced and donated funds to drivers

impacted by the lockdown, under HOPE (Helping Our People during Emergencies relief fund)

₹ 2 Crore

contributed by employees towards Mahindra Foundation COVID-19 Relief Fund

Donated funds to Maharashtra Chief Minister's Relief Fund, Deputy Commissioner's Office – Mohali and Thiruvallur District Collectorate

With the help of our dealer partners, enabled several migrant workers to reach their homes with last mile support

₹ 50 Crore

donated by the Mahindra Group to the PM Cares Fund

7,000+ farmers

were provided tele-advisory on agricultural practices, during the lockdown



Supported women farmers with seeds through the Purna project (an empowerment project for women farmers)

I ADAPTING TO THE 'NEW NORMAL'

■ Tech-Enabled Connections



Developed and deployed a block chain based **ePass solution** for State Governments to streamline validation and mobility of essential services

Helped develop **Integrated Digital Health Platform** to provide remote access to healthcare

Supported **Ayushman Bharat** with service centre capabilities to manage queries from citizens

Collaborated to create **computational drug discovery** models to help find a cure for COVID-19



Launched '**Own Online**', a one-stop, 24/7 online destination for customers to source, accessorise, finance, insure, purchase or exchange a Mahindra vehicle from the comfort of their homes



Launched '**Contactless Service Experience**', to ensure customers do not encounter any paper documents, cash or payment machines while getting their vehicles serviced



Offered a variety of **new, innovative finance schemes** that deliver financial flexibility to purchase vehicles

RESILIENCE TO RISE

Resilience is an inherent part of our DNA, allowing us to transform challenges into opportunities. This has helped us drive growth for all our stakeholders, including employees, business partners, investors, and the communities and society at large. Resilience is also helping us effectively face the unprecedented challenges posed by the COVID-19 pandemic in both the business and social environment. We remain confident that we will overcome these challenges and Rise in the post-COVID world.

At Mahindra, we constantly push the boundaries of possibilities to create products and services that enable our customers and stakeholders to Rise. By focusing on customer centricity, delivering accessible technology and enhancing people capabilities, we continue to drive growth in the domestic market while pursuing global expansion.

**Mahindra is known to RISE
in crisis and be driven by challenges.**



I STRATEGIC OVERVIEW

Change is the only constant. The business landscape is changing very rapidly and so are the enablers for success. In the past, success was about selling the right product for the right price through an efficient channel. Going into the future, the product, pricing and channel will remain essential, but won't be enough. The winning mantra would involve providing a solution, delivering an experience and having a purpose.



**With innovative products, solutions and approach,
we will remain ahead of the curve and continue to
create value for all our stakeholders.**

■ Automotive Sector

With an objective to sustain growth, we are pursuing several strategic initiatives in all key areas of business. The key elements of our strategy include updating existing products, developing new products through R&D and leveraging technology. Our technology focus areas are gasoline engines, emissions, safety, connected vehicles and electric vehicles.



In order to achieve our strategic objectives, **we signed a definitive agreement with Ford Motor Company, to create a joint venture** to drive profitable growth in India and emerging markets. We also remain committed to investing in development of new products and advanced technologies specific to electric vehicles.

Our future direction in Automotive Sector would involve the launch of the New Thar, redefining the dealer business model, strategic re-prioritisation of capital expenditure, aggressive cost optimisation, synergy projects with Ford JV, building a distinctive SUV brand, launching new models, leveraging LCV and EV portfolio and creating a path to profitability for our global subsidiaries.

■ Farm Equipment Sector

Our constant endeavour is to serve our farmers and enable them to Rise. Our Farm Sector's strategy is aligned to improve the state of farming by democratising technology, especially for marginal and small landholding farmers. We continue to invest in modern tractor technologies and offer tractors with category first features, thus creating new benchmarks in India. We also offer matched implements with crop specific mechanisation solutions to boost farm productivity.

End to end farm mechanisation is an important focus area for us and we continue to pursue in-house development as well as alliances in this space. Some notable alliances are in the domain of horticulture sprayers and potato planting technology. Several pilots for precision farming technologies are underway. We continue to leverage our global acquisitions and partnerships to build farm machinery portfolio for global markets and bring modern farm mechanisation technologies into India.



Our key priorities for Farm Sector include strengthening our domestic core business, building farm machinery business in India, turning around our global business, leveraging our unique farming solutions delivery model 'Farming as a Service (FaaS)' and launching our lightweight compact tractor platform 'K2'.

I RISK AND OPPORTUNITIES

At Mahindra, we have put in place robust systems and processes, along with appropriate review mechanisms to actively identify, monitor, manage and mitigate internal and external risks.

At the highest level, the Chief Risk Officer and the Chief Sustainability Officer are engaged through a structured process to deliberate on possible risks and opportunities through the Technology-Economic-Media-Political-Legal-Environmental-Social (TEMPLES) framework.

■ Key Risks and Risk Mitigation Initiatives

RISKS	STRATEGIC & OPERATIONAL INITIATIVES
COVID-19 Pandemic	<ul style="list-style-type: none"> • Implementation of safety protocols as advised by the Government to ensure well-being of employees • Realign the cost structures and conserve cash • Leverage technologies to cater to the needs of the post-COVID era
Competitive Intensity	<ul style="list-style-type: none"> • Invest in developing new products, increasing channel reach, delivering customer centric products & services, enhancing customer experience and building our brand • Investing and building capabilities in next generation digital technologies like Industry 4.0, AR, VR, AI and Blockchain • Forming strategic alliances to drive enhanced competitiveness through greater economies of scale across the automotive value chain • Offering continuous product upgrades and introducing superior technology
Choice of Fuel and BS6 Emission Norms	<ul style="list-style-type: none"> • Developed BS6 diesel engines at a very competitive cost; successfully met the aggressive time and cost targets • Introduced new range of BS6 ready gasoline engines that offer the same thrilling drive experience as diesel engines, which will power several Mahindra vehicles in the future • Continue to work on cost and value engineering, for easing the pressure on margins
Environment and Alternate fuels	<ul style="list-style-type: none"> • Pioneer for Electric Vehicles in India with a strong portfolio • Actively pursuing development of the Electric Vehicle (EV) market, products and technology
Tax Regulations	<ul style="list-style-type: none"> • Strengthened the UV product portfolio attracting lower tax rates, with the launch of XUV300, TUV300 and KUV100

RISKS	STRATEGIC & OPERATIONAL INITIATIVES
Commodity Prices	<ul style="list-style-type: none"> • Leverage whenever there is a fall in prices of commodities and achieve material cost reduction • Continue to work on mitigating the inflationary impacts through 'Commodity Risk Management', cost re-engineering and value engineering activities
Capacity	<ul style="list-style-type: none"> • Built adequate manufacturing capacity for the immediate future; in the process of investing in additional capacity in preparation for mid to long-term needs • On the EV front, investing under the new EV Policy of the Government of Maharashtra towards product development and capacity enhancement for EV and related components • On the supplier end, working closely with key suppliers to minimise any supply constraints through capacity planning and longer-term contracts, while pursuing global sourcing opportunities

■ Opportunities and Outlook

Both the Automotive and Farm Sectors strive to sustain profitable growth, maintain leadership position in the domestic market and at the same time, explore global opportunities for growth. Simultaneously, we continue to focus on achieving cost leadership through focused cost optimisation, productivity improvements, value engineering, supply chain management and exploiting synergies between various group businesses.

Automotive Sector

The automotive industry is an engine of economic growth. The mid to long-term outlook for the Indian auto industry is positive. As per the Automotive Mission Plan 2026 (AMP 2026), the Indian auto industry is expected to grow at a double digit CAGR between the period 2016-2026.

However, there is uncertainty in the short to mid-term due to the COVID-19 pandemic. Policies announced by the Government to boost consumption as the country exits from the COVID-19 lockdown, will be beneficial.

The Government has also formulated policies to boost the adoption of electric and hybrid vehicles in India, in order to improve air quality and reduce the fuel import bill.



Our company's focus on development of EV products, exploiting synergies through strategic alliances, investing in next generation advanced engines and digital transformation of customer experience would enable us to benefit from the opportunities in the sector.

Farm Equipment Sector



Strong Government focus on development of agriculture sector, increasing adoption of mechanisation & modern agricultural practices and rural development at large, is expected to drive sustainable growth in the farm sector.

Important reforms in the farm sector announced by the Government, which are focused on improving the state of agriculture in India in the mid to long-term, will benefit the sector.

Sentiment in the rural economy is encouraging, as we expect a relatively quicker recovery from the COVID-19 induced slump, driven by good Rabi output, good reservoir levels and normal monsoon forecast by IMD, which augurs well for the Kharif crop as well as demand for tractors and farm machinery.

With our leadership position in tractors and focus on Farm-Tech, we are well positioned to leverage this opportunity.

As we bounce back from the crisis, we are fully geared to leverage all upcoming opportunities through our initiatives in electric vehicles, shared mobility, farm mechanisation solutions, launch of world-class products and an extensive product portfolio.

For detailed information on the risks and opportunities and outlook, please refer to the Management Discussion and Analysis section, page no.137-166, in the Integrated Annual Report 2019-20.

AWARDS & RECOGNITIONS

Recognitions

FISITA, the international membership organisation for the automotive and mobility systems engineering profession, honoured **Dr. Pawan Goenka**, Managing Director, Mahindra & Mahindra, with the **FISITA Academy of Technical Leadership Award 2019**

Awards

M&M won the **Golden Peacock Global Award for 'Excellence in Corporate Governance'** for 2019

M&M won the **'Best Corporate Governance - India 2019'** award from Business Vision

Mahindra & Mahindra Automotive and Farm Equipment Sectors recognised among **India's Top 50 Best Companies to Work For 2019** and among **India's Best Workplaces in Manufacturing 2020**

The Mahindra Group's **'Wings For Our Girls'** was awarded **Platinum award for Best in Show** at the 2019 South Asia SABRE Awards

The Mahindra Group **won Gold at PR Awards** by Campaign India for **#CelebrateDifferently**



M&M won ICSI 'National Award for Excellence in Corporate Governance in Listed Segment: Large Category' for 2019

M&M's Integrated Annual Report 2019 won Gold at the MARCOM Awards, USA

M&M won three awards at National CSR Awards Ceremony, organised by the Ministry of Corporate Affairs. The awards were for - Excellence in CSR; National Priority Area Education for Project Nanhi Kali; National Priority Area Agriculture and Rural Development for Integrated Watershed Management Programme in MP

M&M's Igatpuri plant awarded the 'Sustainable Factory of the Year Award' at the India Sustainability Leadership Summit 2019, organised by Frost & Sullivan and The Energy and Resources Institute (TERI)

Mahindra Hariyali project featured in the 2020 edition of the Limca Book of Records for 'Most trees planted'



M&M became the 1st company in the world to win TPM advanced special award

Mahindra Racing received the Best Social Media award by FIA Formula E in July 2019

Mahindra Tractors ranked No.1 and Swaraj Tractors ranked No.2 in the JD Power Customer Service Index

TRA's most trusted and most consumer-focused tractor brand 2019



Mahindra's Sustainability Report won Asia's Best Carbon Disclosure Report at the Asia Sustainability Reporting Awards (ASRA) 2019



Mahindra Racing race strategy engineer Mr. Alberto Blanco won ABB FIA Formula E's Modis Engineer of the Year Award for the 2018-19 season

'The Hardest Worker' environmental awareness campaign won 'Green Campaign of the Year' - Gold at the Olive Crown Awards 2020



'Ladki Haath Se Nikal Jaayegi' CSR campaign won Gold in the Special Abby (Gender Sensitive) category at Goafest 2019.

INPUT-OUTPUT MODEL

INPUT

FINANCIAL CAPITAL

Total Segment Capital Employed (₹ Cr)	16,552
Gross Debt to Equity Ratio	0.10
Net Capital Expenditure (₹ Cr)	4,542

MANUFACTURED CAPITAL

Number of Plants in India	19
Material Cost (₹ Cr)	29,867
Key Raw Materials	Steel, Iron, Rubber, Glass, Aluminium, Copper, etc.

INTELLECTUAL CAPITAL

Spend on R&D (₹ Cr)	2,975
Spend on R&D (% of revenue)	6.3
R&D Nodes	MRV, Pininfarina, MANA, MAM, Sampo Rosenlew
Patents Applied (nos.)	185
Patents Granted (nos.)	50
Design Registrations Granted (nos.)	67

HUMAN CAPITAL

Number of Permanent Employees (nos.)	20,638
Temporary / Casual / Contractual Employees (nos.)	19,154
Unionised Permanent Workmen (%)	78
Employee Benefit Expense (₹ Cr)	3,224
Permanent Women Employees (nos.)	751

NATURAL CAPITAL

% of Renewable Energy	4
Total Energy Consumption (GJ)	15,80,683
Total Water Consumption (m3)	13,07,411

SOCIAL & RELATIONSHIP CAPITAL

CSR Investment (₹ Cr)	127
ESOP Hours	1,63,818
Employee Volunteers for Various Services (nos.)	22,877
Key Focus Areas	Education, Health & Environment

Business Model showing Principal Activities

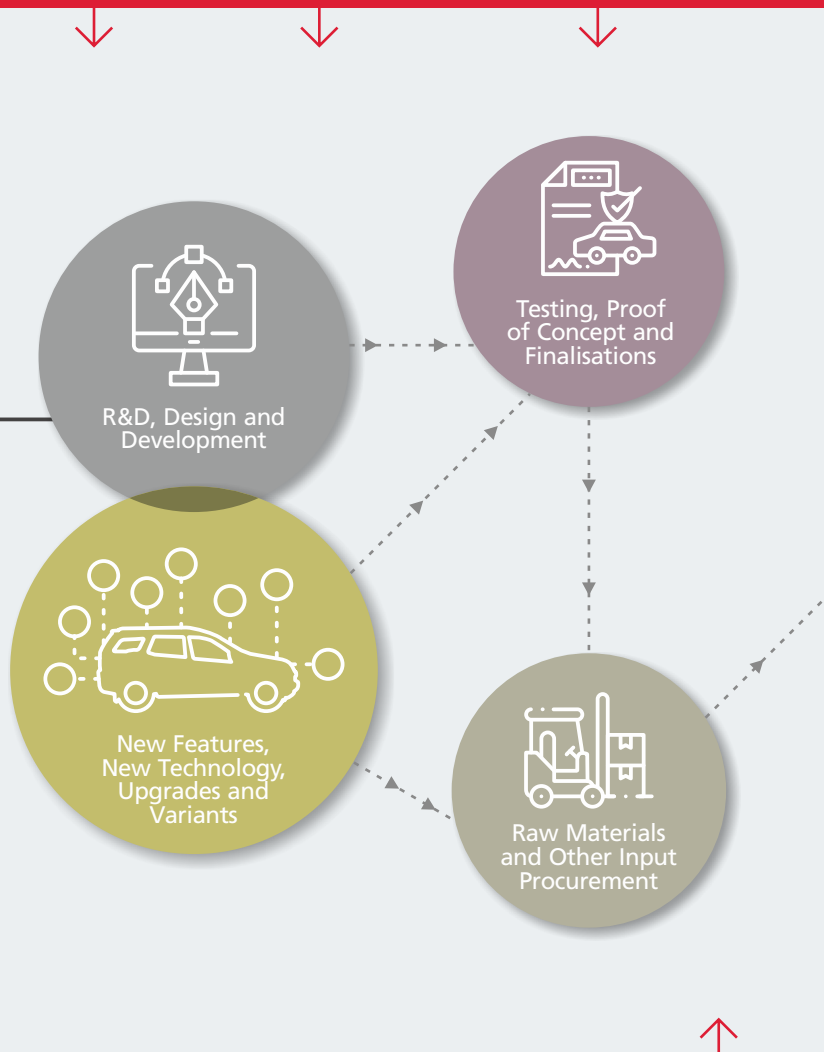
Governance

Key Aspects

STAKEHOLDER ENGAGEMENT

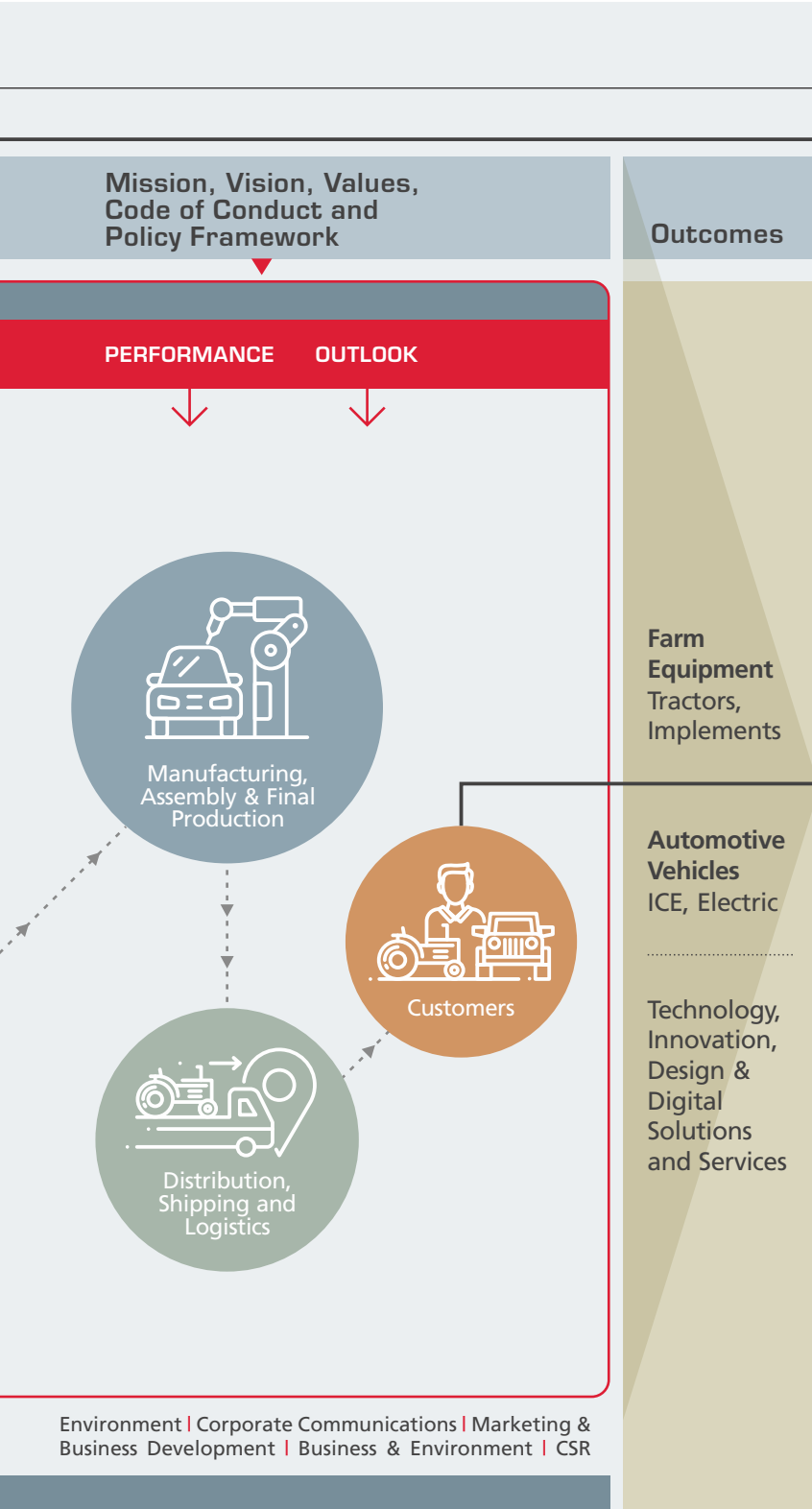
RISKS AND OPPORTUNITIES

STRATEGY & RESOURCE ALLOCATION



Human Resources | Accounts | Finance & Compliance | IT | Customer Service
Corporate Strategy & Planning | Research & Development | Safety, Health &

Support Functions



OUTPUT

FINANCIAL CAPITAL

Total Income (₹ Cr)	44,866
EBIDTA (₹ Cr)	6,351
Net Profit (before EI) (₹ Cr)	3,577
Dividend from Group Companies (₹ Cr)	882

MANUFACTURED CAPITAL

Total Automotive Vehicles Sold (nos.)	4,71,141
Passenger Vehicles (nos.)	1,86,942
Commercial Vehicles (nos.)	1,99,131
Three-Wheelers (nos.)	58,145
Automotive Exports (nos.)	26,923
Total Tractors Sold (nos.)	3,01,915

INTELLECTUAL CAPITAL

New Products Launched	Auto: Cruzio, 2W: Jawa Perak, Tractor: Plus Series
New Technologies	mStallion, MESMA 350, Krish-e

HUMAN CAPITAL

Permanent Employees Trained (nos.)	15,519
Temp / Casual / Contractual Employees Trained (nos.)	11,513
Complaints on Child / Involuntary Labour	NIL
Complaints on Discriminatory Employment	NIL

NATURAL CAPITAL

GHG Emissions (Scope 1 - tCO ₂)	40,609
GHG Emissions (Scope 2 - tCO ₂)	1,99,806
Energy Saved (GJ)	63,038
Water Reused (%)	40
GHG Mitigation (tCO ₂)	9,812

SOCIAL & RELATIONSHIP CAPITAL

Girls Supported under Nanhi Kali (nos.)	14,462
Youths Trained at Mahindra Pride Schools (nos.)	3,641
Total Trees Planted under Project Hariyali (million nos.)	1.32

■ Powering our Transition from BS4 to BS6 Emission Norms

Innovation has been at the core of Mahindra's ethos. We leveraged our R&D capabilities to lead the transition from BS4 to BS6 with 8 engine platforms, 16 vehicle platforms and 30 vehicle variants. Some of the key innovations in our journey to BS6 are outlined below.

Design Innovation

A whopping 30% friction reduction in all diesel platforms (except the new platforms where friction was already at global benchmark level)

Design simplification in many carryover designs

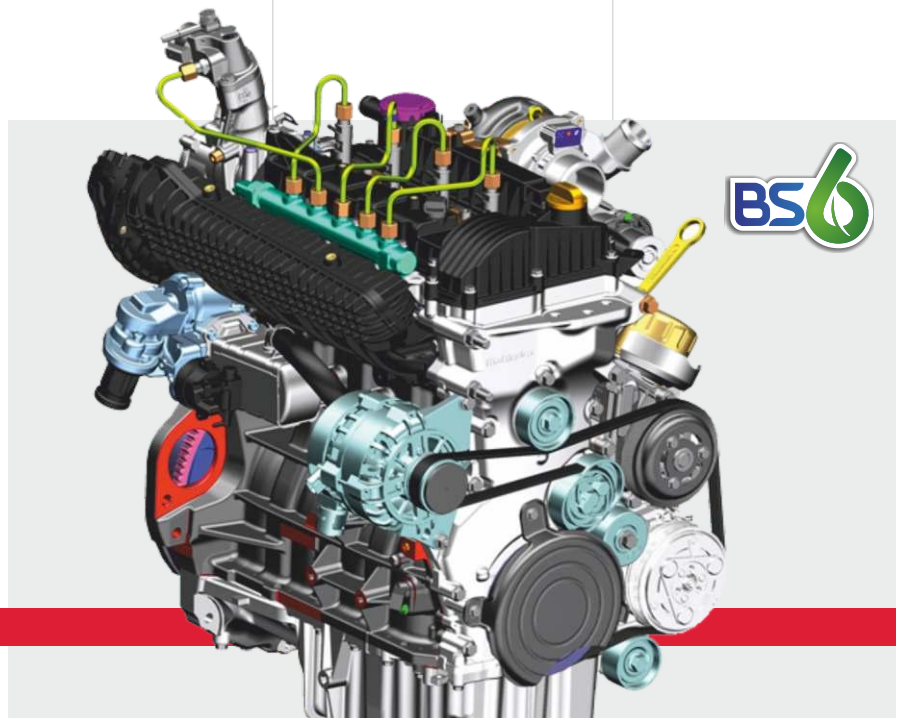
Integral exhaust manifold with turbocharger implemented in all platforms, which resulted in increased strength and reduced cost

WE HAVE DEVELOPED MORE DIESEL ENGINES THAN THE REST OF THE INDIAN OEMS COMBINED. 95% OF THE DEVELOPMENT IS IN-HOUSE.

8 ENGINE PLATFORMS

16 VEHICLE PLATFORMS

30 VEHICLE VARIANTS



Process Innovation

Approach to BS6 development was redefined to consider Real Driving Emission (RDE) requirements

Accelerated wear test was introduced for upfront evaluation of BS6 technologies to identify potential failure modes within a short time

We did nearly 70 lakh km validation runs with more than 130 vehicles, covering all possible conditions for the Indian market

DESIGNED TO FUTURISE

Our strength has always been the ability to innovate and create our future despite constraints and challenges. This legacy will prove invaluable as we leverage the current scenario to Reboot, Reinvent and Reignite our future growth. Throughout the company's history, we have demonstrated a remarkable ability to come up with unique, out-of-the-box solutions that have catapulted us into the next orbit of growth. We are working to build on this rich legacy once again.

I PRODUCTS

Mahindra's products have been empowering people everywhere to Rise. Our automotive products use cutting edge technology to provide optimised performance, fuel economy, comfort and connectivity in rural and urban areas. Our tractors and farm equipment solutions drive farm prosperity in rural areas. Our electric vehicles and mass mobility products ensure a cleaner and greener environment. This year, we continued to innovate and develop world-class products that offer great economic value to our customers and prioritise their safety.

■ New Products Launched in F20

Mahindra pursued an aggressive product expansion strategy even as the industry slowed down in F20. The push has been towards brand building and augmenting products to create more value for customers. Below are some of the key product launches in the reporting period.

Mahindra CRUZIO



A brand-new range of BS6 ready buses with patented Mahindra FuelSmart Technology to save fuel.



XUV500 - W3

A new entry-level variant of XUV500, offering hi-tech features and thrilling performance at a competitive price.



Thar 700

With its go-anywhere capability, Thar 700 is a true-blue off-roader and a typical Mahindra breed that exemplifies the company's rich 4x4 heritage.



XUV300 AMT

An easier to drive, innovative, new Automated Manual Transmission (AMT) version of XUV300 with autoSHIFT technology.



Jeeto Plus

A new variant of the minitruck Jeeto platform, offering higher load-carrying ability and lower operating costs.



New Bolero City Pik-Up

An ideal pick up with easy manoeuvrability for intra-city business trips and urban goods transportation.



New Bolero Camper Range

A refresh of the double cabin pick-up Bolero Camper, with increased payload capacity.



SP PLUS Series

Comes with a powerful engine for superior performance and compatibility with all agricultural applications.



XP PLUS Series

Gives maximum power without compromising on mileage.



Supro Minitruck VX

Conceptualised for intercity and intracity business needs, the VX variant carries a higher payload.

Products and Technologies showcased at Auto Expo 2020

Mahindra showcased a wide and varied range of its futuristic concept vehicles, EVs, passenger and commercial vehicles, as well as technology solutions under the theme #DrivenByPurpose at the Auto Expo 2020. Here are some of the products that were displayed.





Funster: Roadster concept with a playful convertible mode

A 'sports electric vehicle' that reaches 0 to 100 kmph in just 5 seconds.



A.T.O.M.: Smart Commute

A micro car designed to appeal to the emerging new India and transform the face of clean, comfortable and smart mobility.



eXUV300: Electrifying Indian Roads

A perfect mobility solution for environment conscious customers, who desire thrilling performance.



eKUV100: India's most affordable, compact electric SUV

An electric SUV meant to offer a relaxed, fatigue-free driving experience in chaotic city traffic.



MESMA 350: Mahindra Electric Scalable Modular Architecture

A one-of-its-kind design-ready 350 volt electric powertrain that will enable greater adoption of EVs.



mStallion

A range of advanced BS6-ready turbo gasoline direct injection (TGD) engines that will deliver thrilling performance and power several Mahindra vehicles in the future.

I PARTNERSHIPS

Effective partnerships drive innovations in a constantly changing world. We have been forging new partnerships and nurturing the existing ones to create value for our customers.

■ Collaborating to Rise | Mahindra JV with Ford Motor Company

M&M Ltd. and Ford Motor Company signed a definitive agreement to create a joint venture – with Mahindra owning 51% controlling stake – that will develop, market and distribute Ford brand vehicles in India and Ford brand & Mahindra brand vehicles in high-growth emerging markets globally.



Mahindra Ford JV will drive enhanced competitiveness through greater economies of scale across the automotive value chain, including optimised sourcing, product development, use of relevant technologies and a global network.



The JV is the next step in the strategic alliance forged between Ford and Mahindra in September 2017 and marks a new era of collaboration to deliver operational excellence and value to stakeholders.

■ Heralding the Era of Smart Farming | Mahindra's Partnership with Gamaya

Mahindra & Mahindra's Farm Equipment Sector (FES) acquired 11.25% stake in Switzerland based agri-technology firm, Gamaya, SA. This strategic association will enable Mahindra to develop and deploy next-generation farming solutions that are easily accessible to the global farming community.



■ Partnering to Power New Possibilities | Mahindra Susten JV with Mitsui & Co.

A leading player in the Indian solar energy sector, Mahindra Susten partnered with Mitsui & Co., Ltd. of Japan to jointly develop and operate distributed solar power generation projects in India.



I BUSINESSES

We listen, understand and respond to the emerging needs of our customers and provide them with relevant solutions through our businesses.

■ Spark the New | Mahindra Electric



Mahindra Electric, our electric mobility arm, unveiled a new corporate brand identity – coupled with a new logo and tagline 'Spark the New' – with the vision of becoming a leader in providing customised electric mobility experiences through cutting-edge technology.



Mahindra EVs have already completed over 250 million electric kilometres on Indian roads.

Mahindra EVs have saved over 23,000 metric tons of CO₂ emissions in India, an equivalent of planting 12 lakh trees.



Treo, our electric 3-wheeler, crossed 4,000 in volume and is now present in 70+ cities.



■ Making Used Car Purchase Exciting | Mahindra First Choice Wheels

We are present in the Indian used vehicle ecosystem through Mahindra First Choice Wheels (MFCWL) with a network of 1,000 plus outlets spread across India. MFCWL has pioneered several key solutions.



eDiig
Disposals Simplified



'eDiig' Auction Platform: Auctioned 5 lakh+ vehicles through the platform to become the market leader in the online auction space.

IBB
precise pricing



Blue Book: India's first and only used car pricing guide that incorporates transaction data with an analytical engine.

Autoinspekt
India's No.1 Inspection service provider



'Autoinspekt': An unbiased third-party vehicle evaluation system that determines the condition, quality and value of a used vehicle. MFCWL does over a million inspections per year.

■ Recycling for a Cleaner Planet | Mahindra MSTC Recycling

Cero is India's first Government-authorised vehicle recycling company. A JV between Mahindra Accelo and MSTC Ltd. (a Government of India enterprise), the entity collects end-of-life vehicles, dismantles and recycles them at its state-of-the-art facilities.



Cero has set up two world-class facilities at Greater Noida and Chennai and has aggressive plans to be present at 25 locations across the country in the coming years.

I INNOVATIONS

Innovation has been at the core of the Mahindra's Rise philosophy. We are building a global network of innovation labs to develop solutions for the future.

■ Transforming Farming through Centres of Excellence

Our eco-system of global innovation centres develops digital and mechanised farming solutions that are affordable, to empower farmers world-wide and help them achieve significantly better farming outcomes.

On the right is the list of Centres of Excellence (CoEs) established by Mahindra.

JAPAN 
Rice Value Chain

FINLAND 
Harvesters

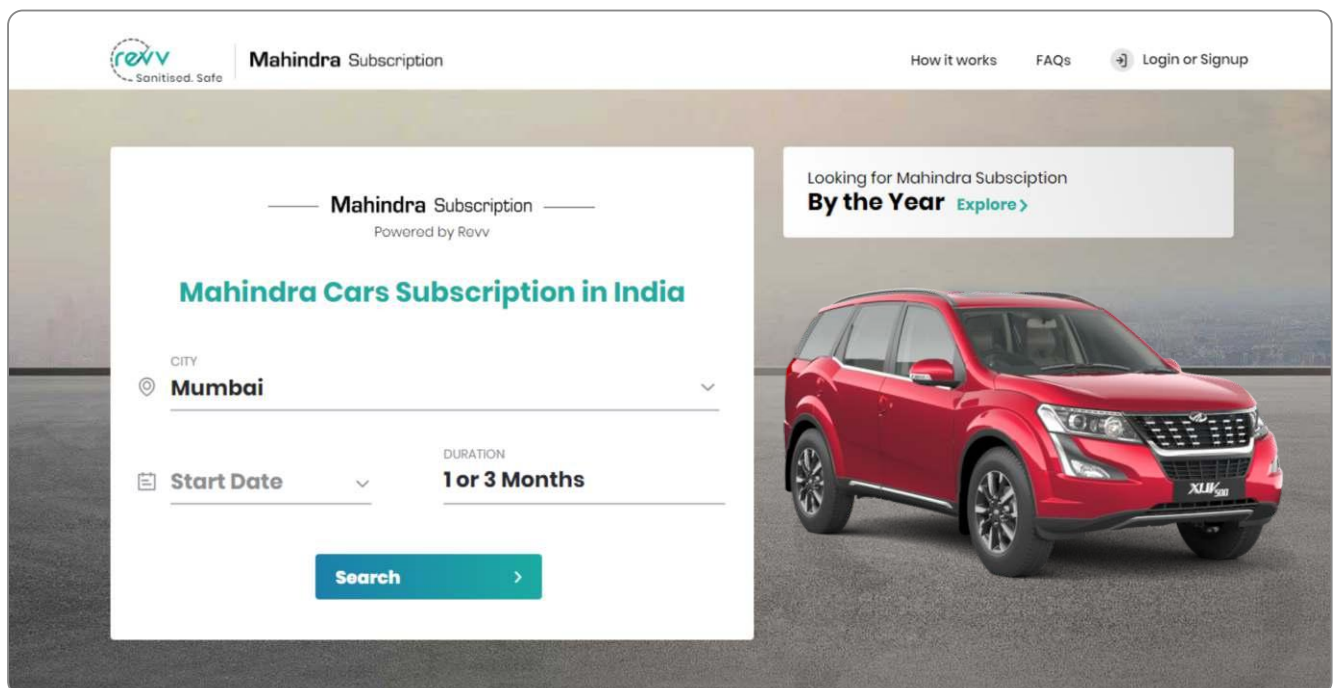
TURKEY 
Farm Machinery


CANADA & SWITZERLAND  
Precision Farming Solutions

INDIA 
Mechanisation Solutions, Affordable IoT and Automation Solutions

■ Redefining Automotive Ownership

Mahindra introduced an innovative subscription-based initiative in partnership with Revv, a self-drive car rental startup. This unique, flexible ownership experience for customers of Mahindra's personal range of vehicles is an all new way of using a brand-new vehicle, without actually having to buy or own one. The subscription model is currently available in select Indian cities.




Mahindra Subscription
How it works FAQs [Login or Signup](#)

Mahindra Subscription
Powered by Revv

Mahindra Cars Subscription in India


CITY

Start Date

DURATION

Search >

Looking for Mahindra Subscription
By the Year [Explore >](#)



I DIGITAL CAPABILITIES

We have been leveraging the power of digital technology to improve existing processes, products and services, and provide customer satisfaction. We have taken up multiple digital initiatives during the reporting period.

■ Revolutionising FarmTech through 'Krish-e'



Mahindra has pioneered a new delivery model, 'Farming as a Service (FaaS)', under the brand name 'Krish-e' to support farmers across their full crop cycle. Krish-e aims to provide integrated agronomy advisory, mechanisation services and high-tech digital solutions to small farmers to reduce the cost of cultivation, enhance productivity and improve farming outcomes.

■ Driving Automation in Business Processes

Mahindra's first digital employee named IRONA was launched using Robotic Process Automation (RPA) to simulate and automate treasury's mutual fund investment operations. Success of IRONA has been replicated in other operational areas, such as HR and operations, automating over 25 processes.



■ Enhancing Customer Experience through the 'World of SUVs'



'World of SUVs', a new format of next-generation dealerships, provides convenience to customers by integrating the virtual world with the real on a phygital (physical+digital) platform.

Seamless Customer Experience



Embedded screens and immersive virtual reality with mirror display, Wi-Fi connected customer lounges and specially trained relationship managers make for an immersive customer experience.

Sales Assistance Aided through Digital Interventions

This ensures clutter free space and paperless interaction through industry-first virtual reality experiences, personal voice assistance in test drive vehicles and ease of scheduling test drives.

RISING SUSTAINABLY

ENVIRONMENT

The pandemic has inflicted huge economic damage, but the resultant lockdowns were very effective in healing the natural world and its ecosystems. Air pollution declined dramatically and blue skies appeared once again. This is a lesson for all of us and one we must not forget. To protect the environment even as economic activity resumes, organisations must reduce their Greenhouse Gas Emissions, pollution levels and waste generation, by adopting progressive and effective sustainability practices.

Mahindra is working to enhance its Natural Capital using the 3Cs - Conservation of Natural Resources, Continuous Improvement towards Rejuvenation, and Comprehensive Disclosures. A cohesive framework, well-structured processes and focused interventions are the foundation of our environment management approach.

We are designed to Rise from the crisis and move towards a sustainable future.



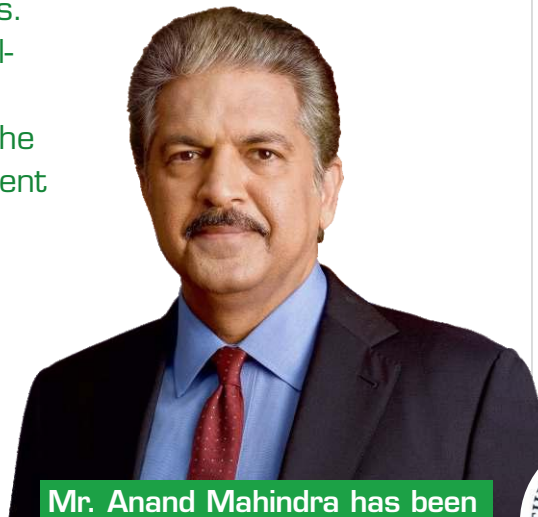
**Dow Jones
Sustainability Indexes**

M&M Ltd. received Bronze Class in DJSI's (Dow Jones Sustainability Index) Global Sustainability Yearbook 2020.

**25,000+
employees**



were engaged under the Making Sustainability Personal (MSP) programmes across the Mahindra Group.



Mr. Anand Mahindra has been appointed as a board member of the United Nations Global Compact.



■ Key Materiality Issues

We completed our materiality assessment this year. Various internal as well as external stakeholders were identified and engaged during the process. Based on these interactions and benchmarking with industry peers, the material issues were identified.

All stakeholders including top management, employees, suppliers, dealers, customers, investors, community, etc. were engaged in this materiality assessment. After mapping, prioritisation, preparation and validation, the final materiality matrix emerged.



The key material issues for environment included Carbon Emission, Water Security and Waste to Wealth. These core issues were given due importance while formulating the sustainability strategy. Some of the highlights pertaining to our sustainability initiatives are mentioned in this section.

REDUCTION OF GREENHOUSE GASES (GHG)

Greenhouse gases at the current emission rates have the capacity to raise the temperatures by 2°C (3.6°F) – which the United Nations Intergovernmental Panel on Climate Change (IPCC) designated as the upper limit to avoid 'dangerous' levels – by 2036.

This global warming would have potentially harmful effects on ecosystems, biodiversity, human livelihoods and business operations.

We are consistently working to reduce this risk by increasing our energy efficiency and reducing our dependence on non-renewable sources of energy.



M&M Ltd. became a part of CDP Climate Change Rising Star 2019 List as it received A-Rating and entered the Leadership band in CDP Climate Change.

Science-based Targets (SBT)

Targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered 'science-based' if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

Setting greenhouse gas emission reduction targets in line with climate science is a great way to future-proof natural capital for all of us. We are contributing our part in the global fight against climate change by setting emission and carbon footprint reduction targets as per the SBT framework.



- Mahindra & Mahindra Ltd.
- Mahindra Lifespace Developers Ltd.
- Mahindra World City Developers Ltd.
- Mahindra World City (Jaipur) Ltd.
- Mahindra Holiday & Resorts India Ltd.
- Mahindra Intertrade Ltd.
- Swaraj Engines Ltd.
- Bristlecone Inc.
- Tech Mahindra Ltd.
- Mahindra Sanyo Special Steel Private Ltd.
- Mahindra Electric Mobility Ltd.
- Mahindra First Choice Services Ltd.
- Gromax Agri Equipment Ltd.

Carbon Neutrality

We are focused on achieving our commitment of becoming Carbon Neutral by 2040. The plans include energy efficiency improvements as well as use of renewable energy, and offsetting the residual emissions through carbon sinks.



Carbon neutrality plans are approved by eight group companies.

- Mahindra & Mahindra Ltd.
- Mahindra Holiday & Resorts India Ltd.
- Mahindra Logistics Ltd.
- Tech Mahindra Ltd.
- Swaraj Engines Ltd.
- Mahindra First Choice Services Ltd.
- Gromax Agri Equipment Ltd.
- Mahindra & Mahindra Financial Services Ltd.

We are focused on achieving our commitment of becoming Carbon Neutral by 2040.

Other Key Developments

In current reporting year

Due to energy saving measures, M&M mitigated

9,812 tCO₂e

The Mahindra Group featured at 38 events in Climate Week with United Nations Climate Action Summit, New York



Mr. Anand Mahindra co-chaired the High-Level Commission on Carbon Pricing and Competitiveness, which published its report



Featured in 25 events at COP25 (United Nations Climate Change Conference) in Madrid



CONSERVATION OF ENERGY



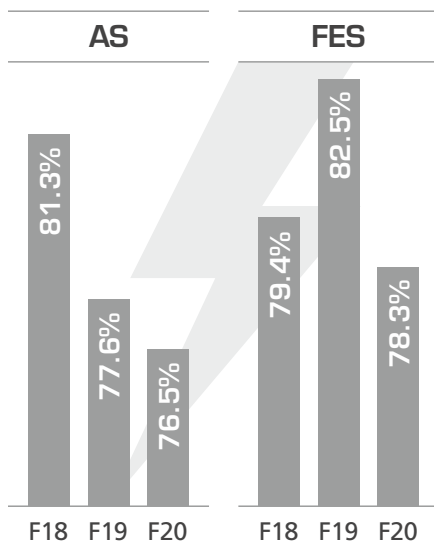
Energy saved is energy earned. Moreover, it also means GHG emissions reduction. Our two-pronged approach to energy conservation includes enhancing the energy productivity of our processes and increasing the use of energy generated through renewable sources. Some of the methods to increase efficiency include heat recovery, energy efficient equipment, installing LED lights, green building certifications and monitoring energy efficiency of our major suppliers. Increasing solar and wind power capacities boosts the share of green energy in the total mix.



AD (Automotive Division) Igatpuri plant was declared 'Sustainable factory of the Year' at India Sustainability Leadership Summit 2019.

Energy Productivity

Close monitoring of energy productivity (EP) enhances our focus on energy efficiency initiatives. We record Energy Productivity data separately for AS (Auto Sector) as well as FES (Farm Equipment Sector). Following is the EP data trend:



Mahindra & Mahindra Ltd. and Mahindra Holidays are among the first in the world to have signed the EP100 Cooling Challenge and will focus on improving energy efficiency of HVAC (heating, ventilation and air conditioning) systems.

Mahindra Heavy Engines Ltd. (MHLE) became India's 1st and the world's 3rd manufacturing unit to double its energy productivity from a 2016 baseline, in a record time of four years, much ahead of its target. This is aligned to the company's 'EP100 Programme' commitment in alliance with The Climate Group.

Renewable Energy

We keep increasing the share of renewable energy (RE) in M&M (share of RE has increased from 2% in F18 and 3% in F19 to 4% in F20), thereby ensuring environment custodianship as well as sustainable growth. Our total solar and wind power capacities are 8.9 MW and 6.3 MW, respectively.



Our total renewable energy consumption in this year increased by 16% as compared to last year.

Other Key Developments

63,038 GJ

of energy saving achieved in F20

Mahindra Marine launched its first Solar-electric boat



Mahindra & Mahindra deployed 50 Electric Vehicles (EVs) on the Uber platform in Hyderabad



1st in the Indian industry to sign the contract agreement for trigeneration project with Energy Efficiency Services Limited (EESL).

BEING WATER POSITIVE



Being water positive is a holistic approach. It includes optimising consumption, recycling as much water as possible, and capturing and recapturing. With increasing production, the demand for water keeps on growing, yet we have been water positive since F14 through our comprehensive 360° water management programme - H2Infinity.

All our initiatives are based on 3 R's (Reduce, Reuse, Recycle), and include rainwater harvesting, drip & micro irrigation, water recharging initiatives, etc. Monitoring of all the initiatives is done to optimise the consumption.



AS and FES recycled and reused 44% and 41% of its water respectively, and the overall water recycled and reused across M&M has reached 40% in F20 from 31% in F19.

Water Security at Mahindra

- Our Igatpuri plant achieved 243 days without dependence on external water through reducing water consumption, recycling and reusing of water, rainwater harvesting, wastewater treatment, etc.
- **Swaraj Division has constructed water recharging well. The in-house groundwater recharge capacity is 42,500 kL/year.**

Other Key Developments

Water recharge increased from 0.12 million m³ to approx.

0.64
million m³

Improved water table from 450 feet to less than 100 feet, in the last 18 years at AD Zaheerabad



REDUCTION OF WASTE GENERATED

Waste minimisation protects the environment and has positive economic benefits. It leads to better realisation of environmental regulations, more efficient processes and enhanced brand perception. Our endeavour is to foster a circular economy by minimum use of materials, reduction in waste generated and reuse of waste. We are committed to minimise the amount of waste that enters landfills from our operations, leading to better ecosystems.



intertek
Total Quality. Assured.

In the current year, five more locations across M&M were certified as ZWL (Zero Waste to Landfill) by Intertek, USA.

Waste to landfill

Our initiatives towards minimising the amount of waste, that enters landfills from our operations, is bearing results, as seen for the locations below.



LOCATIONS	DIVERSION FROM LANDFILL
SBU Kanhe	99.63%
MRV	99.40%
Nashik Plant 2 (Tool and Die)	100.00%
Swaraj Plant 2	99.44%
Worli CC	99.99%
Mahindra Heavy Engines Limited	99.52%

A plastic collection drive at M&M Ltd. was conducted to ensure that no plastic waste goes to landfill. The entire 2,232 kg of plastic collected was handed over to Shakti Plastics, a Government-certified waste management company.

Other Key Developments

- 49% reduction of paper usage at Swaraj Division from F16 to F20
- 35% reduction in hazardous waste at Rudrapur FES from 110 tons in F19 to 72 tons in F20
- 646 kg of waste was generated at the Mahindra Kabira Festival from 22nd to 25th November 2019. Of this, 569 kg or 88% was recycled, composted, sent to a biogas plant for conversion into energy, or to a Kulhad crushing unit
- 3,089 kg of waste was generated at Mahindra Blues Festival from 7th February to 10th February 2020. Of this, 2,921 kg or 94.6% was sent for recycling, composting, reusing, or for co-processing in cement plants

PROMOTION OF BIODIVERSITY



The practice of protecting and preserving the wealth and variety of species, habitats, ecosystems and genetic diversity on the planet, is important for our health, wealth, food, fuel and ecosystem services. We understand the importance of biodiversity and are committed to maintain it.

As part of our biodiversity policy, we collaborate with IUCN (International Union for Conservation of Nature) and IBBI (The India Business and Biodiversity Initiative), and undertake biodiversity assessments. Mahindra Hariyali is a key initiative to increase the green cover in our ecosystem. It is a part of the Group's efforts to create a sustainable future and to enrich the lives of the communities in which it serves.

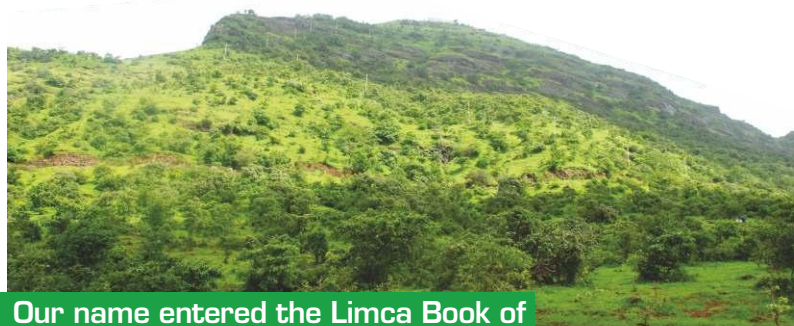
In F20, M&M Ltd. planted 1.32 million trees across India (1.52 million planted by the Mahindra Group).

Other Key Developments

- On World Environment Day, we launched a new citizens' movement, #CelebrateDifferently. The campaign urged people to celebrate key milestones and achievements in their lives by planting a tree.
- 500 saplings of Mangrove were planted at M&M Ltd. It included variants which are tropical and indigenous plant species. Exotic, fast growing variants were avoided to maintain ecological harmony.

83%

green coverage in our Igatpuri plant, which brings about 50% reduction in dust levels in the plant



Our name entered the Limca Book of Records for planting a total of 16.4 million trees from 2007 to 2018 as part of the Mahindra Hariyali sustainability initiative.

RISING SUSTAINABLY

PEOPLE

Our people proved their mettle once again during the pandemic by rising above and beyond the call of duty. They moved seamlessly into the new Work From Home scenario while maintaining their creativity and productivity in this 'New Normal'.

The people of Mahindra are its true strength and we are always working to grow the skills and capabilities of our Human Capital. This can be seen in the excellence of our products and services, and the growing strength of the Mahindra brand. We consistently invest Financial Capital in the training and development of our people to ensure continual upgradation of their skills and capabilities.



Mahindra & Mahindra Automotive & Farm Equipment Sectors recognised among India's Best Workplaces in Manufacturing 2020 by Great Place to Work®.

■ Key Materiality Issues

The key material issue for human capital was Health and Safety.



This issue was given due importance while formulating our people policies and sustainability strategy. Some of the highlights pertaining to our employee initiatives are mentioned in this section.



We have a total workforce of **39,792** permanent and non-permanent employees, who Rise together towards our vision.

The unionised permanent workforce comprises 78% of the total workforce. Over 75% of the permanent employees received safety and skill upgradation training in F20.

THE MAHINDRA EMPLOYEE VALUE PROPOSITION

At Mahindra, we do not transform people; they transform themselves as a result of the empowering work culture that we encourage across all our sectors and units. Our Employee Value Proposition of 'CAPable People - REAL Experience' underpins effective employee strategies that accelerate inclusive growth and drive the momentum towards collaborative success.

ENABLING TRANSFORMATION

ENSURING GROWTH



Challenge Conventions



Bring Alternative Thinking to the Workplace



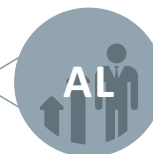
Drive Positive Change in the Lives of Our Customers & Communities



Recognition for Outperformance



Empowering Environment



Abundant Learning Opportunities

EMPLOYEE ENGAGEMENT

Employee engagement at Mahindra is much more than just an HR initiative; it is a cornerstone of the company's culture and an integral part of our ethos. Based on the philosophy that 'our culture determines our success', we have created an engagement ecosystem that embodies the core purpose of Mahindra Rise.

Workmen Engagement Survey

The Workmen Engagement Survey helps to capture the voice of workmen across our 14 manufacturing plants biannually. The Workmen Engagement Model has identified a stimulus response relationship between the elemental constructs of employee engagement.

The questionnaire contains 43 items measuring various aspects of engagement classified under 14 factors, of which,

- 9 are classified as Stimuli i.e. Alignment, Belongingness, Learning Inclination, Supervisory Support, Recognition, Job Clarity, Health, Safety & Environment, Job Security, and Social Security
- 5 are classified as Response elements i.e. Pride, Sense of Achievement, Team Spirit, Work Life Balance, and Commitment to Work Processes & Quality



The insights derived from statistical analysis of the survey data are shared with respective stakeholders which help them to take necessary actions towards engaging their workforce.

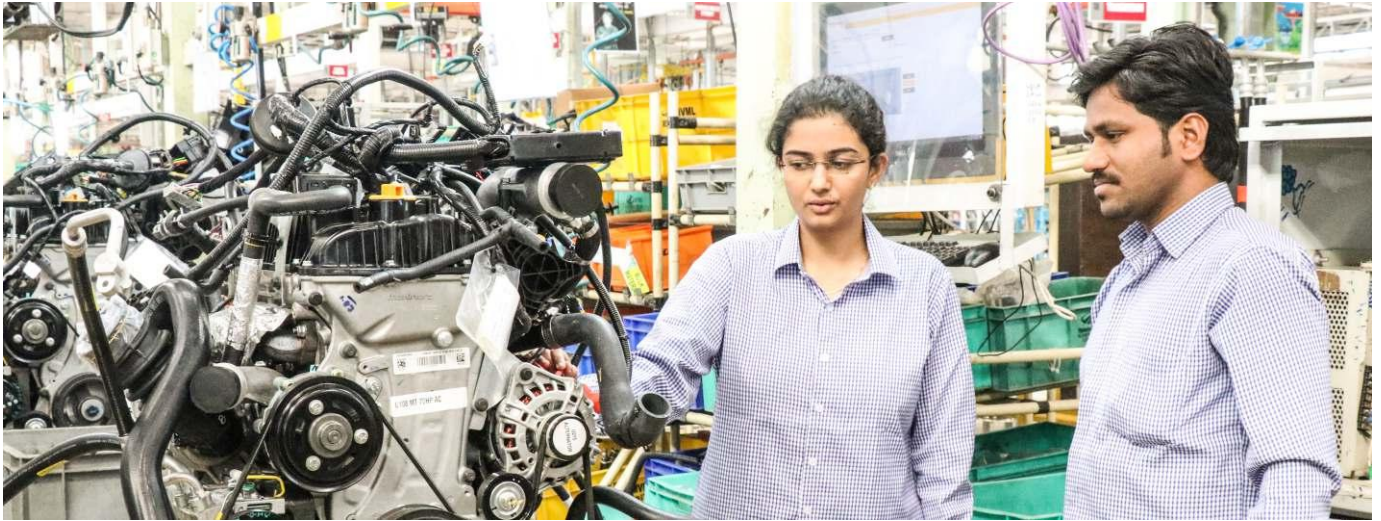
MCARES

It is an employee engagement construct devised to gather employee feedback on engagement parameters, where **M** stands for Mahindra, and **CARES** is an acronym derived from the five engagement drivers: Career, Alignment, Recognition, Empowerment and Strive.

The MCARES survey is administered to our employees, with a 90% response rate annually. After survey, key insights are generated through statistical analysis of the data which enable action planning at 3 levels – Sector/Business level, Function/ Department/Plant level, and work group (team) level.

DIVERSITY & INCLUSION

At Mahindra, we celebrate the uniqueness of every individual by fostering an environment of inclusion and empowerment across every unit and department. The Group continues its strong focus on fostering Diversity and Inclusion (D&I) at the workplace.



Diversity Councils

We have in place group and sector level diversity councils to advocate the relevance of Diversity & Inclusion (D&I) and inculcate an inclusive working environment.

Mahindra World of Women

Mahindra World of Women (MWW) is a platform for peer learning and networking to derive inspiration from role models internally and externally.

The Mahindra Way (TMW)

For institutionalising D&I practices, The Mahindra Way (TMW) assessment incorporates business specific D&I processes and practices which are reviewed year on year to measure the progress made in this area. The best practices emerging out of these assessments are shared across the group companies for improvement and adoption.

The Mahindra Group has signed up for World Economic Forum's 'Valuable 500' initiative, under which we have taken a commitment to create awareness and sensitisation for employability of Persons with Disabilities.

POSH

To ensure that all employees are made aware of the Prevention of Sexual Harassment (POSH) policy, the Mahindra Group launched the Speak Up campaign.

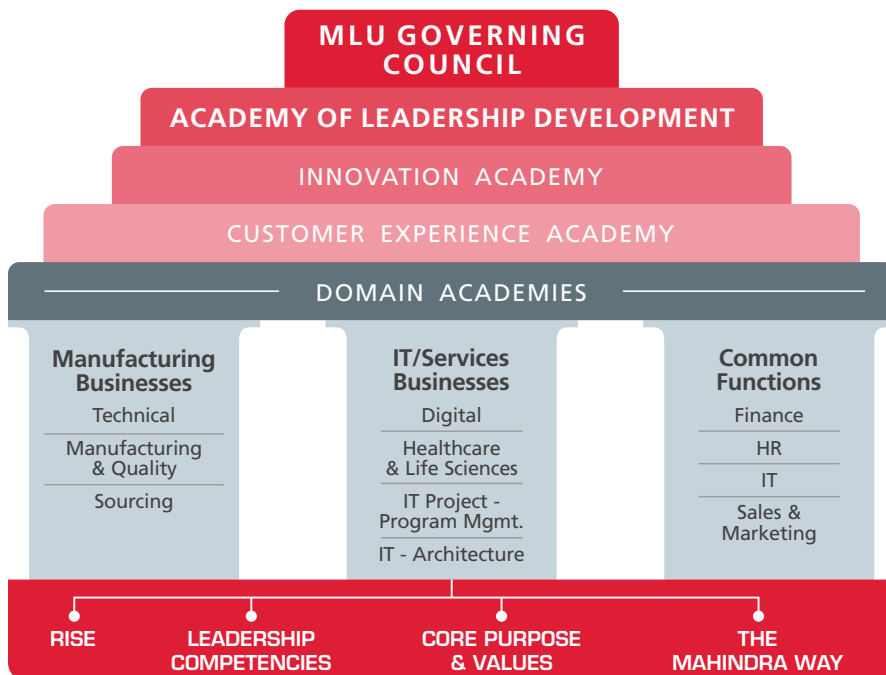
A promotional poster for the 'Speak Up' campaign. At the top, a red banner contains the text 'It's not okay to accept improper behaviour at work' and 'WATCH THIS VIDEO'. Below this, the word 'SPEAKUP' is written in large, bold, red letters with a lightning bolt graphic, and 'THEN AND THERE' is written in smaller red letters below it. The central part of the poster features a black and white photograph of a woman with long dark hair, looking directly at the camera. In the bottom left corner, there is a QR code and the text 'Take a pledge'. At the very bottom, a small line of text reads 'Mahindra has zero tolerance towards sexual harassment at workplace. The organisation ensures that all reported cases are dealt with fairly.' The Mahindra Rise logo is in the bottom right corner.

MAHINDRA LEADERSHIP UNIVERSITY

The Mahindra Leadership University (MLU) is a strategic initiative to support the Group in its journey of being one amongst the Top 50 most admired Global brands by 2021. MLU is the Group's Corporate University and is a platform that connects knowledge seekers and knowledge providers across the Group to develop executives in leadership and functional competencies.

MLU is a learning and development initiative at Mahindra that caters exclusively to its employees and partners and is not an accredited educational institution or university. The word 'University' is inclusive in nature and encompasses all learning under one umbrella brand, powered by the unified LMS (Learning Management System), MLU's Digital Learning World (DLW). The DLW platform seeks to bring together internal and external learning resources and best practices from across all businesses in the Mahindra Group. It enables employees to recommend courses to their peers and teams, give feedback and rate the learning resources. It also enables social learning. Further, managers can motivate and nudge their team members to learn and upskill.

MLU converges upon building both leadership and domain capabilities through its various academies, with each academy being headed by a Chairperson and supported by business leaders and functional leaders from across the Group as academy members. All learning content within Mahindra is hosted under respective Academies.



THE 3+5 FRAMEWORK

It consists of 3 Rise Pillars

Accepting
No Limits

Alternative
Thinking

Driving
Positive
Change

and 5 RISE Leadership Characteristics



Whole New Mind

Combining the left brain of logic and rationality with the right brain of intuition & empathy for wholesome development



Multipliers and Not Diminishers

Multipliers of passion, energy, commitment, engagement and a sense of ownership



Managing Fear and Leveraging Failure

Creating a culture where people take risks, do rapid prototyping, fail fast & create feedback loops that learn from failure



Mindfulness

Being here and now and open to all possibilities



Trust

Building Authenticity

MLU academies collaboratively work with Sectors in the Group to create and implement a futuristic learning agenda which includes digital learning solutions as well as physical face to face instructor led interactive workshops, as appropriate. All academies consult business leaders in the Group to identify and prioritise group-wide capability development needs, and aggregate, curate and create knowledge, develop the desired capabilities and thereby work towards fostering a culture of continuous learning, unlearning and relearning.

MLU's academies use a laddered approach for programme design and content development. This laddered approach to leadership development recognises and addresses the need for varying inputs tailored to the different levels of leadership.



■ Reflective Conversations

Started as an initiative to make Mahindra a Reflective Organisation, Reflective Conversations (RC) workshops have been cascaded across the Group and more than 2,600 employees across multiple businesses and locations have been covered under the program by a pool of internal RC trainers. To ensure cultural transformation and sustenance, a coaching certification programme titled 'Mahindra Certified Reflective Conversationalist' (MCRC), certified by the International Coach Federation (ICF), is being used to strengthen coaching as a leadership style.

Considering the pandemic, we shall adapt to the new social distancing norms by developing virtual digital solutions and modularised approaches to strengthen the skills of Reflective Conversations amongst our employees.

■ Digital Dexterity Programme

It is of paramount importance for employees to increase their awareness about digital technologies and their application towards business benefits.

A programme titled Digital Dexterity was launched to increase the Digital Quotient of the organisation and to make employees more receptive and ready to adopt digital technologies. The programme enables employees to be digitally conversant and comfortable with emerging digital technologies and assists them in thinking about how these technologies could be used for business benefits. Various technologies such as AI, Facial & Text Recognition, Live speech translation, IoT have so far been covered under the programme.

RISING SUSTAINABLY

SOCIAL



Our Core Purpose states, "We will challenge conventional thinking and through innovative use of all our resources, drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise". It is amply evident that Corporate Social Responsibility is integral to and at the core of our philosophy. With a deep understanding of societal issues, we have built the 'Rise for Good' mission around the four pillars of Community, People, Governance and Environment.

M&M Ltd. contributed ₹20 crore to the 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund'. The Mahindra Group donated ₹50 crore to PM Cares Fund.

While our commitment to national priorities for development continues unabated, our CSR work remains focused on the constituencies of girls, youth, and farmers, whom we support through our initiatives in education, health, and the environment.

In F20, M&M invested ₹126.59 crore in various CSR projects to positively impact the communities in which we operate.

■ Key Materiality Issues

The key material issue for social capital was CSR Management. This issue was given due importance while formulating our community policies and sustainability strategy. Some of the highlights pertaining to our CSR Management are mentioned in this section.

CSR
PROJECTS



Project Nanhi Kali



Supporting the education of 67,337 girls, the Mahindra Group is the largest contributor to Project Nanhi Kali. Of these, M&M Ltd. supports 14,462 Nanhi Kalis.

Nanhi Kali is our flagship CSR project that supports the education of underprivileged girls in India. Currently, the project supports the education of 1,74,681 Nanhi Kalis across 6,001 academic support centres, in 9 states.

The project provides 360-degree support to girls from Class 1 to 10, including two hours of free after-school remedial classes every day, and an annual school supplies kit to enable them to attend school with dignity. In addition, 78,437 girls in secondary schools have access to digital tablets which are pre-loaded with smart educational content. The Nanhi Kali team also works to sensitise parents and communities on the importance of educating girls and to become their collective guardians.

Mahindra Pride Schools (MPS)

The Mahindra Pride School is a unique 90-day livelihood training programme for youths from socially and financially disadvantaged communities. With a 100% placement record, the nine schools in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and three in Chennai, trained and placed 6,045 students in F20.



Of the 9 schools, M&M Ltd. supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi and two schools in Chennai, which together skilled 3,641 students in F20.

Till date,
39,280

youths have been trained through this programme.

In F20, an additional 1,01,391 students were trained through 2,374 Mahindra Pride Classrooms conducted through ITIs, Polytechnic and Arts & Science Colleges in 16 States.



Of these, 71,248 students were supported by M&M Ltd. The Mahindra Pride Classrooms provide 40-120 hours of training to final-year students on topics that include English speaking, life skills, aptitude tests, interviews, group discussions and digital literacy.

■ Project Hariyali

With the aim of adding 1 million trees to India's green cover every year, Mahindra Hariyali was launched in 2007. Today, it has become a movement among our employees, customers, vendors and dealers, as they undertake tree plantation drives across the country.



The Mahindra Group planted over **1.52 million trees in F20** under the project, out of which Mahindra & Mahindra planted **1.32 million trees, taking the total tally to 17.93 million trees.**

Of these, 10.78 million trees have been planted in the Araku Valley, which besides greening the environment, also provides livelihood support to tribal farmers growing coffee in the region.

■ Saving Lives with Safer Roads



M&M Ltd. is partnering with SaveLIFE Foundation and Maharashtra State Road Development Corporation Limited (MSRDC) to create India's first Zero Fatality Corridor on the Mumbai-Pune Expressway through interventions in 4Es i.e. Engineering, Enforcement, Education and Emergency Response.

■ Integrated Watershed Management Programme (IWMP)



This project is a Private Public Partnership (PPP) model with the Government of Madhya Pradesh in Bhopal, and in Hatta with the National Bank for Agriculture and Rural Development (NABARD), to increase the groundwater table of the region.

Implemented in 48 villages (35 villages in Bhopal and 13 villages in Hatta), this project will help increase agricultural productivity and improve overall standard of living, **benefitting 38,447 people residing in these villages.**

■ Employee Social Options (ESOPs)

A long-running Employee Volunteering Programme, ESOPs is where Mahindra employees channelise their time and skills to address the needs of local communities. In F20, 91,943 ESOPs volunteers from the Mahindra Group contributed 693,305 person hours for various social initiatives.



22,877 M&M employees contributed 1,63,818 person-hours towards giving back to society.

CASE STUDY



Project Nanhi Kali

DREAMS COME TRUE

Sandhya lived with her parents and elder sister in a tribal village in Araku Valley, Andhra Pradesh. Her father, a mail carrier, was the sole earning member of the family, and died when Sandhya was young. Her family struggled to make ends meet with meagre finances.

The turning point in Sandhya's life came when she was enrolled into Project Nanhi Kali, which operates in the tribal villages of Araku. Sandhya worked hard and was supported by the Project till she successfully completed her schooling. Along with all other help, Sandhya was particularly grateful for the safe, conducive environment created by her tutors at Nanhi Kali which enabled her to excel in her academics and gave her the confidence to dream of a brighter future for herself.

Sandhya went on to secure admission in Nuzvid campus of RGUKT-AP (B.Tech. in Civil Engineering) in the year 2010. After completing her graduation, she secured a job with the State Government and is currently working with the Secretariat in the Civil Department.

I'm extremely grateful to Nanhi Kali for giving me the confidence to follow my dream of becoming an engineer. My next goal is to become an IAS officer.

Lankapalli Sandhya Priyanka,
Araku, Andhra Pradesh



Sandhya is financially independent and earns ₹15,000 per month.








She currently lives in Visakhapatnam and is helping her family build their home back in her village in Araku.

Stakeholder Engagement

Effective engagement helps translate stakeholder needs into organisational goals and creates the basis for effective strategy development. Stakeholder Engagement Mechanisms form an integral part of our strategy for sustainable growth. We have a consistent flow of feedback from all stakeholders including our suppliers, customers, employees, investors, etc.

OUR STAKEHOLDER ENGAGEMENT MECHANISMS

Each stakeholder is different and has different needs. Our Engagement Mechanisms are therefore designed to suit the unique needs of our stakeholders and foster effective communication with them.

STAKEHOLDER GROUP	ENGAGEMENT CHANNELS
 GOVERNMENT/ REGULATORY AUTHORITIES	Environmental compliance, policy consultations
 EMPLOYEES	Conferences, workshops, publications, newsletters & reports, online portals, feedback surveys and one-on-one interactions, employees' involvement in CSR activities
 CUSTOMERS	Interviews, personal visits, publications, mass media & digital communications, feedback camps, plant visits and support programmes
 SUPPLIERS & DEALERS	Supplier & vendor meets, workshops & training, audits, policies, IT-enabled information sharing tools and recognition platforms
 INVESTORS/ SHAREHOLDERS	Annual report, sustainability report, press releases, investor presentations, corporate website, quarterly and annual results, ESG calls
 LOCAL COMMUNITIES	CSR activities
 EDUCATIONAL INSTITUTES/ UNIVERSITIES	Technical collaborations, capacity building, research

ONLINE PRESENCE OF MAHINDRA RISE

With the emergence of digital media, online engagement with stakeholders has become vital. Our corporate brand handle - Mahindra Rise, enables us to communicate with our stakeholders interactively and in real time.



As on 31st March 2020

Mahindra & Mahindra
Integrated Annual Report
2019 won Gold at the
MARCOM Awards

Association of Marketing and
 Communication Professionals (AMCP)



ANNUAL REPORT

2019-20

MAHINDRA & MAHINDRA LTD.

Corporate Information

COMMITTEES OF THE BOARD

Audit Committee

Mr. T. N. Manoharan - *Chairman*
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Ms. Shikha Sharma

Stakeholders Relationship Committee

Mr. Haigreave Khaitan - *Chairman*
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Dr. Vishakha N. Desai

Governance, Nomination and Remuneration Committee

Mr. M. M. Murugappan - *Chairman*
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. Haigreave Khaitan

Corporate Social Responsibility Committee

Dr. Vishakha N. Desai - *Chairperson*
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Mr. Vikram Singh Mehta

Strategic Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. T. N. Manoharan
Ms. Shikha Sharma
Mr. Vijay Kumar Sharma

Loans & Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Dr. Pawan Goenka
Mr. Vikram Singh Mehta
Ms. Shikha Sharma
Mr. Haigreave Khaitan

Research & Development Committee

Mr. M. M. Murugappan - *Chairman*
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Mr. Nadir B. Godrej

Risk Management Committee

Dr. Pawan Goenka - *Chairman*
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. T. N. Manoharan
Ms. Shikha Sharma
Dr. Anish Shah
Mr. Rajesh Jejurikar

Chairman Emeritus

Mr. Keshub Mahindra

Board of Directors

Mr. Anand G. Mahindra
Executive Chairman

Dr. Pawan Goenka
Managing Director and Chief Executive Officer

Dr. Anish Shah
Deputy Managing Director and Group Chief Financial Officer

Mr. Rajesh Jejurikar
Executive Director - (Auto & Farm Sectors)

Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Dr. Vishakha N. Desai
Mr. Vikram Singh Mehta
Mr. T. N. Manoharan
Mr. Vijay Kumar Sharma
(Nominee of Life Insurance Corporation of India)
Mr. Haigreave Khaitan
Ms. Shikha Sharma
Mr. CP Gurnani

Mr. Narayan Shankar
Company Secretary

Bankers

Bank of America N.A
Bank of Baroda
Bank of India
Canara Bank
Central Bank of India
HDFC Bank Limited
Standard Chartered Bank
State Bank of India
Union Bank of India

Auditors

BSR & Co. LLP
5th Floor, Lodha Excelus,
Apollo Mills Compound, N.M. Joshi Marg,
Mahalaxmi, Mumbai - 400011, India.

Advocates

Khaitan & Co.,
One Indiabulls Centre, 13th Floor, Tower 1,
841, Senapati Bapat Marg,
Mumbai - 400013, India.

Registered Office

Gateway Building,
Apollo Bunder,
Mumbai - 400001,
India

An aerial, grayscale photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings curves along the coast. To the left of the road is a paved promenade with palm trees and other vegetation. The ocean is visible on the left side of the frame. In the background, a dense urban skyline with numerous high-rise buildings stretches across the horizon under a cloudy sky. A vertical red line is positioned on the right side of the image, extending from the top edge down to the top of the red text box.

BOARD'S REPORT

Board's Report

Dear Shareholders

Your Directors present their Report together with the audited financial statements of your Company for the year ended 31st March, 2020.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Rs. in crores)

Particulars	2020	2019
Revenue from Operations.....	45,488	53,614
Other Income	1,668	1,689
Profit before Depreciation, Finance Costs, Exceptional items and Taxation.....	7,466	8,328
Less: Depreciation, Amortisation and Impairment Expenses.....	2,223	1,860
Profit before Finance Costs, Exceptional items and Taxation	5,243	6,468
Less: Finance Costs	113	113
Profit before Exceptional items and Taxation...	5,130	6,355
Add: Exceptional items.....	(2,014)	(30)
Profit before Taxation	3,116	6,325
Less: Tax Expense	1,785	1,529
Profit for the year.....	1,331	4,796
Balance of profit for earlier years.....	28,967	25,206
Less: Transfer to Debenture Redemption Reserve	—	14
Profits available for appropriation.....	30,298	29,988
Add: Other Comprehensive Income/(Loss)*..	(8)	(9)
Less: Dividend paid on Equity Shares.....	1,057	932
Less: Income-tax on Dividend paid.....	131	80
Balance carried forward.....	29,102	28,967

* Remeasurement of (loss)/gain (net) on defined benefit plans, recognised as part of retained earnings.

Economic activity remained largely subdued and tighter financial conditions impinged upon activity. The second advance estimates released in February, 2020 implied real GDP growth of 4.7% for the fourth quarter of the Financial Year 2020 within the annual estimate of 5% for the year as a whole.

However, this is now at risk from the COVID-19 pandemic's impact on the economy. High frequency indicators suggest that private final consumption expenditure has been hit hardest, even as gross fixed capital formation has been in contraction since the second quarter of the

Financial Year 2020. On the supply side, the outlook for agriculture and allied activities appears to be the only silver lining, with foodgrains output at 292 million tonnes. Meanwhile, most of the service sector indicators in January-March, 2020 moderated or declined. Anecdotal evidence suggests that several services such as trade, tourism, airlines, the hospitality sector and construction have been further adversely impacted by the COVID-19.

Due to overall slowdown in auto industry leading to lower sales during the Financial Year 2019-20 followed by abrupt closure of business activities from 25th March, 2020 due to COVID-19 lockdown, your Company recorded a decrease of 15.2% in revenue from operations at Rs. 45,488 crores in the year under review as against Rs. 53,614 crores in the previous year.

The Profit for the year before Depreciation, Finance Costs, Exceptional items and Taxation recorded a decrease of 10.4% at Rs. 7,466 crores as against Rs. 8,328 crores in the previous year. Profit after tax decreased by 72.3% at Rs. 1,331 crores as against Rs. 4,796 crores in the previous year.

Your Company continues with its rigorous cost restructuring exercises and efficiency improvements which have resulted in significant savings through continued focus on cost controls, process efficiencies and product innovations that exceed customer expectations in all areas thereby enabling the Company to maintain profitable growth in the current economic scenario.

Details of Material Changes from the end of the Financial Year till the date of this Report

The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook. Due to the lockdown announced by the Government of India from 25th March, 2020, entire operations of the Company came to a halt. The lockdowns and restrictions imposed on various activities due to the pandemic have posed challenges to all the businesses of your Company and its Subsidiaries.

Though it is difficult to predict any demand scenario for the immediate short term, the Company expects the Tractor demand to show good improvement on the back of several positive factors such as record

Rabi production, higher Government procurement, announcement of higher MSPs leading to better realisation to the farmers and outlook of a normal monsoon aiding sentiments for a good Kharif crop. The Company's Auto sales traditionally come from both rural and urban segment. On account of positive factors stated above, the Company expects quicker recovery in rural India and rural demand to improve sales momentum for Auto Sector while urban segment will take little longer time to come back to normalcy. Factors such as lower household incomes, employment uncertainty, higher cost of finance and difficulty in getting finance as a result of potential rise in NPA in the Financial Sector may result in demand constraints for discretionary items like automobiles.

Although there are uncertainties due to the pandemic, the Company is taking several measures to mitigate the adverse impact by optimising costs and continuously realigning the cost-structures to the activity level.

Performance Review

Automotive Sector

Your Company's Automotive Sector, posted total sales of 4,71,141 vehicles (4,11,345 four-wheelers and 59,796 three-wheelers) as against a total of 6,07,548 vehicles (5,37,639 four-wheelers and 69,909 three-wheelers) in the previous year, registering a de-growth of 22.5%.

In the domestic market, your Company sold a total of 4,44,218 vehicles as compared to 5,69,092 vehicles in the previous year resulting in a de-growth of 21.9%.

In the Passenger Vehicle (PV) segment, your Company sold 1,86,942 vehicles [including 1,79,405 Utility Vehicles (UVs), 6,679 Vans and 858 Cars] registering a de-growth of 26.5%, as compared to the previous year's volume of 2,54,351 vehicles [including 2,35,362 UVs, 17,451 Vans and 1,538 Cars].

In the Commercial Vehicle (CV) segment, your Company sold 1,99,131 vehicles [including 36,475 vehicles <2T GVW, 1,51,384 vehicles between 2-3.5T GVW, 5,415 LCVs in the LCV > 3.5T segment, 760 vehicles in the 7.5-16.2T GVW segment and 5,097 Heavy Commercial Vehicles (HCVs)] registering a de-growth of 19.9% over the previous year's volume of 2,48,601 commercial vehicles, [including 53,149 vehicles < 2T GVW, 1,76,203 vehicles between 2-3.5T GVW, 8,235 LCVs in the LCV > 3.5T segment, 176 vehicles in the 7.5-16.2T GVW segment and 10,838 HCVs].

In the three-wheeler segment, your Company sold 58,145 three wheelers, registering a de-growth of 12.1% over the previous year's volume of 66,140 three wheelers.

For the year under review, the Indian automotive industry (except 2W) de-grew 18.8%, with the Passenger Vehicle (PV) industry de-growth of 17.9% and Commercial Vehicle (CV) industry de-growth of 28.8%. The UV segment of the PV industry posted a flat performance with 0.5% growth. Within the CV industry, the LCV goods <3.5T segment de-grew 20.2% while the HCV goods segment de-grew 56.0%.

Your Company's UV volume stood at 1,79,405 units, a de-growth of 23.8%. The UV market share for your Company stood at 19.0%. For the year under review, your Company's PV volume stood at 1,86,942 units with a market share of 6.7%. The Stylish & Thrilling XUV300 launched in February, 2019 performed well in the compact UV segment with a volume of 37,576 units for Financial Year 2020. Scorpio, XUV500 and Bolero continued to be strong brands for your Company in the UV segment.

In the LCV<3.5T segment, your Company retained its No.1 position with a 45.7% market share. Your Company sold a total of 1,87,859 vehicles in this segment. Your Company has a market share of 65.3% in the LCV 2-3.5T segment, which is the Pik-UP segment.

In the Medium and Heavy Commercial Vehicle (MHCV) segment, your Company sold 5,857 trucks as against 11,014 in the previous year. This is a de-growth of 46.8%. Your Company's market share in the HCV segment stands at 5.0%.

Your Company is the pioneer for Electric Vehicles (EVs) in India, and for the year under review, sold [along with its subsidiary Mahindra Electric Mobility Limited (MEML)] 14,602 EVs (966 four wheelers and 13,636 three wheelers) as against 10,276 EVs (1,811 four wheelers and 8,465 three wheelers) in the previous year. This growth is supported by the Governments' thrust on adopting EVs, and sustained effort by your Company in working with various stakeholders, especially fleet operators.

During the year under review, your Company posted an export volume of 26,923 vehicles as against the previous year's exports of 38,456 vehicles. This is a de-growth of 30.0%.

The spare parts sales for the year stood at Rs. 2,494.5 crores (including exports of Rs. 230.8 crores) as compared to Rs. 2,633.5 crores (including exports of Rs. 284.0 crores) in the previous year, registering a de-growth of 5.3%.

■ Farm Equipment Sector

Your Company's Farm Equipment Sector recorded total sales of 3,01,915 tractors (domestic + export) as against 3,30,436 tractors sold in the previous year, registering a de-growth of 8.6%. This includes 2,988 tractors sold under the Trakstar brand, which is the third brand of your Company under the subsidiary Gromax Agri Equipment Limited.

For the year under review, the tractor industry in India recorded sales of 7,09,002 tractors, a de-growth of 9.9%. Tractor Industry recorded de-growth in Financial Year 2020 after three consecutive years of growth.

In the domestic market, your Company sold 2,91,901 tractors (including Gromax Agri Equipment Limited), as compared to 3,16,742 tractors in the previous year, recording a de-growth of 7.8%. However, in a very competitive industry, your Company increased its market share by 0.9% and continued its market leadership for the 37th consecutive year. Your Company's performance was supported by good performance of all products in the portfolio.

Your Company continues to focus on growing the farm mechanisation space, by offering affordable mechanisation solutions. The portfolio comprises of Rotavators, Cultivators, Harvesters, Rice transplanters, Balers and Sprayers for horticulture segment.

For the year under review, your Company exported 9,956 tractors which is a de-growth of 26.6% over the previous year.

Spare parts net sales for the year stood at Rs. 718.2 crores (including exports of Rs. 42.4 crores) in Financial Year 2020 as compared to Rs. 682.2 crores (including exports of Rs. 47.0 crores) in the Financial Year 2019, registering a growth of 5.3%.

Other Businesses

■ Mahindra Powerol

Under the Mahindra Powerol Brand, your Company has been a leader in providing power back-up solutions to the telecom industry for the past 13 years. To cater to changing customer needs, your Company continues to expand its presence in tele infra management and in the energy management solutions space.

In the retail genset business, your Company is the No.2 brand by volume, offering a wide range of solutions from Lower KVA range to mid to higher KVA range.

With a focus on providing greener solutions, your Company started selling Gas Powered Gensets across the country, in the Financial Year 2019-20.

■ Construction Equipment Business

For the year under review, your Company (under the Mahindra EarthMaster brand) sold 880 Back-Hoe Loaders (BHLs) against 1,286 BHLs in Financial Year 2019, which is a de-growth of 31.6%. With the slowdown in Infrastructure Sector, the BHL market in India de-grew by 22.5% over the previous year. Your Company continues to be at 4th position in the BHL industry.

Your Company has presence in the road construction equipment business through motor graders (under the Mahindra RoadMaster brand). For the year under review, your Company sold 168 motor graders.

■ Two-Wheeler Business

For the Financial Year 2019-20, your Company sold 1,450 two-wheelers (including 412 export). Additionally, your Company successfully exported first lot of 'Made in India' electric two-wheeler E-Ludix, to its subsidiary Peugeot Motorcycles in France.

In line with the revised strategy for the two-wheeler business, your Company through its subsidiary, Classic Legends Private Limited (CLPL) had reintroduced the iconic brand 'Jawa' to the Indian market in Financial Year 2019, with the launch of new range of JAWA motorcycles - Jawa and Jawa Forty-Two. A new addition to that range - JAWA Perak was launched in the Financial Year 2019-20.

Current Year's review

During the period 1st April, 2020 to 11th June, 2020, 7,122 vehicles were produced as against 79,655 vehicles and 8,289 vehicles were dispatched as against 77,332 vehicles during the corresponding period in the last year. During the same period 22,025 tractors were produced and 23,049 tractors dispatched as against 64,233 tractors produced and 63,241 tractors dispatched during the corresponding period in the previous year.

The world is in the middle of perhaps the biggest crisis faced ever in the modern times. Just three months ago, the IMF was expecting positive per capita income growth in > 160 member countries in 2020. Today, it projects that over 170 countries will experience negative per capita income growth this year.

The ensuing lockdowns to contain the spread of the virus have curtailed both supply and demand. Added to this, a combination of lower incomes and heightened

uncertainty has added to the drag on consumer spending and business investment. This could result in a massive drag on GDP growth. Thus, Financial Year 2021 is expected to be exceptionally challenging and unlike any other time before.

The RBI and the Government have been coming up with targeted measures and hopes remain pinned on them doing 'whatever it takes' till normalcy is achieved.

Currently, most Financial Year 2021 forecasts pencil in growth in the range of 0-2% with some even expecting a recession. Expectations of the pandemic fading and allowing a gradual normalisation along with proactive and effective administrative, monetary and fiscal measures could enable a semblance of partial recovery in the latter part of Financial Year 2021. However, the outlook is heavily contingent upon the intensity, spread and duration of the pandemic.

Finance

Financial Year 2019-20 can at best be described as a 'Rocky Road' for the world economy and financial markets. Market sentiments remained volatile since the start of the financial year due to escalating trade tensions between US and China, fears of disruptions to supply chains, prolonged uncertainty on Brexit and geopolitical tensions in Middle East. As the year progressed, trade tensions dragged down international trade, corporate confidence and capital spending, which ultimately led to Global growth rate dropping to a meagre 2.9% in calendar year 2019, the lowest since global financial crisis. While the growth remained robust in United States, most other advanced economies strongly exposed to global trade including Eurozone and Japan stayed weak.

At the start of the year 2020, a phase 1 trade deal agreed between U.S. and China and green shoots in manufacturing indicators, raised hopes for a global mini-cycle recovery. However soon thereafter, a virus outbreak in China quickly progressed into the biggest human and economic crisis impacting the world in a century. The COVID-19 outbreak has not only brought considerable human suffering, it has also brought an unprecedented collapse in trade and commerce. The containment efforts have involved quarantines, restrictions on labour mobility and travel, and sharp cutbacks in many manufacturing and service sector activities. Global value chain linkages have amplified the overall macroeconomic effects of the pandemic.

There is still a lot of uncertainty on the duration and depth of the virus-induced recession. In its forecasts published in April, IMF projects the global growth in

2020 at -(minus) 3.0%; a mark down by more than 6% relative to the earlier forecasts. Growth in the advanced economies is projected at -(minus) 6.1% in the coming year, whilst emerging economies are expected to contract by -(minus) 1.0% in 2020.

Financial markets are sharply hit by the heightened uncertainty and are witnessing a flight to safe assets such as US Dollar and Gold. Markets are also jittery as it is felt that monetary policy has reached its limits with almost all major central banks at the zero lower bound or negative interest rates. Most countries are resorting to aggressive fiscal measures to fight the slowdown. The risk-off sentiment has also led to a rush to hoard liquidity by borrowers on one hand, and risk aversion amongst lenders on the other hand.

Commodity Prices especially Crude and Metals, which were soft throughout the year due to slowing global demand, were rattled by both demand and supply shock post the COVID-19 outbreak with Crude prices (US benchmark) briefly plunging to negative territory in April, 2020.

On the domestic front, India also faced global headwinds and most growth engines - private consumption, private investment, and exports - showed a sustained slowdown. In addition, tightening lending conditions on account of stressed Balance Sheets of Banks and NBFCs, also impacted demand for goods and services.

The Indian rupee came under sustained pressure during the year and saw a 9% depreciation closing the year at 75.38. This was despite healthy fund flows from Foreign Portfolio Investor (FPI) and Foreign Direct Investment (FDI). FPI flows turned negative in March and saw an outflow of Rs. 1,18,203 crores taking the yearly tally to an outflow of Rs. 27,528 crores. Going forward whilst the plunge in crude prices will keep India's Balance of Payments supported, the ongoing risk-off sentiment and pressure of emerging market currencies will keep Rupee elevated in the short term.

In line with most other central banks, Reserve Bank of India cut policy rate of 185 bps including the 75 bps emergency cut to support the economy from COVID-19 related shocks. With limited arsenal remaining in monetary policy, RBI also announced several liquidity-boosting measures and regulatory forbearance including CRR cut, Targeted Long Term Repo Operations (TLTROs), liquidity support for NBFCs and Mutual Funds, etc.

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity

and back up lines of credit. It shored up additional lines of liquidity. During the year, your Company availed short term working capital and export finance. As on 31st March, 2020, Rs. 900 crores of short term working capital and trade finance, was outstanding. During the year, your Company repaid Rs. 91.01 crores of long term borrowings from internal accruals.

The Company's Bankers continue to rate your Company as a prime customer and extend facilities/services at prime rates. Your Company follows a prudent financial policy and aims not to exceed an optimum financial gearing at any time. The Company's total Debt to Equity Ratio was 0.09 as at 31st March, 2020.

Your Company has been rated by CRISIL Limited ("CRISIL"), ICRA Limited ("ICRA"), India Ratings and Research Private Limited ("India Ratings") and CARE Ratings Limited ("CARE") for its Banking facilities. All have re-affirmed the highest credit rating for your Company's Short Term facilities. For Long Term facilities and Non-Convertible Debenture ("NCD") programme, CRISIL, ICRA and India Ratings have re-affirmed their credit ratings of CRISIL AAA/Stable, [ICRA]AAA (stable) and IND AAA/Stable for the respective facilities rated by them. With the above rating affirmations, your Company continues to enjoy the highest level of rating from all major rating agencies at the same time.

The AAA ratings indicate highest degree of safety regarding timely servicing of financial obligations and is also a vote of confidence reposed in your Company's Management by the rating agencies. It is an acknowledgement of the strong credit profile of your Company over the years, resilience in earnings despite cyclical upturns/downturns, robust financial flexibility arising from the significant market value of its holdings and prudent management.

Your Company is a "Large Corporate" as per the criteria under SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018.

Investor Relations (IR)

Your Company continuously strives for excellence in its IR engagement with International and Domestic investors. Structured conference calls and periodic investor/analyst interactions including one-on-one meetings, participation in investor conferences, quarterly earnings calls, video conferencing across various key geographies and annual analyst meet with the Executive Chairman, Managing Director and Business Heads were organised during the year. During the year, your Company had organised

an event called 'BS6 knowledge sharing session', which was to showcase the Company's preparedness for BS6 transition. Your Company interacted with around 631 Indian and overseas investors and analysts (excluding quarterly earnings calls and specific event related calls) during the year. Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with investor/analysts. Your Company also engages with investors on Environment, Social and Corporate Governance (ESG), which has received excellent feedback from investors and ESG analysts. Your Company ensures that critical information about the Company is available to all the investors by uploading all such information on the Company's website. Your Company was awarded as 'Best Financial Reporting (Large Cap)' by IR Magazine Awards – 2019, Mumbai and your Company's Annual Integrated Report won the Gold at the 2019 MARCOM Awards, USA.

Dividend

Your Directors are pleased to recommend a dividend of Rs. 2.35 per Ordinary (Equity) Share of the face value of Rs. 5 each on the Share Capital, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of tax at source. The equity dividend outgo for the Financial Year 2019-20 would absorb a sum of Rs. 292.15 crores [as against Rs. 1,187.35 crores comprising the dividend of Rs. 8.50 per Ordinary (Equity) Share of the face value of Rs. 5 each on the enhanced share capital and tax thereon paid for the previous year]. Further, the Board of your Company decided not to transfer any amount to the General Reserve for the year under review.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

Dividend Distribution Policy

The Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure I and forms part of this Annual Report.

B. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company, its subsidiaries, associates and joint ventures prepared in accordance with the Companies Act, 2013 and applicable

Indian Accounting Standards along with all relevant documents and the Auditors' Report form part of this Annual Report. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies, associates and joint ventures.

The Financial Statements as stated above are also available on the website of the Company and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Subsidiary, Joint Venture and Associate Companies

The Mahindra Group Companies continue to contribute to the overall growth in revenues and overall performance of your Company.

Tech Mahindra Limited, Flagship Company in the IT Sector, has reported a consolidated operating revenue of Rs. 36,868 crores in the current year as compared to Rs. 34,742 crores in the previous year, an increase of 6%. Its consolidated profit after tax after non-controlling interests is Rs. 4,033 crores as compared to Rs. 4,298 crores in the previous year, a decrease of 6%.

The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a consolidated operating income of Rs. 11,883 crores during the current year as compared to Rs. 10,372 crores in the previous year, a growth of 15%. The consolidated profit after tax after non-controlling interests for the year is Rs. 1,075 crores as compared to Rs. 1,827 crores in the previous year.

Mahindra Lifespace Developers Limited, the subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 611 crores as compared to Rs. 593 crores in the previous year. The consolidated loss after non-controlling interest for the year is Rs. 193 crores as compared to profit of Rs. 120 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,372 crores as compared to Rs. 2,239 crores in the previous year. The consolidated loss after non-controlling interests for the year is Rs. 132 crores as compared to profit of Rs. 60 crores in the previous year.

Mahindra Logistics Limited, a listed subsidiary in the logistics business has registered a consolidated operating income of Rs. 3,471 crores as compared to Rs. 3,851 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 55 crores as compared to Rs. 86 crores in the previous year.

Ssyangyong Motor Company, the Korean subsidiary of the Company has reported revenues of Rs. 19,972 crores in the current fiscal year as compared to Rs. 24,184 crores in the previous year. The loss for the year is Rs. 3,029 crores as compared to loss of Rs. 345 crores in the previous year.

The consolidated group profit before exceptional item and tax for the year is Rs. 2,586 crores as against Rs. 7,280 crores in the previous year. The consolidated profit after tax after non-controlling interest and exceptional items for the year is Rs. 127 crores as against Rs. 5,315 crores in the previous year.

During the year under review, Mahindra Finance CSR Foundation, Merakisan Private Limited, Mahindra Bangladesh Private Limited, MSPL International DMCC, Meru Travel Solutions Private Limited, Meru Mobility Tech Private Limited, V-Link Automotive Services Private Limited, V-Link Fleet Solutions Private Limited and Fifth Gear Ventures Limited became subsidiaries of your Company.

During the year under review, Orizonte Business Solutions Limited, Mahindra International UK Ltd, Mahindra Defence Naval Systems Limited, Åre Villas 1 AB, Åre Villas 2 AB and Cleansolar Renewable Energy Private Limited ceased to be subsidiaries of your Company.

Subsequent to the year end, Graphic Research Design s.r.l. and Divine Solren Private Limited ceased to be subsidiaries of your Company.

During the year under review, Machinepulse Tech Private Limited changed its name to Mahindra Teqo Private Limited, Passeport Sante SL changed its name to Holiday Club Canarias Vacation Club SLU and Mahindra Graphic Research Design s.r.l changed its name to Graphic Research Design s.r.l.

Subsequent to the year end, Mahindra Asset Management Company Private Limited changed its name to Mahindra Manulife Investment Management Private Limited and Mahindra Trustee Company Private Limited changed its name to Mahindra Manulife Trustee Private Limited.

A Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies included in the Consolidated Financial Statement and their contribution to the overall performance of the Company, is provided in Form AOC-1 and forms part of this Annual Report.

The Policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

C. JOINT VENTURES, ACQUISITIONS AND OTHER MATTERS

Mahindra First Choice Wheels Limited acquires 100% equity stake in Fifth Gear Ventures Limited

During the year under review, Mahindra First Choice Wheels Limited ("MFCWL"), a board controlled subsidiary of Mahindra Holdings Limited ("MHL"), which is, in turn a wholly owned subsidiary of your Company, acquired 100% of the equity share capital of Fifth Gear Ventures Limited ("FGVL"), for a consideration of around Rs. 30.45 crores discharged by MFCWL by way of cash and shares of MFCWL aggregating around 0.75% of MFCWL's fully diluted share capital. FGVL, is engaged in the business of maintaining and operating the website www.carandbike.com, an e-commerce market platform that facilitates sale and purchase of new and used vehicles and keeps its users updated with the latest information and reviews from automotive industry. This acquisition will help MFCWL expand its presence in the digital automotive space and seamlessly integrate the online and offline user experience.

Merger of Mahindra Vehicle Manufacturers Limited with Mahindra & Mahindra Limited

As mentioned in the previous Annual Report, the Board of Directors of the Company at its meeting held on 29th May, 2019, subject to requisite approvals/consents, approved the Scheme of Merger by Absorption of Mahindra Vehicle Manufacturers Limited, a wholly owned subsidiary of the Company ("MVML") with the Company and their respective shareholders ("Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013. The Appointed Date of the Scheme is 1st April, 2019 and the entire assets and liabilities of MVML would be transferred to and recorded by the Company at book values. The entire share capital of MVML is held by the Company. Upon the Scheme being effective, all shares ('Preference and equity') held by the Company in MVML shall stand cancelled, without any further act or deed and no consideration shall be issued on merger. The Scheme is subject to receipt of approvals from Directorate of Industries, Maharashtra Industrial Development Corporation, National Company Law Tribunal ('NCLT'), Mumbai Bench and such other statutory/government authorities as may be directed by the NCLT. The Scheme has been filed with the Stock Exchanges and NCLT.

Sale of shares of your Company by M&M Benefit Trust

During the year under review, M&M Benefit Trust ('the Trust') which forms part of the Promoter Group of your Company, sold 1,92,00,000 equity shares (treasury stock) representing 1.54% of the total paid up equity share capital of the Company. The sale has been executed on the Stock Exchange(s), at a gross price of Rs. 648 per share. Following the sale, the shareholding of the Promoter and Promoter Group in your Company came down from 20.44% to 18.90% of the total paid up equity share capital of the Company.

Scheme of Amalgamation between Mahindra Defence Naval Systems Limited and Mahindra Defence Systems Limited (Scheme)

The National Company Law Tribunal has approved the Scheme vide its order dated 22nd August, 2019. The Appointed Date of the Scheme is 1st April, 2018 and the Scheme is Effective from 18th September, 2019. Pursuant to the Scheme becoming effective, Mahindra Defence Naval Systems Limited ceased to be the subsidiary of Mahindra Defence Systems Limited and of the Company.

Joint Venture with Ford Motor Company

In October, 2019, your Company entered into definitive agreements with Ford Motor Company Inc., USA ("FMC") to enable the formation of a joint venture wherein your Company and/or its subsidiary(ies) would hold a 51% equity share capital and FMC would hold the balance 49% stake. The joint venture company would be Mahindra Ford Automotive Private Limited ("MFAPL"), formerly known as 'Ardour Automotive Private Limited'. As part of the transaction, MFAPL will acquire the existing automotive business of Ford India Private Limited ("FIPL"), a wholly owned subsidiary of FMC at an enterprise valuation of Rs. 1,925 crores. The Purchase Price to be paid by MFAPL to FIPL would be arrived at by deducting from the enterprise value, after making customary closing adjustments, the net debt that would be transferred to MFAPL. Based on the available estimates, the likely Purchase Price to be paid by MFAPL would be Rs. 1,289 crores, of which 51% i.e. Rs. 657 crores would be funded by your Company. In the aggregate, your Company is committed to fund, for acquiring a 51% stake in MFAPL and for the future operations of MFAPL, an amount not exceeding Rs. 1,400 crores.

For reference, FIPL has been engaged in the automotive business in India since 1995. Currently, it is the sixth largest player in the four wheeled passenger vehicle market in India. As one of the largest exporters of vehicles from India, FIPL manufactures and exports vehicles and engines from its facilities in Chengalpattu, Tamil Nadu and Sanand, Gujarat. For the year ended 31st March, 2019, the total revenue of FIPL's Automotive business was Rs. 26,324 crores.

The formation of this joint venture is the next step in the strategic alliance forged between Ford and your Company in September, 2017. This joint venture will further strengthen your Company's presence in the Automotive business. It will help your Company's growth in key emerging markets. The joint venture will be responsible for growing the Ford brand in India and exporting its products to Ford entities globally. Using the strengths of both shareholders, MFAPL would be focused to deliver operational excellence and value to stakeholders. The partnership will allow your Company and FMC to offer new product to customers faster than before and will deliver profitable growth to both entities. The joint venture will drive enhanced competitiveness through greater economies of scale across the automotive value chain, including optimised sourcing, product development and use of relevant technologies. In addition, the joint venture will be a catalyst for growth for the Ford and Mahindra brands in emerging markets, which are growing at double the rate of the global industry.

Your Company has since received approval from the Competition Commission of India as well as the required anti-trust approvals from the European Commission, Korean Fair Trade Commission and Competition Commission at South Africa and expects to complete the transaction within the current financial year.

Acquisition of controlling stake in Meru

In December, 2019, your Company acquired 36.63% of the equity share capital of Meru Travel Solutions Private Limited ("Meru"), holding company of the Meru Group and has the right to appoint majority of the directors on the Board of Meru. Therefore, Meru along with its three wholly owned operating subsidiaries became subsidiaries of your Company. Your Company is committed to enhancing its equity stake in Meru up to 55%.

Further, your Company has call option to acquire shares from certain existing investors of Meru and these existing investors of Meru have a put option to sell shares to your Company. In the aggregate your Company is committed to invest an amount not exceeding Rs. 201.5 crores in Meru.

Currently, Meru through its subsidiaries operates in the ride hail segment and also has a presence in the corporate transportation space. Meru was one of the first radio taxi operators in the ride hail segment and currently Meru has presence in Mumbai, Delhi, Bengaluru and Hyderabad. On the corporate transportation side, Meru has been providing transportation solutions to companies in various sectors such as BPOs, Banking, IT and ITES. Given your Company's intent to grow its presence in various segments of Mobility Services, the investment in Meru would enable your Company to increase its presence in the corporate shared mobility segment which is an area of strategic interest to your Company.

Investment in Eurl LD Azouaou, Algeria

In March, 2020, your Company entered into an agreement to subscribe to around 5% of the share capital of Eurl LD Azouaou, Algeria ("LDA") for an amount equivalent to US\$ 1,50,000 (approximately Rs. 1.1 crores). LDA is engaged in the business of tractor assembly and distribution in Algeria. In the past, Algeria has been an important export market for the farm equipment business of your Company. To that extent this investment would enable your Company to re-enter the Algerian Agricultural Machinery Market.

Investment in Porter

Earlier, your Company had merged a step down subsidiary named Orizonte Business Solutions Limited which operated a technology enabled load exchange marketplace platform for matching the needs of cargo owners with transporters with Smartshift Logistics Solutions Private Limited ("Porter") (formerly known as Resfeber Labs Private Limited). Consequently, the shareholding of your Company and its subsidiaries in Porter taken on a fully diluted basis stood at 30.8% for the Company, 2.5% for Mahindra & Mahindra Financial Services Limited and 6.9% for Mahindra Trucks and Buses Limited.

Your Company has been keen to grow its presence in the shared mobility logistics solutions space which is an identified area of strategic interest for your Company. During the year, your Company along with the key financial investors of Porter invested Rs. 69 crores in Porter, of which your Company invested Rs. 37.5 crores. Further to this in April, 2020, Lightstone Fund SA, a private equity investor invested Rs. 140 crores in Porter. As a result of the aforesaid equity investments in Porter, the shareholding of your Company and its subsidiaries

in Porter taken on a fully diluted basis is 26.6% for the Company, 2.1% for Mahindra & Mahindra Financial Services Limited and 4.8% for Mahindra Trucks and Buses Limited.

Investment in Zoomcar

Your Company has been keen to invest in the shared mobility space as part of its strategy to promote and participate in sustainable mobility solutions, including multi modal urban mobility, with the objective of enabling improved livelihoods and lifestyles of people enabling them to RISE. As a part of this, in Financial Year 2017-18, your Company invested in Zoomcar India Private Limited (Zoomcar India) which is a leading self-drive car rental company based out of Bengaluru, India and had been 100% owned by Zoomcar Inc. a holding company incorporated in the USA. Your Company subscribed to Compulsory Convertible Preference Shares (CCPS) of Zoomcar India which are ultimately convertible into Preferred Stock of Zoomcar Inc. Besides this, Mahindra Overseas Investment Company (Mauritius) Limited (MOICML), a wholly owned subsidiary of your Company invested in Zoomcar Inc. The effect of this investment, by your Company and MOICML, on an aggregate as-converted to common stock of Zoomcar Inc. basis resulted in your Company and MOICML together holding 16.8% of the Common Stock of Zoomcar Inc. on a fully diluted basis.

Further to the above, during the year under review, your Company invested Rs. 18.8 crores and subscribed to Optionally Convertible Debentures of Zoomcar India, which are ultimately convertible into Preferred Stock of Zoomcar Inc. In the interim and during this period, other existing and external investors have been participating in Zoomcar India and Zoomcar Inc. Post this investment, on an aggregate as-converted to common stock of Zoomcar Inc., your Company and MOICML together hold 16.1% of the Common Stock of Zoomcar Inc. on a fully diluted basis for an aggregate investment of around Rs. 196.8 crores.

Investment in Gamaya SA, Switzerland

Your Company acquired 11.25% stake (on a fully diluted basis) in Gamaya SA by subscribing to equity and preferred shares in June, 2019 for an investment of CHF 4.3 million (Rs. 30.2 crores). Gamaya SA is a start-up based in Switzerland focused on precision agriculture solutions. This investment in Gamaya SA is expected to support the Company's businesses by developing precision agriculture technology and solutions for its customers.

Investment in MITRA Agro Equipments Private Limited

During the year, your Company increased its shareholding in MITRA Agro Equipments Private Limited ("MITRA"), from 27% to 40%, for an aggregate consideration of Rs. 7.1 crores. MITRA is engaged in the business of designing, developing, manufacturing, assembling, and selling orchard sprayers. The purchase of additional equity shares in MITRA would support the Company's Farm Equipment Sector's growth in the horticulture sector.

Acquisition of balance 49% stake in Peugeot Motocycles

During the year, your Company increased its shareholding in Peugeot Motocycles (PMTc), from 51% to 100%, by acquiring 49% equity stake in PMTC from Groupe PSA in November, 2019. PMTC is the oldest brand in the two-wheeler space in the world and is head-quartered in Mandeure, France.

Transfer of assets of MyAgriGuru and Samriddhi from Mahindra Agri Solutions Limited (MASL) to Mahindra and Mahindra Limited (M&M)

During the year, the Company acquired certain tangible and intangible assets pertaining to MyAgriGuru and Samriddhi from Mahindra Agri Solutions Limited (MASL), its subsidiary company for an aggregate consideration of Rs. 17.7 crores. This transfer helped to integrate the precision agriculture and farming-as-a-service (FaaS) businesses under a single umbrella.

D. INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for Senior Management and Employees of your Company (the Code of Conduct) commits Management to financial and accounting policies, systems and processes. The Corporate Governance Policies and the Code of Conduct stand widely communicated across your Company at all times.

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time.

Your Company uses SAP ERP Systems as a business enabler and to maintain its Books of Account. The transactional controls built into the SAP ERP systems ensure appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, Standard Operating Procedures and controls are reviewed by Management. These systems and controls are audited by Internal Audit and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation.

Your Company has in place adequate Internal Financial Controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Your Company's Internal Financial Controls were deployed through Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), that addresses material risks in your Company's operations and financial reporting objectives.

Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of Internal Financial Controls was observed.

Your Company recognises Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the Internal Financial Controls to future periods are subject to the risk that the Internal Financial Controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

E. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

F. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. During the year under review, your Company had entered into Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, with Mahindra Vehicle Manufacturers Limited, a wholly owned subsidiary of your Company. These transactions too were in the ordinary course of business of your Company and were on arm's length basis, details of which, as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 as Annexure II and forms part of this Annual Report.

The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

G. AUDITORS

Statutory Auditors and Auditors' Report

Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022) were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 71st Annual General Meeting (AGM) held on 4th August, 2017 until the conclusion of the 76th AGM of the Company to be held in the year 2022.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Certificate of Practice Number: 6029) to undertake the Secretarial Audit of the Company.

The Company has annexed to this Board's Report as Annexure III, a Secretarial Audit Report given by the Secretarial Auditor.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Audit of Material Unlisted Indian Subsidiary

Mahindra Vehicle Manufacturers Limited (“MVML”), a material subsidiary of the Company undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of MVML for the Financial Year 2019-20 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of MVML submitted by Mr. Sachin Bhagwat, Practicing Company Secretary, does not contain any qualification, reservation or adverse remark or disclaimer.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2019-20 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mr. Sachin Bhagwat has been submitted to the Stock Exchanges and is annexed at Annexure IV to this Board’s Report.

Cost Auditors

The Board had appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2019-20.

The Board of Directors on the recommendation of the Audit Committee, appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), as the Cost Auditors of the Company for the Financial Year 2020-21 under Section 148 of the Companies Act, 2013. Messrs D. C. Dave & Co. have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm’s length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members’ ratification for the remuneration payable to Messrs D. C. Dave & Co., Cost Auditors is included in the Notice convening the Annual General Meeting.

Cost Records

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and accordingly, such accounts and records are maintained.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

H. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are provided in Note Nos. 6 and 36 to the Financial Statements.

I. PUBLIC DEPOSITS AND LOANS/ ADVANCES

Your Company has discontinued acceptance of Fixed Deposits with effect from 1st April, 2014.

All the deposits from public and Shareholders had already matured as at 31st March, 2017. The total outstanding 23 deposits of Rs. 9.79 lakhs from the public and shareholders as at 31st March, 2020, had matured and had not been claimed as at the end of the Financial Year. Since then no deposits have been claimed.

There was no default in repayment of deposits or payment of interest thereon during the year under review. There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

The particulars of loans/advances/investments, etc., required to be disclosed pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately.

The transaction(s) of the Company with a company belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required pursuant to para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed separately in the Financial Statements of the Company.

J. EMPLOYEES

Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) Mr. Anand G. Mahindra – Executive Chairman
- (b) Dr. Pawan Goenka – Managing Director and Chief Executive Officer. Dr. Pawan Goenka was appointed as the Chief Executive Officer with effect from 1st April, 2020.
- (c) Dr. Anish Shah – Deputy Managing Director and Group Chief Financial Officer (appointed with effect from 1st April, 2020).
- (d) Mr. Rajesh Jejurikar, Executive Director (Auto and Farm Sectors) (appointed with effect from 1st April, 2020).
- (e) Mr. Narayan Shankar – Company Secretary.

Mr. V S Parthasarathy ceased to be the Chief Financial Officer of the Company with effect from 1st April, 2020.

Employees' Stock Option Scheme

During the year under review, on the recommendation of the Governance, Nomination and Remuneration Committee ("GNRC") of your Company, the Trustees of Mahindra & Mahindra Employees' Stock Option Trust have granted Stock Options to employees under the Mahindra & Mahindra Limited Employees Stock Option Scheme 2010. No Stock Options have been granted to employees under the Mahindra & Mahindra Limited Employees Stock Option Scheme 2000.

The Company has in force the following Schemes which get covered under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations):

1. Mahindra & Mahindra Limited Employees Stock Option Scheme – 2000 (2000 Scheme)
2. Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010 (2010 Scheme)
3. M&M Employees Welfare Fund No. 1
4. M&M Employees Welfare Fund No. 2
5. M&M Employees Welfare Fund No. 3

During the year, M&M Employees Welfare Fund No.1 sold 18,32,000 equity shares of Rs. 5 each and M&M Employees Welfare Fund No.2 sold 9,52,000 equity

shares of Rs. 5 each of the Company in compliance of Regulation 26(2) read with Regulation 31(2)(b)(ii) of SEBI (Share Based Employee Benefits) Regulations, 2014.

There are no material changes made to the above Schemes and these Schemes are in compliance with the SBEB Regulations. Your Company's Auditors, Messrs B S R & Co. LLP, have certified that the Company's above-mentioned Schemes have been implemented in accordance with the SBEB Regulations, and the Resolutions passed by the Members for the 2000 Scheme and the 2010 Scheme.

Information as required under the SBEB Regulations read with SEBI Circular CIR/CFD/POLICYCELL/2/2015 dated 16th June, 2015 have been uploaded on the Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Particulars of Employees and related disclosures

The Company had 372 employees who were in receipt of remuneration of not less than Rs. 1,02,00,000 during the year ended 31st March, 2020 or not less than Rs. 8,50,000 per month during any part of the year.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available during 21 days before the Annual General Meeting in electronic mode to any Shareholder upon request sent at agm.inspection@mahindra.com. Such details are also available on your Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V to this Report.

Industrial Relations

The year under review witnessed a very positive Industrial Relations Scenario across all manufacturing locations for the Automotive and Farm Equipment Sectors.

Your Company's focus continues towards propagating proactive and employee centric practices. The

transformational work culture initiative that aims to create an engaged workforce with an innovative, productive and a competitive shop-floor ecosystem continues to grow in strength. Some examples of the programs put in place include 'Rise for Associates', industrial relations skills for frontline officers, cultural diagnostics projects, transformational work culture projects, e-compliance, e-portal for reward and recognition of associates, and Code of Conduct for associates. The Transformational Work Culture Committee (TWCC) leads the design and implementation of these programs.

With the objective of developing skills and fostering togetherness at the workplace, your Company implements multiple training and engagement programs on an ongoing basis. These include various behavioural and functional programs such as team effectiveness, individual effectiveness, safety and environment, quality tools, TPM, skill building programs, and programs on union leadership development.

The Mahindra Skill Excellence initiative, a holistic approach to enhance the skill and capabilities of shop floor associates, is receiving good participation across manufacturing facilities. As a result of this effort, associates from your Company have participated at various international skill competitions which include WorldSkills 2019 and Beijing Arc Cup. The Company's associate won the 'Medallion of Excellence' at the WorldSkills 2019. At the Beijing Arc Cup, the Company's associate won the bronze medal in finished product category and a female associate from your Company was awarded as 'Excellent Female Welder'.

In an endeavor to improve quality, reduce cost, ensure safety and improve productivity, your Company's shop floor associates generated on an average 18 ideas per person.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups and health awareness activities. Diet food has become a way of life over the past four years. Your Company maintains an 'Employee Health Index' at an individual level and this has been a useful tool in identifying employees who require focused counselling and monitoring.

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets of the Company, are the cornerstone of your Company's employee relations approach. An 'open door policy'

with constant dialogue to create win-win situations, have helped your Company build trust and harmony.

The industrial relations scenario continued to be largely positive across all the manufacturing locations. Bonus settlements were amicably agreed upon at all locations. The sustained efforts towards building a transformational work culture resulted in zero production loss in the Financial Year 2019-20 and helped create a collaborative, healthy and productive work environment.

Safety, Occupational Health and Environment

During the year under review, your Company revised its Safety, Occupational Health & Environment (SOH&E) Policy to incorporate the new standard ISO: 45001. The leadership's commitment towards SOH&E, is demonstrated through inclusion of many new compliances along with its voluntary commitments. Implementation of various initiatives under the policy and achievement to set objectives were assessed through management reviews.

At each Plant location, annual events were organised and commemorated like Road Safety Week, National Safety Day/ Month and Fire Service Week. Accelerated Learning Programs (ALP) were deployed to train employees on Safety, Health and Environment. Similarly, ALPs were deployed for suppliers, with special focus on fire load reduction. The training programs leveraged virtual reality techniques to enhance learning.

To strengthen the safety practices, the Company continues to focus on Behaviour Based Safety (BBS) Level 2. Additionally, your Company introduced 14 new safety standards for standardisation in the M&M group companies, which are under implementation across all plants.

Your Company carried out statutory safety audits, Fire Equipment Audit, Risk Assessment as per updated safety standards. For the year under review, your Company achieved substantial reduction in the fire load, resulting in reduction in fire incidences. The initiatives in this space include installation of modern equipment, substituting stores packaging material in critical areas and relocation of flammable material as appropriate.

In line with the 'Go Green' philosophy, your Company is continuously adopting new techniques to eliminate and minimise the overall environmental impact. Towards this objective, various projects have been implemented by your Company in air, water - waste water management, solid waste management, Plastic waste recycling management and E-waste management. Further, your Company has initiated implantation of 'tri-generation

project', a first in India. Many of these initiatives are also extended to the supplier community by your Company.

During the year under review, your Company signed agreements with Extended Producer Responsibility Organizations (EPRO) recognised by Pollution Control Boards. This agreement covers 100% integral plastic waste management (M&M plants, Suppliers & Dealers).

Your Company implemented Central Ground Water Authority (CGWA) regulations for ground water management. This has helped your Company to improve water neutrality, by way of reduction in freshwater requirement.

Your Company continued the commitment to improve the wellbeing of employees and contract associates through various activities under project 'Parivartan'. This includes activities like fitness improvement challenge (MRise), Mindfulness, Mega event of Mahindra Marathon, Dhyana Yoga, Zumba, medical check-ups, health consultation, nutrition month along with consultation and counselling on Special diet for all employees. As a result of many initiatives, the average Health index of its employees has improved as compared to previous year. Further, all locations observed World Health Day, World Heart Day, World Kidney Day and World Diabetes Day.

To create awareness among society at large, your Company has installed a display screen that displays real time readings for all air quality parameters. This screen is installed just outside the manufacturing plant in Mumbai, which is located on the Western Express highway with high density vehicular traffic. In addition, awareness is generated amongst all stakeholders by observing on an annual basis: World Ozone Day, World Environment Day, World Earth Day, World Water Day and Energy Conservation Week and Water Conservation Week.

Certifications/Recertifications

All Plants of your Company are in the process of certification under standard ISO 45001: 2018 and recertification of ISO 14001: 2015. Further, all plants are in the process of implementing, Integrated Management System (IMS), along with adopting the updated standard ISO 45001:2018.

The Company revises its targets under SOH&E year on year, and the performance against these targets are reviewed periodically by senior management. Focused initiatives involving all stakeholders coupled with management reviews have helped to improve the SOH&E performance of your Company in the period 2019-20.

K. BOARD & COMMITTEES

Directors

As mentioned in the previous Annual Report, at the 73rd Annual General Meeting held on 7th August, 2019, Dr. Vishakha N. Desai was re-appointed as an Independent Director for a period commencing from 8th August, 2019 to 30th April, 2024 and Mr. Vikram Singh Mehta was also re-appointed as an Independent Director for a period commencing from 8th August, 2019 to 7th August, 2024.

Further, Mr. Vijay Kumar Sharma was appointed as a Non-Executive Non-Independent Director representing Life Insurance Corporation of India at the 73rd Annual General Meeting held on 7th August, 2019, liable to retire by rotation.

Mr. R. K. Kulkarni and Mr. Anupam Puri ceased to hold office as Independent Directors of the Company from 8th August, 2019, upon completion of their tenure as approved by the Shareholders at the 68th Annual General Meeting of the Company.

The Board of Directors of the Company on the basis of recommendation by GNRC and after taking into account the external business environment, business knowledge, acumen and experience of Mr. Haigreave Khaitan and Ms. Shikha Sharma recommended to the Shareholders their appointment as Independent Directors. The Shareholders at the 73rd Annual General Meeting held on 7th August, 2019 approved the appointment of Mr. Haigreave Khaitan and Ms. Shikha Sharma for a period of 5 years commencing from 8th August, 2019 to 7th August, 2024 to hold office as Independent Directors of the Company, not liable to retire by rotation on the Board of the Company.

Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent

Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 1 (one) year from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption.

The Independent Directors of the Company except Dr. Vishakha N. Desai, are exempt from the requirement to undertake online proficiency self assessment test. Dr. Vishakha N. Desai will be undertaking the said test in due course.

Completion of tenure of Independent Directors

Mr. M. M. Murugappan and Mr. Nadir B. Godrej would cease to hold office as Independent Directors of the Company from 8th August, 2020, upon completion of their tenure as approved by the Shareholders at the 72nd Annual General Meeting of the Company held on 7th August, 2018.

Mr. M. M. Murugappan, joined the Board in 1992. He has been Chairman of the Governance, Nomination and Remuneration Committee and Research & Development Committee and Member of Audit Committee and Risk Management Committee of the Board.

The Board placed on record its deep appreciation of the invaluable counsel rendered by Mr. Murugappan to the Company and his contribution in guiding and supporting the Management during his tenure as an Independent Director on the Board of Directors of the Company. His inputs were valuable across all functions of the Company, but in particular, his mentoring of the Board's Research & Development Committee was especially appreciated by the Company's Management.

Quote from Executive Chairman

"Mr. Murugappan, (fondly known as "Murugu") who joined the Board in 1992 has added great value to its deliberations during his tenure. Being an industrialist himself, he always brought a commercial mindset to his position. His strong focus on reliable data, facts and industry trends contributed greatly to the robustness of decision making while framing, evaluating and executing strategies of your Company.

Several senior leaders were due to retire in 2020. As Chairman of the Governance, Nomination and Remuneration Committee ('GNRC'), Murugu played a vital role in the delicate task of crafting the succession plan. Under his leadership, the Committee planned and

implemented a structured and comprehensive succession-planning program and a rigorous review for an orderly succession to the Board and to Senior Management positions. The succession-planning program was approved by the Board and rolled out in December, 2019.

As a Member and later on as Chairman of the Research & Development Committee, he guided and mentored the Management to focus on product design and development. His insistence on developing high calibre talent including lateral talent in the Research & Development Department, helped your Company to remain competitive and keep pace with the ever changing tastes and preferences of customers in the auto industry.

Murugu is a versatile personality with a rare combination of talent and humility. I am grateful for his counsel and friendship. Even though his term as a Director is ending, I count on him for his continuous availability and support. I wish him many years of good health and happiness."

Mr. Nadir B. Godrej, joined the Board in 1992 and has shared his vast knowledge and experience with us over many years. He has been a Member of the Governance, Nomination and Remuneration Committee, Audit Committee, Risk Management Committee, Strategic Investment Committee and Research & Development Committee of the Board.

The Board placed on record its deep appreciation of the invaluable counsel rendered by Mr. Godrej to the Company. The 28 years that Mr. Godrej was on the Board of the Company were critical years in the Company's history.

Mr. Godrej's immense knowledge and financial expertise helped the Board and the Company navigate through the sweeping changes with boldness while at the same time adhering strictly to sound financial discipline and ethical and corporate values of the highest order.

Quote from Executive Chairman

"Mr. Nadir Godrej joined the Board in 1992. His skills as an industrialist and distinguished business strategist combined with his financial acumen, global mindset and high standards of ethics and integrity made him a highly valued member of the Board.

His incisive mind enabled him to unearth important insights by quickly cutting through the clutter and converting it into meaningful analysis. I was particularly impressed by his ability to quickly aggregate operational and financial data, thus elevating the discussion to the next level, facilitating strategic decision making.

He has laid down uncompromising standards of ethics. As a member of the Board and various Committees, Nadir could raise the bar on governance and ethics without losing sight of commercial aspects. As a Member of the Governance, Nomination and Remuneration Committee he contributed immensely to shaping the succession-planning exercise carried out by the Company, which paved way for an orderly Succession to the Board and to Senior Management positions.

His wise guidance on prudent fiscal management combined with his formidable strategic skills were invaluable to us. Nadir is a valued and a trusted personal friend and I wish him peace and happiness in the years to come."

Re-designation and Re-appointment of Dr. Pawan Goenka, Managing Director

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 20th December, 2019, approved re-designation of Dr. Pawan Kumar Goenka, Managing Director of the Company as the 'Managing Director and Chief Executive Officer' with effect from 1st April, 2020 till the end of his current term, i.e., upto 11th November, 2020 and his re-appointment as Managing Director of the Company, liable to retire by rotation, designated as 'Managing Director and Chief Executive Officer', for a period commencing from 12th November, 2020 to 1st April, 2021 (both days inclusive).

Appointment of Whole Time Directors

Dr. Anish Shah

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 20th December, 2019, appointed Dr. Anish Shah as an Additional Director of the Company with effect from 1st April, 2020 to hold office up to the date of the 74th Annual General Meeting (AGM) of the Company scheduled to be held on 7th August, 2020 and subject to the approval of the Members at the said AGM as Whole time Director of the Company, liable to retire by rotation, designated as 'Deputy Managing Director and Group Chief Financial Officer' from 1st April, 2020 to 1st April, 2021 (both days inclusive) and as 'Managing Director and Chief Executive Officer' for a period commencing from 2nd April, 2021 to 31st March, 2025 (both days inclusive).

The Company has received the requisite Notice from a Member in writing proposing his appointment as a Director of the Company.

Mr. Rajesh Jejurikar

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 20th December, 2019,

appointed Mr. Rajesh Jejurikar as an Additional Director of the Company with effect from 1st April, 2020, to hold office up to the date of the 74th AGM of the Company scheduled to be held on 7th August, 2020 and subject to the approval of the Members at the said AGM as a Whole Time Director of the Company, liable to retire by rotation, designated as 'Executive Director (Auto and Farm Sectors)' for a period of Five Years from 1st April, 2020 to 31st March, 2025 (both days inclusive).

The Company has received the requisite Notice from a Member in writing proposing his appointment as a Director of the Company.

Appointment of Non-Executive, Non-Independent Director

Mr. CP Gurnani

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 20th December, 2019, appointed Mr. CP Gurnani as an Additional Director of the Company with effect from 1st April, 2020, to hold office up to the date of the 74th AGM of the Company scheduled to be held on 7th August, 2020 and thereafter, subject to the approval of the Members at the said AGM, as a Non-Executive Non-Independent Director, liable to retire by rotation.

The Company has received the requisite Notice from a Member in writing proposing his appointment as a Director of the Company.

Retirement by rotation

Mr. Anand G. Mahindra retires by rotation and, being eligible, offers himself for re-appointment at the 74th Annual General Meeting of the Company scheduled to be held on 7th August, 2020.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee meetings to fulfil duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the GNRC of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process. The Independent Directors and Executive Chairman also carried out performance evaluation of the Managing Director of the Company.

Policies

Your Company has adopted the following Policies which, inter alia, include criteria for determining qualifications, positive attributes and independence of a Director:

- (a) Policy on Appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management;
- (b) Policy for remuneration of the Directors, Key Managerial Personnel and other employees.

Policy (a) mentioned above includes the criteria for determining qualifications, positive attributes and independence of a Director, identification of persons who are qualified to become Directors and who may be appointed in the Senior Management Team in accordance with the criteria laid down in the said Policy, succession planning for Directors and Senior Management, and Policy statement for Talent Management framework of the Company.

Policy (b) mentioned above sets out the approach to Compensation of Directors, Key Managerial Personnel and other employees in the Company.

Policies mentioned at (a) and (b) above are available on the website at the following link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Familiarisation Programme for Independent Directors/Non-Executive Directors

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors and Senior Management provide an overview of the operations and familiarise the new Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails etc.

The Company has developed a web based portal i.e. Board portal, accessible to all the Directors which, inter alia, contains the following information:

- Roles, responsibilities and liabilities of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Board Minutes, Agenda and Presentations.
- Annual Reports.
- Code of Conduct for Directors.
- Terms and conditions of appointment of Independent Directors.

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company imparted various familiarisation programmes for its Directors including review of Investments of the Company by Strategic Investment Committee, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, SEBI Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control

over Financial Reporting, Prevention of Insider Trading Regulations, SEBI Listing Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46, the details required are available on the website of your Company at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management, and after due enquiry, confirm that:

- (a) in the preparation of the annual accounts for the Financial Year ended 31st March, 2020, the applicable accounting standards have been followed;
- (b) they had in consultation with Statutory Auditors, selected accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down adequate Internal Financial Controls to be followed by the Company and such Internal Financial Controls were operating effectively during the Financial Year ended 31st March, 2020;
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2020.

Board Meetings and Annual General Meeting

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year 1st April, 2019 to 31st March, 2020, six Board Meetings were held on: 29th May, 2019, 7th August, 2019, 8th November, 2019, 20th December, 2019, 8th February, 2020 and 27th March, 2020. The 73rd Annual General Meeting (AGM) of the Company was held on 7th August, 2019.

Meetings of Independent Directors

The Independent Directors of your Company meet before the Board Meetings without the presence of the Executive Chairman or the Managing Director or other Non-Independent Director or Chief Financial Officer or any other Management Personnel.

These Meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Executive Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Five Meetings of Independent Directors were held during the year and these meetings were well attended.

Audit Committee

The Board at its Meeting held on 7th August, 2019 re-constituted the Audit Committee and appointed Ms. Shikha Sharma as the Member of the Committee with effect from 8th August, 2019. Mr. R. K. Kulkarni ceased to be the Member of the Committee upon the end of his term. The Committee comprises of four Directors viz. Mr. T. N. Manoharan (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. M. M. Murugappan and Ms. Shikha Sharma. All the Members of the Committee are Independent Directors and possess strong accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committee.

All the recommendations of the Audit Committee were accepted by the Board.

L. GOVERNANCE

Corporate Governance

Your Company has a rich legacy of ethical governance practices many of which were implemented by the Company, even before they were mandated by law. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics.

During the year under review, your Company has been conferred the coveted Golden Peacock Global Award

for Excellence in Corporate Governance for the year 2019 by the Institute of Directors (IOD) and the National Award for Excellence in Corporate Governance in Listed segment: Large Category for 2019 by the Institute of Company Secretaries of India. Both these Awards validate your Company's 'Best in Class' corporate governance practices and reflect its transparent and ethical dealings with stakeholders across the entire value chain.

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Whistle Blower Policy of your Company is available on the Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Further details are available in the Report on Corporate Governance that forms part of this Annual Report.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a detailed policy in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

During the year under review, 2 complaints with allegations of sexual harassment were filed and both were disposed-off as per the provisions of The Sexual

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint was pending as of 31st March, 2020.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of your Company for the year 2019-20 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational targets and improving economic performance to ensure business continuity and rapid growth.

Your Company is committed to leverage 'Alternative Thinking' to build competitive advantage in achieving high shareholder returns through customer centricity, innovation, good governance and inclusive human development while being sensitive to the environment.

Risk Management

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organisational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorised to monitor and review risk management plan and risk certificate. The Committee is also empowered, inter alia, to review and recommend to the Board the modifications to the Risk Management Policy. Further, the Board has constituted a Corporate Risk Council comprising the Senior Executives of the Company. The terms of reference of the Council comprises review of risks and Risk Management Policy on periodic intervals.

Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter alia, includes identification of risks, including cyber security and related risks and also those which in the opinion of the Board may threaten the existence of the Company. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the organisation.

M. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

Corporate Social Responsibility (CSR)

Your Company continues to focus its Corporate Social Responsibility (CSR) initiatives to drive positive and sustainable change in building resilient communities.

Resilience was tested at the end of the Financial Year 2020 marked by the COVID-19 crisis. The crisis is testing the world's capability to respond to a pandemic at a time when the world is already grappling with acute inequalities based on gender, class, access to livelihood opportunities, amongst others. With the socio economic impacts of the pandemic hitting vulnerable and marginalised groups particularly hard, there was a need for businesses to step up to support communities in need. Swiftly responding to this, your Company extended its support to the efforts of the Government machinery by responding to the crying need for products required to fight the COVID crisis. Accordingly, a decision was taken to use the Company's manufacturing facilities to make personal protection equipment e.g. low-cost innovative ventilators, face masks and face shields.

Further, your Company set up a COVID-19 relief fund under the aegis of Mahindra Foundation, to provide relief to those most severely affected by the pandemic e.g. small businesses and traders, workers in the supply chain, and daily wage labourers. Your Company also contributed Rs. 20 crores to the 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES FUND). Through these initiatives, your Company has not only provided support to the Government agencies but has reached out to a large section of the poor and vulnerable by providing immediate relief.

While continuing work towards addressing the COVID-19 crisis, in the next Financial Year, your Company will in accordance with its CSR vision, focus its support on the constituencies of girls, youth and farmers. This will be done through its ongoing CSR programs in the domains of education, public health and environment. Below are some of the ongoing CSR programs that your Company focused on during the Financial Year 2020 and will continue supporting the following:

- **Project Nanhi Kali** supported the education of over 1,74,681 underprivileged girls across India. Of these, 78,437 girls at secondary school level were provided access to digital tablets preloaded with educational content. The Mahindra Group supported the education of 67,337 Nanhi Kalis of which 14,462 were supported by your Company.

- The Mahindra Pride Schools, trained 6,045 youth from socially and economically disadvantaged communities across 9 locations and 100% of them were placed in lucrative jobs. Your Company supported the Mahindra Pride Schools in Chandigarh, Srinagar, Varanasi, Hyderabad and two in Chennai which trained 3,641 youth in Financial Year 2020. Further, the Mahindra Pride Classrooms (MPC) provided training to 1,01,391 youth from 856 ITIs, Polytechnics, Arts and Science Colleges across 16 states through the Mahindra Pride Classrooms module. Your Company supported the training of 71,248 MPC students.
- Over 3,383 students benefitted through a variety of Scholarship Programs. These ranged from providing opportunities to youth from low income group families to undergo diploma courses at vocational education institutes, to enabling meritorious students to pursue their post graduate studies at reputed universities overseas, to allowing meritorious and deserving students to study at the Mahindra United World College in Pune.
- Through Mahindra Hariyali, the Mahindra Group planted 1.52 million trees, which contributed to building green cover and protecting biodiversity in the country. Of these, 1.13 million trees were planted in the Araku valley, which besides greening the environment also provided livelihood support to tribal farmers growing coffee and fruit bearing trees in this region. Of the 1.52 million, the plantation of 1.32 million trees was done by your Company. The average survival rate of trees planted was 96% in the Araku Valley and above 80% for other locations.
- The Integrated Water Management Program (IWMP) is a Public Private Partnership (PPP) with Government of Madhya Pradesh at Bhopal and with National Bank for Agriculture and Rural Development (NABARD) at Hatta. In Financial Year 2020, the project benefitted 38,447 people in 48 villages, as increased water availability led to improved agricultural productivity and increased farmer income.
- Through the Wardha Farmer Family Project and Krishi Mitra Project your Company continued to support small and marginal farmers by training them in effective farming practices including soil health, crop planning, creating model farms with bio-dynamic farming practices, and increasing the water table with a view to increasing crop productivity.

- Rise for Safe Roads: The first of its kind in India 'Road Safety' project aims to make the Mumbai Pune Expressway a near 'Zero Fatality Corridor' by 2021. The interventions are guided by the "4E" principle i.e. Engineering, Enforcement, Education and Emergency Response. In addition, long haul truck drivers were trained through the Anticipatory Driving and Action Prevention Training (ADAPT™) program.
- ESOPs (Employee Social Options) - In Financial Year 2020, 91,943 ESOPs volunteers from the Mahindra Group contributed 6,93,305 person-hours for various social initiatives. Of these, Company's 22,877 employees contributed 1,63,818 person-hours giving back to the Society.

Mahindra continues its work on building strong communities that are equipped to cater to its most vulnerable sections of Society. During the last Financial Year, as acknowledgment for its CSR initiatives impact, your Company received the following awards (from the Ministry of Corporate Affairs, GOI) and recognition:

- Winner of the 'National CSR Award 2018' in the category 'Corporate Award for Excellence in CSR'.
- Winner of the 'National CSR Award 2018' in the category 'Contribution to National Priority Area Agriculture and Rural Development' (For Project Integrated Watershed Management in MP).
- Honourable Mention for the 'National CSR Award 2018' in the category 'Contribution to National Priority Area Education' (For Project Nanhi Kali).
- Mahindra Group was recognised in the Limca Book of Records for the India Record of "Most trees planted".

CSR Policy

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company. The CSR Policy including a brief overview of the projects or programs undertaken can be accessed at the Company's website through the Web-link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

CSR Committee

The Board at its Meeting held on 7th August, 2019 re-constituted the Corporate Social Responsibility Committee. Mr. R. K. Kulkarni ceased to be the

Member of the Committee upon end of his term. The CSR Committee comprises of Dr. Vishakha N. Desai (Chairperson), Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Vikram Singh Mehta. The Committee, inter alia, reviews and monitors the CSR as well as Sustainability activities.

During the year under review, your Company spent Rs. 126.59 crores on CSR activities. The amount equal to 2% of the average net profit for the past three financial years required to be spent on CSR activities was Rs. 106.56 crores. The detailed Annual Report on the CSR activities undertaken by your Company in Financial Year 2020, is annexed herewith marked as Annexure VI.

Sustainability

During the year under review, the 12th Sustainability Report for the year 2018-19 was released. The Report was externally assured by KPMG and prepared in accordance with the GRI Standards - Core option.

By implementing Mahindra Sustainability Framework, your Company continued the focus on the Environmental, Social and Governance (ESG) parameters ensuring a common language for sustainability across the Group. This framework defines sustainability as "Building enduring businesses by rejuvenating the environment and enabling stakeholders to rise". Under the three pillars People, Planet and Profit of Sustainability Framework; various actions have been implemented across the Group.

Your Company has received an approval of Science Based Target, a commitment to restrict average global temperature rise in alignment of Paris Climate Change Agreement. As an environmental best practice, the Company is actively working towards making the locations certified for Zero Waste to Landfill (ZWL). During the year, Mahindra Research Valley, Spares Business Unit - Kanhe, Swaraj Plant 2, Mahindra Towers - Worli and IT Center Building at Kandivli got certified.

Group Sustainability Council conducted its 50th meeting during the year. Ms. Renata Lok-Desallien, United Nations resident coordinator of India was the special guest.

Mr. Anand G. Mahindra, Executive Chairman of your Company who is also a Board member of the United Nations Global Compact launched report of the High-Level Commission on Carbon Pricing and Competitiveness at the United Nation's Climate Action Summit in New York on 23rd September, 2019.

The Sustainability performance for your Company for the Financial Year 2019-20 will be elaborated in detail in the GRI Report which is under preparation and will be ready for release shortly.

Your Company was recognised for its leadership position on the ESG dimensions during the year under review, by way of:

- Recognising as one of the India Climate Change Rising Stars 2019 in Carbon Disclosure Project (CDP).
- Receiving Bronze medal in S & P Global Sustainability yearbook 2020 and part of Dow Jones Sustainability Emerging Market Index.
- Igatpuri plant winning the 'Sustainable Factory of the Year Award' and 'Jury award for Zero Waste to Landfill' at India Sustainability Leadership Summit 2019.
- Winning the prestigious Business Vision 'Best Corporate Governance – India 2019' Award.
- Winning the prestigious Golden Peacock Global Award for Excellence in Corporate Governance for 2019.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure VII and forms part of this Report.

N. SECRETARIAL

Share Capital

The issued, subscribed and paid-up Share Capital of the Company stood at Rs. 621.60 crores as at 31st March 2020 comprising of 1,24,31,92,544 Ordinary (Equity) Shares of Rs. 5 each fully paid-up. There was no change in Share Capital during the year under review.

Compliance with the provisions of Secretarial Standard 1 and Secretarial Standard 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2020 in Form No. MGT-9 is attached as Annexure VIII and forms part of this Report.

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

O. POLICIES

The details of the Key Policies adopted by the Company are mentioned at Annexure IX to the Board's Report.

P. GENERAL

Neither the Executive Chairman nor the Managing Director of the Company received any remuneration or commission from any of the subsidiary of your Company.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any Scheme save and except Employees Stock Option Schemes (ESOS) referred to in this Report.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3) (c) of the Companies Act, 2013).
5. There has been no change in the nature of business of your Company.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 12th June, 2020

ANNEXURE I**Dividend Distribution Policy**

The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The policy shall come into force for accounting periods beginning from 1st April, 2016.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value of Rs. 5 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out ratio in the range of 20% to 35% of the annual standalone Profits after Tax (PAT) of the Company.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

- **Internal Factors:**

- i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
 - a. Previous years and
 - b. Internal budgets,
- ii. Cash flow position of the Company,
- iii. Accumulated reserves,
- iv. Earnings stability,
- v. Future cash requirements for organic growth/expansion and/or for inorganic growth,
- vi. Brand acquisitions,
- vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
- viii. Deployment of funds in short term marketable investments,
- ix. Long term investments,
- x. Capital expenditure(s), and
- xi. The ratio of debt to equity (at net debt and gross debt level).

- **External Factors:**

- i. Business cycles,
- ii. Economic environment,
- iii. Cost of external financing,
- iv. Applicable taxes including tax on dividend,
- v. Industry outlook for the future years,
- vi. Inflation rate, and
- vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital,
- ii. Organic and/or inorganic growth,
- iii. Investment in new business(es) and/or additional investment in existing business(es),
- iv. Declaration of dividend,
- v. Capitalisation of shares,
- vi. Buy back of shares,
- vii. General corporate purposes, including contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Companies Act, 2013.

Information on dividends paid in the last 10 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website and the link to the policy is: <https://www.mahindra.com/resources/investor-reports/FY17/Governance/MM-Dividend-Distribution-Policy-29-9-2016-Final.pdf>.

The policy will also be disclosed in the Company's Annual Report.

ANNEXURE II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arms length basis—

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2020, which were not at arms length basis.

2. Details of material contracts or arrangement or transactions at arms length basis—

The details of material contracts or arrangements or transactions at arms length basis for the year ended 31st March, 2020 are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transaction	Date of approval by the Board	Amount paid in advance (Rs. in Crores)
1.	Mahindra Vehicle Manufacturers Limited (MVML) (Wholly owned subsidiary of the Company)	Purchase of Goods	9,315.09	April, 2019– March, 2020	The Related Party Transactions (RPTs) entered during the year were in the ordinary course of business and on arms length basis.	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee from time to time.	Nil
		Purchase of intangibles	374.32				
		Purchase of Services	51.31				
		Sale of Goods	1,008.85				
		Sale of Service	0.24				
		Interest Income	39.00				
		Dividend received	150.39				
		Reimbursement Received	189.54				
		Reimbursement made	6.24				
		Other Expense	0.33				
		Other Income	0.02				
		Deputation of Personnel to Parties	0.64				
		TOTAL	11,135.97				

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 12th June, 2020

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mahindra & Mahindra Limited
Gateway Building
Apollo Bunder
Mumbai 400001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra & Mahindra Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and external commercial borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period).

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following law applicable specifically to the Company:

The Motor Vehicles Act, 1988 and the Rules made thereunder.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Ltd. and the National Stock Exchange of India Ltd. read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board and its committees were unanimous.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Sachin Bhagwat

ACS: 10189

CP: 6029

UDIN: A010189B000253707

Place: Pune

Date: 19th May, 2020

ANNEXURE IV

Secretarial compliance report of Mahindra and Mahindra Limited for the year ended March 31, 2020

I, CS Sachin Bhagwat, Practicing Company Secretary, have examined:

- a. all the documents and records made available to me and explanation provided by **Mahindra and Mahindra Limited** ("the listed entity"),
- b. the filings/ submissions made by the listed entity to the stock exchanges,
- c. website of the listed entity,

for the year ended March 31, 2020 ("Review Period") in respect of compliance with the provisions of :

- a. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Review Period);
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the Review Period);
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Review Period);
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

and circulars/ guidelines issued thereunder. The listed entity and its material subsidiaries have modified the terms of appointment of statutory auditors who have already been appointed, by including in their terms of appointment,

the conditions mentioned in clauses 6 A and 6 B of the Circular No. CIR/CFD/CMD1/114/2019 dated 18 October, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries".

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
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NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
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NIL

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
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NOT APPLICABLE

Place: Pune
Date: 19th May, 2020

Sachin Bhagwat
ACS No.: 10189
C. P. No.: 6029
UDIN: A010189B000254565

ANNEXURE V
DETAILS OF REMUNERATION
Details pertaining to remuneration as required under Section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The remuneration of each Director, Chief Financial Officer and Company Secretary, percentage increase in their remuneration during the Financial Year 2019-20 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20 are as under:

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2019-20 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	Remuneration of Director/KMP for the Financial Year 2019-20 (Rs. in crores) (Including perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2019-20 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2019-20 (Including perquisite value of ESOPs exercised)	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year 2019-20
1.	Mr. Anand G. Mahindra	Executive Chairman	8.72	8.72	0.58%	0.58%	96.89
2.	Dr. Pawan Goenka	Managing Director	10.03	10.03	3.62%	-17.72%	111.44
3.	Mr. Nadir B. Godrej#	Independent Director	0.45	0.45	2.27%	2.27%	5.00
4.	Mr. M. M. Murugappan#	Independent Director	0.50	0.50	6.38%	6.38%	5.56
5.	Mr. R. K. Kulkarni#^	Independent Director	0.19*	0.19*	-62.75%	-62.75%	2.11
6.	Mr. Anupam Puri#^	Independent Director	0.14	0.14	-63.16%	-63.16%	1.56
7.	Dr. Vishakha N. Desai#	Independent Director	0.42	0.46	-2.33%	-36.99%	5.11
8.	Mr. Vikram Singh Mehta#	Independent Director	0.45	0.45	2.27%	2.27%	5.00
9.	Mr. T. N. Manoharan#	Independent Director	0.49	0.49	4.26%	4.26%	5.44
10.	Mr. Vijay Kumar Sharma (Nominee of LIC)\$	Nominee Director	0.32	0.32	146.15%	146.15%	3.56
11.	Mr. Haigreve Khaitan@#	Independent Director	0.30*	0.30*	—	—	3.33
12.	Ms. Shikha Sharma@#	Independent Director	0.28	0.28	—	—	3.11
13.	Mr. V S Parthasarathy**	Group CFO & Group CIO	5.13	5.13	5.99%	-27.13%	—
14.	Mr. Narayan Shankar	Company Secretary	1.51	2.08	5.59%	-6.31%	—

The remuneration of Independent Directors covers sitting fees and commission.

^ Ceased to be a Director with effect from 8th August, 2019.

@ Appointed Independent Director with effect from 8th August, 2019.

\$ Commission is payable to Life Insurance Corporation of India.

* The sitting fees and commission was paid/payable to Khaitan & Co., in which Mr. R. K. Kulkarni and Mr. Haigreve Khaitan are partners.

** Ceased to be Group CFO & Group CIO with effect from 1st April, 2020.

Note: All amounts are rounded off.

I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 8.55 lakhs and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

II. The percentage increase in the median remuneration of employees in the Financial Year:

In the Financial Year, there was an increase of 7.82% in the median remuneration of employees.

III. The number of permanent employees on the rolls of company:

There were 20,638 permanent employees on the rolls of the Company as on 31st March, 2020.

IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the Financial Year i.e. 2019-20 was 5.72% whereas the increase in the managerial remuneration for the Financial Year 2019-20 was -13.83%.

The remuneration of the Executive Chairman and the Managing Director is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.

The remuneration of Non-Executive Directors consists of commission and sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other factors as the Governance, Nomination and Remuneration Committee may deem fit etc. were taken into consideration.

V. Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

ANNEXURE VI

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Since its inception your Company has been a socially responsible corporate making investments in the community which go beyond any mandatory legal and statutory requirements. In line with the core purpose, the CSR vision is “to focus our efforts within the constituencies of girls, youth and farmers by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE”. In accordance with the Companies Act, 2013, your Company has committed 2% (Profit before Tax) annually towards CSR initiatives. The amount equal to 2% of the average net profit for the past three Financial Years is Rs. 106.56 crores. During the year,

your Company has spent Rs. 126.59 crores on CSR activities. Web link to the CSR Policy, including overview of projects or programs proposed to be undertaken – <https://www.mahindra.com/resources/FY20/AnnualReport.zip>

2. The Composition of the CSR Committee:

Dr. Vishakha N. Desai	-	Chairperson
Mr. Anand G. Mahindra	-	Member
Dr. Pawan Goenka	-	Member
Mr. Vikram Singh Mehta	-	Member
3. Average net profit of the company for last three financial years : Rs. 5,328.18 crores.
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) : Rs. 106.56 crores.
5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year: Rs. 106.56 crores.
 - (b) Amount unspent, if any : NA

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local area or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (Rs. in crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (Rs. in crores)	Cumulative Expenditure upto the reporting period (Rs. in crores)	Amount spent: Direct or through implementing agency
1.	NANHI KALI – Provides educational support (material & academic) to underprivileged girls in India through an after school support program. Every girl is provided with 360-degree support which includes daily academic support and an annual school supplies kit. Girls in secondary school are also given access to digital tablets, pre-loaded with audio-visual educational content, and additional material support including feminine hygiene material so that they can attend school with dignity. Through regular engagements with the families of the girls and sensitisation of community stakeholders, the project aims to create conducive girl friendly eco-systems. In FY20, the project supported the education of 1,74,681 girls. Of these 14,462 girls were supported by your Company, while the Mahindra Group as a whole supported 67,337 girls. The balance girls are supported by individuals and other corporates.	Promoting Education	Others – Across 9 states including: Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh, West Bengal	16.45	16.45	16.45	Through implementing agencies – K. C. Mahindra Education Trust & Naandi Foundation
2.	MAHINDRA SCHOLARSHIPS FOR UWC STUDENTS – Scholarships to enable deserving students to study at Mahindra United World College of India.	Promoting Education	Others – Pune, Maharashtra	3.00	3.00	3.00	Through implementing agency – Mahindra United World College of India
3.	RESEARCH PROJECTS OF THE INDIAN COUNCIL ON GLOBAL RELATIONS – Public policy research and knowledge generation on pressing national issues.	Promoting Education	Local – Mumbai, Maharashtra	1.50	1.50	1.50	Through implementing agency – Indian Council on Global Relations

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4.	AADARSH VIDYALAYA – Reconstruction of the Aadarsh Marathi and English medium school in Goregaon which provides education to children from low income families residing in the neighbouring slums. Post reconstruction the plan is to convert the English medium school into an I.C.S.E. school.	Promoting Education	Local – Mumbai, Maharashtra	2.00	2.00	2.00	Through implementing agency – Vishal Mumbai Shikshan Prasarak Mandal
5.	MAHINDRA SCHOOLS – Funding support towards renovation & maintenance of the Mahindra Schools.	Promoting Education	Other – Mumbai, Khopoli, Maharashtra, Zaheerabad, Andhra Pradesh and Chennai, Tamil Nadu	1.50	1.50	1.50	Through implementing agency – K. C. Mahindra Education Trust
6.	MMRT 42 FOUNDATION – Building a comfortable and appealing classroom for Madras Seva Sadan at Harrington Road / Tambaram Campus, to benefit underprivileged children studying there by reducing absenteeism and improving their academic performance.	Promoting Education	Others – Chennai, Tamil Nadu	0.10	0.10	0.10	Through implementing agency – MMRT 42 Foundation
7.	SOCIAL AMBASSADORS PROGRAM – This career guidance program benefitted 1690 students, including those from low income communities.	Promoting Education	Other – Maharashtra (Mumbai, Pune, Satara, Ratnagiri, Shahapur)	0.11	0.12	0.12	Direct implementation through ESOPS (Employee Social Options Platform)
8.	CENTRE FOR RESEARCH & RURAL INDUSTRIAL DEVELOPMENT – Supporting research, academic, development & training activities of the organisation.	Promoting Education	Others – Chandigarh	0.15	0.15	0.15	Through implementing agency – The Centre for Research & Rural Industrial Development
9.	XAVIER INSTITUTE OF MANAGEMENT (XLRI) – To support students and faculty of XLRI with access to global knowledge resources, thereby leading to exchange, creation and dissemination of ideas which will further the frontiers of knowledge in the area of Human Resource Management and Industrial Relations.	Promoting Education	Others – Jamshedpur, Jharkhand	0.09	0.09	0.09	Through implementing agency – Xavier School of Management (XLRI)

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10.	SAHYOG – Through this skill based volunteering platform 4,646 students benefitted from public speaking classes, career guidance, awareness on health and hygiene, self defence training, painting of school classrooms and other extra curricular activities.	Promoting Education	Others – Uttarakhand, Karnataka, Madhya Pradesh, Mohali, Telangana, Maharashtra	0.03	0.03	0.03	Direct implementation through ESOPS (Employee Social Options Platform)
11.	MAHARASHTRA STATE WOMEN'S COUNCIL – The study centre in Worli provided 990 students, aged 15-35 years, from low socio economic communities in the neighbourhood a safe place to study.	Promoting Education	Local – Mumbai, Maharashtra	0.03	0.03	0.03	Through implementing agency – Maharashtra State Women's Council
12.	RISE FOR SAFE ROADS – Creating India's first Zero Fatality Corridor on the Mumbai Pune Expressway through interventions in 4Es i.e. Engineering, Enforcement, Education and Emergency Response and implementing the ADAPT™ Program through which safe driving training is given to long haul truck drivers. IMPACT : 43% reduction in fatalities in 4 years (F16-151 fatalities vs. F20-86 fatalities). 780 Truck Drivers trained in – Anticipatory Driving and Accident Prevention Training (ADAPT) and 372 police/ security personnel trained in life saving skills in F20-5,400 Long Haul Drivers trained since project inception - F16.	Promoting Education	Others – Maharashtra	5.33	5.33	5.33	Through implementing agencies – SaveLIFE Foundation in collaboration with Maharashtra State Road Development Corporation Limited (MSRDC)

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13.	<p>GYANDEEP – The program provides Scholarships, Digital Education, Career Guidance, Mentoring, Books & Stationary, Abacus Learning Module and Infrastructure Improvement support.</p> <p>IMPACT: Overall 29,672 children benefitted including 1,799 children who were provided scholarships.</p>	Promoting Education	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Punjab, Uttar Pradesh, Madhya Pradesh	5.19	5.19	5.19	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – The Good Harvest Trust, Swajan Social Development and Health Education Samiti, Navnirman Samaj Vikas Kendra, Ajit Foundation, Jyot, Children's Movement for Civic Awareness (CMCA) Seva Sahyog, Thakur Education Trust, K. C. Mahindra Education Trust (KCMET), Indiabow Foundation, United Way.
14.	<p>STREETSMART – Road Safety Awareness Campaign, Defensive Driver Training & Infrastructure Support, National Road Safety Week Celebration.</p> <p>IMPACT: 25,016 Beneficiaries</p>	Promoting Education	Others – Tamil Nadu, Maharashtra, Telangana, Uttarakhand, Madhya Pradesh, Odisha	0.77	0.77	0.77	Direct through ESOPS (Employee Social Options Platform) & through implementing agency – Society of Indian Automobile Manufacturers (SIAM).
15.	<p>BAJA - PROJECT BASED LEARNING OF AUTO ENGINEERING CONCEPTS – Undergraduate Engineering Students are provided with a platform in the form of a project that allows hands on experience in all aspects of automobile engineering and interaction with auto stakeholders.</p> <p>IMPACT: Participation of 12,573 College Students</p>	Promoting Education	Others – Maharashtra, Jammu & Kashmir, Chandigarh, Uttarakhand, Haryana, Uttar Pradesh, Bihar, Tripura, West Bengal, Madhya Pradesh, Gujarat, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Rajasthan, Odisha, Telangana, Jharkhand, Goa, Delhi, Punjab	1.62	1.62	1.62	Direct through ESOPS (Employee Social Options Platform) & through implementing agency – Society of Automotive Engineers (SAE), India

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16.	<p>A WORLD IN MOTION (AWIM) – PROJECT BASED LEARNING OF MECHANICAL CONCEPTS – Class V & VI students are provided with a platform that allows hands on experience of mechanical concepts for building vehicles for road and water.</p> <p>IMPACT: Participation of 25,723 students</p>	Promoting Education	Others – Gujarat, Maharashtra, Tamil Nadu, Kerala, Rajasthan, Uttarakhand, Madhya Pradesh, Chandigarh, Telangana	0.79	0.79	0.79	Direct through ESOPS (Employee Social Options Platform) & through implementing agency – Society of Automotive Engineers (SAE), India
17.	<p>MAHINDRA PRIDE SCHOOL – Provide livelihood training for youth from socially & economically disadvantaged communities. In FY20, the Mahindra Group supported 9 schools in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and 3 in Chennai through which 6,045 students were trained. From inception till date 39,280 students have been trained and 100% have been placed. Of these, your Company has supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi & two in Chennai which cumulatively skilled 3,641 students in FY20. Further, an additional 71,248 students were trained through the Mahindra Pride Classrooms conducted in a number of Polytechnics and Arts & Science Colleges in 16 States of India. The Mahindra Pride Classrooms provide 40-120 hours of training to final year students covering English Speaking, Life Skills, Aptitude, Interview, Group Discussion and Digital Literacy. The Mahindra Group as a whole supported the training of 1,01,391 students through the Mahindra Pride Classrooms.</p>	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Andhra Pradesh, Bihar, Delhi, Gujarat, Jammu & Kashmir, Haryana, Kerala, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal	15.00	15.00	15.00	Through implementing agencies – K. C. Mahindra Education Trust & Naandi Foundation

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18.	HUNNAR – Skill Development for youth through vocational courses in auto sales & service, diesel generators training, driver training and ITI Upgradation - Infrastructure Development. IMPACT: 3,019 Beneficiaries	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Rajasthan, Madhya Pradesh, Tamil Nadu, Maharashtra, Uttarakhand, Punjab, Gujarat	2.48	2.48	2.48	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Kherwadi Social Welfare Association (KSWA), Vidyadaan Sahayyak Mandal (VSM), Ashok Leyland Driver's Training Institute, Response Net, YMCA, Yash Foundation, St. Joseph's Technical School Trust
19.	SHRI V R DESHPANDE MEMORIAL TRUST – Provision of scholarships to allow students from economically disadvantaged backgrounds to undergo vocational training at the Deshpande Private Industrial Training Institute.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Haliyal, Karnataka	0.05	0.05	0.05	Through implementing agency – V R Deshpande Memorial Trust
20.	SEHAT – The program provides Ambulance Services, regular Mobile Dispensaries, Medical Camps, Cancer Care programs, holistic HIV-AIDS Program, Mother & Child Care, Immunisation out reach, Nutritional support, Providing Safe Drinking Water, Awareness Camps, Pest Control Services, Dialysis and Infrastructure Development. IMPACT: 1,34,327 Beneficiaries	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Punjab, Uttar Pradesh, Jharkhand, Madhya Pradesh	4.79	4.79	4.79	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Nana Palkar Smruti Samiti, Navnirman Samaj Vikas Kendra, Aditya Mehta Foundation, Rotary Club, Maharashtra Village Social Transformation Foundation, Mafoi Foundation, YASH Foundation, Sevamob, Government & local hospitals, Cancer Patients Aid Association (CPAA), Global Cancer Care India, Swajan Social Development and Health Education Samiti

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21.	SWACHH BHARAT ABHIYAN – Cleanliness and Awareness Drives. Construction of Toilets, Adopting public Infrastructure for Development, maintenance and upkeep. IMPACT: 97 Toilets constructed. Overall beneficiaries 82,666	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Chandigarh, Punjab	4.56	4.57	4.57	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Navnirman Samaj Vikas Kendra and Swajan Social Development and Health Education Samiti
22.	ANTIM PRASTHAN – Redevelopment of the (Mata Ramabai Ambedkar Worli Smashan Bhumi) Worli Crematorium in Mumbai to make it a world class facility in partnership with MCGM.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	2.50	2.50	2.50	Through implementing agency – Hiralal Parekh Parivar Charity Trust
23.	CANCARE TRUST – Providing a grant for setting up The Head and Neck Cancer Institute of India, which is a Public Private Partnership with BMC and CanCare Trust.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	3.00	3.00	3.00	Through implementing agency – Mahindra Foundation in partnership with the CanCare Trust
24.	NUTRITION SURVEY – To understand the intricacies of malnutrition prevailing in 11 mandals of Paderu Agency Area of Andhra Pradesh.	Promoting Preventive Healthcare & Sanitation	Other – Araku, Andhra Pradesh	0.40	0.40	0.40	Through implementing agency – Naandi Foundation
25.	NAVYACARE – Provision of low cost online / app based support to patients from rural areas by giving them evidence-based treatment options reviewed by a multidisciplinary panel of experts at Tata Memorial Hospital, proven to be beneficial in increasing the cure rate, longevity and quality of life of these individuals.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	0.15	0.15	0.15	Through implementing agency – Tata Memorial Centre of Tata Memorial Hospital
26.	MAHINDRA FOUNDATION – Providing support, counseling and treatment assistance to breast cancer patients.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	0.12	0.12	0.12	Through implementing agency – Mahindra Foundation in partnership with Indian Cancer Society and Tata Memorial Hospital

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27.	PARYAS SOCIETY – Support for the ‘Sansad Mobile Swasthya Seva’ programme – an initiative to ensure that quality and free medical services reach the poorest of poor in the remotest areas of Himachal Pradesh. The grant was towards the operational costs of one Mobile Medical Unit (MMU) for 1 year.	Promoting Preventive Healthcare & Sanitation	Others – Himachal Pradesh	0.35	0.35	0.35	Through implementing agency – Paryas Society
28.	PALCARE – Supporting the palliative care program for people with chronic illnesses such as cancer, alzheimer’s, kidney failure, lung conditions and stroke.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	0.25	0.25	0.25	Through implementing agency – Mahindra Foundation in partnership with the Jimmy S Bilimoria Foundation
29.	CENTRE FOR STUDY OF SOCIAL CHANGE – For the integrated community development project called Women In India (WIN). As an extension to WIN clinics, the Mobile Medical Van service has benefitted 15,000 families from the slums of H/East municipal ward of Mumbai from Bandra East to Santacruz East, till date.	Promoting Preventive Healthcare & Sanitation	Local – Mumbai, Maharashtra	0.07	0.07	0.07	Through implementing agency – Centre for Study of Social Change
30.	MEDICAL OUTREACH – Medical support provided to 30 needy patients from Chhindwara through tie ups with two speciality hospitals in Nagpur.	Promoting Preventive Healthcare & Sanitation	Others – Chhindwara, Madhya Pradesh	0.20	0.20	0.20	Through implementing agency – Mahindra Foundation
31.	NAVDRUSHTI – EYE CARE AND VISION CORRECTIONS - Awareness drives, eye testing, distribution of spectacles and cataract surgeries for deprived sections of society. IMPACT: 5,695 Beneficiaries	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Tamil Nadu, Punjab	0.30	0.30	0.30	Through implementing agencies – Shankar Netralaya, Ganga Mata Eye Hospital, Kandivali Hitwardhak Mandal, Swajan Social Development and Health Education Samiti, Tulsi Eye Hospital & Nandadeep Eye Hospital
32.	JEEVANDAN - BLOOD DONATION INCLUDING LIFE SUPPORT FOR THALASSEMIA PATIENTS – An ESOPS initiative that is held regularly across Plants. It includes a robust Thalassemia Adoption Program providing an uninterrupted blood supply for Thalassemia patients. IMPACT: 10,707 Beneficiaries	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Chandigarh	0.06	0.06	0.06	Direct through ESOPS (Employee Social Options Platform) & Local Blood Banks

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33.	PROJECT HARIYALI – In FY20, your Company planted 1.32 million trees which contributed to improving green cover & protecting bio-diversity in the country. Of these, 1.13 million trees were planted in the Araku valley. This provided livelihood support to tribal farmers growing coffee in this region. The balance were planted across various locations across India. In FY20, the Mahindra Group, planted a total 1.52 million trees across India.	Ensuring Environmental Sustainability	Others – Araku, Andhra Pradesh, Maharashtra, Uttarakhand, Telangana, Tamil Nadu, Rajasthan, Jharkhand, Bihar, Uttar Pradesh, Punjab, Madhya Pradesh, Gujarat	5.99	5.99	5.99	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Naandi Foundation, Navnirman Samaj Vikas Kendra, Loknayak Jayprakash Narayan Leprosy Eradication Trust (LJNLET), Lahs Pratishthan, Swajan Social Development and Health Education Samiti, Save Aarey Foundation
34.	MAHINDRA TERI CENTRE OF EXCELLENCE – Supporting research activities at the 'Mahindra TERI Centre of Excellence for Sustainable Habitats' which was set up to provide a coherent database for market ready, scalable, viable technologies and materials.	Ensuring Environmental Sustainability	Others – Gurugram, Haryana	2.00	2.00	2.00	Through implementing agency – TERI (The Energy and Resources Institute)
35.	GREEN GUARDIANS – Promoting green energy through collaboration with IIT(M)'s COE - Center for Battery Operation. Promoting use of Bio Gas produced through Canteen Waste for hospital, Waste Management through BIOGAS. IMPACT: 15,966 Beneficiaries	Ensuring Environmental Sustainability	Others – Tamil Nadu, Maharashtra, Punjab, Madhya Pradesh	3.30	3.30	3.30	Through implementing agencies – Indian Institute of Technology, Madras, Loknayak Jayprakash Narayan Leprosy Eradication Trust (LJNLET), ESL
36.	SURYODAYA – Rural Electrification through solar & wind energy - Renewable energy source promotion. IMPACT: 2,971 Beneficiaries	Ensuring Environmental Sustainability	Other – Maharashtra, Madhya Pradesh, Rajasthan	0.41	0.41	0.41	Through implementing agencies – Spitzen Energy Solutions (India) Pvt. Ltd., Teorainn Solar Pvt Ltd, Prithvi Foundation
37.	NAGAR – Contribution to initiatives for Advocacy, Governance and Environment Renewal.	Ensuring Environmental Sustainability	Local – Mumbai, Maharashtra	0.03	0.03	0.03	Through implementing agency – NAGAR
38.	WORLD WIDE FUND FOR NATURE INDIA – Supporting the Nature Guardian program to build a sustainable future for the planet, people, children, women and wildlife.	Ensuring Environmental Sustainability	Others – Delhi	0.01	0.01	0.01	Through implementing agency – World Wide Fund for Nature India

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39.	PEOPLE FOR ANIMAL – Animal welfare initiatives including setting of an animal hospital cum shelter in Raipur.	Ensuring Environmental Sustainability	Other – Raipur	0.10	0.10	0.10	Through implementing agency – People for Animal
40.	INTEGRATED WATERSHED MANAGEMENT PROGRAM (IWMP) – Watershed Development at Bhopal through a Private Public Partnership (PPP) model with Government of Madhya Pradesh and at Hatta with National Bank for Agriculture and Rural Development (NABARD). The project aims to increase the Ground Water Table resulting in increased agricultural productivity and improved living standards. IMPACT: At Bhopal: water table increased by 1.1 mtr, Agricultural Productivity increased by 30% while the average income increased to Rs. 51,000 per family. At Hatta 1,110 Lakh ltr water conserved. An average annual income increased by 29% post Intervention. 301 Self Help Groups (SHGs) have been formed since inception. As a result of these cumulative measures 38,447 people in 48 villages have benefitted.	Rural Development	Others – Madhya Pradesh	2.29	2.29	2.29	Direct through ESOPS (Employee Social Options Platform) & through implementing agency – National Bank for Agriculture and Rural Development (NABARD)
41.	KRISHI MITR : RURAL DEVELOPMENT AIMED AT IMPROVING INCOME GENERATION FOR FARMING COMMUNITIES – The program includes micro nutrient soil testing, advisory services, drip irrigation, Agri extension services, dairy farming, permaculture farming, infrastructure development and deployment capacity building resulting in improvement in agricultural productivity Project Prerna - Empowering farmers through deployment of gender friendly farm equipment. IMPACT: 41,322 Beneficiaries	Rural Development	Others – Maharashtra, Madhya Pradesh, Rajasthan, Karnataka	6.39	6.39	6.39	Through implementing agencies – Indian Society of Agribusiness Professionals (ISAP), Self Reliant Initiatives Through Joint Action (SRIJAN), Rajasthan Rural Institute of Development Management (RRIDMA), BAIF Research Foundation, J K Trust, Maharashtra Village Social Transformation Foundation

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42.	GRAM VIKAS – Integrated Village Development including Water Management through revival / reconstruction of water structures. Livelihood programs, Infrastructure support. Accessing Government schemes supporting holistic rural development. IMPACT: 82,294 Beneficiaries	Rural Development	Others – Maharashtra, Telangana, Rajasthan, Madhya Pradesh, Uttar Pradesh, Tamil Nadu, Uttarakhand	6.25	6.25	6.25	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – International Crop Research Institute in Semi-Arid Tropics, Dilasa Jan Vikas Pratishthan, Loknayak Jayprakash Narayan Leprosy Eradication Trust (LJNLET), Lahs Pratishthan, Development Support Center, BAIF & NABARD, KARM, Bala Vikasa Helping communities, Aparajita Samajik Samiti
43.	WARDHA FARMER FAMILY PROJECT (WFFP) – Enriching farmers lives through a comprehensive agrarian solution. Pomegranate cultivation is being promoted in the area using bio dynamic farming practices. IMPACT : Working in 2 blocks of Wardha, 176 Active farmers, in F20 Harvest of 4.9 tonnes pomegranates on 22.5 Acres- resulting total revenue of Rs. 2.36 Lakhs. Intercropping of Onions, Wheat, Red, Black & Bengal gram initiated to improve farmers Income.	Rural Development	Others – Wardha, Maharashtra	1.04	1.04	1.04	Through implementing agency – Naandi Foundation
44.	VSTF SMART – (STATE OF MAHARASHTRA'S AGRIBUSINESS AND RURAL TRANSFORMATION PROJECT) - Supporting the Government of Maharashtra's market led, inclusive and competitive value chain programme assisted by the World Bank. The programme focuses on small, marginal farmers and agri-entrepreneurs of the state.	Rural Development	Local – Maharashtra	2.00	2.00	2.00	Through implementing agency – Village Social Transformation Foundation (VSTF)
45.	SAMANTAR – Promoting gender equality, providing support to differently abled, orphanages, Clothes Donation and Shoe donation Drives for children and local community from Tribal/ lower social economic strata. IMPACT: 1,968 Beneficiaries	Promoting Gender Equality, Homes/ Hostels/ Day Care for Women, Orphans, Senior Citizens	Others – Maharashtra, Rajasthan, Tamil Nadu	0.11	0.11	0.11	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Goonj, Greensole, Adhata Trust

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local area or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (Rs. in crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (Rs. in crores)	Cumulative Expenditure upto the reporting period (Rs. in crores)	Amount spent: Direct or through implementing agency
46.	PM CARES – Donation to 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' to support COVID-19 Relief efforts.	Disaster Management	Others	0	20.00	20.00	Through implementing agency – 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund'
47.	DISASTER RELIEF – A) Supporting relief and rehabilitation measures of the Odisha State Disaster Management Authority (OSDMA) post the devastating Odisha floods B) Flood Relief - Supporting with essentials during Assam Floods, providing sanitation kits to Maharashtra floods, Sangli, Kolhapur, Satara providing water tanker support in drought affected area. IMPACT: 29,500 Beneficiaries	Disaster Management	Others – Odisha, Assam and Maharashtra	1.53	1.53	1.53	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – Odisha State Disaster Management Authority (OSDMA) and Nath Pratishtan
48.	COVID-19 EMERGENCY RESPONSE – Providing cooked food/meals, Ration kits to the migrant workers and families, providing mask, sanitizers to health workers, Police Department, Local Government Departments. IMPACT: 2,71,750 Beneficiaries	Disaster Management	Others – Maharashtra, Uttarakhand, Rajasthan, Punjab, Madhya Pradesh, Tamil Nadu	2.06	2.08	2.08	Direct through ESOPS (Employee Social Options Platform) & through implementing agencies – HelpAge India, Thakur Education Trust, Seva Sahyog Foundation, Mahindra Foundation - Disaster Management unit, BMC Mumbai, Swajan Social Development and Health Education Samiti, Local Police, Sai Sanstha Pratishtan
49.	OTHERS – A) St. Jude India Child Care Centre - Care of children suffering from Cancer- 0.02 B) Blind Organization of India - Braille aids for visually challenged individuals - 0.003 C) Hariyali Audit through BNHS - was carried out for the plantations done from 2016 to 2018 and the average survival rate was reported to be "above 80%" - 0.03 D) GCO ESOPS - 0.05 E) R&R - 0.01	Promoting Preventive Healthcare & Sanitation & Ensuring Environmental Sustainability	Local – Mumbai, Maharashtra	0.11	0.11	0.11	Direct through ESOPS (Employee Social Options Platform) and through implementing agencies – St. Jude, Blind Organisation of India, Bombay Natural History Society
TOTAL				106.56	126.59	126.59	

6. In case the Company has failed to spend the two per cent, of the average net profit of the last three Financial Years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report
- Not applicable, since the Company has spent the two per cent of the average net profit of the last three Financial Years as per the Companies Act, 2013 and the Company believes that the above projects and activities fall within the purview of Schedule VII of the Companies Act, 2013.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

PAWAN GOENKA

Managing Director and Chief Executive Officer

VISHAKHA N. DESAI

Chairperson – CSR Committee

Mumbai, 12th June, 2020

ANNEXURE VII

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 IS FORMING PART OF THE BOARD'S REPORT FOR THE FINANCIAL YEAR 2019-20

(A) Conservation of Energy

Your Company is committed to sustainable business practices by contributing to environment protection & considers energy conservation as one of the strong pillars of preserving natural resources. This also helps in reducing carbon footprint across all its operations and improve the bottom-line under our 'Mission Sustainability'.

Your Company is the first Indian signatory to EP100 (Energy Productivity 100%) by 2030 with base year 2009, a program promoted by 'The Climate Group'. Further, your Company has committed to becoming Carbon Neutral by 2040. Your Company is also committed for Science Based Target (SBT) to De-carbonise its growth and thus contributing to keep global temperature rise below 2 degrees Celsius as per Paris accord 2015.

Your Company has a robust roadmap for achieving targets for improving energy efficiency and adoption of renewable energy. Your Company continues to invest in various energy efficiency programs abiding by its commitment towards internal carbon price of USD 10 per ton of carbon emitted. 14 facilities of your Company have been certified as Zero waste to land fill.

Your Company has taken various initiatives as listed below, for energy conservation and preserving natural resources:

- Programs for improving energy efficiency and energy productivity across all operations.
- Thrust on increasing share of renewable energy.
- Converting existing Facilities into Green buildings and factories.
- Rain water harvesting, reduce usage, reuse and recycle water.
- Thrust on Zero waste to land fill and promote circular economy.
- Eco efficiency in supply chain.

(i) The steps taken/impact on conservation of energy:

- Installation of energy efficient centrifugal air compressor.
- Replacement of old motors with premium efficiency IE3 motors.
- Installation of Energy efficient inverter split AC's.
- Chiller efficiency improvement by use of online condenser cleaning mechanism.
- Installation of energy efficient BLDC ceiling fans.
- Installation of high velocity low speed (HVLS) fans on shop floor.
- Adoption of cold box process in Foundry.
- Installation of demand side controller for compressed air.
- Waste heat recovery from air compressors.
- Adoption of innovative Nano-technology at pre-treatment to reduce process temperature.

Your Company believes in employee engagement for driving positive change towards this goal and has taken multiple initiatives. Select few initiatives are listed below:

- National energy conservation week celebration at all plants during 14th to 20th December.
- Sustainability month celebration at all plants (June month).
- Capability building programs on Energy and Sustainability.
- Celebration of Founders' day with specific theme based on Energy and Sustainability.
- Competitions for posters, slogans, suggestions and quiz.
- Enhance learning through digital platforms like E-learning, Webinars etc.

- Awareness creation through e-mailers, wall papers, posters and slogans.
- Spreading the importance of energy conservation in nearby schools and colleges.

(ii) The steps taken by the Company for utilising alternate sources of energy:

For the year under review, your Company has sourced 15.3 MW power from renewable energy sources (9 MW from Solar and 6.3 MW from Windmills).

Power from renewable sources is 7.2% of total power consumption and mitigates 15,005 tons of CO₂e. Your Company has set a target to increase the share of renewable energy to ~15% by Financial Year 2022.

(iii) The capital investment on energy conservation equipments:

For the year under review, your Company implemented various projects towards Energy Conservation, to the tune of Rs. 29.3 crores (Rs. 9.3 crores as CAPEX and Rs. 20 crores through the OPEX route). These projects include Energy efficient AC's, compressor heat recovery, energy efficient motors, pumps and many more energy conservation initiatives.

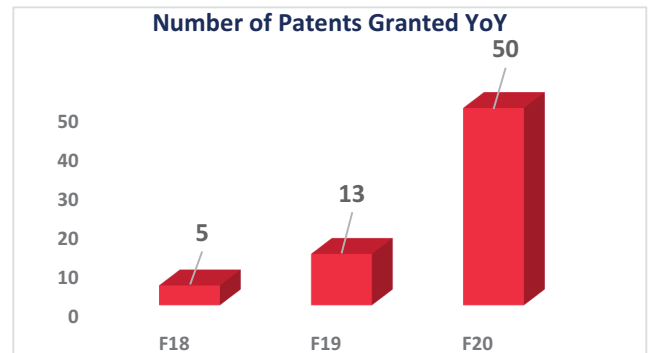
(B) Technology Absorption

(i) The efforts made towards technology absorption:

Your Company is committed towards technology driven innovation and inculcating an innovation driven culture within the organisation.

During the year under review, your Company continued to work on advanced technologies, upgradation of existing technology and capability development in the critical areas for current and future growth. In the Automotive Sector, special focus was given on BS6 emission technologies, gasoline engine, CNG technologies, safety technologies, alternative materials, automotive electronics and connected vehicles. In Farm Equipment Sector, technology areas such as intelligent tractors, new electronic architecture were given special emphasis. This would help in making the Company's products retain their competitive edge in the market in the coming years.

Your Company continues to invest in technology development and patent acquisitions. For the year under review, your Company filed a total of 185 patent applications. Cumulatively, your Company has filed 1,453 patent applications so far. The Company's total patent granted portfolio stands at 125 currently across multiple geographies and has significantly grown over last few years.



(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The efforts taken by your Company towards technology development and absorption help deliver competitive advantage and market leadership through the launch of customer centric products and variants, introduction of new features and improvement of product performance.

Some examples of results delivered in the year 2019-20 are:

Automotive Sector

- Timely readiness of product portfolio for migration to BS6 emission norms.
- Launch of XUV300 (export variant), AMT for XUV300, New Bolero City Pik-Up and Supro Minitruck CNG.
- Development of in-house capabilities on complex diesel after-treatment systems development, OBD (on-board diagnostics), RDE (real driving emissions).
- Development of multiple friction reduction technologies to improve fuel economy.
- mStallion range of future ready BS6 compliant Gasoline Engines across three engine platforms - G12, G15 and G20.

- Development of several gasoline specific technologies including high pressure TGD_i, (Turbocharged Gasoline Direct Injection) and VGT (Variable Geometry Turbocharging).
- Design and development of the world's first single cylinder diesel engine to meet BS6 emission regulations in a 4-wheeler (mDura engine for Jeeto).
- XUV300 received highest 5-star safety rating from Global NCAP and Global NCAP's 'Safer Choice' award for being the safest car in India.

Farm Equipment Sector

Successful prove out of multiple technologies for adaptation and launch across tractor platforms:

- Front PTO & Hitch for Potato plater application and Hydraulic Assisted Brake & Electric Quick Lift for the MSTAR platform.
- Smart hydraulics for Yuvo platform.
- Hill farming technologies for Jivo platform.
- Smart Rotavator that communicates wirelessly with the user via mobile app and give indication to run on optimum speed, usage hours, oil change alerts, thus help improve productivity and save fuel in Rotavator operation.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Sr. No.	Details of Technology Imported	Year of Import	Status of Technology Absorption
1	Android Auto Technology	2017	Technology Absorbed
2	Driveline NVH Simulation Technology Package	2017	Technology Absorbed
3	Powertrain NVH Global Benchmark Databank	2017	Technology Absorbed
4	14 V Belt Starter Generator Technology for Intelli Hybrid Development	2017	Technology Absorbed
5	New Solitre Monocoat paint technology	2017	Technology Absorbed
6	VGT with e-Actuation	2018	Technology Absorbed
7	TGDI Technology for Gasoline Engines	2018	Technology Absorbed
8	Next Gen Display & HMI technology for driver controls, and infotainment@	2018	In the process of Absorption
9	Technologies to enhance HVAC system efficiency & improve in-cabin air quality	2018	Technology Absorbed
10	Next Gen Automotive LED lighting technology	2018	Technology Absorbed
11	DRL Light Guide Lamps for Tractors	2018	Technology Absorbed
12	Push Start Stop with immobilizer for tractor	2018	Technology Absorbed
13	Smart Electronic Architecture with FMCU Module for Digitisation of tractors in future	2018	Technology Absorbed
14	Power Hi-Low transmission	2019	Technology Absorbed
15	Intelligent Tractor@	2019	In the process of Absorption
16	Dual zone Automatic temperature control	2019	Technology Absorbed
17	Activated carbon filter	2019	Technology Absorbed

Sr. No.	Details of Technology Imported	Year of Import	Status of Technology Absorption
18	Driver knee air bag in IP for better safety	2019	Technology Absorbed
19	EPP Energy absorber	2019	Technology Absorbed
20	Light Weight High Performance Material	2019	Technology Absorbed
21	Heaters in ORVM	2019	Technology Absorbed
22	Selective Catalyst Reduction (SCR) Technology	2020	Technology Absorbed
23	Diesel particulate Filter (DPF) Technology	2020	Technology Absorbed
24	Advanced safety features@	2020	In the process of Absorption
25	Sequential Turn Indicator@	2020	In the process of Absorption
26	Adaptive Driving Beam@	2020	In the process of Absorption
27	Dynamic Bending Lamp@	2020	In the process of Absorption
28	5-Phase High Efficiency Alternator@	2020	In the process of Absorption
29	LIN Controlled Switches@	2020	In the process of Absorption
30	Smart Hydraulics	2020	Technology Absorbed
31	Hill Farming	2020	Technology Absorbed
32	Hydraulic Higher Lift Capacity	2020	Technology Absorbed

@ Areas where Technology not fully absorbed, reasons thereof:

All imported technologies 'In the process of Absorption' would be absorbed as per the respective Technology Absorption Schedule.

(iv) The expenditure incurred on Research and Development:

The Company spent Rs. 2,974.98 crores (including Rs. 2,169.24 crores on Capital Expenditure) for Research & Development work during the year, which was approximately 6.3% of the total turnover.

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange earnings and outgo during the year under review are as follows:

(Rs. in crores)

Total Foreign Exchange Earned and Outgo	For the Financial Year ended 31 st March, 2020	For the Financial Year ended 31 st March, 2019
Foreign Currency Earnings	2,237.45	3,063.06
Foreign Exchange Outgo (including remittance of Dividend)	1,096.90	1,005.75

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 12th June, 2020

ANNEXURE VIII

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

As on the Financial Year ended on 31st March, 2020

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L65990MH1945PLC004558
2.	Registration Date	02-10-1945
3.	Name of the Company	Mahindra & Mahindra Limited
4.	Category/Sub-category of the Company	Public Company-Limited by shares/Non-Government Company
5.	Address of the Registered Office & contact details	Mahindra & Mahindra Limited Gateway Building, Apollo Bunder, Mumbai-400001, Maharashtra Tel: +91-22-22895500 • Fax: +91-22-22875485
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar and Transfer Agent, if any.	KFin Technologies Private Limited Unit: Mahindra & Mahindra Limited Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India. Telephone number: +91 40 6716 2222 Fax number: +91 40 2342 0814 Investor Service Toll Free No. : 1-800-3454-001 E-mail : einward.ris@kfintech.com Website : http://www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Manufacture of Passenger Cars	29101	30.94%
2.	Manufacture of tractors used in agriculture and forestry	28211	31.54%
3.	Manufacture of Commercial vehicles such as vans, lorries, over the road tractors for semi-trailers, etc.	29102	24.69%
	TOTAL		87.17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β	Applicable Section
1	Mahindra Engineering and Chemical Products Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U74999MH1954PLC019908	Subsidiary	100.00%	2(87)(ii)
2	# Retail Initiative Holdings Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U67110MH2008PLC188837	Subsidiary	100.00%	2(87)(ii)
3	## Mahindra Retail Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U52190MH2007PLC173762	Subsidiary	100.00%	2(87)(ii)
4	Mahindra Overseas Investment Company (Mauritius) Ltd	IFS Court Twenty Eight, Cybercity Ebene- Mauritius	N.A.	Subsidiary	100.00%	2(87)(ii)
5	• Mahindra Emirates Vehicle Armouring FZ-LLC	P.O. Box No. 39893, Al Jazeera, Al Hamra. (Free Zone), RAKIA Industrial park, WFZ-08, Ras Al Khaimah, United Arab Emirates	N.A.	Subsidiary	88.00%	2(87)(ii)
6	•• Mahindra Armored Vehicles Jordan, LLC.	Post Box: 2585, Zip Code: 77110, South Aqaba Investment Park, Aqaba Back Road, Aqaba, Jordan	N.A.	Subsidiary	100.00%	2(87)(ii)
7	• Graphic Research Design s.r.l. r (formerly known as "Mahindra Graphic Research Design s.r.l.", name changed w.e.f. 03-07-2019)	CORSO RE UMBERTO 9/ BIS CAP 10121 TORINO (TO) ITALIA	N.A.	Subsidiary	100.00%	2(87)(ii)
8	• Mahindra Europe s.r.l.	Mahindra Europe Srl Via Cancelliera, 35 – Ariccia – Roma 00072, Italy	N.A.	Subsidiary	100.00%	2(87)(ii)
9	• Mahindra-BT Investment Company (Mauritius) Limited	IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius	N.A.	Subsidiary	57.00%	2(87)(ii)
10	• Mahindra Racing UK Limited	6 th Floor, 2, London Wall Place, London, EC2Y 5AU	N.A.	Subsidiary	100.00%	2(87)(ii)
11	• Mahindra Tractor Assembly Inc.	1055 West Square Lake Road, Troy, MI 48098	N.A.	Subsidiary	100.00%	2(87)(ii)
12	• Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	Hisar Mh.1047 Cd. No:2 26550 Tepebaşı Eskişehir, Turkey	N.A.	Subsidiary	88.86%	2(87)(ii)
13	x Hisarlar ithalat İhracat Pazarlama Anonim Şirketi	Hisar Mh 1047. cadde No: 2 Tepebaşı, Eskişehir, Turkey	N.A.	Subsidiary	100.00%	2(87)(ii)
14	• Mahindra Automotive North America Inc.	275 Rex Boulevard Auburn Hills, MI USA 48326	N.A.	Subsidiary	100.00%	2(87)(ii)
15	Ω Mahindra Vehicle Sales and Service Inc.	37 Old Brickyard Road Fletcher, NC 28732, USA	N.A.	Subsidiary	100.00%	2(87)(ii)
16	Ω Mahindra North American Technical Center, Inc	1055 West Square Lake Road, Troy, MI, 48098	N.A.	Subsidiary	100.00%	2(87)(ii)
17	• Erkunt Traktor Sanayii A.S.	Organize Sanayi Bölgesi, Batı Hun Caddesi No: 2-4-6, Sincan, Ankara, Turkey	N.A.	Subsidiary	100.00%	2(87)(ii)
18	• Erkunt Sanayi A.S.	Bahçekapı Mahallesi Fen İşleri Caddesi No: 2 Etimesgut, Ankara, Turkey	N.A.	Subsidiary	98.69%	2(87)(ii)
19	Mahindra Vehicle Manufacturers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U34100MH2007PLC171151	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β	Applicable Section
20	£ Mahindra Electric Mobility Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U34101MH1996PLC325507	Subsidiary	99.43%	2(87)(ii)
21	£ Mahindra Heavy Engines Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U35914MH2007PLC169753	Subsidiary	100.00%	2(87)(ii)
22	£ Mahindra Two Wheelers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35911MH2008PLC185462	Subsidiary	100.00%	2(87)(ii)
23	£ Mahindra Intertrade Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U51900MH1978PLC020222	Subsidiary	100.00%	2(87)(ii)
24	¥ PT Mahindra Accelo Steel Indonesia	Menara Imperium 22 nd Floor, Suite D, Jl. H.R. Rasuna Said Kav.1, Kecamatan Setiabudi, Kelurahan Guntur, South Jakarta, 12980, Indonesia	N.A.	Subsidiary	99.96%	2(87)(ii)
25	¥ Mahindra Auto Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2013PTC250979	Subsidiary	51.00%	2(87)(ii)
26	¥ Mahindra Electrical Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2009PTC193205	Subsidiary	100.00%	2(87)(ii)
27	¥ Mahindra Steel Service Centre Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH1993PLC070416	Subsidiary	61.00%	2(87)(ii)
28	¥ Mahindra MiddleEast Electrical Steel Service Centre (FZC)	Sharjah Airport International Free Zone, P3 11/12 Post Box: 8114, Sharjah UAE.	N.A.	Subsidiary	90.00%	2(87)(ii)
29	¥ Mahindra MSTC Recycling Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U37100MH2016PTC288535	Subsidiary	50.00%	2(87)(i)
30	Mahindra Two Wheelers Europe Holdings S.a.r.l.	9, Allée Scheffer - L-2520 Luxembourg Grand Duchy of Luxembourg	N.A.	Subsidiary	100.00%	2(87)(ii)
31	! Peugeot Motocycles S.A.S.	Rue Du 17 Novembre F25350, Mandeure, France	N.A.	Subsidiary	100.00%	2(87)(ii)
32	!! Peugeot Motocycles Italia S.P.A	199 via Gallarate, 20154 Milano, Italia	N.A.	Subsidiary	100.00%	2(87)(ii)
33	!!! PMTC Engineering SpA	Via del Babuino, 51, 00187 Roma	N.A.	Subsidiary	100.00%	2(87)(ii)
34	!! Peugeot Motocycles Deutschland GmbH	Kurhessen Strasse, 13. 64536, Morfelden-Walldorf Deutschland	N.A.	Subsidiary	100.00%	2(87)(ii)
35	Mahindra USA, Inc.	9020 Jackrabbit Road, Suite 600, Houston, Texas-77095, USA.	N.A.	Subsidiary	100.00%	2(87)(ii)
36	σ Mahindra Mexico S. de R. L.	Autopista Aguascalientes - Zacatecas Km 7, Colonia Constitución, CP 20126	N.A.	Subsidiary	99.99%	2(87)(ii)
37	Gromax Agri Equipment Limited	Vishwamitri, near Railway Over Bridge, Vadodara 390 011	U34100GJ1978PLC003127	Subsidiary	60.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β	Applicable Section
38	Mahindra Agri Solutions Limited	Mahindra Towers, Dr. G M Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U01400MH2000PLC125781	Subsidiary	98.60%	2(87)(ii)
39	≡ Mahindra Summit Agriscience Limited	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai 400018	U01400MH2018PLC315558	Subsidiary	60.00%	2(87)(ii)
40	≡ Mahindra HZPC Private Limited	Mahindra Towers, Near Doordarshan Kendra, Pandurang Budhkar Marg, Worli, Mumbai-400018	U01403MH2013PTC242474	Subsidiary	59.95%	2(87)(ii)
41	≡ Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.	Albert Plesmanweg 250, Port No. 2450, 3088 GD, Rotterdam, The Netherlands	N.A.	Subsidiary	100.00%	2(87)(ii)
42	≡ OFD Holding BV	Albert Plesmanweg 250, Port No. 2450, 3088 GD, Rotterdam, Netherlands	N.A.	Subsidiary	83.09%	2(87)(ii)
43	i Origin Direct Asia Ltd	10/F, Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong	N.A.	Subsidiary	60.00%	2(87)(ii)
44	ii Origin Direct Asia (Shanghai) Trading Co. Ltd.	Room 2050, 20F, No.212 Jiang Ning Rd, Jing An District, Shanghai, China	N.A.	Subsidiary	100.00%	2(87)(ii)
45	i Origin Fruit Direct B.V.	Albert Plesmanweg 250, Port No. 2450, 3088 GD, Rotterdam, Netherlands	N.A.	Subsidiary	100.00%	2(87)(ii)
46	i Origin Fruit Services South America SpA	Limache 3405, Office 126. Viña del Mar, Chile	N.A.	Subsidiary	100.00%	2(87)(ii)
47	≡ Mahindra Greenyard Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U01403MH2014PTC255946	Subsidiary	60.00%	2(87)(ii)
48	≡ Merakisan Private Limited (w.e.f. 25.07.2019)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U51909MH2016PTC283578	Subsidiary	61.47%	2(87)(ii)
49	Mahindra Consulting Engineers Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U74210MH1993PLC074723	Subsidiary	60.88%	2(87)(ii)
50	~ Mahindra Namaste Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U93000MH2010PLC198303	Subsidiary	100.00%	2(87)(ii)
51	Mahindra Holdings Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65993MH2007PLC175649	Subsidiary	100.00%	2(87)(ii)
52	o Mahindra Integrated Business Solutions Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U74999MH2011PTC212468	Subsidiary	100.00%	2(87)(ii)
53	o Mahindra Airways Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai 400018	U62100MH2016PLC284135	Subsidiary	100.00%	2(87)(ii)
54	o Mahindra First Choice Wheels Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U64200MH1994PLC083996	Subsidiary	49.17%	2(87)(i)
55	ζ Fifth Gear Ventures Limited (w.e.f. 27.01.2020)	Mahindra Towers, 2A Bhikaji Cama Place, Rama Krishna Puram, New Delhi 110066.	U74999DL2015PLC284756	Subsidiary	100.00%	2(87)(ii)
56	o Mahindra First Choice Services Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35999MH2008PLC180385	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β	Applicable Section
57	∅∅ Auto Digitech Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U29253MH2009PTC196365	Subsidiary	100.00%	2(87)(ii)
58	∅ Mahindra Susten Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U74990MH2010PTC207854	Subsidiary	100.00%	2(87)(ii)
59	∅∅∅ Mahindra Susten Bangladesh Private Limited	Navana Obaid Eternia, 28 - 29 Kakrail, Level-13, VIP Road, Dhaka-1000	N.A.	Subsidiary	100.00%	2(87)(ii)
60	∅∅∅ Mahindra Teqo Private Limited (Formerly Known as "MachinePulse Tech Private Limited", name changed w.e.f. 09.04.2019)	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai Maharashtra	U40100MH2016PTC271679	Subsidiary	100.00%	2(87)(ii)
61	∅∅∅ Marvel Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai Maharashtra	U74120MH2015PTC269074	Subsidiary	51.00%	2(87)(ii)
62	∅∅∅ MSPE Urja S.R.L.	Rovereto, Trentino, Italy	N.A.	Subsidiary	100.00%	2(87)(ii)
63	∅∅∅ Mahindra Renewables Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U40300MH2010PTC205946	Subsidiary	100.00%	2(87)(ii)
64	▲ Brightsolar Renewable Energy Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U40108MH2013PTC250683	Subsidiary	51.00%	2(87)(ii)
65	▲ Divine Solren Private Limited ϕ	Mahindra Towers, Dr. G.M Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai, Maharashtra	U74120MH2015PTC264259	Subsidiary	100.00%	2(87)(ii)
66	▲ Neo Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai, Maharashtra	U74999MH2015PTC266154	Subsidiary	100.00%	2(87)(ii)
67	▲ Astra Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai Maharashtra	U74120MH2015PTC269256	Subsidiary	100.00%	2(87)(ii)
68	∅∅∅ Mega Suryaurja Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai, MH 400018	U40103MH2012PTC226016	Subsidiary	100.00%	2(87)(ii)
69	∅∅∅ MSPL International DMCC (w.e.f. 08.10.2019)	Dubai Multi Commodities Centre ("DMCC"), Dubai, United Arab Emirates ("UAE")	N.A.	Subsidiary	100.00%	2(87)(ii)
70	∅ Bristlecone Ltd.	M&C Corporate Services Ltd., P.O. Box 309GT, Ugland House, South Church St., George Town, Grand Cayman, Cayman Islands.	N.A.	Subsidiary	75.14%	2(87)(ii)
71	± Bristlecone International AG	Rheinweg 7, 8200 Schaffhausen	N.A.	Subsidiary	100.00%	2(87)(ii)
72	± Bristlecone Consulting Limited	1500 Royal Centre 1055 West Georgia Street Vancouver, BC V6E 4N7.	N.A.	Subsidiary	100.00%	2(87)(ii)
73	± Bristlecone Inc.	10 Almaden Blvd, Suite 600 San Jose, CA 95113	N.A.	Subsidiary	100.00%	2(87)(ii)

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74	± Bristlecone UK Limited	125 Wood Street, London, EC2V 7AN	N.A.	Subsidiary	100.00%	2(87)(ii)
75	± Bristlecone (Malaysia) Sdn. Bhd.	41/F., Vista Tower, The Intermark, 348 Jalan Tun Razak, Kuala Lumpur City 50400, Malaysia	N.A.	Subsidiary	100.00%	2(87)(ii)
76	± Bristlecone Middle East DMCC	Unit No: 30-01-3572 DMCC Business Centre Level No 1, Jewellery & Gemplex 3 Dubai 282567, United Arab Emirates	N.A.	Subsidiary	100.00%	2(87)(ii)
77	± Bristlecone India Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U30007MH1991PLC064368	Subsidiary	100.00%	2(87)(ii)
78	≤ Bristlecone (Singapore) Pte. Ltd.	Level 21 & 34, Centennial Tower, 3 Temasek Avenue, Singapore - 039190	N.A.	Subsidiary	100.00%	2(87)(ii)
79	≤ Bristlecone GmbH	Partnerport, AlttrottstraBe31,D Walldorf 69190 Germany	N.A.	Subsidiary	100.00%	2(87)(ii)
80	Mahindra Holidays & Resorts India Limited	No. 17 / 18, 2 nd floor, Mahindra Towers, Patullos Road, Chennai 600002.	L55101TN1996PLC036595	Subsidiary	67.31%	2(87)(ii)
81	@ Mahindra Hotels and Residences India Limited	No. 17 / 18, 2 nd floor, Mahindra Towers, Patullos Road, Chennai 600002.	U55101TN2007PLC063285	Subsidiary	100.00%	2(87)(ii)
82	@ Gables Promoters Private Limited	No - 504, Block A, 5 th Floor, ELANTE Office Suites, Plot No-178-178/A, Industrial Area, Phase 1, Chandigarh - 160 001	U45209CH2012PTC033473	Subsidiary	100.00%	2(87)(ii)
83	@ MH Boutique Hospitality Limited	No. 33/118-119 Wall Street Tower Building, 23 rd Floor Surawongse Road, Surawongse sub-district, Bangrak District, Bangkok, Thailand	N.A.	Subsidiary	49.00%	2(87)(i)
84	\$ Infinity Hospitality Group Company Limited	No. 20 Soi Sukhumvit 7 (Lerdsin 2), Sukhumvit Road, Khwaeng Khlongtoey Nua, Khet Wattana Bangkok.	N.A.	Subsidiary	100.00%	2(87)(ii)
85	@ Heritage Bird (M) Sdn Bhd	802, 8 th Floor, Block C, Kelana Square, 17, Jalan SS7/26, 47301 Petaling Jaya, Selangor, Malaysia.	N.A.	Subsidiary	100.00%	2(87)(ii)
86	@ MHR Holdings (Mauritius) Limited	IFS Court, Twenty Eight Cyber City, Ebene, Mauritius	N.A.	Subsidiary	100.00%	2(87)(ii)
87	@@ Covington S.á.r.l	9, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg	N.A.	Subsidiary	100.00%	2(87)(ii)
88	\$\$ HCR Management Oy, Finland	Hitsaajankatu 22, 00810 Helsinki, Finland	N.A.	Subsidiary	100.00%	2(87)(ii)
89	\$\$ Holiday Club Resorts Oy, Finland	Hitsaajankatu 22, 00810 Helsinki, Finland	N.A.	Subsidiary	100.00%	2(87)(ii)
90	* Kiinteistö Oy Himos Gardens	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
91	* Kiinteistö Oy Vanha Ykköstii	Hitsaajankatu 22, 00810 Helsinki, Finland	N.A.	Subsidiary	100.00%	2(87)(ii)
92	* Kiinteistö Oy Katinnurkka	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)

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93	* Kiinteistö Oy Tenetinlahti	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
94	* Kiinteistö Oy Mällösniemi	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	N.A.	Subsidiary	100.00%	2(87)(ii)
95	* Kiinteistö Oy Rauhan Ranta 1	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	N.A.	Subsidiary	100.00%	2(87)(ii)
96	* Kiinteistö Oy Rauhan Ranta 2	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	N.A.	Subsidiary	100.00%	2(87)(ii)
97	* Kiinteistö Oy Tiurunniemi	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
98	* Kiinteistö Oy Rauhan Liikekiinteistöt 1	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
99	* Supermarket Capri Oy	C/o Kauppakeskus Capri Oy Vipelentie 3-5, 55320 Rauha	N.A.	Subsidiary	100.00%	2(87)(ii)
100	* Kiinteistö Oy Kylpyläntorni 1	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
101	* Kiinteistö Oy Spa Lofts 2	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
102	* Kiinteistö Oy Spa Lofts 3	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
103	* Kiinteistö Oy Kuusamon Pulkajärvi 1	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
104	* Holiday Club Resorts Rus LLC	Bolshaya Konushennaya str, 8. 191186 St-Petersburg, Russia	N.A.	Subsidiary	100.00%	2(87)(ii)
105	* Suomen Vapaa-aikakiinteistöt Oy	C/o Holiday Club Resorts Oy, Lapinniemenranta 12 33180 Tampere	N.A.	Subsidiary	100.00%	2(87)(ii)
106	* Holiday Club Sweden AB, Sweden	Box 68, 83010 Åre Sweden	N.A.	Subsidiary	100.00%	2(87)(ii)
107	** Holiday Club Sport and Spahotels AB	Box 68, 830 14 Åre, State Jamtlands Lan, Åre Kummun	N.A.	Subsidiary	51.00%	2(87)(ii)
108	** Åre Villa 3 AB	C/o Holiday Club Sweden AB, Box 68, 83014 Åre Sweden	N.A.	Subsidiary	100.00%	2(87)(ii)
109	** Ownership Service Sweden AB	C/o Holiday Club Sweden Ab, Box 68, 83013 Åre Sweden	N.A.	Subsidiary	100.00%	2(87)(ii)
110	** Holiday Club Canarias Investments S.L.U	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130. Canary Islands, Spain	N.A.	Subsidiary	100.00%	2(87)(ii)
111	*** Holiday Club Canarias Vacation Club SLU (formerly known as Passeport Sante SL, name changed w.e.f. 20.05.2019)	Avenida Ministra Anna Lindh no.1, Amadores, Mogan 35130, Canary Islands, Spain	N.A.	Subsidiary	100.00%	2(87)(ii)
112	*** Holiday Club Canarias Sales & Marketing S.L.U.	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130, Canary Islands. Spain	N.A.	Subsidiary	100.00%	2(87)(ii)
113	*** Holiday Club Canarias Resort Management S.L.U.	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130. Canary Islands. Spain	N.A.	Subsidiary	100.00%	2(87)(ii)
114	Mahindra & Mahindra Financial Services Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	L65921MH1991PLC059642	Subsidiary	51.19%	2(87)(ii)

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115	ð Mahindra Insurance Brokers Limited	Mahindra Towers, Worli, Mumbai-400018	U65990MH1987PLC042609	Subsidiary	80.00%	2(87)(ii)
116	ð Mahindra Rural Housing Finance Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65922MH2007PLC169791	Subsidiary	98.43%	2(87)(ii)
117	ð Mahindra Asset Management Company Private Limited ç	4 th Floor, A-Wing, Mahindra Towers, Dr. G M Bhosale Marg, P K Kurne Chowk, Mumbai-400018	U65900MH2013PTC244758	Subsidiary	100.00%	2(87)(ii)
118	ð Mahindra Trustee Company Private Limited f	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U67100MH2013PTC245464	Subsidiary	100.00%	2(87)(ii)
119	ð Mahindra Finance CSR Foundation (w.e.f. 02.04.2019)	Mahindra Towers, 4 th Floor, Dr. G.M. Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai City, MH 400018	U85320MH2019NPL323553	Subsidiary	100.00%	2(87)(ii)
120	Mahindra Trucks and Buses Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U63040MH1994PLC079098	Subsidiary	100.00%	2(87)(ii)
121	◊ Mahindra Automobile Distributor Private Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U34100MH2005PTC153702	Subsidiary	100.00%	2(87)(ii)
122	Mahindra Lifespace Developers Limited	5 th Floor, Mahindra Towers, Worli, Mumbai-400018	L45200MH1999PLC118949	Subsidiary	51.48%	2(87)(ii)
123	^ Mahindra World City Developers Limited	Ground Floor "Mahindra Towers" 17/18, Patullous Road, Chennai- 600002.	U92490TN1997PLC037551	Subsidiary	89.00%	2(87)(ii)
124	» Mahindra Industrial Park Chennai Limited	Ground Floor "Mahindra Towers" 17/18, Patullous Road, Chennai- 600002.	U45209TN2014PLC098543	Subsidiary	60.00%	2(87)(ii)
125	^ Mahindra World City (Jaipur) Limited	4 th Floor, 411, Neelkanth Towers, Bhawani Singh Road, C Scheme, Jaipur, Rajasthan. 302001	U45209RJ2005PLC021207	Subsidiary	74.00%	2(87)(ii)
126	^ Mahindra Integrated Township Limited	Administrative Block, Central Avenue, Mahindra World City, Natham Sub (PO), Chengelpet, Kancheepuram, Tamil Nadu - 603002	U74140TN1996PLC068288	Subsidiary	100.00%	2(87)(ii)
127	∞ Mahindra Residential Developers Limited	Mahindra World City Administrative Block, Chengalpattu, Tamil Nadu - 603002	U45200TN2008PLC066292	Subsidiary	100.00%	2(87)(ii)
128	^ Mahindra World City (Maharashtra) Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45309MH2005PLC156225	Subsidiary	100.00%	2(87)(ii)
129	◦ Mahindra Knowledge Park Mohali Limited	Swaraj Division, Phase 4, Chandigarh, Mohali, PB 160055 IN	U00000PB2000PLC024091	Subsidiary	99.97%	2(87)(ii)
130	◦ Deep Mangal Developers Pvt. Ltd	5 th Floor, Mahindra Towers, Worli, Mumbai-400018	U70102MH1989PTC051878	Subsidiary	100.00%	2(87)(ii)
131	^ Knowledge Township Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U72900MH2007PLC173137	Subsidiary	100.00%	2(87)(ii)

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132	^ Mahindra Bloomdale Developers Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45203MH2008PLC183107	Subsidiary	100.00%	2(87)(ii)
133	^ Industrial Township (Maharashtra) Ltd	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45203MH2008PLC184190	Subsidiary	100.00%	2(87)(ii)
134	^ Mahindra Infrastructure Developers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45201MH2001PLC131942	Subsidiary	100.00%	2(87)(ii)
135	^^ Mahindra Water Utilities Limited	Gateway Bldg., Apollo Bunder, Mumbai, Maharashtra.	U45205MH1999PLC121235	Subsidiary	99.00%	2(87)(ii)
136	^ Anthurium Developers Limited	5 th Floor, Mahindra Towers, Worli, Mumbai-400018	U70109MH2010PLC203619	Subsidiary	100.00%	2(87)(ii)
137	^ Mahindra Industrial Park Private Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U70102MH2013PTC241512	Subsidiary	100.00%	2(87)(ii)
138	^ Mahindra Homes Private Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U70102MH2010PTC203618	Subsidiary	71.61%	2(87)(ii)
139	^ Mahindra Happinest Developers Limited	Mahindra Towers, 5 th Floor, Dr. G. M, Bhosale Marg, Worli Mumbai City MH 400018 IN	U70100MH2017PLC299424	Subsidiary	51.00%	2(87)(ii)
140	^ Moonshine Construction Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45200MH1996PTC099607	Subsidiary	100.00%	2(87)(ii)
141	Mahindra Logistics Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	L63000MH2007PLC173466	Subsidiary	58.45%	2(87)(ii)
142	¥¥ Lords Freight (India) Private Limited	Unit No 511, 5 th Floor, Crescent Business Park, Sumitha Complex, Safedpul, Sakinaka, Andheri (East), Mumbai-400072.	U63030MH2011PTC216628	Subsidiary	82.92%	2(87)(ii)
143	¥¥ 2 x 2 Logistics Private Limited	Mahindra Towers, P. K. Kurne Chowk, Dr. G.M. Bhosale Marg, Worli, Mumbai-400018	U63000MH2012PTC237062	Subsidiary	55.00%	2(87)(ii)
144	Mahindra eMarket Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U72900MH2000PLC129103	Subsidiary	69.00%	2(87)(ii)
145	Mahindra Automotive Australia Pty. Ltd.	4/20, Buttonwood Place, Willawong, QLD 4110, Australia	N.A.	Subsidiary	100.00%	2(87)(ii)
146	SsangYong Motor Company	455-12, Dongsak-ro, Pyeongtack-si, South Korea.	N.A.	Subsidiary	74.65%	2(87)(ii)
147	≈ SsangYong Australia Pty Limited	Tenancy 1, 424 Warrigal Rd Heatherton VIC 3202	N.A.	Subsidiary	100.00%	2(87)(ii)
148	≈ SsangYong European Parts Center B.V	IABC 5253-5254, 4814RD Breda, the Netherlands	N.A.	Subsidiary	100.00%	2(87)(ii)
149	≈ SsangYong Motor (Shanghai) Co., Ltd	Beijing City, Chaoyang District, 32 Liangmaqiao Lu, 7layer 707-708, China	N.A.	Subsidiary	100.00%	2(87)(ii)

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150	≈ SY Auto Capital Co., LTD	124, Teheran-ro, Gangnam-gu, Seoul, South Korea	N.A.	Subsidiary	51.00%	2(87)(ii)
151	Mahindra EPC Irrigation Limited (Formerly known as EPC Industrié Limited - Name changed w.e.f. 28.02.2019)	H - 109, MIDC, Ambad, Nashik-422010, Maharashtra	L25200MH1981PLC025731	Subsidiary	54.51%	2(87)(ii)
152	↑ Mahindra Top Greenhouses Private Limited	H - 109, MIDC, Ambad, Nashik-422010, Maharashtra	U74999MH2018PTC317132	Subsidiary	60.00%	2(87)(ii)
153	Mahindra Defence Systems Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U75220MH2012PLC233889	Subsidiary	100.00%	2(87)(ii)
154	△ Mahindra Telephonics Integrated Systems Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U75302MH2013PLC242268	Subsidiary	51.00%	2(87)(ii)
155	Mahindra 'Electoral Trust' Company	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U22100MH2013NPL251507	Subsidiary	100.00%	2(87)(ii)
156	Mahindra and Mahindra South Africa (Proprietary) Limited	PO Box 69079, Highveld Park, Centurion, Pretoria, 0169, South Africa	N.A.	Subsidiary	100.00%	2(87)(ii)
157	⊥ Mahindra West Africa Ltd	Coscharis Plaza, 3 rd Floor, 68A, Adeola Odeku Road, Victoria Island, Lagos, Nigeria	N.A.	Subsidiary	100.00%	2(87)(ii)
158	NBS International Limited	10 Stone Bldg., Shop No.1, Opp Chowpatty Sea Face, Mumbai-400007	U18101MH1995PLC095482	Subsidiary	100.00%	2(87)(ii)
159	Mahindra Aerospace Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U63033MH2008PTC179520	Subsidiary	88.95%	2(87)(ii)
160	◆ Mahindra Aerostructures Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35122MH2011PTC212744	Subsidiary	100.00%	2(87)(ii)
161	◆ Mahindra Aerospace Australia Pty. Limited	C/-0, Pitcher Partners, level 13, 664 Collins Street, Docklands, Melbourne VIC 3008	N.A.	Subsidiary	100.00%	2(87)(ii)
162	■ Gippsaero Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)
163	■ Airvan10 Pty Ltd	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)
164	■ GA8 Airvan Pty. Limited	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)
165	■ GA200 Pty. Limited	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)
166	■ Airvan Flight Services Pty. Limited	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)

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167	■ Nomad TC Pty. Limited	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	N.A.	Subsidiary	100.00%	2(87)(ii)
168	Trringo.com Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr.Doordarshan Kendra, Worli, Mumbai 400018	U01409MH2016PLC281449	Subsidiary	100.00%	2(87)(ii)
169	Mahindra do Brasil Industrial Ltda.	R Desembargador Do Vale, 800, A Parte Perdizes, Sao Paulo-05.010-040	N.A.	Subsidiary	100.00%	2(87)(ii)
170	Classic Legends Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U34101MH2015PTC265665	Subsidiary	60.00%	2(87)(ii)
171	▼ BSA Company Limited	Speedwell House, West Quay Road, Southampton, Hampshire, SO151GY	N.A.	Subsidiary	100.00%	2(87)(ii)
172	Mahindra Waste To Energy Solutions Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P.K.Kurne Chowk, Worli, Mumbai-400 018.	U37200MH2017PLC296622	Subsidiary	84.57%	2(87)(ii)
173	Mahindra Telecom Energy Management Services Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P.K.Kurne Chowk, Worli, Mumbai-400 018.	U64204MH2017PLC296621	Subsidiary	100.00%	2(87)(ii)
174	Mahindra Construction Company Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45200MH1992PLC068846	Subsidiary	91.66%	2(87)(ii)
175	Mahindra Automotive Mauritius Limited	IFS Court, Bank Street, TwentyEight Cybercity, Ebene 72201, Republic of Mauritius	N.A.	Subsidiary	100.00%	2(87)(ii)
176	π Automobili Pininfarina GmbH	Dingolfinger Str. 9 81673, Munich, Germany	N.A.	Subsidiary	99.84%	2(87)(ii)
177	π π Automobili Pininfarina Americas Inc.	275 Rex Boulevard Auburn Hills, MI USA 48326	N.A.	Subsidiary	100.00%	2(87)(ii)
178	Mahindra Bangladesh Pvt. Ltd (w.e.f. 12.09.2019)	4 th Floor, Taj Casilina, SW (1) 4, 25 Gulshan Avenue, Dhaka 1212, Bangladesh	N.A.	Subsidiary	100.00%	2(87)(ii)
179	Meru Travel Solutions Private Limited (w.e.f. 05.12.2019)	F-17, Fourth Floor, Pinnacle Business Park, Mahakali Caves Road, Shanti Nagar, Andheri (E), Mumbai-400093, Maharashtra, India.	U63040MH2006PTC165956	Subsidiary	36.63%	2(87)(i)
180	ε Meru Mobility Tech Private Limited (w.e.f. 05.12.2019)	F-17, Fourth Floor, Pinnacle Business Park, Mahakali Caves Road, Shanti Nagar, Andheri (E), Mumbai-400093, Maharashtra, India.	U63040MH2006PTC165959	Subsidiary	100.00%	2(87)(ii)
181	ε V-Link Fleet Solutions Private Limited (w.e.f. 05.12.2019)	T-8, Third Floor, Pinnacle Business Park, Mahakali Caves Road, Shanti Nagar, Andheri (E), Mumbai-400093, Maharashtra, India.	U63040MH2006PTC165955	Subsidiary	100.00%	2(87)(ii)
182	ε V-Link Automotive Services Private Limited (w.e.f. 05.12.2019)	F-17, Fourth Floor, Pinnacle Business Park, Mahakali Caves Road, Shanti Nagar, Andheri (E), Mumbai-400093, Maharashtra, India.	U50500MH2010PTC198987	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding Φ	Applicable Section
183	Swaraj Engines Limited	Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab	L50210PB1985PLC006473	Associate	34.76%	2(6)
184	Officemart India.com Limited.	Gateway Building, Apollo Bunder, Mumbai 400 001	U74999MH2000PLC126610	Associate	50.00%	2(6)
185	Mahindra and Mahindra Contech Limited	Mahindra Towers, Dr. G M Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U74140MH1992PLC066606	Associate	23.33%	2(6)
186	Kota Farm Services Limited	Mahindra Towers, Worli, Mumbai-400018	U02005MH2001PLC131699	Associate	45.00%	2(6)
187	Tech Mahindra Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	L64200MH1986PLC041370	Associate	26.04%	2(6)
188	Mitsubishi Mahindra Agricultural Machinery Co., Ltd.	667-1 Iya, Higashiizumo-cho, Matsue-city, Shimane-prefecture, 699-0195 Japan	N.A.	Associate	33.33%	2(6)
189	Sampo Rosenlew Oy	Konepajaranta 2, P.O.Box 50 FIN-28101 Pori, Finland	N.A.	Associate	49.04%	2(6)
190	PF Holdings B.V.	Maanplein 7, Gebouw 4, (TP-4), 2516 CK, Den Haag, Netherlands	N.A.	Associate	40.00%	2(6)
191	M.I.T.R.A Agro Equipments Private Limited	Plot -W-184, MIDC Ambad, Nashik, Maharashtra, India, 422010	U29253MH2012PTC330338	Associate	39.01%	2(6)
192	Carnot Technologies Private Limited	103 & 103, 1 st Floor, Plot 952/954, Orbit Plaza CHS New Prabhadevi Road Mumbai City MH 400025	U72300MH2015PTC267700	Associate	22.91%	2(6)
193	ZoomCar Inc	2437, S Fillmore, ST, Denver, Co 80210	N.A.	Associate	Σ	2(6)
194	SmartShift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited-name changed with effect from 22 nd July, 2019)	Plot No. 107, 2 nd Floor, Western India, Marol Co-operative Industrial Estate, Andheri (East), Mumbai-400059	U74999MH2014PTC306120	Associate	33.49%	2(6)
195	Mahindra Sanyo Special Steel Private Limited	74, Ganesh Apartment, Opp: Sitaladevi Temple, L.J. Road, MAHIM (West), Mumbai-400016.	U27310MH2011PTC223696	Associate	22.81%	2(6)
196	Mahindra Ideal Lanka (Private) Limited	299, Union Place, Colombo 02, Sri Lanka	N.A.	Associate	35.00%	2(6)

β Percentage holding in subsidiaries represents aggregate percentage of shares/voting power held by the Company (M&M) and/ or its subsidiaries.

Φ Percentage shareholding in Associates based on the voting power held by the Company ("M&M").

Σ Significant Influence is through right to participate in business decisions, arising out of contractual agreement. Additionally the Company holds 3,63,752 compulsory convertible preference shares (CCPS) of Zoomcar India Private Limited ("Zoomcar India"), a Subsidiary of Zoomcar Inc, comprising of approx. 10.03% of the total equity share capital and compulsory convertible preference share capital on a fully diluted basis. Besides, the Company also holds 1,880 Optionally Convertible Debentures of Zoomcar India which are convertible into CCPS of Zoomcar India basis a future round of funding in Zoomcar Inc. All CCPS held by the Company in Zoomcar India would be ultimately convertible into preferred Stock of Zoomcar Inc.

Θ Address Changed to 257 Rex Blvd in Auburn Hills, MI, USA post year end.

r Liquidated with effect from 1st April, 2020.

φ Ceased with effect from 15th April, 2020.

ζ Name changed to Mahindra Manulife Investment Management Private Limited with effect from 19th May, 2020.

\uparrow Name changed to Mahindra Manulife Trustee Private Limited with effect from 19th May, 2020.

a subsidiary of Mahindra Engineering and Chemical Products Limited

a subsidiary of Retail Initiative Holdings Limited

• a subsidiary of Mahindra Overseas Investment Company (Mauritius) Limited

•• a subsidiary of Mahindra Emirates Vehicle Armouring FZ-LLC

x a subsidiary of Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi

Ω a subsidiary of Mahindra Automotive North America Inc.

£ a subsidiary of Mahindra Vehicle Manufacturers Limited

¥ a subsidiary of Mahindra Intertrade Limited

! a subsidiary of Mahindra Two Wheelers Europe Holdings S.a.r.l.

!! a subsidiary of Peugeot Motorcycles S.A.S.

!!! a subsidiary of Peugeot Motorcycles Italia SpA

σ a subsidiary of Mahindra USA, Inc.

\equiv a subsidiary of Mahindra Agri Solutions Limited

\equiv a subsidiary of Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V

i a subsidiary of OFD Holding BV

ij a subsidiary of Origin Direct Asia Ltd

~ a subsidiary of Mahindra Consulting Engineers Limited

˘ a subsidiary of Mahindra First Choice Wheels Limited

∅ a subsidiary of Mahindra Holdings Limited

∅∅ a subsidiary of Mahindra First Choice Services Limited

∅∅∅ a subsidiary of Mahindra Susten Private Limited

▲ a subsidiary of Mahindra Renewables Private Limited

± a subsidiary of Bristlecone Ltd.

≤ a subsidiary of Bristlecone India Limited

@ a subsidiary of Mahindra Holidays & Resorts India Limited

\$ a subsidiary of MH Boutique Hospitality Limited

@ @ a subsidiary of MHR Holdings (Mauritius) Limited

\$\$ a subsidiary of Covington S.á.r.l.

* a subsidiary of Holiday Club Resorts Oy

** a subsidiary of Holiday Club Sweden AB

*** a subsidiary of Holiday Club Canarias Investments S.L.U.

∅ a subsidiary of Mahindra & Mahindra Financial Services Limited

◊ a subsidiary of Mahindra Trucks and Buses Limited

^ a subsidiary of Mahindra Lifespace Developers Limited

» a subsidiary of Mahindra World City Developers Limited

∞ a subsidiary of Mahindra Integrated Township Limited

° a subsidiary of Mahindra World City (Maharashtra) Limited

^ ^ a subsidiary of Mahindra Infrastructure Developers Limited

¥¥ a subsidiary of Mahindra Logistics Limited

≈ a subsidiary of SsangYong Motor Company

↑ a subsidiary of Mahindra EPC Irrigation Limited

△ a subsidiary of Mahindra Defence Systems Limited

⊥ a subsidiary of Mahindra and Mahindra South Africa (Proprietary) Limited

◆ a subsidiary of Mahindra Aerospace Private Limited

■ a subsidiary of Mahindra Aerospace Australia Pty. Limited

▼ a subsidiary of Classic Legends Private Limited

π a subsidiary of Mahindra Automotive Mauritius Limited

π π a subsidiary of Automobili Pininfarina GmbH

ε a subsidiary of MERU Travel Solutions Private Limited

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7331574	0	7331574	0.59	7331574	0	7331574	0.59	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp.	142256772	0	142256772	11.44	142256772	0	142256772	11.44	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Any other									
i) M&M Benefit Trust – Bharat N Doshi, A. K. Nanda – Trustees	103670428	0	103670428	8.34	84470428	0	84470428	6.80	-1.54
ii) Anand Mahindra Family Trust @	0	0	0	0	0	0	0	0	0.00
iii) Mahindra Family Trust – I @	0	0	0	0	0	0	0	0	0.00
iv) Yuthica Mahindra Family Trust#	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(1)	253258774	0	253258774	20.37	234058774	0	234058774	18.83	-1.54
(2) Foreign									
a) NRIs – Individuals	895344	0	895344	0.07	845344	0	845344	0.07	0.00*
b) Others – Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks / FI	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(2)	895344	0	895344	0.07	845344	0	845344	0.07	0.00
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	254154118	0	254154118	20.44	234904118	0	234904118	18.90	-1.54
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/ UTI	123941673	0	123941673	9.97	123016353	0	123016353	9.90	-0.07
b) Banks / FI	2998541	65808	3064349	0.25	3554873	63728	3618601	0.29	0.04
c) Central Govt	1328413	0	1328413	0.11	1167646	0	1167646	0.10	-0.01
d) State Govt(s)	0	884264	884264	0.07	0	884264	884264	0.07	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	149453165	0	149453165	12.02	163710744	0	163710744	13.17	1.15
g) FIs	2961261	64	2961325	0.24	469145	64	469209	0.04	-0.20
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)									
i) Foreign Portfolio – Corp \$	366881916	0	366881916	29.51	399662761	0	399662761	32.15	2.64
ii) Foreign Portfolio Investors \$	0	0	0	0	0	0	0	0	0.00
iii) Alternate Investment Funds	389484	0	389484	0.03	3043656	0	3043656	0.24	0.21
iv) Qualified Institutional Buyer	106	0	106	0.00	38672176	0	38672176	3.11	3.11
Sub-total (B)(1)	647954559	950136	648904695	52.20	733297354	948056	734245410	59.07	6.87

@ Prudential Management & Services Private Limited (PMSL) is a member of the Promoter and Promoter Group of the Company. The erstwhile shareholders of PMSL who held 50% of its paid-up share capital settled the shares held by them into 'Anand Mahindra Family Trust' and 'Mahindra Family Trust – I', resulting in an indirect acquisition of voting rights of the Company.

Mr. Keshub Mahindra jointly with Ms. Sudha Mahindra settled part of their shareholding in PMSL constituting 5% of the paid-up share capital of PMSL, into 'Yuthica Mahindra Family Trust' resulting into indirect transfer of voting rights held by PMSL in the Company.

\$ Depositories have re-grouped all Foreign Portfolio Investors in single category of Foreign Portfolio - Corp. Hence, NIL holding is reflecting in category of Foreign Portfolio Investors as at the end of the year.

* Rounded off upto two decimals.

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	80240397	72240	80312637	6.46	15590593	63160	15653753	1.26	-5.20
ii) Overseas	3215440	0	3215440	0.26	3215440	0	3215440	0.26	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	79749481	4437404	84186885	6.77	80328135	3853819	84181954	6.77	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	29205649	557928	29763577	2.39	28561434	490192	29051626	2.34	-0.05
c) Others (specify)									
i) Non Resident Indians	5017391	244490	5261881	0.42	5130282	210078	5340360	0.43	0.01
ii) Foreign Nationals	1389	0	1389	0.00	1464	0	1464	0.00	0.00
iii) Trusts	12673644	0	12673644	1.02	13849592	0	13849592	1.11	0.09
iv) Clearing Members	2723506	0	2723506	0.22	5406098	0	5406098	0.43	0.21
v) Foreign Corporate Bodies	498528	0	498528	0.04	844461	0	844461	0.07	0.03
vi) NBFCs registered with RBI	1231236	0	1231236	0.10	7116	0	7116	0.00	-0.10
vii) Investor Education and Protection Fund Authority, Ministry of Corporate Affairs	2261820	0	2261820	0.18	2292887	0	2292887	0.18	0.00
viii) Unclaimed Suspense Account	595104	0	595104	0.05	577914	0	577914	0.05	0.00
Sub-total (B)(2)	217413585	5312062	222725647	17.91	155805416	4617249	160422665	12.90	-5.01
Total Public Shareholding (B)=(B)(1)+(B)(2)	865368144	6262198	871630342	70.11	889102770	5565305	894668075	71.97	1.86
C. Shares held by Custodian for GDRs & ADRs	61740932	0	61740932	4.97	62189746	0	62189746	5.00	0.03
D. Non Promoter Non Public									
a) Mahindra and Mahindra Employees' Stock Option Trust ^	51605412	0	51605412	4.15	50152865	0	50152865	4.03	-0.12
b) Employees Welfare Trusts - Vilas Yashwant Paranjape, Vijay Balchandra Thakurdesai, Arindam Amal Ghosh - Trustee	4061740	0	4061740	0.33	1277740	0	1277740	0.10	-0.23
Sub-total (D)	55667152	0	55667152	4.48	51430605	0	51430605	4.13	-0.35
Grand Total (A+B+C+D)	1236930346	6262198	1243192544	100.00	1237627239	5565305	1243192544	100.00	0.00

^ The change in the percentage of shareholding during the year is due to transfer of shares to the employees pursuant to exercise of ESOPs.

(ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1 st April, 2019]			Shareholding at the end of the year [As on 31 st March, 2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Keshub Mahindra	884592	0.07	0.00	884592	0.07	0.00	0.00
2	Anand Gopal Mahindra	1430008	0.12	0.00	1430008	0.12	0.00	0.00
3	Anjali K Mahindra	222208	0.02	0.00	222208	0.02	0.00	0.00
4	Anuja P Sharma	0	0.00	0.00	0	0.00	0.00	0.00
5	Anuradha Mahindra	457090	0.04	0.00	457090	0.04	0.00	0.00
6	Gautam P Khandelwal	4600	0.00	0.00	4600	0.00	0.00	0.00
7	Leena S Labroo	1252384	0.10	0.00	1252384	0.10	0.00	0.00
8	Radhika Nath	93616	0.01	0.00	93616	0.01	0.00	0.00
9	Sanjay Labroo	145440	0.01	0.01	145440	0.01	0.01	0.00
10	Sudha Keshub Mahindra	1452032	0.12	0.00	1452032	0.12	0.00	0.00
11	Uma R Malhotra	1009604	0.08	0.00	1009604	0.08	0.00	0.00
12	Deveshwar Jagat Sharma	30000	0.00	0.00	30000	0.00	0.00	0.00
13	Dhruv S Sharma	30000	0.00	0.00	30000	0.00	0.00	0.00
14	Yuthica Keshub Mahindra	895344	0.07	0.00	845344	0.07	0.00	0.00
15	Aneesha Labroo	160000	0.01	0.00	160000	0.01	0.00	0.00
16	Nisheeta Labroo	160000	0.01	0.00	160000	0.01	0.00	0.00
17	Kema Services International Pvt. Ltd.	734832	0.06	0.00	734832	0.06	0.00	0.00
18	Prudential Management and Services Pvt. Ltd.	141521940	11.38	0.57	141521940	11.38	0.56	0.00
19	M&M Benefit Trust - Bharat N Doshi, A.K. Nanda - Trustees \$	103670428	8.34	0.00	84470428	6.80	0.00	-1.54
20	Anand Mahindra Family Trust @	0	0.00	0.00	0	0.00	0.00	0.00
21	Mahindra Family Trust - I @	0	0.00	0.00	0	0.00	0.00	0.00
22	Yuthica Mahindra Family Trust#	0	0.00	0	0	0.00	0	0.00
	Total	254154118	20.44	0.58	234904118	18.90	0.57	-1.54

@ Prudential Management & Services Private Limited (PMSL) is a member of the Promoter and Promoter Group of the Company. The erstwhile shareholders of PMSL who held 50% of its paid-up share capital settled the shares held by them into 'Anand Mahindra Family Trust' and 'Mahindra Family Trust - I', resulting in an indirect acquisition of voting rights of the Company.

Mr. Keshub Mahindra jointly with Ms. Sudha Mahindra settled part of their shareholding in PMSL constituting 5% of the paid-up share capital of PMSL, into 'Yuthica Mahindra Family Trust' resulting into indirect transfer of voting rights held by PMSL in the Company.

(iii) Change in Promoter's Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase/Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
	At the beginning of the year – As on 01.04.2019	254154118	20.44			
1	Decrease - 03.06.2019 Market Sale #			-19200000	234954118	18.90
2	Decrease - 24.12.2019 Market Sale β			-20000	234934118	18.90
3	Decrease - 26.12.2019 Market Sale β			-20000	234914118	18.90
4	Decrease - 30.12.2019 Market Sale β			-10000	234904118	18.90
	At the end of the year – As on 31.03.2020				234904118	18.90

Transfer by M&M Benefit Trust

β Transfer by Yuthica Keshub Mahindra

(iv) Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

1. LIFE INSURANCE CORPORATION OF INDIA						
	Increase or Decrease/Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase/Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		123282698	9.92			
05/04/2019	Increase/Transfer			2590874	125873572	10.13
12/04/2019	Increase/Transfer			826605	126700177	10.19
03/05/2019	Increase/Transfer			470722	127170899	10.23
10/05/2019	Increase/Transfer			1974808	129145707	10.39
10/05/2019	Decrease/Transfer			-11330	129134377	10.39
17/05/2019	Increase/Transfer			2462864	131597241	10.59
17/05/2019	Decrease/Transfer			-68500	131528741	10.58
24/05/2019	Increase/Transfer			1885836	133414577	10.73
07/06/2019	Increase/Transfer			3100	133417677	10.73
26/07/2019	Increase/Transfer			51700	133469377	10.74
26/07/2019	Decrease/Transfer			-50000	133419377	10.73
13/09/2019	Increase/Transfer			33613	133452990	10.73
20/09/2019	Increase/Transfer			420000	133872990	10.77
20/09/2019	Decrease/Transfer			-9000	133863990	10.77
27/09/2019	Increase/Transfer			286187	134150177	10.79
04/10/2019	Increase/Transfer			15920	134166097	10.79
11/10/2019	Increase/Transfer			80	134166177	10.79
18/10/2019	Increase/Transfer			15525	134181702	10.79
18/10/2019	Decrease/Transfer			-525	134181177	10.79
08/11/2019	Increase/Transfer			18200	134199377	10.79
08/11/2019	Decrease/Transfer			-1800	134197577	10.79
22/11/2019	Increase/Transfer			49500	134247077	10.80
31/01/2020	Increase/Transfer			14000	134261077	10.80
At the end of the year – 31.03.2020					134261077	10.80

2. FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC LEADERS FUND

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		42824296	3.44			
02/08/2019	Increase/Transfer			4398272	47222568	3.80
09/08/2019	Increase/Transfer			1239711	48462279	3.90
13/09/2019	Increase/Transfer			221933	48684212	3.92
20/09/2019	Increase/Transfer			2711708	51395920	4.13
At the end of the year – 31.03.2020					51395920	4.13

3. MAHINDRA AND MAHINDRA EMPLOYEES STOCK OPTION TRUST

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		51605412	4.15			
26/04/2019	Decrease/Transfer			-47292	51558120	4.15
17/05/2019	Decrease/Transfer			-34354	51523766	4.14
24/05/2019	Decrease/Transfer			-16798	51506968	4.14
14/06/2019	Decrease/Transfer			-65728	51441240	4.14
21/06/2019	Decrease/Transfer			-180647	51260593	4.12
12/07/2019	Decrease/Transfer			-79521	51181072	4.12
26/07/2019	Decrease/Transfer			-12874	51168198	4.12
16/08/2019	Decrease/Transfer			-24640	51143558	4.11
23/08/2019	Decrease/Transfer			-22050	51121508	4.11
13/09/2019	Decrease/Transfer			-124138	50997370	4.10
20/09/2019	Decrease/Transfer			-30002	50967368	4.10
18/10/2019	Decrease/Transfer			-47052	50920316	4.10
25/10/2019	Decrease/Transfer			-11772	50908544	4.09
15/11/2019	Decrease/Transfer			-5136	50903408	4.09
22/11/2019	Decrease/Transfer			-10470	50892938	4.09
13/12/2019	Decrease/Transfer			-232248	50660690	4.08
20/12/2019	Decrease/Transfer			-84883	50575807	4.07
17/01/2020	Decrease/Transfer			-116439	50459368	4.06
24/01/2020	Decrease/Transfer			-24589	50434779	4.06
14/02/2020	Decrease/Transfer			-45109	50389670	4.05
21/02/2020	Decrease/Transfer			-14979	50374691	4.05
13/03/2020	Decrease/Transfer			-221826	50152865	4.03
At the end of the year – 31.03.2020					50152865	4.03

4. GOVERNMENT PENSION FUND GLOBAL

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		9501212	0.76			
05/04/2019	Increase/Transfer			186796	9688008	0.78
12/04/2019	Increase/Transfer			41381	9729389	0.78
19/04/2019	Increase/Transfer			297302	10026691	0.81
03/05/2019	Decrease/Transfer			-105232	9921459	0.80
10/05/2019	Decrease/Transfer			-619238	9302221	0.75
07/06/2019	Increase/Transfer			21541	9323762	0.75
14/06/2019	Increase/Transfer			104050	9427812	0.76
21/06/2019	Increase/Transfer			221212	9649024	0.78
12/07/2019	Increase/Transfer			128295	9777319	0.79
26/07/2019	Increase/Transfer			772412	10549731	0.85
09/08/2019	Increase/Transfer			351270	10901001	0.88
16/08/2019	Increase/Transfer			94957	10995958	0.88
23/08/2019	Increase/Transfer			129414	11125372	0.89
30/08/2019	Increase/Transfer			104347	11229719	0.90
06/09/2019	Increase/Transfer			206878	11436597	0.92
20/12/2019	Increase/Transfer			51327	11487924	0.92
10/01/2020	Increase/Transfer			330354	11818278	0.95
17/01/2020	Increase/Transfer			773420	12591698	1.01
24/01/2020	Decrease/Transfer			-48595	12543103	1.01
31/01/2020	Increase/Transfer			546664	13089767	1.05
07/02/2020	Increase/Transfer			90928	13180695	1.06
14/02/2020	Increase/Transfer			248641	13429336	1.08
06/03/2020	Increase/Transfer			850171	14279507	1.15
13/03/2020	Increase/Transfer			400000	14679507	1.18
20/03/2020	Increase/Transfer			621124	15300631	1.23
27/03/2020	Increase/Transfer			1488543	16789174	1.35
At the end of the year – 31.03.2020					16789174	1.35

5. SBI-ETF NIFTY 50

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		10239933	0.82			
05/04/2019	Increase/Transfer			78989	10318922	0.83
12/04/2019	Decrease/Transfer			-2204	10316718	0.83
19/04/2019	Decrease/Transfer			-232	10316486	0.83
26/04/2019	Increase/Transfer			6605	10323091	0.83
03/05/2019	Increase/Transfer			29232	10352323	0.83
10/05/2019	Increase/Transfer			78300	10430623	0.84
17/05/2019	Increase/Transfer			137808	10568431	0.85
24/05/2019	Increase/Transfer			45588	10614019	0.85
31/05/2019	Increase/Transfer			41876	10655895	0.86
07/06/2019	Increase/Transfer			33176	10689071	0.86

5. SBI-ETF NIFTY 50

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
14/06/2019	Increase/Transfer			46052	10735123	0.86
21/06/2019	Increase/Transfer			53592	10788715	0.87
28/06/2019	Decrease/Transfer			-16292	10772423	0.87
05/07/2019	Increase/Transfer			88666	10861089	0.87
12/07/2019	Increase/Transfer			180348	11041437	0.89
19/07/2019	Increase/Transfer			137028	11178465	0.90
26/07/2019	Increase/Transfer			64430	11242895	0.90
02/08/2019	Increase/Transfer			89946	11332841	0.91
09/08/2019	Increase/Transfer			112632	11445473	0.92
16/08/2019	Increase/Transfer			62928	11508401	0.93
23/08/2019	Increase/Transfer			30438	11538839	0.93
30/08/2019	Increase/Transfer			37848	11576687	0.93
06/09/2019	Increase/Transfer			35785	11612472	0.93
13/09/2019	Increase/Transfer			31008	11643480	0.94
20/09/2019	Increase/Transfer			42180	11685660	0.94
27/09/2019	Increase/Transfer			40030	11725690	0.94
30/09/2019	Increase/Transfer			244452	11970142	0.96
04/10/2019	Increase/Transfer			30979	12001121	0.97
11/10/2019	Increase/Transfer			17990	12019111	0.97
18/10/2019	Increase/Transfer			87000	12106111	0.97
25/10/2019	Increase/Transfer			40484	12146595	0.98
01/11/2019	Increase/Transfer			92371	12238966	0.98
08/11/2019	Increase/Transfer			80158	12319124	0.99
15/11/2019	Increase/Transfer			72964	12392088	1.00
22/11/2019	Increase/Transfer			57420	12449508	1.00
29/11/2019	Increase/Transfer			47676	12497184	1.01
06/12/2019	Increase/Transfer			46400	12543584	1.01
13/12/2019	Increase/Transfer			50228	12593812	1.01
20/12/2019	Increase/Transfer			38976	12632788	1.02
27/12/2019	Increase/Transfer			4706	12637494	1.02
31/12/2019	Increase/Transfer			23025	12660519	1.02
03/01/2020	Increase/Transfer			31088	12691607	1.02
10/01/2020	Increase/Transfer			27956	12719563	1.02
17/01/2020	Increase/Transfer			23548	12743111	1.03
24/01/2020	Increase/Transfer			34336	12777447	1.03
31/01/2020	Increase/Transfer			20739	12798186	1.03
07/02/2020	Increase/Transfer			41412	12839598	1.03
14/02/2020	Increase/Transfer			30624	12870222	1.04
21/02/2020	Increase/Transfer			23084	12893306	1.04
28/02/2020	Increase/Transfer			226548	13119854	1.06
06/03/2020	Increase/Transfer			280851	13400705	1.08
13/03/2020	Increase/Transfer			141003	13541708	1.09
20/03/2020	Decrease/Transfer			-4539	13537169	1.09
27/03/2020	Increase/Transfer			387318	13924487	1.12
31/03/2020	Increase/Transfer			214915	14139402	1.14
At the end of the year – 31.03.2020					14139402	1.14

6. GENERAL INSURANCE CORPORATION OF INDIA

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		12350000	0.99			
05/04/2019	Increase/Transfer			10000	12360000	0.99
12/04/2019	Increase/Transfer			70000	12430000	1.00
03/05/2019	Increase/Transfer			40000	12470000	1.00
10/05/2019	Increase/Transfer			150000	12620000	1.02
17/05/2019	Increase/Transfer			100000	12720000	1.02
14/06/2019	Increase/Transfer			100000	12820000	1.03
12/07/2019	Increase/Transfer			45000	12865000	1.03
19/07/2019	Increase/Transfer			105000	12970000	1.04
26/07/2019	Increase/Transfer			30000	13000000	1.05
09/08/2019	Increase/Transfer			10000	13010000	1.05
08/11/2019	Increase/Transfer			40000	13050000	1.05
15/11/2019	Increase/Transfer			60000	13110000	1.05
14/02/2020	Increase/Transfer			90000	13200000	1.06
21/02/2020	Increase/Transfer			70000	13270000	1.07
28/02/2020	Increase/Transfer			40000	13310000	1.07
At the end of the year – 31.03.2020					13310000	1.07

7. GOVERNMENT OF SINGAPORE

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		16315958	1.31			
05/04/2019	Increase/Transfer			130228	16446186	1.32
19/04/2019	Increase/Transfer			257496	16703682	1.34
03/05/2019	Decrease/Transfer			-50989	16652693	1.34
10/05/2019	Decrease/Transfer			-92401	16560292	1.33
17/05/2019	Decrease/Transfer			-10298	16549994	1.33
24/05/2019	Increase/Transfer			53311	16603305	1.34
31/05/2019	Decrease/Transfer			-179659	16423646	1.32
07/06/2019	Increase/Transfer			731544	17155190	1.38
14/06/2019	Increase/Transfer			85833	17241023	1.39
21/06/2019	Increase/Transfer			205905	17446928	1.40
05/07/2019	Increase/Transfer			38764	17485692	1.41
19/07/2019	Decrease/Transfer			-26013	17459679	1.40
26/07/2019	Decrease/Transfer			-38340	17421339	1.40
02/08/2019	Decrease/Transfer			-7704	17413635	1.40
09/08/2019	Decrease/Transfer			-1118182	16295453	1.31
16/08/2019	Decrease/Transfer			-183973	16111480	1.30
23/08/2019	Decrease/Transfer			-58244	16053236	1.29
30/08/2019	Decrease/Transfer			-334296	15718940	1.26
06/09/2019	Decrease/Transfer			-1693120	14025820	1.13
13/09/2019	Decrease/Transfer			-134319	13891501	1.12
20/09/2019	Increase/Transfer			21811	13913312	1.12
30/09/2019	Decrease/Transfer			-6306	13907006	1.12
04/10/2019	Increase/Transfer			100641	14007647	1.13

7. GOVERNMENT OF SINGAPORE						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
11/10/2019	Decrease/Transfer			-26833	13980814	1.12
18/10/2019	Increase/Transfer			23770	14004584	1.13
25/10/2019	Decrease/Transfer			-80742	13923842	1.12
01/11/2019	Decrease/Transfer			-20920	13902922	1.12
08/11/2019	Increase/Transfer			9431	13912353	1.12
15/11/2019	Decrease/Transfer			-25956	13886397	1.12
22/11/2019	Decrease/Transfer			-2674	13883723	1.12
29/11/2019	Decrease/Transfer			-415592	13468131	1.08
06/12/2019	Decrease/Transfer			-147766	13320365	1.07
13/12/2019	Decrease/Transfer			-3383	13316982	1.07
20/12/2019	Increase/Transfer			114751	13431733	1.08
31/12/2019	Decrease/Transfer			-35537	13396196	1.08
03/01/2020	Decrease/Transfer			-103904	13292292	1.07
10/01/2020	Decrease/Transfer			-26335	13265957	1.07
17/01/2020	Decrease/Transfer			-75930	13190027	1.06
31/01/2020	Decrease/Transfer			-13440	13176587	1.06
07/02/2020	Decrease/Transfer			-32435	13144152	1.06
14/02/2020	Increase/Transfer			683181	13827333	1.11
21/02/2020	Increase/Transfer			524236	14351569	1.15
28/02/2020	Decrease/Transfer			-7584	14343985	1.15
06/03/2020	Increase/Transfer			386812	14730797	1.18
13/03/2020	Decrease/Transfer			-421384	14309413	1.15
20/03/2020	Decrease/Transfer			-745539	13563874	1.09
27/03/2020	Decrease/Transfer			-308432	13255442	1.07
31/03/2020	Decrease/Transfer			-64926	13190516	1.06
At the end of the year – 31.03.2020					13190516	1.06

8. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		24597518	1.98			
05/04/2019	Decrease/Transfer			-1353094	23244424	1.87
12/04/2019	Decrease/Transfer			-807195	22437229	1.80
19/04/2019	Decrease/Transfer			-477279	21959950	1.77
26/04/2019	Decrease/Transfer			-202213	21757737	1.75
03/05/2019	Decrease/Transfer			-874382	20883355	1.68
10/05/2019	Decrease/Transfer			-2740991	18142364	1.46
17/05/2019	Decrease/Transfer			-750297	17392067	1.40
24/05/2019	Decrease/Transfer			-2797721	14594346	1.17
31/05/2019	Decrease/Transfer			-913593	13680753	1.10
07/06/2019	Increase/Transfer			1424	13682177	1.10
14/06/2019	Increase/Transfer			2901	13685078	1.10

8. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
21/06/2019	Decrease/Transfer			-25099	13659979	1.10
28/06/2019	Decrease/Transfer			-2154507	11505472	0.93
05/07/2019	Decrease/Transfer			-35857	11469615	0.92
12/07/2019	Increase/Transfer			687094	12156709	0.98
19/07/2019	Decrease/Transfer			-54527	12102182	0.97
26/07/2019	Decrease/Transfer			-399847	11702335	0.94
02/08/2019	Decrease/Transfer			-270897	11431438	0.92
09/08/2019	Increase/Transfer			501892	11933330	0.96
16/08/2019	Increase/Transfer			71054	12004384	0.97
23/08/2019	Decrease/Transfer			-42	12004342	0.97
30/08/2019	Decrease/Transfer			-218604	11785738	0.95
06/09/2019	Decrease/Transfer			-370	11785368	0.95
13/09/2019	Increase/Transfer			1441	11786809	0.95
20/09/2019	Decrease/Transfer			-475622	11311187	0.91
27/09/2019	Decrease/Transfer			-1389255	9921932	0.80
04/10/2019	Increase/Transfer			535936	10457868	0.84
11/10/2019	Increase/Transfer			176727	10634595	0.86
18/10/2019	Decrease/Transfer			-116752	10517843	0.85
25/10/2019	Decrease/Transfer			-66284	10451559	0.84
01/11/2019	Decrease/Transfer			-125132	10326427	0.83
08/11/2019	Decrease/Transfer			-33681	10292746	0.83
22/11/2019	Decrease/Transfer			-70221	10222525	0.82
29/11/2019	Decrease/Transfer			-451613	9770912	0.79
06/12/2019	Decrease/Transfer			-152451	9618461	0.77
13/12/2019	Decrease/Transfer			-92102	9526359	0.77
20/12/2019	Increase/Transfer			50897	9577256	0.77
27/12/2019	Increase/Transfer			55392	9632648	0.77
31/12/2019	Decrease/Transfer			-1304	9631344	0.77
03/01/2020	Decrease/Transfer			-2545	9628799	0.77
10/01/2020	Decrease/Transfer			-74865	9553934	0.77
17/01/2020	Increase/Transfer			131496	9685430	0.78
24/01/2020	Increase/Transfer			10452	9695882	0.78
31/01/2020	Increase/Transfer			23156	9719038	0.78
07/02/2020	Increase/Transfer			2785	9721823	0.78
14/02/2020	Increase/Transfer			613	9722436	0.78
21/02/2020	Decrease/Transfer			-52839	9669597	0.78
28/02/2020	Increase/Transfer			1794	9671391	0.78
06/03/2020	Increase/Transfer			1620	9673011	0.78
13/03/2020	Increase/Transfer			109124	9782135	0.79
20/03/2020	Increase/Transfer			146632	9928767	0.80
27/03/2020	Increase/Transfer			23008	9951775	0.80
31/03/2020	Increase/Transfer			1169	9952944	0.80
At the end of the year – 31.03.2020					9952944	0.80

9. SBI LIFE INSURANCE CO. LTD						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		10502012	0.84			
05/04/2019	Decrease/Transfer			-1355782	9146230	0.74
12/04/2019	Decrease/Transfer			-13124	9133106	0.73
19/04/2019	Decrease/Transfer			-3853	9129253	0.73
26/04/2019	Decrease/Transfer			-389431	8739822	0.70
03/05/2019	Decrease/Transfer			-131275	8608547	0.69
10/05/2019	Decrease/Transfer			-45959	8562588	0.69
17/05/2019	Decrease/Transfer			-1492	8561096	0.69
24/05/2019	Decrease/Transfer			-59476	8501620	0.68
31/05/2019	Decrease/Transfer			-21947	8479673	0.68
07/06/2019	Increase/Transfer			24384	8504057	0.68
14/06/2019	Decrease/Transfer			-37886	8466171	0.68
21/06/2019	Decrease/Transfer			-55522	8410649	0.68
28/06/2019	Decrease/Transfer			-175190	8235459	0.66
05/07/2019	Decrease/Transfer			-63972	8171487	0.66
12/07/2019	Decrease/Transfer			-150688	8020799	0.65
19/07/2019	Decrease/Transfer			-26778	7994021	0.64
26/07/2019	Increase/Transfer			93812	8087833	0.65
02/08/2019	Decrease/Transfer			-41928	8045905	0.65
09/08/2019	Increase/Transfer			54231	8100136	0.65
16/08/2019	Decrease/Transfer			-51842	8048294	0.65
23/08/2019	Decrease/Transfer			-199683	7848611	0.63
30/08/2019	Increase/Transfer			5390	7854001	0.63
06/09/2019	Increase/Transfer			314172	8168173	0.66
13/09/2019	Increase/Transfer			126000	8294173	0.67
20/09/2019	Increase/Transfer			39849	8334022	0.67
27/09/2019	Increase/Transfer			507844	8841866	0.71
30/09/2019	Decrease/Transfer			-71	8841795	0.71
04/10/2019	Decrease/Transfer			-49254	8792541	0.71
11/10/2019	Increase/Transfer			887	8793428	0.71
18/10/2019	Decrease/Transfer			-4822	8788606	0.71
25/10/2019	Decrease/Transfer			-11548	8777058	0.71
01/11/2019	Increase/Transfer			160635	8937693	0.72
08/11/2019	Decrease/Transfer			-2546	8935147	0.72
15/11/2019	Increase/Transfer			3254	8938401	0.72
22/11/2019	Decrease/Transfer			-7541	8930860	0.72
29/11/2019	Decrease/Transfer			-40603	8890257	0.72
06/12/2019	Decrease/Transfer			-97558	8792699	0.71
13/12/2019	Decrease/Transfer			-22424	8770275	0.71
20/12/2019	Decrease/Transfer			-15485	8754790	0.70
27/12/2019	Increase/Transfer			7487	8762277	0.70
31/12/2019	Decrease/Transfer			-2718	8759559	0.70
03/01/2020	Decrease/Transfer			-1373	8758186	0.70
10/01/2020	Increase/Transfer			2964	8761150	0.70
17/01/2020	Decrease/Transfer			-15548	8745602	0.70
24/01/2020	Decrease/Transfer			-5981	8739621	0.70
31/01/2020	Increase/Transfer			215027	8954648	0.72
07/02/2020	Increase/Transfer			83974	9038622	0.73
14/02/2020	Increase/Transfer			21854	9060476	0.73
21/02/2020	Decrease/Transfer			-116550	8943926	0.72
28/02/2020	Decrease/Transfer			-12844	8931082	0.72

9. SBI LIFE INSURANCE CO. LTD

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
06/03/2020	Decrease/Transfer			-189787	8741295	0.70
13/03/2020	Decrease/Transfer			-5592	8735703	0.70
20/03/2020	Increase/Transfer			220801	8956504	0.72
27/03/2020	Increase/Transfer			150300	9106804	0.73
31/03/2020	Increase/Transfer			176108	9282912	0.75
At the end of the year – 31.03.2020					9282912	0.75

10. VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		9219470	0.74			
12/04/2019	Increase/Transfer			20999	9240469	0.74
10/05/2019	Increase/Transfer			21912	9262381	0.75
21/06/2019	Decrease/Transfer			-49302	9213079	0.74
28/06/2019	Decrease/Transfer			-107413	9105666	0.73
27/09/2019	Decrease/Transfer			-267925	8837741	0.71
27/12/2019	Decrease/Transfer			-162041	8675700	0.70
27/03/2020	Decrease/Transfer			-92102	8583598	0.69
At the end of the year – 31.03.2020					8583598	0.69

11. ICICI PRUDENTIAL VALUE DISCOVERY FUND[^]

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		8593116	0.69			
26/07/2019	Increase/Transfer			450000	9043116	0.73
09/08/2019	Increase/Transfer			550000	9593116	0.77
23/08/2019	Increase/Transfer			3910	9597026	0.77
30/08/2019	Increase/Transfer			233621	9830647	0.79
06/09/2019	Increase/Transfer			140636	9971283	0.80
27/09/2019	Increase/Transfer			30000	10001283	0.80
08/11/2019	Increase/Transfer			500000	10501283	0.84
15/11/2019	Increase/Transfer			750000	11251283	0.91
06/12/2019	Increase/Transfer			250000	11501283	0.93
21/02/2020	Increase/Transfer			845760	12347043	0.99
28/02/2020	Increase/Transfer			453780	12800823	1.03
06/03/2020	Increase/Transfer			5411832	18212655	1.46
13/03/2020	Increase/Transfer			1809155	20021810	1.61
20/03/2020	Increase/Transfer			4000745	24022555	1.93
27/03/2020	Increase/Transfer			4072002	28094557	2.26
At the end of the year – 31.03.2020					28094557	2.26

[^] Not in the list of Top 10 shareholders as on 1st April, 2019. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31st March, 2020.

12. CAISSE DE DEPOT ET PLACEMENT DU QUEBEC ^

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		665570	0.05			
05/04/2019	Increase/Transfer			23138	688708	0.06
03/05/2019	Increase/Transfer			25325	714033	0.06
31/05/2019	Decrease/Transfer			-31446	682587	0.05
07/06/2019	Increase/Transfer			22058022	22740609	1.83
14/06/2019	Decrease/Transfer			-98876	22641733	1.82
21/06/2019	Decrease/Transfer			-97986	22543747	1.81
28/06/2019	Decrease/Transfer			-16572	22527175	1.81
05/07/2019	Increase/Transfer			7329	22534504	1.81
02/08/2019	Increase/Transfer			29746	22564250	1.82
30/08/2019	Decrease/Transfer			-1494	22562756	1.81
06/09/2019	Increase/Transfer			94405	22657161	1.82
27/09/2019	Decrease/Transfer			-1844	22655317	1.82
30/09/2019	Decrease/Transfer			-567	22654750	1.82
04/10/2019	Decrease/Transfer			-72953	22581797	1.82
01/11/2019	Decrease/Transfer			-24725	22557072	1.81
29/11/2019	Increase/Transfer			20202	22577274	1.82
06/12/2019	Decrease/Transfer			-68020	22509254	1.81
13/12/2019	Decrease/Transfer			-135028	22374226	1.80
20/12/2019	Decrease/Transfer			-68023	22306203	1.79
03/01/2020	Decrease/Transfer			-107191	22199012	1.79
07/02/2020	Increase/Transfer			6372	22205384	1.79
27/03/2020	Decrease/Transfer			-41299	22164085	1.78
At the end of the year – 31.03.2020					22164085	1.78

^ Not in the list of Top 10 shareholders as on 1st April, 2019. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31st March, 2020.

13. RBC EMERGING MARKETS EQUITY FUND ^

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2019		0	0.00			
31/03/2020	Increase / Transfer			10914525	10914525	0.88
At the end of the year – 31.03.2020					10914525	0.88

^ Not in the list of Top 10 shareholders as on 1st April, 2019. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31st March, 2020.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
I	Directors					
1	Mr. Anand Gopal Mahindra (Executive Chairman, Key Managerial Personnel)					
	At the beginning of the year - 01.04.2019	1430008	0.12			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	At the end of the year - 31.03.2020				1430008	0.12

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
2	Dr. Pawan Goenka (Managing Director, Key Managerial Personnel)					
	At the beginning of the year - 01.04.2019	79188	0.01			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	At the end of the year - 31.03.2020				79188	0.01
3	Mr. Nadir B Godrej					
	At the beginning of the year - 01.04.2019	1150372	0.09			
	Increase - 13.11.2019 - Market Purchase			2000	1152372	0.09
	Increase - 22.11.2019 - Market Purchase			335	1152707	0.09
	Increase - 28.11.2019 - Market Purchase			1000	1153707	0.09
	Increase - 03.12.2019 - Market Purchase			4000	1157707	0.09
	Increase - 10.12.2019 - Market Purchase			2000	1159707	0.09
	Increase - 19.02.2020 - Market Purchase			2000	1161707	0.09
	Increase - 28.02.2020 - Market Purchase			2000	1163707	0.09
	Increase - 02.03.2020 - Market Purchase			2000	1165707	0.09
	At the end of the year - 31.03.2020				1165707	0.09
4	Mr. M. M. Murugappan					
	At the beginning of the year - 01.04.2019	200000	0.02			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	At the end of the year - 31.03.2020				200000	0.02
5	Mr. R. K. Kulkarni					
	At the beginning of the year - 01.04.2019	167976	0.01			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	As on 07.08.2019 (ceased to be a Director w.e.f. 08.08.2019)				167976	0.01
6	Mr. Vikram Singh Mehta					
	At the beginning of the year - 01.04.2019	20000	0.00			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0.00		
	At the end of the year - 31.03.2020				20000	0.00
7	Dr. Vishakha Desai					
	At the beginning of the year - 01.04.2019	5000	0.00			
	Increase - 14.10.2019 - Exercise of ESOPs			2500	7500	0.00
	At the end of the year - 31.03.2020				7500	0.00

Mr. Haigreve Khaitan, Ms. Shikha Sharma, Mr. T. N. Manoharan and Mr. Vijay Kumar Sharma did not hold any shares of the Company during the Financial Year 2019-2020. Mr. Anupam Puri who ceased to be a Director w.e.f. 08.08.2019 did not hold any shares.

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2019]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
II	Key Managerial Personnel					
1	Mr. V S Parthasarathy					
	At the beginning of the year - 01.04.2019	73264	0.01			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0	73264	0.01
	At the end of the year - 31.03.2020				73264	0.01
2	Mr. Narayan Shankar					
	At the beginning of the year - 01.04.2019	18464	0.00			
	Increase - 12.07.2019 - Exercise of ESOPs			4668	23132	0.00
	At the end of the year - 31.03.2020				23132	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.67	2,57,133.54	17.24	2,57,151.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,087.37	10.66	2,098.03
Total (i+ii+iii)	0.67	2,59,220.91	27.90	2,59,249.48
Change in Indebtedness during the financial year				
* Addition	-	1,43,743.54	-	1,43,743.54
* Reduction	-	1,05,072.70	16.26	1,05,088.96
Net Change	-	38,670.84	-16.26	38,654.58
Indebtedness at the end of the financial year				
i) Principal Amount	0.67	2,95,810.43	9.79	2,95,820.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,081.32	1.85	2,083.17
Total (i+ii+iii)	0.67	2,97,891.75	11.64	2,97,904.06

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Anand Mahindra (Executive Chairman)	Dr. Pawan Goenka (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	392.62	423.21	815.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.56	46.54	50.10
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option - Amount indicates perquisite value of ESOPs exercised during the year	0.00	0.00	0.00
3	Sweat Equity	-	-	-
4	Commission - as % of profit	419.06	471.71	890.77
5	Others - please specify (contribution to funds)	56.32	61.98	118.30
	Total (A)	871.56	1,003.44	1,875.00
	Ceiling as per the Act			50,818.16

(being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

B. Remuneration to other directors

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration											Total Amount					
		Mr. Nadir B. Godrej	Mr. M. M. Murugappan	Mr. R K Kulkarni ^{1,^}	Mr. Anupam Puri [^]	Dr. Vishakha N. Desai	Mr. Vikram Singh Mehta	Mr. T. N. Manoharan	Mr. Vijay Kumar Sharma (Nominee of LIC)	Mr. Haigreve Khaitan ^{*@}	Ms. Shikha Sharma [@]						
1	Independent Directors																
	Fee for attending board/committee meetings	14.50	14.00	6.20	3.00	5.70	14.50	12.50	-	6.60	9.00	86.00					
	Commission	30.00	36.00	12.69	10.57	36.00	30.00	36.00	-	23.31	19.43	234.00					
	Others, please specify (Perquisite value of ESOP)	-	-	-	-	4.50	-	-	-	-	-	4.50					
	Total (1)	44.50	50.00	18.89	13.57	46.20	44.50	48.50	-	29.91	28.43	324.50					
2	Other Non-Executive Directors																
	Fee for attending board/committee meetings	-	-	-	-	-	-	-	-	-	-	-					
	Commission	-	-	-	-	-	-	-	4.50	-	-	4.50					
	Others, please specify (Perquisite value of ESOP)	-	-	-	-	-	-	-	27.43 ^{\$}	-	-	27.43					
	Total (2)	-	-	-	-	-	-	-	31.93	-	-	31.93					
	Total (B)=(1+2)	44.50	50.00	18.89	13.57	46.20	44.50	48.50	31.93	29.91	28.43	356.43					
	Total Managerial Remuneration#	-	-	-	-	-	-	-	-	-	-	2,231.43					
	Overall Ceiling as per the Act	-	-	-	-	-	-	-	-	-	-	5,081.82					

(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

Total remuneration to Managing Director, Whole-Time Director and other Directors (being the total of A and B)

[^] Ceased as a Director with effect from 8th August, 2019

\$ The commission is payable to Life Insurance Corporation of India

* The sitting fees and commission was paid/payable to Khaitan & Co., in which Mr. R. K. Kulkarni and Mr. Haigreve Khaitan are Partners

@ Appointed as Independent Director with effect from 8th August, 2019

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	142.11	468.02	610.13
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.55	19.61	20.16
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option - Amount indicates perquisite value of ESOPs exercised during the year	57.16	0.00	57.16
3	Sweat Equity	0.00	0.00	0.00
4	Commission - as % of profit others, specify	0.00	0.00	0.00
5	Others, please specify (Contribution to Funds)	8.00	25.06	33.06
	Total	207.82	512.69	720.51

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

N.A.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 12th June, 2020

ANNEXURE IX

POLICIES

Your Company is committed to adhere to the highest possible standards of ethical, moral and legal business conduct. Considering this, your Company has formulated certain policies, inter alia, in accordance with the requirements of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"). The policies as mentioned below are available on the Company's website, at <https://www.mahindra.com/resources/FY20/AnnualReport.zip>. These policies are reviewed periodically and are updated as and when needed. During the year, the Company had revised and adopted some of its Policies in order to align the same with recent changes in Corporate Laws.

A brief description about the Key Policies adopted by the Company is as under:

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
Whistleblower Policy	The Vigil Mechanism as envisaged in the Act and Listing Regulations is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.	There has been no change to this policy.
Code of Conduct	The Board of your Company has laid down two separate Codes of Conduct, one for all the Board Members and the other for Employees of the Company. This Code is the central policy document, outlining the requirements that the employees working for and with the Company must comply with, regardless of their location.	There has been no change to the Codes.
Dividend Distribution Policy	The Dividend Distribution Policy as per Regulation 43A of the Listing Regulations is attached as Annexure I to the Board's Report and forms part of this Annual Report.	There has been no change to this policy.
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	This Code has been formulated to ensure prompt, timely and adequate disclosure of Unpublished Price Sensitive Information ("UPSI") which inter alia includes policy for Determination of "Legitimate Purposes".	There has been no change to the Code.
Policy for determination of Materiality of any Event/ Information	This policy requires the Company to make disclosure of events or information which are material to the Company as per the requirements of Regulation 30 of the Listing Regulations.	The Disclosure Committee was re-constituted with effect from 1 st April, 2020 in line with the organisational changes.
Policy for determining Material Subsidiaries	The policy is used to identify material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.	There has been no change to this policy.
Policy on Materiality of and Dealing with Related Party Transactions	The policy has been framed in order to regulate all the transactions between the Company and its related parties.	There has been no change to this policy.
Policy on Appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management	This policy includes the criteria for determining qualifications, positive attributes and independence of a Director, identification of persons who are qualified to become Directors and who may be appointed in the Senior Management Team in accordance with the criteria laid down in the said Policy, succession planning for Directors and Senior Management, and policy statement for Talent Management framework of the Company.	There has been no change to this policy.
Policy for remuneration of the Directors, Key Managerial Personnel and other employees	This policy sets out the approach of the Company towards the Compensation of Directors, Key Managerial Personnel and other employees in the Company.	There has been no change to this policy.

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
Corporate Social Responsibility Policy	The Corporate Social Responsibility Policy is aimed inter alia at promoting a unified and strategic approach to CSR across the Company by incorporating under one "Rise for Good" umbrella the diverse range of its philanthropic giving, identifying select constituencies and causes to work with, thereby ensuring a high social impact.	The Annexure to this policy containing list of the CSR Projects (2019-20) was updated.
Archival Policy	As per the policy, the events or information which has been disclosed by the Company to the Stock Exchanges pursuant to Regulation 30 of the Listing Regulations shall be hosted on the website of the Company for a period of 5 years from the date of hosting.	There has been no change to this policy.
Business Responsibility Policy	The objective of this policy is to ensure a unified and common approach to the dimensions of Business Responsibility across M&M and Group companies, act as a strategic driver that will help all Group Companies respond to the complexities and challenges that keep emerging and be abreast with changes in regulations.	There has been no change to this policy.
Safety, Occupational Health and Environment Policy	The vision of the policy is to sustain zero incident, zero occupational health hazard and pollution free working environmental organisation.	There has been no change to this policy.
Policies on Sexual Harassment for Women and Male Employees	The policy on Sexual Harassment for Women is for redressal of complaints received regarding sexual harassment and compliance of other provisions as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company in its good governance have extended the same to male employees also.	There has been no change to this policy.
Anti-Bribery and Anti-Corruption Policy	While the basic tenets of anti-bribery and anti-corruption policy are enshrined in the Code of Conduct of the Company, this Policy comprehensively captures the Company's approach towards bribery and corruption in detail.	This Policy was adopted during FY 2019-20. It provides a framework for ensuring compliance with various legislations governing bribery and corruption globally and also provides guidance on the standards or behaviour which must be adhered to by those working for or on behalf of the Company. The Policy applies to the entire Mahindra employees and all third parties of any type.

Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in nature of loans to subsidiaries:

(Rs. in crores)

Name of the Company	Balances as on 31 st March, 2020	Maximum outstanding during the year
Mahindra Agri Solutions Limited	00.00	50.00
Mahindra Rural Housing Finance Limited	200.00	200.00
Mahindra Electric Mobility Limited	00.00	30.00
Mahindra Overseas Investment Company (Mauritius) Limited	85.54	85.54
Mahindra EPC Irrigation Limited (Formerly EPC Irrigation Limited)	00.00	5.00
Mahindra Airways Limited	00.00	0.15
Mahindra Integrated Business Solutions Private Limited	0.50	0.50
Mahindra & Mahindra Financial Services Limited	100.00	400.00
Mahindra First Choice Services Limited	00.00	10.00
Mumbai Mantra Media Limited	00.00	0.46

Loans and advances in nature of loans to Associates/Joint Venture:

(Rs. in crores)

Name of the Company	Balances as on 31 st March, 2020	Maximum outstanding during the year
Mahindra Ideal Lanka Private Limited (Joint Venture)	2.99	2.99

An aerial, black and white photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings runs parallel to a body of water. The road is flanked by palm trees and other vegetation. In the middle ground, a paved promenade with people walking and a few parked motorcycles is visible. The background features a dense urban skyline with numerous high-rise buildings under a cloudy sky. A red vertical line is positioned on the right side of the image, and three red rectangular boxes are overlaid on the top right, containing the text 'MANAGEMENT DISCUSSION AND ANALYSIS' in white, bold, uppercase letters.

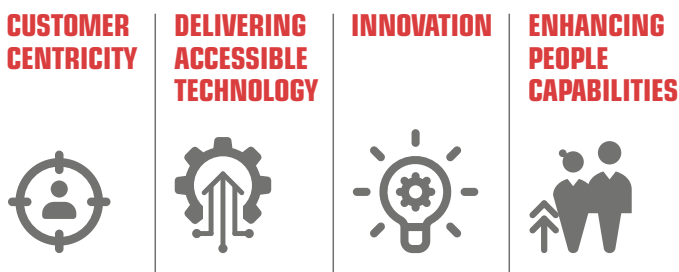
MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

Mahindra & Mahindra Limited (“M&M”) or (“Mahindra”) is the flagship company of the Mahindra Group, which consists of diverse business interests across the globe and aggregate revenues of around US\$ 19.4 billion.

At Mahindra, we constantly push the boundaries of possibilities to create products and technology led services, that enable our customers and stakeholders to Rise.

By focusing on _____



we continue to drive growth in the domestic market while pursuing global expansion.

In the Financial Year 2019-20, your Company sold 471,141 vehicles (a de-growth of 22.5% in comparison to the previous year) and 298,927 tractors (a de-growth of 8.6% over the previous year).

The Automotive and Farm Sectors, along with their subsidiary, associate companies and joint ventures, achieved global sales of 0.92 million vehicles and tractors (600,961 vehicles and 319,617 tractors), a de-growth of 16.4% over the previous year.

INDUSTRY STRUCTURE, OVERVIEW AND TRENDS

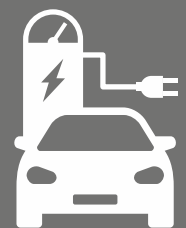
I Automotive Industry

In the Calendar Year (CY) 2019, worldwide sales of Passenger Cars and Commercial Vehicles dropped to 91.3 million, a de-growth of 4.0% over the CY2018 sales of 95.0 million. The Global auto industry has grown a good 3.4% CAGR in the 10 years after the slowdown of CY2008 - 2009. However, the growth between CY2015 - CY2019 softened to just 0.4% CAGR as compared to 3.6% CAGR between CY2010 - CY2015.

Slowing economic activity weighed on 2019 China auto sales. Despite two consecutive years of de-growth, China remains the single largest market with 25.8 million sales and accounts for one in every fourth vehicle sales in the world. USA vehicle sales declined 1.3% to 17.5 million. Sales in Germany, the largest market in Europe, reported growth of 5.1% with 4.0 million sales. Russian auto sales, the largest market of Eastern Europe, dropped 2.3% to 1.8 million, following two years of double-digit growth. Brazil, which is the largest market in Central & South America, has grown in last three years at a CAGR of 10.8% but is still down by 26.7% from peak of 3.8 million in 2012.

The fastest growing segment worldwide was that of Electric Vehicles (EVs). Albeit on a low base, EV sales have grown at 51% CAGR over the last three years. Annual global EV sales stand at 1.5 million, which is 2.3% of total Passenger Vehicle (PV) sales, as compared to just 0.2% five years back.

The momentum for EVs is being driven by the global recognition of the need for clean mobility, many governments providing incentives to promote EV adoption, improving affordability & performance of EVs and rapid expansion of EV charging infrastructure.



(Source: OICA - Organisation Internationale des Constructeurs d'Automobiles)

The Indian automotive industry comprises of several Indian-origin and multinational players with varying degrees of presence in different product segments. Over the years, multinational players have established deep rooted presence in India, from engineering centres to local sourcing and a widespread channel. To remain competitive in a very value conscious market, Original Equipment Manufacturers (OEMs) are focusing on launching new products with attractive features and competitive price points. Going forward, PV OEMs are increasingly exploring strategic alliances to leverage synergy benefits.

The long-term growth outlook for the Indian auto industry is positive. The growth drivers being - Economic growth

outlook with improving income levels, Government focus on road and infrastructure development, current low levels of vehicle penetration, rapid urbanisation and a large young, aspiring population.

While the long-term outlook for the Indian auto industry is promising, there has been some softening of demand for automobiles in the five-year period F15-F20, as compared to the previous five-year period F10-F15. Exports from India too have slowed down in this period. The table below compares industry growth data for the two five-year periods.

Segment	CAGR F10-F15	CAGR F15-F20
PV (Domestic sales)	5.9%	1.3%
CV (Domestic Sales)	2.9%	3.1%
Domestic Sales (Excl. 2W)	5.1%	2.0%
PV (Export)	6.8%	1.7%
CV (Export)	14.1%	-6.9%

The softening of demand for PVs is a result of overall macro-economic factors, increasing urban congestion, growth of shared mobility, increase in vehicle prices due to addition of multiple features and implementation of regulations - mainly in the area of safety and emission.

Within the Commercial Vehicle (CV) segment, the LCV 2-3.5T, which is the Pik-Up segment, has shown a healthy growth of 11.2% CAGR over last 10 years. This sustained growth is a result of increasing affordability in the agri, rural economy and availability of affordable finance.

Automotive exports from India was a good growth story, with many OEMs leveraging competitiveness of Indian manufacturing for exports from India. However, in the last five years, exports from India have slowed down significantly. The slowdown in exports is a result of overall uncertainty in global economy, tariff concerns and norms for local value add across geographies.

Over the years the Indian auto industry, OEMs along with the Supplier ecosystem, has made significant investment and strides in indigenisation of technologies in the IC

engine space, with the objective of improving efficiency and reducing emission.

Successful Migrating from BS4 to BS6 emission norms (skipping BS5) in a record time of three years is a great achievement for the Indian auto industry.



It is unprecedented anywhere in the world, that the entire industry across all vehicle categories has switched to such stringent emission regime, in such a short time and that too jumping one step of emission norms.

With an objective of improving air quality and reducing the fuel import bill, adopting Electric Vehicles is a priority for the Government of India. Towards meeting these objectives, the Government has announced the FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) policy. Additionally, with the objective of maximising local value add and building competitiveness of Indian industry, the Government has announced the Phased Manufacturing Plan (PMP). The Indian Auto industry is making the necessary investment and is focused on building capabilities in the EV space.

Auto Industry in FY2020

In Financial Year 2019-20, Indian auto industry sales (excluding two wheelers) dropped to just 4.13 million from the record high of 5.09 million in 2018-2019. This is a de-growth of 18.8%. This is the worst ever de-growth in the last 28 years.

FY2020 was a very challenging year for the Indian auto industry. On one front, the industry was focused on achieving smooth and efficient transition from BS4 to BS6. On the other front, the industry was faced with very challenging market scenario.

The table below shows the progressive worsening market scenario for the Indian auto industry between Q1-F20 to Q4-F20.

	F19				F20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PV	19.9%	-3.6%	-0.8%	-2.0%	-18.4%	-28.7%	-0.6%	-22.3%
CV	51.6%	27.6%	6.7%	0.7%	-9.5%	-35.0%	-17.3%	-48.3%
3W	54.0%	24.6%	-6.8%	-8.8%	-7.3%	-6.1%	5.7%	-28.0%
2W	15.9%	5.0%	8.4%	-9.0%	-11.7%	-20.5%	-14.9%	-24.7%

The deep slowdown in demand for automobiles was principally a result of:

- A weak consumer sentiment emanating from the general slowdown in economic growth and constrained Government spending:

- Muted demand from rural parts driven by three reasons:
 - (i) An erratic monsoon with poor spatial and temporal distribution.
 - (ii) Lower agricultural incomes due to poor price realisation and crop damage, and
 - (iii) Fall in non-agri incomes due to lower rates of job creation.

- Challenges in access to and cost of finance: Tight credit conditions arising from stress in the NBFC sector, which has a significant share in wholesale and retail financing, and limited pass through of Repo rate cuts to retail customers, making financing unaffordable.

- Increase in vehicle prices due meeting safety and emission norms.

In addition to above, Industry sales for Q4-F20 and more specifically for the months of February and March 2020 were severely impacted on two reasons.

Firstly - due to transition to the BS6 emission norms coming into implementation from 1st April 2020 and Secondly - due to the lockdown in March 2020 due to the COVID-19 pandemic.

Some production was also lost due to short supply of certain components which are imported from China, which was under lockdown in February and March.

For the year F20, Passenger Vehicle (PV) sales stood at 2.7 million, as compared to 3.4 million in the previous year. This is a de-growth of 17.9% and is the worst de-growth in the last 28 years and is far lower than the five-year PV industry CAGR of 1.3%. The industry volume of 2.7 million has fallen back to about industry volume of F16.

Over the five-year period F15 to F20, the Utility Vehicle (UV) sub-segment of PV industry has witnessed good growth of 11.4% CAGR. As a result of this good growth in UV segment, UV as a share of PV has increased from 21.2% in F15 to 34.1% in F20.

This growth in UV is driven by increased customer preference for UV styled vehicles and a shift from compact cars to compact UVs (less than 4m length). All OEMs are now actively growing the UV portfolio by launching competitive products at attractive price points.

In the last two years (F19 and F20), there were 13 new launches in the UV segment, and these accounted for 34% of UV volume in F20. For the year F20, compact UVs accounted for 45% of UV volume.

For the year F20, Commercial Vehicle (CV) sales stood at 0.7 million as compared to 1.0 million in the previous year. This is a de-growth of 28.8% and is the worst de-growth in the last 22 years.

The LCV < 3.5T GVW segment, which accounts for 65.1% of total CV goods industry, posted a volume of 411,285 units. This is a de-growth of 20.2% over the previous year. The Pik-Up segment, which is LCV 2-3.5T GVW, de-grew 17.2% and posted sales of 231,982 units.

The MHCV (Goods) industry posted a volume of 184,549 units, a de-growth of 47.4% over the previous year. The MHCV (Goods) volumes have now fallen back to about FY2014 levels. The increase in the axle loading norms for heavy commercial vehicles, which were announced by the Ministry of Road Transport and Highways in August 2018, had resulted in surplus capacity of about 20 - 25% with transporters. This excess capacity with transporters, coupled with the lack of freight availability due to the overall slowdown in the economy, continues to adversely impact the CV industry growth.

The three-wheeler (3W) industry posted a volume of 636,569 units, a de-growth of 9.2%. Within the 3W segment, the interesting story is the growth of e-3W. Improving operating economics, easy deployment for last/first mile connectivity, including at metro stations, opportunity for employment generation, growth of start-ups as 3W aggregators - coupled with the Government's focus to encourage EVs for public transportation, make e-3W an attractive product segment with good growth potential.

For the year F20, a total of 14,262 e-3W were sold. This is 2.7% of the Passenger 3W industry.



The table below shows the size and growth rates of various segments of the Indian auto industry for the period F18 to F20.

Industry Segment	Domestic Industry Volume			YoY Growth		
	F18	F19	F20	F18	F19	F20
Cars	2,174,024	2,218,489	1,695,441	3.3%	2.0%	-23.5%
Utility Vehicles	922,322	941,474	946,010	21.0%	2.1%	0.5%
Vans	192,235	217,426	132,124	5.8%	13.1%	-39.2%
Passenger Vehicles	3,288,581	3,377,389	2,773,575	7.9%	2.7%	-17.9%
MHCV	340,781	390,732	224,806	12.6%	14.7%	-42.5%
MHCV Passenger	36,117	39,604	40,257	-23.7%	9.7%	1.6%
M+ICV Goods (7.5 to 16.2T)	92,232	117,051	81,640	3.2%	26.9%	-30.3%
HCV Goods (>16.2T)	212,432	234,077	102,909	28.0%	10.2%	-56.0%
LCV	516,135	616,579	492,882	25.4%	19.5%	-20.1%
LCV Passenger	49,002	52,170	45,369	-3.4%	6.5%	-13.0%
LCV Goods < 2T GVW	165,479	235,024	179,303	41.6%	42.0%	-23.7%
LCV Goods 2 to 3.5T GVW	255,599	280,205	231,982	23.1%	9.6%	-17.2%
LCV Goods > 3.5T GVW	46,055	49,180	36,228	27.0%	6.8%	-26.3%
Total CV	856,916	1,007,311	717,688	20.0%	17.6%	-28.8%
3W Passenger	517,423	572,386	525,015	28.7%	10.6%	-8.3%
3W Goods	118,275	128,619	111,554	7.8%	8.7%	-13.3%
3W	635,698	701,005	636,569	24.2%	10.3%	-9.2%
Scooters	6,719,909	6,701,430	5,566,036	19.9%	-0.3%	-16.9%
Motorcycles	12,620,690	13,598,190	11,214,640	13.8%	7.7%	-17.5%
Mopeds	859,518	880,227	636,940	-3.5%	2.4%	-27.6%
2W	20,200,117	21,179,847	17,417,616	14.8%	4.9%	-17.8%
Quadricycle	-	627	942	-	-	-
Total Domestic	24,981,312	26,266,179	21,546,390	14.3%	5.1%	-18.0%
Domestic (Excl. 2W)	4,781,195	5,086,332	4,128,774	11.9%	6.4%	-18.8%

I Tractor Industry

The domestic tractor industry comprises of several Indian origin and international OEMs. Over the last few years, domestic tractor industry has seen increasing competitive intensity. International players are establishing deeper presence in India through exploring strategic alliances with Indian OEMs. To remain competitive in a very value conscious market, tractor OEMs are competing to offer better value proposition to farmers. Companies are launching products with attractive features at competitive price points.

Indian Tractor Industry is typically classified under the following segments < 20HP, 20-30HP, 31-40HP, 41-50HP and > 50HP. Over 80% of tractor sales are in the 31 to 50HP segment. Over the past ten years (F10 to F20), there has been good growth in the > 50 HP segment as well as the

< 20HP segment. The growth in the > 50HP segment is driven by need for tractor versatility and evolution of farming practices especially in case of farmers with large land holdings. The growth in the < 20HP segment is a result of increased affordability amongst farmers with small-medium land holding and the growing need for mechanisation.

Horticulture is a growing segment in the agri economy. There has been consistent growth in horticulture production over last few years. Farmers are increasingly cultivating horticulture crops as it ensures better returns by diversifying the sources of income. This has led to growing need for tractor and mechanisation solutions suitable for orchards, vineyards and other horticulture crops. Growing urbanisation, higher incomes and higher consumption of

fruits and vegetables, coupled with Government's focus to increase agriculture export is driving the growth in Indian horticulture. This scenario is creating a greater demand of horticulture specific mechanisation solutions in the market.

Indian agriculture is characterised by high degree of manual work and low productivity. At the same time, demand for farm labour is cyclic and there is shortage of farm labour in the peak season. In this scenario, the key to raising farm productivity is to increase the level of mechanisation and improve farming practices. This scenario, coupled with Government focus on improving the state of agriculture, is generating multiple opportunities in the space of farm mechanisation, dissipation of agri know how and crop specific solutions. These opportunities are being leveraged by both existing industry players and start-ups.

The long-term growth outlook for the Indian Tractor industry is positive.

Demand for tractors is cyclical in nature, and historical data shows that tractor demand in India has grown 7-10% over every 10-year period with some exceptions.



Key growth drivers being -

- ☑ growing demand for farm mechanisation
- ☑ improving affordability
- ☑ increasing Government spend in rural sector
- ☑ and continued focus of Government on improving the state of agriculture in India.

The domestic tractor industry has grown 6% CAGR in the period F10 to F20, which is a slight deviation from the historical trend. This is primarily due to decline in tractor industry in FY2020 after three years of consecutive growth from FY2016 to FY2019. However, with the current focus of the Government on development of agriculture sector, growing need of tractors in non-farm sector and consistent growth in overall rural economy over the years, the long-term outlook for the Indian tractor industry is promising.

I Tractor Industry in FY2020

FY2020 was a challenging year for the Indian tractor industry. In the given financial year, the Indian tractor market (the world's largest by volume), declined by 9.9% and industry volume dropped to 709,002 units. Tractor industry recorded de-growth in FY2020 after three consecutive years of growth. In the three years from FY2016 to FY2019, industry had grown by 54.8% and reached a peak of 787,304 in FY2019.

The sharp decline in the tractor industry in FY2020 can be primarily attributed to the slowdown in the overall economy, impacting the rural and agri sector both in terms of income and sentiments.

The industry performance for FY2020 needs to be reviewed in two parts, the first eight months (April - November 2019) where the industry de-grew 11.1%, and the next four months (December 2019 - March 2020).

Green shoots were visible around December 2019 and the industry grew a good 2.4%, 4.8% and 21.3% in the months of December 2019, January and February 2020 respectively, a total 9.7% growth in the three months.

This growth momentum was expected to continue into March, but the industry volumes suddenly dropped due to concerns over the COVID-19 pandemic and the ensuing nationwide lockdown of seven days towards end of March. This resulted in March industry de-growth of 43.5%, the highest ever for a single month. The tractor industry de-grew 6.7% in the period December 2019-March 2020.

The period from April to November 2019 saw subdued demand due to slowing down of overall economy, continued stress in agri sector, and liquidity crunch in NBFC sector. Low income realisation and Kharif crop loss due to erratic rainfall impacted the overall sentiments in the agri sector. Additionally, non-agricultural demand remained weak.

Industry growth in months of December, January and February was a result of good Rabi outlook supported by record reservoir levels, increased Government spending in rural, along with improved liquidity conditions in the market. Overall an improved sentiment in agri and rural economy.

For the year under review, Uttar Pradesh retained its No.1 position in tractor sales, followed by Madhya Pradesh and Rajasthan, same as FY2019. Top ten states which constitute to 83% of domestic industry, posted a de-growth of 4.3%. Key states of Uttar Pradesh and Maharashtra which account for 25% of tractor industry, posted a de-growth of 10.9% and 2.9% respectively.

Some agriculturally important states like Chhattisgarh, Telangana, Rajasthan, Madhya Pradesh and Punjab registered growth of 12.2%, 11.2%, 5.1%, 1.5% and 1.3% respectively. Good growth in Chhattisgarh and Telangana can be attributed to focused interventions of State Government for farmers welfare, supported by good rains and high crop output during the year.

The table below lists states by share of industry and growth for FY2020.

Rank	States	F20	
		Industry Share	Growth
1	Uttar Pradesh	17.4%	-10.9%
2	Madhya Pradesh	12.4%	1.5%
3	Rajasthan	9.7%	5.1%
4	Maharashtra	8.7%	-2.9%
5	Gujarat	7.8%	-0.5%
6	Bihar	6.1%	-25.3%
7	Telangana	5.9%	11.2%
8	Karnataka	5.7%	-3.5%
9	Haryana	5.5%	-5.5%
10	Punjab	3.9%	1.3%
11	Chattisgarh	3.6%	12.2%
12	Tamil Nadu	3.3%	-15.3%
13	West Bengal	2.9%	-23.1%
14	Andhra Pradesh	2.6%	-57.8%
15	Odisha	2.2%	-25.7%
16	Jharkhand	1.2%	-42.2%
17	Assam	1.3%	-44.4%
	All India	-	-9.9%

The table below summarises the market size and growth, across various HP segments of the tractor industry. The 31-50 HP segment that accounts for more than 80% of industry declined by 10.9%.

S. No.	HP	Industry Share	Growth
1	<20	3.4%	-15.7%
2	20-30	6.5%	-0.4%
3	30-40	33.3%	-15.9%
4	40-50	48.7%	-7.2%
5	>50	8.0%	-3.8%
	Total	100.0%	-9.9%

YOUR COMPANY'S PERFORMANCE

I AUTOMOTIVE SECTOR



During the year under review, your Company continued to be

the
3rd
Largest
Passenger
Vehicle
Company



the
2nd
Largest
Commercial
Vehicle
Company



and the
Largest
Small Commercial
Vehicle Company
in India



YOUR COMPANY'S SHARE OF THE TOTAL INDIAN AUTO INDUSTRY STOOD AT 10.8%.

For the year under review, your Company achieved overall volumes of 444,218 vehicles in the domestic market, a de-growth of 21.9% over the previous year.

The table below summarises the performance of your Company across various Industry Segments.

Segment	Industry		M&M		M&M Market Share	
	F20	Growth	F20	Growth	F20	F19
Utility Vehicles	946,010	0.5%	179,405	-23.8%	19.0%	25.0%
Cars	1,695,441	-23.6%	858	-44.2%	0.1%	0.1%
Vans	132,124	-39.2%	6,679	-61.7%	5.1%	8.0%
Passenger Vehicles Total	2,773,575	-17.9%	186,942	-26.5%	6.7%	7.5%
LCV Goods < 2T GVW	179,303	-23.7%	36,475	-31.4%	20.3%	22.6%
LCV Goods 2 to 3.5T GVW	231,982	-17.2%	151,384	-14.1%	65.3%	62.9%
LCV Goods < 3.5T	411,285	-20.2%	187,859	-18.1%	45.7%	44.5%
LCV Goods > 3.5T GVW	36,228	-26.3%	2,932	-33.9%	8.1%	9.0%
LCV Goods Total	447,513	-20.7%	190,791	-18.4%	42.6%	41.4%
M+ICV Goods (7.5 to 16.2T)	81,640	-30.3%	760	-	0.9%	0.2%
HCV Goods (>16.2T)	102,909	-56.0%	5,097	-53.0%	5.0%	4.6%
MHCV Goods	184,549	-47.4%	5,857	-46.8%	3.2%	3.1%
LCV Passenger	45,369	-13.0%	2,483	-34.7%	5.5%	7.3%
MHCV Passenger	40,257	1.6%	-	-	-	-
CV Passenger	85,626	-6.7%	2,483	-34.7%	2.9%	4.1%
CV Total	717,688	-28.8%	199,131	-19.9%	27.7%	24.7%
3W	636,569	-9.2%	58,145	-12.1%	9.1%	9.4%
Quadricycle	942	50.2%	-	-	0.0%	0.0%
Auto (Dom) Total	4,128,774	-18.8%	444,218	-21.9%	10.8%	11.2%

For the Financial Year (FY) 2019-20, your Company's market share in the UV segment stands at 19.0% and the market share for Passenger Vehicles (PV) stand at 6.7%.

The UV segment in India, has seen intense competition over the past five years, with all OEMs launching products in the UV space at attractive price points. At the same time, there has been an increased customer preference for compact five-seater, car like UVs. This scenario in the UV segment has resulted in declining market share for your Company.

Your Company has taken appropriate steps towards strengthening the UV portfolio, through working on new product platforms and launching new models. In the year FY2019, your Company launched three next generation products in the UV segment; the Marazzo, Alturas G4 and XUV300. These three new products represent a bold new direction for your Company's automotive products, one that offers customers unmatched quality and a truly refined user experience.



In January 2020, the XUV300 was awarded the highest 5-Star Safety Rating by Global NCAP. XUV300 becomes the first Indian vehicle to score the highest points among all 5-Star rated cars tested so far by Global NCAP and the first Indian vehicle to score a 4-Star child safety rating. In February 2020, XUV300 became the first ever Indian car to receive Global NCAP's 'Safer Choice' award for being the safest car in India. This prestigious accolade is only available to automakers achieving the highest levels of safety performance for cars sold in India.





FIRST INDIAN VEHICLE TO SCORE THE HIGHEST POINTS

THE FIRST EVER INDIAN CAR TO RECEIVE GLOBAL NCAP'S 'SAFER CHOICE' AWARD



The Iconic Scorpio, Stylish XUV500 and Rugged Bolero continue to be strong brands for your Company in the UV segment and continue to be at the core of your Company's UV portfolio.

In the market segment LCV goods < 3.5T, which accounts for almost 65.1% of total CV-goods industry, your Company has retained the No.1 position. Your Company's market share in this segment stands at 45.7%.

In the LCV<2T segment, the Jeeto and the Supro minitruck helped your Company achieve a volume of 36,475 with a market share of 20.3%.



In the Pik-UP sub-segment (LCV goods 2 to 3.5T), your Company sold 151,384 vehicles, a de-growth of 14.1% over the previous year. Your Company's market share in the Pik-UP segment stands at 65.3% as compared to 62.9% in the previous year. Your Company has been the leader in the Pik-UP segment for over 20 years, and it has always been the endeavour to enhance the Customer Value Proposition of its offering. In August 2019, the Company launched the New Bolero City Pik-Up, which is perfectly suited for city applications with its easy manoeuvrability, stronger suspension, reliability and comfort.

In the LCV > 3.5T segment, your Company sold a total of 5,415 trucks and buses which is a de-growth of 34.2% over the previous year.

In the MHCV segment, your Company sold a total of 5,857 trucks (5,097 HCVs and 760 ICVs), which is a de-growth of 46.8% over the previous year. Your Company's market share in the HCV segment stands at 5.0%.

Your Company is the pioneer for Electric Vehicles (EVs) in India, and for the year under review, sold (along with its subsidiary Mahindra Electric Mobility Limited, ["MEML"]) 14,602 EVs (966 four wheelers and 13,636 three wheelers) as against 10,276 EVs (1,811 four wheelers and 8,465 three wheelers) in the previous year. This growth is supported by the Government's thrust on adopting EVs, and sustained effort by your Company in working with various stakeholders, especially fleet operators.

Sold
14,602 EVs 
966 four wheelers | 13,636 three wheelers

Customer satisfaction has always been a priority for your Company and over the past few years, the Company has worked tirelessly to improve customer satisfaction at the dealerships as well as at the product level. Because of these efforts, for the year 2019, your Company was ranked #2 in J.D. Power India Sales Satisfaction Index (Mass Market) StudySM. In the J.D. Power India Customer Service Index (Mass Market) StudySM, your Company is ranked #3.

Export from India - Automotive Sector

The Automotive Sector of your Company exported a total of 26,923 vehicles during the year FY2020, a de-growth of 30.0% over the previous year. While the volumes in South Africa (largest export market for M&M) and Europe were positive, the drop in total exports is a result of weakness in demand in key export markets of South Asia and South America. Your Company continues its efforts to grow on-ground presence, to expand product portfolio and strengthen brand in key international markets.

FARM EQUIPMENT SECTOR

For the period under review, your Company sold 301,915 tractors, (domestic plus export), under the Mahindra, Swaraj and Trakstar brands, against 330,436 tractors sold in the previous year, registering a decline of 8.6% (Note: Trakstar, is the third tractor brand of your Company, under the subsidiary Gromax Agri Equipment Limited).

During FY2020, the domestic tractor industry faced significant headwinds. As a result, industry volumes declined by 9.9%. This decline comes after three consecutive years of growth.

Against a 9.9% decline in industry volumes, your Company de-grew by 7.8%, registering a volume of 291,901. In a very competitive industry, your Company increased its market share by 0.9%, leading to 41.2% market share. With this, your Company continued its market leadership in the domestic tractor market for the 37th consecutive year. Your Company's performance was supported by all three brands of your Company, viz. Mahindra, Swaraj and Trakstar. Your Company also launched a new plus series of tractor during FY2020 and June 2020. This new series is an upgrade of your Company's heritage tractor models - Bhoomiputra and Sarpanch and is available across multiple HP-points from 30 HP to 50 HP category.



The plus series tractors offer better value to farmers in both haulage and agri segments with higher power, better fuel efficiency and better hydraulics.

Farm mechanisation is an important enabler to address the concerns of farm productivity and farm labour shortage. Your Company has active presence in the farm mechanisation space and offers efficient and affordable mechanisation solutions across the spectrum of farming operations. These include rotary tillers, cultivators, harvesters, balers, and rice transplanters amongst others. Considering the growing demand of farm mechanisation in horticulture segment, your Company (through its subsidiary M.I.T.R.A Agro Equipments Private Limited) offers specialised sprayers to cater to the need of horticulture farmers.



For the year under review, your Company recorded good growth in sales of harvesters and threshers, particularly in second half of the year as the demand increased from December onwards with delayed realisation of Kharif incomes and improved sentiment on account of strong Rabi outlook. However, there was a decline in sales of rotary tillers, cultivators, and rice transplanters owing to loss of Kharif crop output due to erratic rainfall, and low-income realisation by farmers in first half of the financial year.

Export from India - Farm Equipment Sector

For the year under review, your Company exported 9,956 tractors (including 336 CKD) as compared to 13,555 tractors (including 204 CKD) in the previous year, recording a de-growth of 26.6%. This decline is primarily due to the overall slowdown in the global economy and COVID-19 impact particularly in the month of March.

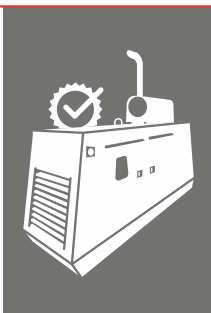
Keeping the future growth opportunities in mind, your Company will continue to strengthen the product portfolio and build brand in international markets.

ALLIED BUSINESSES

Mahindra Powerol

Under the Powerol brand, your Company has been a leader in providing power back-up solutions to the telecom industry for past thirteen years. To cater to changing customer needs, your Company continues to expand its presence in tele-infra management and in the energy management solutions space.

In the retail genset business, your Company offers a wide range of solutions from lower KVA range to mid to higher KVA range and is No. 2 brand by volume in the category of upto 200 KVA gensets.



Your Company was first player in India to launch Gas Powered Gensets in F19. In addition to lowering emission, these gensets offer a significantly lower operating cost.

With a focus on green energy solutions, your Company offers green gensets, powered with Lithium-ion batteries.

These are for application in telecom towers and bank ATMs. Also, through its subsidiary, Mahindra Waste To Energy Solutions Limited ("MWESL"), your Company offers waste to energy solutions through bio-gas plants.

Construction Equipment

For the year under review, your Company (under the Mahindra EarthMaster brand) sold 880 Backhoe Loaders (BHLs) against 1,286 in FY2019, which is a de-growth of 32%.



With the slowdown in infrastructure sector, the BHL market in India de-grew by 22.5% over the previous year. Your Company continues to be at the 4th position in the BHL industry.

Your Company also has presence in the road construction equipment business through motor graders (under the Mahindra RoadMaster brand). For the year under review, your Company sold 168 motor graders.

Two-Wheeler Business

For the Financial Year 2019-20, your Company sold 1,450 two-wheelers (including 412 export). Your Company successfully exported first lot of Made in India electric two-wheeler E-Ludix, to its subsidiary Peugeot Motorcycles in France.

In line with the revised strategy for the two-wheeler business, your Company through its subsidiary, Classic Legends Private Limited (CLPL) had reintroduced the iconic brand 'JAWA' to Indian market in FY2019, with the launch of new range of motorcycles - JAWA and JAWA Forty-Two.

A new addition to that range, JAWA Perak was launched in the Financial Year 2019-20.



JAWA has been one of the most sought-after motorcycles in India from the 70s through the 90s. And with success of JAWA, your Company plans to build the brand in the premium niche two-wheeler segment.

OPPORTUNITIES AND THREATS

I Automotive Sector

The auto industry is an engine of economic growth. The industry contributes to 7.1% of India's GDP, 15% of GST revenues and supports 37 million direct and indirect jobs.

A highly localised supply chain has enabled the industry to be a shining example of Make In India, which is recognised world over. To meet Government's mission, of a 5 trillion USD economy by 2025, the automotive industry which constitute almost 50% of the manufacturing GDP, will have to grow by 14% CAGR till 2025.

FY2020 was a difficult year for the industry and so will be FY2021 - due to the lockdowns and uncertainties arising from the COVID-19 pandemic. The Government will need to work closely with industry to put the industry back onto growth path.

Growing concerns over air quality, road safety, sustainability and urban congestion, among consumers and society at large, are driving the regulations and policies for motor vehicles and urban development. These will impact choice of fuel, ownership patterns and will have a significant impact on the future of the automotive industry.

Over the years, the industry has made significant investment in, indigenisation of technologies in the conventional vehicles space. Step jump from BS4 to BS6 emission norms in just three years, is a shining example of the industry's capability. It is unprecedented anywhere in the world to switch to such stringent emission regime on one single day, for all categories of vehicles.

With an objective of improving air quality and reducing the fuel import bill, the Government is actively pursuing the plan for electrification of the vehicle fleet and has announced the FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) policy. The industry is gearing up for meeting this challenge on the technology and product fronts and is developing capability in next generation technologies for EVs and Hybrids.

Increasing need for advanced technologies in the vehicles, competitive intensity and ever spiralling customer expectations, call for increased R&D, closer working with suppliers, shorter product life cycles and rigorous monitoring of costs.

I Farm Equipment Sector

Strong Government focus for development of agriculture sector, increasing adoption of mechanisation and modern agricultural practices and rural development at large, is expected to drive sustainable growth in agriculture sector.



India, with its large base of small and marginal farmers, has several regions with low penetration of farm mechanisation. With increasing labour cost and labour scarcity, greater adoption of various forms of mechanisation is the way forward. In this scenario, the market for tractors and other farm equipment is expected to grow in the long term.

India being the world's largest tractor market with a growing rural economy, presents a good opportunity for players in farm mechanisation space. Hence going forward, the competitive intensity in the farm mechanisation space is expected to increase, leading to new product launches and product offerings at high value points. Also, the customer expectations of performance, quality and technology are increasing with time. Staying ahead of competition by offering products with modern technology and features is likely to put pressure on costs.

I Allied Businesses

The rising demand for power backup solutions and infrastructure development will create opportunities in the power generation and infrastructure equipment space. This is an opportunity for the Company to grow its offerings in power solutions and construction equipment.

RISKS AND CONCERNS

I Automotive and Farm Equipment Sectors

The Company's business is exposed to many internal and external risks and it has consequently put in place robust systems and processes, along with appropriate review mechanisms to actively monitor, manage and mitigate these risks.

I COVID-19 Pandemic

The Financial Year 2020 ended with the COVID-19 pandemic disrupting the global economy and supply chains. The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook.

Fiscal FY2021 began with a lockdown, with almost zero economic activity in India, which took strict measures to contain the spread and intensity of the pandemic. With an extended lockdown in Q1-F21, the impact on GDP is expected to be significant with the risk of negative growth for FY2021, an all-time low in many years.

From the Company's perspective, it is estimated that the quantum of loss due to COVID-19 lockdown for March 2020 is around 23,400 vehicles and 14,700 tractors, while for Q1-F21 is around 87,000 Vehicles and around 30,000 tractors.

While it is difficult to estimate the definitive impact of COVID-19 on the business beyond Q1-F21, the economy is expected to see demand constraints, particularly for discretionary items such as automobiles. These are primarily

driven by stagnant or lower household incomes and uncertainty over employment and economic growth at large. Further, potential rise in NPAs in the financial sector would possibly result in higher costs of finance and increased difficulty in getting finance.

On the supply side, there are risks in the short to medium term, as many suppliers are facing working capital issues, in addition to challenges of labour availability, limited working hours, and adherence to COVID-19 safety norms. Having said that, production at the suppliers' end is resuming gradually, and almost 100% are now operational.

While the manufacturing sector is likely to see a slow recovery, the agriculture sector will be relatively less impacted, supported by several positive factors such as record Rabi production, higher Government procurement, announcement of higher MSPs for the next Kharif crop, outlook of a normal monsoon and record reservoir levels. This augurs well for the demand for tractors and farm equipment. The quicker recovery in rural India is expected to support demand for Auto Sector as well, while urban segment will take little longer time to come back to normalcy.

As restrictions slowly ease, manufacturing and sales operations for the Company have resumed in many parts of the country. With relaxations allowed during subsequent phases of the lockdown, Tractors and Automotive manufacturing units and Suppliers commenced production gradually with safety protocols. At the same time, the Company's dealerships are also becoming operational, again following all Government guidelines. As the economy at large, adapts to operating and living in a post-COVID era, it is expected that there will be a recovery in the second half of the fiscal, albeit slow. An important lever that will be critical to monitor will be the roll out of Government stimulus and pro-active policy measures to 'reboot' and 'rebound' the economy.

The Company has initiated various countermeasures to minimise any short-term impact and mitigate any long-term impact on the Company, including realigning the cost structures to the new activity levels post the lockdown. Also, pre-COVID-19, there was a Company-wide initiative to optimise costs and conserve cash, which is expected to accrue benefits in the future.

THE COMPANY IS ALSO COMFORTABLE ON LIQUIDITY POSITION WITH:

- ✔ In the short term, the cash position of the Company is strong with cash balance of Rs. 10,300 Crores and additional committed borrowing line of Rs. 2,250 Crores as on May-end;
- ✔ The Company continues to enjoy the highest rating in both short term (A1+) and long term (AAA/Stable) borrowings by CRISIL, ICRA, CARE and India Ratings and Research;
- ✔ Financial resilience and strong governance, which support the AAA rating, enables the Company to raise additional liquidity, as and when required, by way of Commercial Papers and other debt securities.

As the Company's manufacturing plants and dealerships become operational, all safety protocols related to COVID-19 as advised by the Government are being implemented, including:

- ✔ Issuance of safety guidelines for its employees and workers;
- ✔ Detailed shop-floor precautions and safety systems with appropriate training to staff and workmen;
- ✔ Regular sanitisation of factory roads and entrance areas;
- ✔ Sanitisation and thermal screening of employees, truck drivers, other entrants and sanitisation of loading vehicles at the entry gate of factories.

In addition, the Company has issued multiple Work From Home advisories, provided helplines for ensuring emotional and mental well-being, as well as organising regular interactions between the senior management and the employees.

The Company is also cognisant of the growing importance of leveraging technology to help the business transition and cater to the needs of the post-COVID era. On 8th May, 2020, the Company launched 'Own-Online', India's most complete, end to end, online vehicle ownership solution, as social distancing and online sales gain traction.

'Own-Online' is a one-stop destination for the pre-purchase and purchase phases of the vehicle-ownership journey, which promises benefits of transparency, personalisation and convenience to the new age buyer.

Mahindra
OWN-ONLINE



From a long-term perspective, the Company is committed to continuing all its strategic initiatives as planned, including but not limited to product and technology development.

I Competitive Intensity

Keeping in mind the high growth potential of the Indian automotive market, all OEMs, homegrown as well as MNCs, have presence across all vehicle segments. Today, multinational OEMs are now deeply entrenched in the Indian market with local development centres, a strong local supplier base and good channel penetration.

In the PV segment, the differentiation between cars and UV has largely blurred. There is great demand for compact UVs with car like features. As of now, 45% of UV sales are from UVs less than 4m length, while UVs as a share of PVs stand at 34.1% (was 21.2% in F15). The competitive intensity in the segment will only increase with new launches and more OEMs participating in the UV segment.

OEMs, mainly in the PV space, are entering strategic alliances to leverage synergy benefits. These alliances are aimed at gaining speed to market and driving cost efficiencies through platform sharing. Thus, giving the OEMs increased headroom for pricing.

The LCV < 3.5T commercial vehicle segment, which is 65.1% of the CV Goods industry, is witnessing increased competition with new and competitive launches from homegrown as well as MNC brands.

The medium and heavy commercial vehicle segment has two dominant domestic players. Rest of the brands have seen limited success, owing to strong on ground presence of current market leaders and deep-rooted brand bonding.

With aim to remain competitive in the market and sustain leadership, your Company continues to invest in new product development, technology upgrades, increasing channel reach, and the focus on delivering customer centric products, services and build brand.

Your Company is making necessary investment in digital technologies like Industry 4.0, towards productivity improvement and enhancing customer experience.

Additionally, your Company is building capabilities in next generation digital technologies of AR, VR, AI and Block Chain.

On 1st October 2019, your Company signed a definitive agreement with Ford Motor Company, to create a joint venture that will develop, market and distribute Ford brand vehicles in India and Ford brand and Mahindra brand vehicles in high-growth emerging markets around the world.

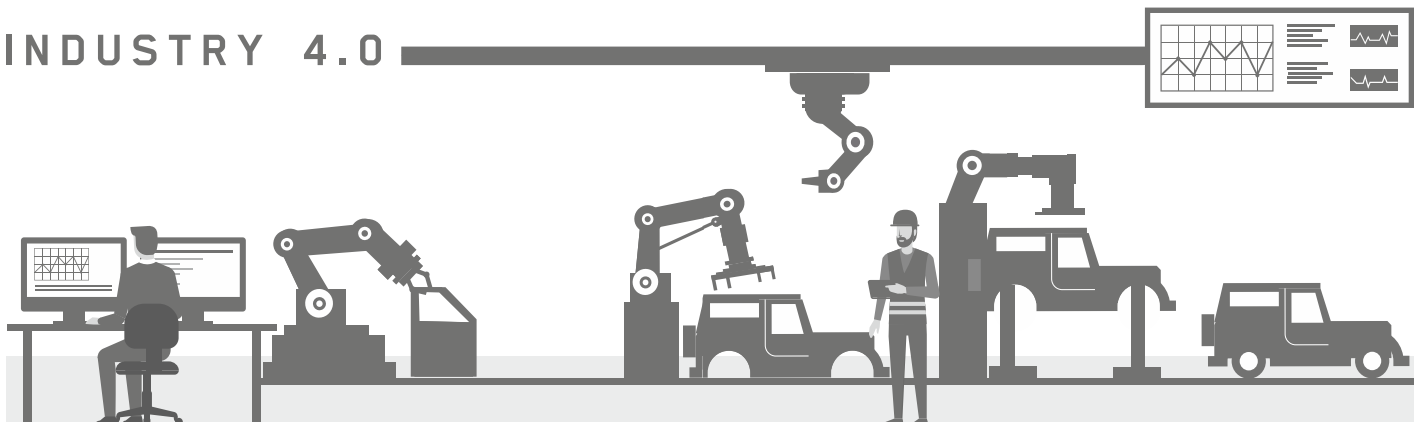
Mahindra 

The joint venture will drive enhanced competitiveness through greater economies of scale across the automotive value chain, including optimised sourcing, product development, use of relevant technologies and a global network.

India is the world's largest tractor market by volume and the Tractor industry has presence of strong home grown as well as MNC OEMs. There is intense competition in the market with each OEM trying to offer its unique value proposition to the customer.

Your Company intends to remain ahead of the competition by offering continuous product upgrades, introducing superior technology and by offering a complete range of farming solutions to boost farm productivity.

INDUSTRY 4.0



I Tax Regulations

India has traditionally seen tax rate differential between small and large passenger vehicles. This differential is based on length of vehicle, engine size and fuel type. The differential tax rates are a deterrent to the customer for buying large and luxury vehicles. This differential in tax rates gets carried forward under the GST regime implemented in July 2017.

While the flagship products of your Company attract higher tax rates, your Company has strengthened the UV product portfolio attracting lower tax rates, with the launch of XUV300, TUV300 and KUV100.

I Choice of Fuel and BS6 emission norms

The customer's choice of fuel type has been traditionally governed by the operating economics, which is a function of price differential between petrol - diesel fuels and the vehicle acquisition cost. Further, there has been a negative perception over cleanliness of diesel as a fuel. Since deregulation of fuel prices in October 2014, the gap between petrol and diesel prices has narrowed significantly. This narrowing price gap, in combination with higher taxes on certain categories of diesel vehicles, have led to decrease in demand for diesel fueled passenger vehicles. The share of diesel PVs has dropped from 53% in FY2014 to 29% in FY2020. For Utility Vehicles, the demand for diesel vehicles continues to be strong with diesel powered UVs accounting for 65% of volume in FY2020.

From 1st April, 2020, India has switched over to BS6 emission norms. With BS6 implementation, the emission of Petrol and Diesel vehicles is at par and hence, the concern over cleanliness of diesel emission should go away. However, there is a cost differential involved in meeting BS6 emission for Petrol and Diesel vehicles, with Diesel being higher. This differential results in pricing pressure on the diesel fueled vehicles.

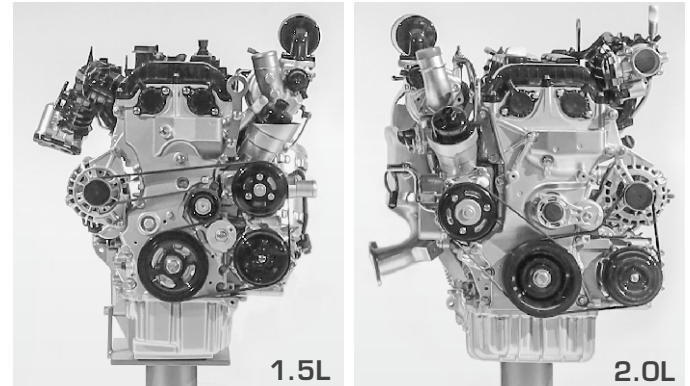


Your Company has successfully met the aggressive time and cost targets set during the development of BS6 technologies. Your Company has successfully upgraded the product portfolio to BS6 and offers BS6 compliant products at a competitive price.

The Inventory management for BS4 vehicles has been smooth, and your Company along with dealerships were able to liquidate all the BS4 vehicles in stock within the

stipulated time period. Going further, your Company will continue to work on cost and value engineering, for easing the pressure on margins.

Your Company has actively pursued a strategy to develop and introduce gasoline engines across the product range. At the Auto Expo 2020, your Company displayed its newest range of BS6 ready gasoline engines, the mStallion range.



mSTALLION GDi

The mStallion range of BS6 ready gasoline engines offer the same thrilling drive experience as Mahindra's diesel engine range and will power several Mahindra vehicles in the future. The mStallion engines have been built indigenously with support from experts including Bosch, AVL, and Continental among others. The engines have been built for India's unique driving needs of quick acceleration and wide in-gear operating range and have been tested rigorously across India and abroad to deliver uncompromising performance.

The engines are powered by the advanced TGDi technology and boast of best-in-class performance with the highest torque density. Their world-class engineering delivers excellent drivability with good fuel efficiency.



For tractors, introduction of new emission norms (BS TREM IV) applicable for > 50 HP segment, from 1st October, 2020, will call for additional investments by OEMs and increase in material cost. This increase in cost will need to be passed on to the customer. Your Company will do its best by exploring innovative means to keep the costs under control.

I New Regulation for Safety

Concerns over road safety are driving legislation and regulatory reforms. Any new legislation requires technology development and incurs cost, in turn impacting vehicle prices. Your Company is geared up and is confident of meeting any new regulations introduced.

For tractors, introduction of Roll Over Protection System (ROPS), will require investment in technology and increase the material cost, thus putting pressure on the overall cost structure.

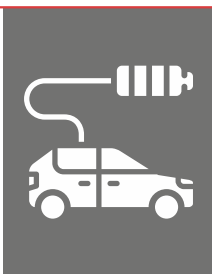
I New Products and Technologies

To remain competitive in the market, for exceeding customer expectations and to meet requirements of legislation, your Company has an aggressive program for development of new products and technologies. The success of new product launches will have an important bearing on its future growth and profitability of the Company.

I Environment and Alternate Fuels

With concerns over air quality and the need to reduce dependence on fossil fuels, the Government is actively pursuing large scale adoption of EVs, especially for intracity uses in fleet application.

Your Company is a pioneer for Electric Vehicles in India, and is actively pursuing development of the Electric Vehicle (EV) market, products and technology.



However, considering the potential market opportunity, all leading OEMs and some new players, are actively pursuing development of EV technologies and products, across vehicle categories. The competition in the EV space is expected to be intense.

I Monsoon

A normal monsoon is important for both agriculture as well as the rural economy and sentiment at large.

The tractor business in particular and the automotive business to some degree, run the risk of a drop in demand, in case of a significant variation in the monsoon. In addition, an untimely monsoon and uneven spread has the potential of adversely impacting the business. Going into FY2021, the current forecast by Indian Meteorological Department points towards a normal monsoon.

I Commodity Prices

FY2019-20 witnessed a sharp fall in prices in most of the commodities - castings, forgings and sheet metal. Your Company has been able to leverage the same and get material cost reduction.

In FY2021, while the increase in Forex and prices of Precious metals, which have a significant content in BS6 engines, will have an adverse impact on material cost, the Company expect prices of other commodities to be benign, limiting the impact.

Your Company continues to watch the market situation closely and continues to focus on mitigating the inflationary impact through "Commodity Risk Management" and other cost reduction measures, cost re-engineering and value engineering activities.

I Capacity

Your Company has built adequate manufacturing capacity for the immediate future and is in the process of investing in additional capacity in preparation for the mid to long term.

Specifically, on the front of electric vehicles, your Company is investing over Rs. 500 crores in its Electric Vehicle (EV) Project under the new EV Policy of the Government of Maharashtra.



This investment will be utilised towards product development and capacity enhancement for electric vehicles and related components.

On the supplier end, the Company is working closely with its key suppliers to minimise any supply constraints through capacity planning and longer-term contracts. At the same time, opportunities for global sourcing are also being actively pursued.

OUTLOOK - AUTOMOTIVE AND FARM SECTORS

Both the Automotive and Farm Sectors strive to sustain profitable growth, maintain leadership position in the domestic market and at the same time, explore global opportunities for growth. Simultaneously, your Company continues its focus on achieving cost leadership through focused cost optimisation, productivity improvements, value engineering, supply chain management and exploiting synergies between various group businesses.

I Automotive Business



The mid to long term outlook for the Indian auto industry is positive. As per the Automotive Mission Plan 2026 (AMP 2026), the Indian auto industry is expected to grow at double digit CAGR between the period 2016-2026.

However, the COVID-19 pandemic and the ensuing lockdown, has brought the entire economy to a standstill. With a large portion of Q1-F21 under a lockdown, and uncertainties around full resumption of economic activities, the impact on GDP is expected to be significant with the risk of negative growth for FY2021, an all-time low in many years. As restrictions slowly ease, and the economy at large, adapts to operating and living in a post-COVID era, it is expected that there will be some recovery in the second half of the fiscal, albeit slow, and not to pre-COVID levels. There is lot of uncertainty and it is difficult to make an annual projection for the industry at this stage. SIAM has evaluated multiple scenarios and the Company is watching the on-ground situation very closely.

Factors which will significantly impact demand for automobiles in FY2021 are:

- (i) Policies by the Government to boost consumption as the country exits the COVID-19 lockdown.

- (ii) Availability and affordability of finance.

- (iii) Sentiment in Rural economy - driven by Agri incomes, monsoon and non-agri job growth in rural India.

On the export front, strengthening of product portfolio, complimented by increased on-ground presence and brand building efforts will help push growth for your Company.

I Tractor and Farm Equipment Business



The mid to long term outlook for the Indian tractor industry is positive. However, the COVID-19 pandemic and the ensuing lockdown, brought the entire economy to a standstill. With almost the first half of Q1-F21 under a lockdown and uncertainties around resumption of economic activities, the impact on GDP is expected to be significant with the risk of negative growth for FY2021, an all-time low in many years. As restrictions slowly ease, and the economy at large, adapts to operating and living in a post-COVID era, it is expected that there will be some recovery in the second half of the fiscal, albeit slow, and not to pre-COVID levels.

On the demand side, the Company expects a relatively quicker recovery in the agri and rural sectors. This is driven by:

- (i) Record Rabi Output and procurement - leading to good cash flow.
- (ii) Healthy reservoir levels.
- (iii) Normal monsoon forecast by IMD.
- (iv) Good increase in MSP for Kharif - all auguring well for Kharif sowing and output.
- (v) Important reforms in the Agri Sector announced by Government focused on improving the state of agriculture in India in the mid to long term.

However, challenges do remain in the form of disruptions in the supply chain due to pain in the MSME Sector, unavailability of labour and disruption to the transport ecosystem. Liquidity and the willingness to lend is another potential challenge for tractor industry as the Company moves forward into FY2021.

Looking ahead, there is uncertainty and in these extraordinary times, it is difficult to make an annual projection for the industry at this stage. The Company is watching the situation closely, especially the progress of monsoons, supply side and demand factors.

On the international front for the tractor business, your Company will focus on strengthening its presence in existing markets of USA, South and Central America, Africa and neighbouring markets in Asia. Your Company will continue its efforts to grow and draw synergies from the global alliances and acquisitions.

STRATEGY

The Business landscape is changing very rapidly and so are the enablers for success. What have been the winning combinations in the past, is no more a winning formula today and in times to come.

In the past, success was about getting the right product at the right cost through an efficient channel. Going into the future, the product, the cost and the channel will be essential, but not sufficient. Much more will be needed to win at the marketplace. The winning mantras are going to be around providing a solution, delivering an experience and having a purpose. Customers are increasingly assigning value to a company that has a purpose.

Your Company realises this, and hence has already started the shift from just offering product, to providing a solution and delivering an experience, with the product becoming an enabler. Rise, is the purpose of your Company.



I Automotive Sector

With an objective to sustain growth, your Company is pursuing several strategic initiatives in all key areas of business.

The key elements of strategy include:

- ✓ STRENGTHENING THE PRODUCT PORTFOLIO
- ✓ REFRESH AND UPDATE EXISTING PRODUCTS
- ✓ STRENGTHEN RESEARCH & DEVELOPMENT (R&D)
- ✓ TECHNOLOGY CAPABILITIES

Technology focus areas are around gasoline engines, emission, safety, connected vehicles and electric vehicles. In addition, your Company is pursuing expansion in overseas markets. Establishing on-ground presence and building the brand in key focus markets remain the priorities for your Company.

On 1st October, 2019, your Company signed a definitive agreement with Ford Motor Company, to create a joint venture that will develop, market and distribute Ford brand vehicles in India and Ford brand and Mahindra brand vehicles in high-growth emerging markets around the world. The joint venture will drive enhanced competitiveness through greater economies of scale across the automotive value chain, including optimised sourcing, product development, use of relevant technologies and a global network.

With the Government's thrust on rapid adoption of EVs, your Company being the Pioneer in EVs in India, continues to focus and invest in development of new products and advanced technologies specific to electric vehicles. Today, your Company offers a wide range of EVs, which includes the eVerito car, Supro EV cargo/passenger vans and two models of e3W - the e-Alfa and the Treo.



Mahindra electric ME

At the 2020 Auto Expo, your Company showcased a range of next generation mobility solutions from vehicles to EV platforms to connected mobility solutions. The next generation products included:

ATOM - Designed to appeal to the emerging new India and transform the face of last mile connectivity



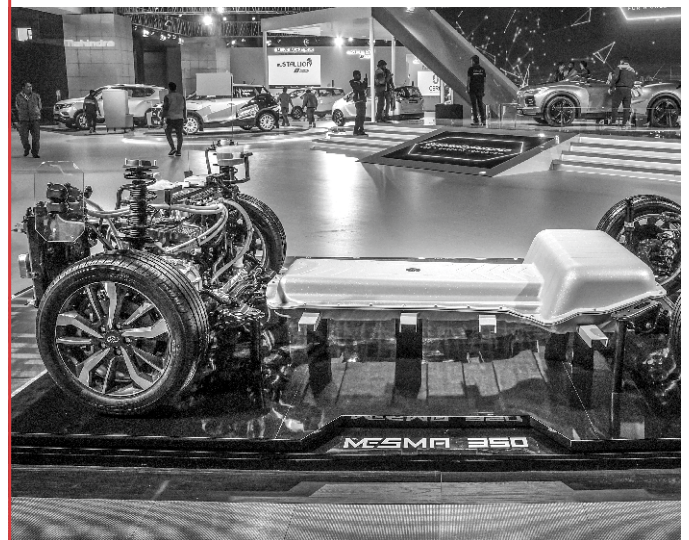
eXUV300 - An aspirational electric SUV, which is the perfect mobility solution for the environment conscious customer and the ideal vehicle for those who desire thrilling performance



eKUV100 - India's most affordable compact electric SUV, ideally suited for daily city commutes. It offers peak power output of 40kW, torque of 120 Nm and a range of 147 kms.



Further, your Company, through its subsidiary Mahindra Electric Mobility Limited ("MEML"), has invested in development of next generation EV platform **MESMA 350**. The Mahindra Electric Scalable and Modular Architecture 350 is a 350 volt powertrain that supports motor sizes ranging from 60 kW to 280 kW, dual motor concepts and battery sizes up to 80 kWh.



In parallel, your Company is closely working with the Government, both at the Centre and at the State level and other participants of the mobility ecosystem to establish and grow the EV ecosystem in India.

I Farm Equipment Sector

It is your Company's constant endeavour to serve farmers and enable them to Rise. Farm Sector's strategy is aligned to improve the state of farming through democratising technology, especially for marginal and small land holding farmers.

Your Company continues to invest in modern tractor technologies and offer tractors with category first features thus creating new benchmarks in India. Your Company also offers matched implements with crop specific mechanisation solutions, to grow solution selling.

End to End Farm Mechanisation is an important focus area, and your Company is pursuing in-house development as well as leveraging alliances in this space. Some notable alliances are in the space of horticulture sprayers and potato planting technology. Several pilots for precision farming technologies are underway.

Your Company continues to leverage its global acquisitions and partnerships to build farm machinery portfolio for global markets and get modern farm mechanisation technologies into India. These technologies are developed in the global centres of excellence of your Company. **Mahindra Mitsubishi Agriculture Machinery ("MMAM")** in Japan, is the centre of excellence for rice value chain. **Sampo Rosenlew** in Finland, is helping address the global combine harvester business.

Hisarlar and Erkunt Traktor Sanayii A.S. (Erkunt) in Turkey are helping to strengthen the presence in the strategic market of Turkey which is the 4th largest tractor market in the world by volume.

In line with your Company's Rise philosophy, Farm Sector has launched a unique initiative: farming-as-a-service or FaaS, under the brand name Krish-e.

Krish-e aims to provide affordable, innovative technology solutions that includes-

- ✓ TRACTORS
- ✓ AGRI ADVISORY
- ✓ CROP SPECIFIC MECHANISATION
- ✓ AGRI MACHINERY RENTAL
- ✓ PRECISION FARMING SOLUTIONS

Krish-e services will be offered through physical centres and digital platform across the country.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS

The strategic purpose of Human Resources is to be a catalyst for creating the Human Capital transformation required to ensure sustained business outperformance, while simultaneously addressing the needs of its multiple stakeholders (beginning with customers and employees) and strengthening the core values of the Group. In the long run, the ultimate metric for success is continuous improvement in the total factor productivity, while addressing the business imperatives of cash, cost, competence and confidence.

The emphasis has been on aligning all the HR levers towards achieving these goals. In line with the above, the Group's Human Resources Philosophy is guided by the three Rise Pillars of Accepting No Limits, Alternative Thinking and Driving Positive Change, and the Group's aspiration of being among the top 50 most admired global brands by 2021, by enabling people everywhere to Rise.

In this overall architecture, a key strategic initiative that needs mentioning is integrating Employer Branding and Employee Experience initiatives with the Employee Value Proposition so as to create a uniform One Mahindra experience for all employees.



Talent Management, Leadership Development and Performance Management Systems

Focus continued on the Talent Management, Leadership Development processes and Performance Management System, which included:

- ✓ DEVELOPMENT CENTRES
- ✓ E-LEARNING
- ✓ UP-SKILLING PROGRAMS
- ✓ ACTION-LEARNING PROJECTS
- ✓ INDIVIDUAL DEVELOPMENT PLANNING
- ✓ LEADERSHIP LIFECYCLE PROGRAMS

The Tech Ladder implementation in Mahindra has been a response to one of the biggest challenges the Company has been facing in Talent Management.

Over years, the organisation has had a desire to build a healthy pipeline of talent in specialist areas especially in Product Development and manage the careers of people in this domain. Mahindra Research Valley ("MRV") functions as the crucible for innovation and technology for Auto and Farm Divisions of the Company.



Hence, the technical talent working on these technologies, is crucial to sustain a competitive edge in the global and domestic market. To cater our in-house technical talent

with a differentiated focus, a separate framework called Tech Ladder was introduced. Tech Ladder is a unique way of differentiating the technical talent from the general management in terms of performance management, talent management and capability building. It puts a high focus on developing deep technical expertise in various systems of product development.

The first step of technical ladder was achieved by creating unique competencies, which combined technical skills, leadership behaviours and cultural nuances. These were deployed in performance management discussions and capability building initiatives. Specific developmental goals were incorporated in individual's KRA to facilitate capability building of niche technical skills through right exposure, and action learning projects.

As a result, today Tech Ladder framework is successfully catering to more than 2000 engineers, covering multiple Centers of Expertise (CoE) and Project Functions across Automotive and Farm divisions.

The Mahindra Leadership University

The Mahindra Leadership University ("MLU") is a strategic initiative to support the Group in its journey of being one amongst the Top 50 most admired Global brands by 2021. MLU is the Group's Corporate University and is a platform that connects knowledge seekers and knowledge providers across the Group to develop executives in leadership and functional competencies.

MLU is a learning and development initiative at Mahindra that caters exclusively to its employees and partners and is not an accredited educational institution or university. The word 'University' is inclusive in nature and encompasses all learning under one umbrella brand, powered by the unified LMS, MLU's Digital Learning World.

MLU converges upon building both leadership and domain capabilities through its various academies, with each academy being headed by a Chairperson and supported by business leaders and functional leaders from across the Group as academy members. All learning content within Mahindra is hosted under respective Academies.

MLU academies collaboratively work with Sectors in the Group to create and implement a futuristic learning agenda, which includes digital learning solutions such as MOOCs,

eLearning, webinars, etc., as well as physical face to face instructor-led interactive workshops as appropriate. All academies consult business leaders in the Group to identify and prioritise group-wide capability development needs, and aggregate, curate and create knowledge, to bring about desired shifts in mindsets and to develop the desired capabilities.

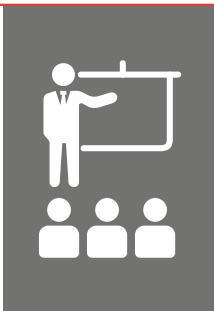
MLU Academies thus work towards fostering a culture of continuous learning, unlearning and relearning.

MLU's academies use a ladder approach for program design and content development. This ladder approach to leadership development recognises and addresses the need for varying inputs tailored to the different levels of leadership.

Reflective Conversations

The journey of Reflective Conversations ("RC") continues with the aim to make Mahindra a Reflective Organisation, thereby enabling the Company to grow towards the Group's aspiration.

The RC has been cascaded across the Group and till date more than 2,600 employees across multiple businesses and locations have been covered through instructor-led workshops.



Going forward, in view of social distancing and to adhere to health guidelines that are issued by authorities from time to time, the Company shall develop virtual digital solutions and modularised approaches to strengthen the skills of reflective conversation amongst the employees.

To ensure cultural transformation and sustenance, the ecosystem for the practice of Reflective Conversations is being strengthened with more focus on building a pool of internal RC trainers, half-day refresher sessions on key RC skills, role-modelling by leaders, and a coaching certification program titled 'Mahindra Certified Reflective Conversationalist' ("MCRC"). The MCRC program has been certified by the International Coach Federation ("ICF"). High potential executives have benefited from executive coaching extended to them by MCRC participants.

Group Diversity Council

The Group continues its strong focus on fostering Diversity and Inclusion ("D&I") at the workplace with the D&I Vision of -

We shall value and celebrate the uniqueness of every individual by fostering an environment of inclusion and empowerment. This will enable us to meet the needs of our stakeholders through active participation of diverse talented individuals, committed to enable people and communities to Rise.



Gender remains a strong focus area along with other Diversity constituencies and various programs/initiatives were undertaken to promote the same. Mahindra World of Women ("MWOw"), is a platform for peer learning and networking to derive inspiration from role models, internally and externally.

To institutionalise D&I practices across the Mahindra Group, the process has been made a part of The Mahindra Way ("TMW") assessment wherein business specific D&I processes and practices are reviewed year on year to measure progress made in this area. The best practices emerging out of these assessments are shared across the Group companies for improvement and adoption.



The Group has also signed up for World Economic Forum's "Valuable 500" initiative under which it has taken commitment to raise awareness and sensitisation for employability of Persons with Disabilities.

I Group Management Cadre

The Group Management Cadre ("GMC") Program is the Group's prestigious strategic leadership development program for campus recruits sourced from top B-schools of India. This program continues to strengthen Mahindra's position as an 'Employer of Choice' across premier B-School campuses and create a strong talent pool to drive Mahindra's future growth. Through this program, 23 GMCs joined the Group in 2019 across its various Sectors and functions.

I The Mahindra War Room

The Mahindra War Room, which is a pioneer in its field, continues to retain its position as the largest and the most liked Employer Branding Events in the top B-schools of India. The 12th Edition of the event was rolled out between July and November 2019, whereby Mahindra reached out to the brightest young minds across the top B-Schools of India, and four other International colleges, including Yonsei University - South Korea; Fudan University - China; Asian Institute of Management - Manila, Singapore Management University - Singapore and INSEAD - Singapore, to provide them with an experiential dimension to learning, thus enabling them to creatively present their solutions for real business issues directly to the respective business CEOs.

The Grand Finale of the event happened on 11th November, 2019 in the presence of Executive Chairman and the Group Executive Board Members, who were also the jury for the event.

Team 'Vigorous Vikings' from IIFT Delhi were winners for the event. Team 'Backspace' from IMT Ghaziabad were First Runners Up for the event. Team 'Golden Eagles' from Yonsei University and Team 'The Upper Cut' from IIM Shillong stood as Joint Second Runners Up for the event.

I Best Companies to Work for

As an organisation, the Company believes in raising the bar by continuously evolving the employee offerings and experiences.

External benchmarks such as Great Place To Work ("GPTW"), India study, where we have ranked amongst Top 30 best places to work for in the last six years, reaffirms the strength of our employer brand.

I The Rise Awards

Rise has been a way of life not just for officer cadre but also for workmen on the shop-floor, in each manufacturing plant. Rise Awards were institutionalised for workmen across the Group, through competitions at the Plant, Sector and Group Levels. The awards ceremony was conducted successfully in Financial Year 2020 with enthusiastic participation from various Mahindra Group Companies. The winning teams were felicitated by Mr. Rajeev Dubey at the prestigious annual Rise Awards Ceremony held at Mumbai on 13th November, 2019.



I Rise@Work

Rise@Work portal is a gateway for Mahindra employees to share and experience Rise philosophy as catalyst of change. It was started as a portal to share Rise stories and got transformed as a one stop solution for all employee digital needs.

The recent upgrade of Rise@Work is AI powered that personalises user content through content recommendation and content trends. It hosts Enterprise Social Networks, which encourages employees to connect and collaborate.

I Transformational Work Culture

The Transformational Work Culture initiative that aims to create an engaged workforce with an innovative, productive and a competitive shop-floor ecosystem, continues to grow in strength. Some examples of the programs put in place include:

- ✓ RISE FOR ASSOCIATES
- ✓ E-COMPLIANCE
- ✓ CULTURAL DIAGNOSTICS PROJECTS
- ✓ TRANSFORMATIONAL WORK CULTURE PROJECTS
- ✓ INDUSTRIAL RELATIONS SKILLS FOR FRONTLINE OFFICERS
- ✓ E-PORTAL FOR REWARD AND RECOGNITION OF ASSOCIATES
- ✓ CODE OF CONDUCT FOR ASSOCIATES

The Transformational Work Culture Committee ("TWCC") leads the design and implementation of these programs.

In an endeavour to improve quality, reduce cost, ensure safety and improve productivity, your Company's shop floor associates generated on an average 18 ideas per person. Mindset transformation training for cell members and union leaders titled "Nayi Soch - Naya Dristikon", and various skill building programs aligned with digitisation at workplace.

To develop skills and foster togetherness at the workplace, multiple training and engagement programs were rolled out covering a wide range of topics.

Positive attitude | Stress management
Creativity | Team effectiveness | Code of Conduct
Safety and environment | Quality tools | TPM
Skill building programs | Customer focus
Union Leadership Department Program | Industry 4.0

I Industrial Relations

The year under review witnessed a very positive Industrial Relations scenario across all manufacturing locations for the Automotive and Farm Equipment Sectors. The Company's focus continues towards propagating proactive and employee centric practices. Bonus settlements were amicably agreed upon at all locations. The sustained efforts towards building a transformational work culture resulted in zero production loss in the FY2019-20 and helped create a collaborative, healthy and productive work environment.

I Open door policy

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets, are the cornerstone of the Company's employee relations approach. An 'open door policy' with constant dialogue to create win-win situations, have helped build trust and harmony.

I Mahindra Skill Excellence

With an objective of developing skills and fostering togetherness at the workplace, the organisation implements multiple training and engagement programs on an ongoing basis.

These include various behavioral and functional programs such as team effectiveness, individual effectiveness, safety and environment, quality tools, TPM, skill building programs, and programs on union leadership development.

The Mahindra Skill Excellence initiative with a holistic approach to enhance the skill and capabilities of shop floor associates is receiving good participation across manufacturing facilities.

As a result of this effort, associates from the organisation have participated at various international skill competitions, which include WorldSkills 2019 and Beijing Arc Cup. The Company's associate won the 'Medallion of Excellence' at the WorldSkills 2019, in which, the Company represented for the fourth consecutive time in welding skills. At the Beijing Arc Cup, the Company's associate won the bronze medal in finished product category and a female associate was awarded as 'Excellent Female Welder'.

I A Healthy Work Environment

Significant emphasis was laid on improving health and wellness of employees through annual medical check-ups, screening camps, health promotional activities and awareness. Balanced nutritious food has become a way of life over the past four years.

The Company maintains an 'Employee Health Index' at an individual level and this has been a useful tool in identifying employees who require focused counselling and monitoring. 'Wellness App' is available to employees for a quick access to critical health related information.

During the unprecedented pandemic of COVID-19, the organisation has reacted promptly to the health concerns of employees. Employee's health has always been the Company's priority. There has also been a slew of CSR activities to benefit the community at large.

Health and Wellness remains the cornerstone of the Company's philosophy to build a strategically proactive workforce. The cornerstones of the Company's employee relations approach are:

- **Proactive and employee-centric shop floor practices;**
- **A relentless focus on transparent communication of business goals through monthly Plant Head communication;**
- **An effective concern resolution mechanism;**
- **The firm belief that employees are the most valuable assets of the Company.**

THE COMPANY HAD A TOTAL OF 20,638 PERMANENT EMPLOYEES ON ITS ROLLS AS ON 31ST MARCH, 2020.



I Internal Control Systems

Your Company maintains adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. These are regularly tested for their effectiveness by Statutory as well as Internal Auditors. Your Company's Internal Financial Controls are deployed through Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"), that addresses material risks in your Company's operations and Financial reporting objectives.

The framework is a combination of entity level controls (including Enterprise Risk Management, Legal Compliance Framework, Internal Audit and Anti-Fraud Mechanisms such as Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), process level controls, information technology based controls, period end financial reporting and closing controls.

Further, the Internal Control Systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information. In the highly networked IT environment of the Company, validation of IT Security receives focused attention from IT specialists and Statutory Auditors.

The Chief Internal Auditor reports directly to the Chairman of the Board. The Internal Audit function develops an audit plan for the Company, which covers, *inter alia*, corporate, core business operations, as well as support functions. The Audit Committee reviews the annual internal audit plan. Significant audit observations are presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations.

The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. During the year, the Company has taken steps to review and document the adequacy and operating effectiveness of internal controls. Nonetheless, your Company recognises that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Your Company's Management has carried out the evaluation of design and operative effectiveness of these controls and noted no significant deficiencies/material weaknesses that might impact financial statements as at the Balance Sheet date.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

I Overview

The financial statements have been prepared in accordance with Ind AS 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 Group's consolidated financial statements have been prepared in compliance with Ind AS 110 on Consolidation of Accounts and presented in a separate section.

FINANCIAL INFORMATION [STANDALONE]

Property, Plant and Equipment and Intangible Assets

As at 31st March, 2020, the Property, Plant and Equipment and Intangible Assets stood at Rs. 14,404 crores as compared to Rs. 12,502 crores as at 31st March, 2019. During the year, the Company incurred capital expenditure of Rs. 3,992 crores (previous year Rs. 3,082 crores). The major items of capital expenditure were on new product development and capacity enhancement.

Borrowings

(Rs. in crores)

Borrowings	F20	F19	Inc./(Dec.)
Long Term Borrowings	2,032	2,032	0
Short Term Borrowings	900	449	451
Current Maturities of Long Term Borrowings	136	91	45
Unclaimed Matured deposits	0.1	0.2	(0.1)
Total	3,068	2,572	496

Borrowings (including current maturities of long-term debt and unclaimed matured deposits) have increased from Rs. 2,572 crores in the previous year to Rs. 3,068 crores in the current year mainly due to new borrowing.

RESULTS OF OPERATIONS

Income

(Rs. in crores)

Particulars	2020		2019		Inc./(Dec.)
	Amount	%	Amount	%	
Sales of Products	43,922	96.6	52,222	97.4	(15.9)
Sale of Services	976	2.1	738	1.4	32.2
Other Operating revenue	590	1.3	654	1.2	(9.6)
Revenue from operations	45,488	100.0	53,614	100.0	(15.2)
Other Income	1,668	3.7	1,689	3.2	(1.2)

Revenue from Operations and Other Income

Revenue from operations of the Company decreased by 15.2% as compared to the previous year due to the lower industry volumes in both automotive and tractor segments, further accentuated by COVID-19 lockdown from 25th March, 2020 due to which there was abrupt closure of business activities impacting sales and despatch of the products.

Inventories

	2020	2019
Raw materials and bought out components as a % of cost of materials consumed	4.9%	4.2%
Finished goods and Stock-in-trade as a % of sales of products	4.4%	4.4%

Raw materials and bought-out component inventories are at similar levels as previous year. However, due to overall slowdown in auto industry leading to lower sales and materials consumed during the Financial Year 2019-20 followed by abrupt closure of business activities from 25th March, 2020 due to COVID-19 lockdown, inventory percentage to total materials consumed during the year ended 31st March, 2020 is higher as compared to previous year. However, finished goods and stock-in-trade as a percentage of sales of products has remained relatively flat.

Trade Receivable

Trade Receivable is Rs. 2,999 crores as at 31st March, 2020, as compared to Rs. 3,946 crores as at 31st March, 2019. Also, as a percentage of revenue from sales of products and services, trade receivable is lower at 6.7% as at 31st March, 2020, as compared to 7.5% for the previous year mainly on account of COVID-19 lockdown from 25th March, 2020 due to which no sales billing was done in the last 7 days.

Other income for the year ended 31st March, 2020 at Rs. 1,668 crores is marginally lower than Rs. 1,689 crores earned in the previous year.

Particulars	2020		2019		Inc./Dec.
	Amount (Rs. in crores)	% to Revenue from Operations	Amount (Rs. in crores)	% to Revenue from Operations	%
Material Costs	31,633	69.5	38,257	71.4	(17.3)
Employee Benefits Expense	2,880	6.3	2,980	5.6	(3.4)
Finance Costs	113	0.2	113	0.2	-
Depreciation, Amortisation and Impairment Expense	2,223	4.9	1,860	3.5	19.5
Other Expenses	5,177	11.4	5,738	10.7	(9.8)
Total Expenses	42,026	92.4	48,948	91.3	(14.1)

Expenditure

The total expenditure during the year as a percentage of revenue is 92.4% as compared to 91.3% in the previous year. The increase is mainly attributable to lower revenue base.

Material cost

The material cost as a percentage of revenue has decreased from 71.4% in the previous year to 69.5% in the current year mainly on account of softening of commodity prices, higher material cost savings and better model mix.

Employee benefits expense

The employee benefits expense or personnel cost as a percentage of revenue has increased from 5.6% in the previous year to 6.3% in the current year.

Other expenses

Other expenses as a percentage of revenue has increased from 10.7% in the previous year to 11.4% in the current year.

Depreciation, amortisation and impairment expense

Depreciation, amortisation and impairment expenses as a percentage of revenue shows an increase over the previous year. This is mainly on account of higher depreciation and amortisation charge related to new products launched during FY2019 for which depreciation and amortisation expense is for full period in the current year as compared to only a part of the previous year.

Finance costs

The interest expense for the year ended 31st March, 2020 is at similar levels as previous year.

Exceptional Items

Exceptional items in the current and previous year comprises of profit earned on sale of certain long term investments partly offset by impairment of certain investments in subsidiaries, associates and joint ventures considering the performance of these companies and their future projections.

Tax expense

The provision for current tax and deferred tax for the year ended 31st March, 2020, as a percentage to profit before tax (after exceptional items) is higher than the previous year mainly on account of switching to the new lower tax rate structure with effect from the Financial Year 2019-20 as announced by Government of India vide Taxation Laws (Amendment) Tax Ordinance, 2019. Consequently, net impact of Rs. 599 crores has been recognised in profit or loss on account of expensing of MAT credit balance offset by tax credit on account of restatement of net deferred tax liabilities at the beginning of the year with the new tax rate.

The key financial ratios of the Company are given as below:

Particulars	M&M	
	2020	2019
Debtors Turnover (times)	14.86	16.18
Inventory Turnover (times)	10.79	12.64
Interest Coverage Ratio (times)	25.07	30.89
Current Ratio (times)	1.38	1.26
Debt Equity Ratio (times)	0.09	0.08
Operating Profit Margin (%)	12.3%	12.4%
Net Profit Margin (%)	2.8%	8.9%
Return on Net Worth (%)	3.7%	14.8%

The Return on Net Worth has dropped from 14.8% in the previous year to 3.7% in the current year on the base of a modest profit growth amidst challenging business environment encountered during the year.

Consolidated Financial Position of the M&M Group

As on 31st March, 2020, for the purpose of consolidation as per Indian Accounting Standards (Ind AS), the Group comprised of the flagship holding company Mahindra & Mahindra Limited,

178 SUBSIDIARIES | **30** JOINT VENTURES | **28** ASSOCIATES

The Group's Revenue and other income is Rs. 96,242 crores in the current year as compared to Rs. 1,05,806 crores in the previous year. The Profit before exceptional items and tax for the current year is Rs. 2,586 crores as compared to Rs. 7,280 crores in the previous year. The consolidated Group Profit for the year after exceptional items and tax and after deducting non-controlling interest is Rs. 127 crores as compared to Rs. 5,315 crores in the previous year.

Tech Mahindra Limited, Flagship Company in the IT Sector, has reported a consolidated operating revenue of Rs. 36,868 crores in the current year as compared to Rs. 34,742 crores in the previous year, an increase of 6%. Its consolidated profit after tax after non-controlling interests is Rs. 4,033 crores as compared to Rs. 4,298 crores in the previous year, a decrease of 6%.

The Group's finance company, **Mahindra & Mahindra Financial Services Limited ("Mahindra Finance")**, reported a consolidated operating income of Rs. 11,883 crores during the current year as compared to Rs. 10,372 crores in the previous year, a growth of 15%. The consolidated profit after tax after non-controlling interests for the year is Rs. 1,075 crores as compared to Rs. 1,827 crores in the previous year. Mahindra Finance customer base has crossed 6.8 million customers and currently has a network of over 1,300 offices and Total Assets under Management of Rs. 77,160 crores as on 31st March, 2020 as against Rs. 68,948 crores as on 31st March, 2019, a growth of 12%.

Mahindra Lifespace Developers Limited, the subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 611 crores as compared to Rs. 593 crores in the previous year. The consolidated loss after non-controlling interest for the year is Rs. 193 crores as compared to profit of Rs. 120 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,372 crores as compared to Rs. 2,239 crores in the previous year. The consolidated loss after non-controlling interests for the year is Rs. 132 crores as compared to profit of Rs. 60 crores in the previous year.

Mahindra Logistics Limited, a listed subsidiary in the logistics business has registered a consolidated operating income of Rs. 3,471 crores as compared to Rs. 3,851 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 55 crores as compared to Rs. 86 crores in the previous year.

SsangYong Motor Company, the Korean subsidiary of the Company has reported revenues of Rs. 19,972 crores in the current fiscal year as compared to Rs. 24,184 crores in the previous year. The loss for the year is Rs. 3,029 crores as compared to loss of Rs. 345 crores in the previous year.

Segment Results (before exceptional item)

The results achieved by major business segments of the Group are given below:

(Rs. in crores)			
	Segments	FY2020	FY2019
1.	Automotive	(915)	2,141
2.	Farm Equipment	2,277	2,382
3.	Financial Services	1,450	2,703
4.	Hospitality	128	97
5.	Real Estate	(50)	37
6.	Others	44	(25)
7.	Eliminations	3	(58)
	Total	2,936	7,277

Disclaimer

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

An aerial, grayscale photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings curves along the coast. To the left of the road is a paved promenade with palm trees and other vegetation. The ocean is visible on the left side of the frame. In the background, a dense urban skyline with numerous skyscrapers stretches across the horizon under a cloudy sky. A vertical red line is positioned on the right side of the image, extending from the top edge down to the top of the text box.

CORPORATE GOVERNANCE

Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable business of your Company and of the Group. Your Company is of the firm conviction that good Corporate Governance practices are powerful enablers, which infuse trust and confidence and enables your Company to attract and retain financial and human capital.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") is given herein below:

I. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations. The Executive Chairman of your Company, though a Professional Director in his individual capacity, is a Promoter and the number of Non-Executive and Independent Directors is more than one-half of the total number of Directors.

Mr. Anand G. Mahindra, Executive Chairman and Dr. Pawan Goenka, Managing Director were the Whole-time Directors of your Company as on 31st March, 2020. The remaining Non-Executive Directors, comprising of Seven Independent Directors (including Two Woman Directors) and a Non-Independent Director as on 31st March, 2020 on the Board are well qualified, experienced, competent and highly renowned persons from diverse fields including manufacturing, technology, finance, economics, law, governance, etc.

During the year under review, Mr. R. K. Kulkarni and Mr. Anupam Puri ceased to hold offices as Directors of the Company from 8th August, 2019, upon completion of their second term as Independent Directors as approved by the Shareholders at the 68th Annual General Meeting ('AGM') of the Company held in the year 2014. Further, the Governance, Nomination and Remuneration Committee ('GNRC') had recommended to the Board of Directors of the Company, subject to approval of

the Shareholders, appointment of Mr. Haigreave Khaitan (DIN: 00005290) and Ms. Shikha Sharma (DIN: 00043265) as Independent Directors on the Board of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 8th August, 2019 to 7th August, 2024. The Shareholders of the Company at their 73rd AGM held on 7th August, 2019 had approved the same.

In line with the requirement of Regulation 17(1B) of the Listing Regulations, the Board of Directors pursuant to the recommendations of GNRC approved at its meeting held on 20th December, 2019, the transition of Mr. Anand G. Mahindra, Executive Chairman (DIN: 00004695) to the role of Non-Executive Chairman with effect from 1st April, 2020. Subsequently, pursuant to the Securities and Exchange Board of India ("SEBI") notification dated 10th January, 2020 deferring the deadline for compliance with Regulation 17(1B) from 1st April, 2020 to 1st April, 2022, the GNRC and the Board at their respective Meetings held on 8th February, 2020, unanimously requested Mr. Anand G. Mahindra to continue as the Executive Chairman till his original term of appointment as approved by the Shareholders of the Company i.e. upto 11th November, 2021. In deference to the wishes of the GNRC and Board, Mr. Anand G. Mahindra has acceded to the request to continue as the Executive Chairman till his original term of appointment.

Further, GNRC, while undertaking a structured and comprehensive succession-planning program over a period of time, had carried out a rigorous review for an orderly Succession to the Board and Senior Management and based on recommendations of GNRC, the Board at its Meeting held on 20th December, 2019, approved the following:

- Re-designation of Dr. Pawan Goenka (DIN: 00254502) as 'Managing Director and Chief Executive Officer' with effect from 1st April, 2020 till the end of his current term i.e. upto 11th November, 2020 and his re-appointment as Managing Director of the Company, liable to retire by rotation, designated as 'Managing Director and Chief Executive Officer' for a period commencing from 12th November, 2020 to 1st April, 2021 (both days inclusive), subject to the approval of the Members at the 74th AGM;

- Appointment of Dr. Anish Shah (DIN: 02719429) as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of the Company and subject to the approval of the Members at the said AGM as Whole-time Director of the Company, liable to retire by rotation, designated as 'Deputy Managing Director and Group Chief Financial Officer' from 1st April, 2020 to 1st April, 2021 (both days inclusive) and as 'Managing Director and Chief Executive Officer' for a period commencing from 2nd April, 2021 to 31st March, 2025 (both days inclusive);
- Mr. Rajesh Jejurikar (DIN: 00046823) as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of the Company and subject to the approval of the Members at the said AGM, as Whole time Director of the Company, liable to retire by rotation, designated as 'Executive Director (Automotive and Farm Sectors)' for a period of five years from 1st April, 2020 to 31st March, 2025 (both days inclusive);
- Appointment of Mr. CP Gurnani (DIN: 00018234) as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of the Company, and thereafter, subject to the approval of the Members at the said AGM, as a Non-Executive Non-Independent Director, liable to retire by rotation.

As on the date of this Report, the Board of your Company consist of Mr. Anand G. Mahindra, Executive Chairman, Dr. Pawan Goenka, Managing Director and Chief Executive Officer, Dr. Anish Shah, Deputy Managing Director and Group Chief Financial Officer and Mr. Rajesh Jejurikar, Executive Director (Automotive and Farm Sectors) as the Whole-time Directors of your Company. The remaining Non-Executive Directors, comprising of seven Independent Directors (including two Woman Directors) and two Non-Independent Directors.

The Directors take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues and add value in the decision making process of the Board of Directors.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

Apart from reimbursement of expenses incurred in the discharge of their duties, the remuneration that these Directors were entitled to under the Act as Non-Executive Directors and the remuneration that a Non-Executive Director may receive for professional services rendered to the Company through a firm in which he is a partner, none of these Directors have any other pecuniary relationships with your Company, its Subsidiaries or Associates or their Promoters or Directors, during the two immediately preceding financial years or during the current financial year. None of the Directors of your Company are inter-se related to each other.

Mr. CP Gurnani, being a Whole-time Director of Tech Mahindra Limited, has waived his right to receive Sitting fees for attending the Meetings of the Board of Directors or any Committee thereof on which he may be appointed from time to time or any other remuneration payable to the Non-Executive Directors of the Company, effective from 1st April, 2020 being the date of his appointment as a Director on the Board of Directors of the Company, during his tenure as a Non-Executive Director of the Company.

Professional fees for the year under review to Khaitan & Co., Advocates & Solicitors, in which Mr. Haigreve Khaitan, Non-Executive and Independent Director is a partner, amounted to Rs. 248.24 lakhs (including out of pocket expenses).

During the year under review, no Independent Director of the Company resigned before the expiry of their tenure.

The Senior Management of your Company have made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

A. Composition of the Board

The Board of your Company comprises of Ten Directors as on 31st March, 2020 and Thirteen Directors as on date of this Report.

None of the Director is a Director (including any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 7 equity listed entities or acts as an Independent Director in more than 7 equity listed entities or 3 equity listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

The name and categories of Directors, DIN, the number of Directorships, Committee positions held by them in the companies and the list of other Listed Entities where he/she is a Director alongwith the category of their Directorships are given below:

Directors and Category	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31 st March, 2020			Directorships in other Listed entities alongwith the Category of Directorship
	Directorships \$	Committee Chairmanships+	Committee Memberships+	
NON-EXECUTIVE				
Mr. Nadir B. Godrej Independent (DIN – 00066195)	9	2	4	Godrej Agrovet Limited (Non-Executive Chairman)
				Godrej Industries Limited (Managing Director)
				Godrej Consumer Products Limited (Non-Executive Director)
				Godrej Properties Limited (Non-Executive Director)
				Astec Lifesciences Limited (Non-Executive Chairman)
Mr. M. M. Murugappan Independent (DIN – 00170478)	9	4	6	Coromandel International Limited (Non-Executive Chairman)
				Carborundum Universal Limited (Non-Executive Non-Independent Chairman)
				Tube Investments of India Limited (Non-Executive Non-Independent Chairman)
				Cholamandalam Financial Holdings Limited (Non-Executive Non-Independent Chairman)
				Cholamandalam Investment and Finance Company Limited (Non-Executive Non-Independent Chairman)
				Cyient Limited (Non-Executive Non-Independent Director)
Dr. Vishakha N. Desai Independent (DIN – 05292671)	1	–	1	–
				–
Mr. Vikram Singh Mehta Independent (DIN – 00041197)	7	1	4	Colgate-Palmolive (India) Limited (Independent Director)
				Apollo Tyres Limited (Independent Director)
				Jubilant Foodworks Limited (Independent Director)
				Larsen and Toubro Limited (Independent Director)
				HT Media Limited (Independent Director)
Mr. T. N. Manoharan Independent (DIN – 01186248)	3	2	3	Tech Mahindra Limited (Independent Director)
				Canara Bank (Non-Executive Chairman)
Mr. Vijay Kumar Sharma Nominee of LIC – Non-Independent (DIN – 02449088)	3	1	1	ACC Limited (Non-Executive Non-Independent Director)
				Tata Steel Limited (Non-Executive Non-Independent Director)

Directors and Category	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31 st March, 2020			Directorships in other Listed entities alongwith the Category of Directorship
	Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Haigreve Khaitan Independent (DIN – 00005290)	8	4	7	Ceat Limited (Independent Director)
				Inox Leisure Limited (Independent Director)
				Torrent Pharmaceuticals Limited (Independent Director)
				Tech Mahindra Limited (Independent Director)
				JSW Steel Limited (Independent Director)
Borosil Renewables Limited (Additional Independent Director)				
Ms. Shikha Sharma Independent (DIN – 00043265)	5	–	5	Ambuja Cements Limited (Independent Director)
				Dr. Reddy's Laboratories Limited (Independent Director)
				Tata Consumer Products Limited (Independent Director)
				Tech Mahindra Limited (Independent Director)

EXECUTIVE

Mr. Anand G. Mahindra Executive Chairman Promoter (DIN – 00004695)	5	–	1	Tech Mahindra Limited (Non-Executive Chairman)
Dr. Pawan Goenka Managing Director and Chief Executive Officer (DIN – 00254502)	7	–	1	Swaraj Engines Limited (Non-Executive Director)

* Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and includes Nationalised Bank.

\$ Includes Additional Directorship and Directorship in your Company.

+ Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

^ Debt listed company.

The names and categories of new Directors who joined the Board on 1st April, 2020, their DIN, the number of Directorships, Committee positions held by them in the companies and the list of other Listed Entities where he/she is a Director alongwith the category of their Directorships as of 1st April, 2020 are given below:

Directors and Category	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 1 st April, 2020			Directorships in other Listed entities alongwith the Category of Directorship
	Directorships \$	Committee Chairmanships+	Committee Memberships+	

NON-EXECUTIVE

Mr. CP Gurnani Non-Independent (DIN – 00018234)	3	–	1	Tech Mahindra Limited (Chief Executive Officer and Managing Director)
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EXECUTIVE

Dr. Anish Shah Deputy Managing Director and Group Chief Financial Officer (DIN: 02719429)	5	–	2	Tech Mahindra Limited (Non-Executive Director)
				Mahindra and Mahindra Financial Services Limited (Non-Executive Director)
				Mahindra Lifespace Developers Limited (Non-Executive Director)
Mr. Rajesh Jejurikar Executive Director (Automotive and Farm Sectors) (DIN: 00046823)	3	1	1	Swaraj Engines Limited (Non-Executive Director)

* Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and includes Nationalised Bank.

\$ Includes Additional Directorship and Directorship in your Company.

+ Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

B. Board Procedure

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations, if any, is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). To provide a web-based solution, a soft copy of the said Agenda(s) is also uploaded on the Board Portal which acts as a document repository. Video conferencing facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via video conferencing.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Executive Chairman apprises the Board at every Meeting of the overall performance of your Company, followed by Presentation(s) by the Managing Director and the Sector President(s). A detailed functional Report is also presented at the Board Meeting(s).

The Board also, *inter alia*, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non-compliances, performance of operating divisions, review of major legal issues, minutes of the Committees of the Board and of Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly/half-yearly/annual results, significant labour problems and their proposed solutions, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, major accounting provisions and write-offs, corporate restructuring, joint ventures or collaboration agreement(s), material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of your Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and

individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

The Company has well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision making process at the Meetings in an informed and efficient manner.

Apart from Board Members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Chief Financial Officer and wherever required by the Heads of various Corporate Functions.

C. Number of Board Meetings, Attendance of the Directors at Meetings of the Board and at the Annual General Meeting

During the year 1st April, 2019 to 31st March, 2020, Six Board Meetings were held on the following dates – 29th May, 2019, 7th August, 2019, 8th November, 2019, 20th December, 2019, 8th February, 2020 and 27th March, 2020. The Board met at least once in every Calendar Quarter and the gap between two Meetings did not exceed one hundred and twenty days. These Meetings were well attended by the Directors. The 73rd AGM of your Company was held on 7th August, 2019.

The attendance of the Directors at these Meetings held during the year, was as under:

Directors	Number of Board Meetings attended	Attendance at the 73 rd AGM
Mr. Anand G. Mahindra	6	Yes
Dr. Pawan Goenka	6	Yes
Mr. Nadir B. Godrej	5	Yes
Mr. M. M. Murugappan	6	Yes
Mr. R. K. Kulkarni*	2	Yes
Mr. Anupam Puri*	2	Yes
Dr. Vishakha N. Desai	4#	No
Mr. Vikram Singh Mehta	6	Yes
Mr. T. N. Manoharan	6	Yes
Mr. Vijay Kumar Sharma	4	No
Mr. Haigreave Khaitan**	4	N.A.
Ms. Shikha Sharma**	4	N.A.

* Ceased as Director w.e.f. 8th August, 2019;

In addition, Dr. Vishakha N. Desai participated in one Board Meeting through audio call. No sitting fees was paid to her for participation through audio call;

** Appointed as Independent Director with effect from 8th August, 2019.

Video conferencing facility is offered to facilitate Directors to participate in the Meetings of the Board and of Committees, as and when required.

D. Meetings of Independent Directors

The Independent Directors of your Company meet before the Board Meeting without the presence of the Executive Chairman, Managing Director, other Non-Independent Director(s) or any other Management Personnel.

These Meetings are conducted in an informal and flexible manner to enable the Independent Directors to, *inter alia*, discuss matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Executive Chairman of the Company (taking into account the views of the Managing Director and Non-Executive Director), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Five Meetings of Independent Directors were held during the year and these Meetings were well attended by the Independent Directors.

E. Director(s) seeking Appointment/ Re-appointment

Mr. Anand G. Mahindra, Director, is liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company, has offered himself for re-appointment.

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 20th December, 2019, approved the following:

- Re-designation of Dr. Pawan Goenka as 'Managing Director and Chief Executive Officer' with effect from 1st April, 2020 till the end of his current term i.e. upto 11th November, 2020 and his re-appointment as Managing Director of the Company, liable to retire by rotation, designated as 'Managing Director and Chief Executive Officer' for a period commencing from 12th November, 2020 to 1st April, 2021 (both days inclusive), subject to the approval of the Members at the 74th AGM of the Company;
- Appointment of Dr. Anish Shah as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of

the Company and subject to the approval of the Members at the said AGM as Whole-time Director of the Company, liable to retire by rotation, designated as 'Deputy Managing Director and Group Chief Financial Officer' from 1st April, 2020 to 1st April, 2021 (both days inclusive) and as 'Managing Director and Chief Executive Officer' for a period commencing from 2nd April, 2021 to 31st March, 2025 (both days inclusive);

- Mr. Rajesh Jejurikar as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of the Company and subject to the approval of the Members at the said AGM, as Whole-time Director of the Company, liable to retire by rotation, designated as 'Executive Director (Automotive and Farm Sectors)' for a period of five years from 1st April, 2020 to 31st March, 2025 (both days inclusive);
- Appointment of Mr. CP Gurnani as an Additional Director of the Company from 1st April, 2020 to hold office up to the date of the 74th AGM of the Company, and thereafter, subject to the approval of the Members at the said AGM, as a Non-Executive Non-Independent Director, liable to retire by rotation.

Mr. Anand G. Mahindra Executive Chairman

Mr. Anand G. Mahindra is Executive Chairman of the Company. Mr. Mahindra graduated with Honours (Magna cum laude) from Harvard College, Cambridge, Massachusetts, in 1977. In 1981, he secured an MBA degree from the Harvard Business School, Boston, Massachusetts. He returned to India that year and joined erstwhile Mahindra Ugine Steel Company Limited (MUSCO), which was, at that time, the country's foremost producer of specialty steels as Executive Assistant to the Finance Director. In 1989, he was appointed Deputy Managing Director and President of MUSCO. During his stint at MUSCO, he initiated the Mahindra Group's diversification into the new business areas of real estate development and hospitality management.

Mr. Mahindra was first appointed as a Director on the Board of the Company on 23rd November, 1989.

He took over as Deputy Managing Director of the flagship company, Mahindra & Mahindra Limited in 1991 at a time when the turnover was US\$ 177 million. He initiated a comprehensive change programme in

Mahindra & Mahindra Limited to make the Company an efficient and aggressive competitor in the new liberalised economic environment in India.

In April 1997, he was appointed as Managing Director of Mahindra & Mahindra Limited and in January 2001 given the additional responsibility of Vice Chairman. In August 2012, he was appointed as Chairman and designated as Chairman & Managing Director of Mahindra & Mahindra Limited and Chairman of the Mahindra Group. In November, 2016, Mr. Mahindra was re-designated as Executive Chairman of Mahindra & Mahindra Limited and continues to be Chairman of the Mahindra Group.

During his tenure, Mahindra has also grown inorganically, seizing opportunities across the globe with acquisitions such as Swaraj Tractors, Reva Electric Car Company, Satyam Computer Services, Aerostaff Australia, Ssangyong Motors, Gippsland Aeronautics, Peugeot Motocycles, Holiday Club Resorts, SOFGEN Holdings Limited, Lightbridge Communications Corporation and Pininfarina S.p.A. amongst others.

India Inc. Leader

Mr. Mahindra is the co-founder of the Harvard Business School Association of India, an association dedicated to the promotion of professional management in India. He was a co-promoter of Kotak Mahindra Finance Limited, which was converted into the Kotak Mahindra Bank in 2003. It is one of foremost private sector banks in India today. As a leading industry figure, he has served as President of the Confederation of Indian Industry in 2003-04 and has also been President of the Automotive Research Association of India (ARAI). He also served on the Boards of the National Stock Exchange of India and the National Council of Applied Economic Research, as Chairman of the Governing Council of the National Institute of Design and the India Design Council, and as a member of the Council of Scientific & Industrial Research.

Recognition

Mr. Mahindra continues to receive several honours, which are:

International Honours:

Featured in Barron's List of Top 30 CEOs worldwide (2016), Appointed Chevalier de l'Ordre national la Légion d'Honneur (Knight in the National Order of the Legion

of Honour) by the President of the French Republic (March, 2016), First Indian recipient of the Harvard Medal by the Harvard Alumni Association (2014), Sustainable Development Leadership Award from The Energy and Resources Institute (2014), Knighted as 'Grand Officer of the Order of the Star of Italy', a civilian award of State (2013), Global Leadership Award by the US-India Business Council (2012), Business Courage Award by Asia Business Leadership Forum (2012), Best Transformational Leader Award by the Asian Centre for Corporate Governance & Sustainability (2012), Featured in Asia's 25 most powerful business people by Fortune magazine (2011) and Lloyds Banking Group Business Leader of the Year Award at The Asian Awards (2011).

Indian Honours:

'Disruptor Personality of the Year Award' by Bloomberg TV India (2016), 'Social Media Person of the Year' by the Internet and Mobile Association of India (2016), Conferred the degree of Doctor of Science (Honoris Causa) by the Indian Institute of Technology, Bombay (2015), Business Today CEO of the Year (2014), 'Special Recognition for Creating a True Global Indian MNC' at India's Best Market Analyst Award by Zee Business (2013), Forbes India Leadership Awards 'Entrepreneur of the Year' (2013), Business Leader of the Year by NDTV (2012), JRD Tata Corporate Leadership Award from All India Management Association (2011), IMC Juran Quality Medal by IMC Ramkrishna Bajaj National Quality Award Trust (2010), CNBC TV18 Outstanding Business Leader of the Year (2009), Business Leader of the Year by Economic Times (2009), Ernst & Young Entrepreneur of the Year India Award (2009) and an Indian of the Year award by NDTV (2009).

Mr. Mahindra has completed 65 years of age.

Mr. Mahindra is an Executive Chairman of Mahindra & Mahindra Limited, Chairman of Tech Mahindra Limited and Classic Legends Private Limited and Director of Mahindra Holdings Limited, Prudential Management & Services Private Limited, The Mahindra United World College of India, Tech Mahindra Foundation, Araku Originals Private Limited, Naandi Community Water Services Private Limited and Invest India.

Mr. Mahindra is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Strategic Investment Committee	Chairman
		Loans & Investment Committee	Chairman
		Sale of Assets Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Stakeholders Relationship Committee	Member
		Research & Development Committee	Member

Mr. Mahindra holds 14,30,008 Ordinary (Equity) Shares in the Company.

Dr. Pawan Goenka

Managing Director and Chief Executive Officer

Dr. Pawan Goenka has earned his B. Tech. in Mechanical Engineering from I.I.T., Kanpur and Ph.D. from Cornell University, U.S.A. He is also a Graduate of Advanced Management Program from Harvard Business School. He worked at General Motors R&D Centre in Detroit, U.S.A. from 1979 to 1993. Thereafter, he joined Mahindra & Mahindra Ltd., as General Manager (R&D). During his R&D tenure he led the development of the Scorpio SUV. He was appointed COO (Automotive Sector) in April 2003, President (Automotive Sector) in September 2005, President (Automotive & Farm Equipment Sectors) in April 2010. Dr. Pawan Goenka was first appointed as an Executive Director and President (AFS) on the Board of the Company on 23rd September, 2013, Executive Director and Group President (AFS) in April 2015, Managing Director of Mahindra & Mahindra Ltd. in November 2016 and designated as Managing Director & CEO on 1st April 2020. Dr. Goenka is also a member of the Group Executive Board and serves on the board of several Mahindra Group Companies.

Dr. Goenka received the Extraordinary Accomplishment Award from General Motors in 1986, the Burt L. Newkirk Award for the year 1987, the Charles L. McCuen Achievement Award from General Motors for the years 1985 & 1991, an Outstanding International Advisor Award from SAE in 1997, and a Distinguished Alumni Award from I.I.T., Kanpur in 2004. He received the Engineering Excellence Award 2012 from SAE India Foundation. He is a Fellow of SAE International and of The Indian National Academy of Engineers.

In January 2011, Dr. Pawan Goenka was honoured with the Automotive Man of the Year award at the NDTV Car & Bike Awards. In December 2011, Dr. Goenka featured as Autocar Professional's Man of the Year 2011. He was conferred the 'CV Man of the Year' award at the annual Apollo CV Awards 2012 in recognition of his extensive contribution within the automotive industry in India and globally. Dr. Goenka was conferred with the Doctor of Science (honoris causa) by I.I.T., Kanpur in 2015. Dr. Goenka has been awarded the 2016 FISITA Medal of Honour, which is bestowed for his 'particularly distinguished achievement and leadership in the global automotive industry' and is the first Indian to receive this prestigious recognition. In February 2020, he was presented with the Lifetime Achievement Award by Car India & Bike India Awards 2020 for his leadership and commitment towards the progress of the Indian Automotive Industry.

Dr. Goenka is past President of SIAM, of the Society of Automotive Engineers India, the ARAI Governing Council, and also served as a Board Member of National Skills Development Corporation (NSDC). He is currently a National Council Member of Confederation of Indian Industries (CII) and Chairman of its Manufacturing Council. He is currently serving as the Chairman of the Board of Governors of I.I.T., Madras.

Dr. Pawan Goenka has completed 65 years of age.

Dr. Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, SsangYong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Automobili Pininfarina GmbH. He is the Managing Director and Chief Executive Officer of Mahindra & Mahindra Limited and also on the Boards of Swaraj Engines Limited and New Democratic Electoral Trust.

Dr. Goenka is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Loans & Investment Committee	Member
		Stakeholders Relationship Committee	Member
		Research & Development Committee	Member
		Sale of Assets Committee	Member

Sr. No.	Name of the Company	Name of the Committee	Position Held
2.	Mahindra Vehicle Manufacturers Limited	Strategic Investments Committee	Chairman
		CSR Committee	Member
		Nomination & Remuneration Committee	Member
3.	Mahindra Electric Mobility Limited	Nomination & Remuneration Committee	Member
4.	Ssangyong Motor Company	Management Committee	Chairman
		Outside Director Candidate Recommendation Committee	Member
5.	Mahindra Agri Solutions Limited	Nomination & Remuneration Committee	Member
		Allotment Committee	Member

Dr. Pawan Goenka holds 79,188 Ordinary (Equity) Shares in the Company.

Dr. Anish Shah

Deputy Managing Director and Group Chief Financial Officer

Dr. Anish Shah is currently the Deputy Managing Director and Group CFO for the Mahindra Group, with responsibility for the Group Corporate Office and oversight of all businesses other than the Auto and Farm sectors. The Board has appointed him as the Managing Director and CEO designate for the Mahindra Group, effective April 2, 2021. His prior role was Group President (Strategy), where he led strategy development; built capabilities such as digitisation and data sciences; enabled synergies across Group companies and managed the Risk and performance review organisations.

Dr. Shah was President and CEO of GE Capital India from 2009-14, where he led the transformation of the business, including a turnaround of its SBI Card joint venture. His career at GE spanned 14 years, during which he held several leadership positions at GE Capital's US and global units. As Director, Global Mortgage, Dr. Shah worked across 33 countries to drive growth and manage risk. As Senior Vice President (Marketing and Product Development) at GE Mortgage Insurance, he led various growth initiatives and played a key role in preparing the business for an IPO, as a spinoff from GE. In his initial years with GE, Dr. Shah also led Strategy, eCommerce and Sales Force Effectiveness. Dr. Shah also received GE's prestigious Lewis Latimer Award for outstanding utilisation of Six Sigma in developing a "Digital Cockpit".

Dr. Shah also has diverse experience with global businesses beyond GE. Dr. Shah led Bank of America's US Debit Products business, where he launched an

innovative rewards program, led numerous initiatives in payment technology and worked closely with various teams across the Bank to enhance value for the customer.

As a strategy consultant at Bain & Company in Boston, Dr. Shah worked across multiple industries, including Banking, Oil Rigs, Paper, Paint, Steam Boilers and Medical Equipment. His first role was with Citibank in Mumbai, where he issued Bank Guarantees and Letters of Credit as Assistant Manager, Trade Services.

Dr. Shah holds a Ph.D. from Carnegie Mellon's Tepper School of Business where his doctoral thesis was in the field of Corporate Governance. He also received a Masters Degree from Carnegie Mellon and has a Post-Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. Dr. Shah has received various scholarships, including the William Latimer Mellon Scholarship, Industry Scholarship at IIMA, National Talent Search and Sir Dorabji Tata Trust.

Dr. Shah has completed 50 years of age.

Dr. Anish Shah is the Deputy Managing Director and Group Chief Financial Officer of Mahindra & Mahindra Limited, Director of Mahindra and Mahindra Financial Services Limited, Mahindra Lifespace Developers Limited, Mahindra Trucks and Buses Limited, Tech Mahindra Limited and Mahindra Holidays & Resorts India Limited.

Dr. Anish Shah is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Member
2.	Mahindra & Mahindra Financial Services Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Strategic Investment Committee	Member
3.	Mahindra Lifespace Developers Limited	Audit Committee	Member
		Loans & Investment Committee	Member
		Nomination & Remuneration Committee	Member
4.	Tech Mahindra Limited	Investment Committee	Member
		Risk Management Committee	Member

Dr. Anish Shah holds 1,11,352 Ordinary (Equity) Shares in the Company.

Mr. Rajesh Jejurikar Executive Director (Automotive and Farm Sectors)

Mr. Rajesh Jejurikar has diverse experience across Packaged Goods, Advertising, Media, Automotive and Farm Equipment. He joined Mahindra in 2000 as Vice President – Marketing for Automotive Sector. In 2003, he was appointed Executive Vice President – Sales & Marketing and in 2005, he was given additional responsibility as the Managing Director of Mahindra Renault in India. In 2008, he became Chief of Operations of the Automotive Sector and when Automotive & Farm Equipment Sector (AFS) was formed in 2010, he was appointed Chief Executive for the Automotive Division and Member of the Group Executive Board.

In 2013, Mr. Jejurikar joined the Farm Equipment Sector as Chief Executive – Tractor & Farm Mechanisation and became the Sector President in 2015.

An MBA from S. P. Jain Institute of Management, Mr. Jejurikar attended the Advanced Management Program at The Wharton School, University of Pennsylvania and was awarded the British Chevening Scholarship to study at the Manchester Business School, UK.

Mr. Jejurikar serves on the Governing Council of S. P. Jain Institute. He was a member of CII National Council in 2016, 2017 and currently is a Member of the CII National Council on Agriculture. He is also a Member of the CII National Committee on IT/ITeS, where he Co-Chairs the Working Group for Agriculture.

Mr. Rajesh Jejurikar has completed 55 years of age.

Mr. Jejurikar is the Chairman of Peugeot Motorcycles SAS, Mahindra Two Wheelers Europe Holdings S.a.r.l., Mahindra USA Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Ltd. He is an Executive Director (Auto & Farm Sectors) of Mahindra and Mahindra Limited, Director of Swaraj Engines Limited and Classic Legends Private Limited. He is an Independent Director of Aliaxis SA.

Mr. Rajesh Jejurikar is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Member
2.	Peugeot Motorcycles SAS	Strategy & Synergies Committee	Chairman
		Nomination & Compensation Committee	Member
		Audit & Finance Committee	Member

Sr. No.	Name of the Company	Name of the Committee	Position Held
3.	Swaraj Engines Limited	Stakeholders Relationship Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member
4.	Classic Legends Private Limited	Nomination and Remuneration Committee	Chairman

Mr. Rajesh Jejurikar holds 99,627 Ordinary (Equity) Shares in the Company.

Mr. CP Gurnani Non-executive, Non-Independent Director

Mr. CP Gurnani (popularly known as 'CP' within his peer group), is the Chief Executive Officer and Managing Director of Tech Mahindra Limited.

An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, Mr. Gurnani led Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History - the acquisition and merger of Satyam.

His inimitable style of leadership, combined with his sharp focus on customer experience has helped Tech Mahindra emerge as one of the leading digital IT solution providers of India.

In a career spanning 38+ years, Mr. Gurnani has held several leading positions with Hewlett Packard Limited, Perot Systems (India) Limited and HCL Corporation Limited. Mr. Gurnani has also served as a Chairman of NASSCOM for the year 2016-2017. An outstanding people manager, Mr. Gurnani has an entrepreneurial style of management that is a blend of enthusiasm and dynamism. He has always focused on people's strength to bring out the best in them. 'Work hard and play hard' is his motto and he applies it to all aspects of his life with complete passion.

A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute. Mr. Gurnani has also been felicitated with an honorary Doctorate degree by Veer Surendra Sai University of Technology and Sharda University. His passion in the field of

education even resonates today. He is on-board with Mahindra Ecole Centrale and is also the Chairman of IIM Nagpur.

Mr. Gurnani's endeavours are self-explanatory which won him numerous accolades that include winning Gold at the CEO World Awards 2018 for his Organisation's Wide Reskilling Initiative and the Business Today 'Best CEO' Awards 2019 in the IT & ITES category. His clinical leadership strategies have always been honoured at various platforms over the years counting in the 'Asia One Global Indian of the Year - Technology' in 2016, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard 'CEO of the Year' in 2014, Ernst and Young 'Entrepreneur of the Year, CNBC Asia's 'India Business Leader of the Year', Dataquest 'IT person of the Year' - in 2013.

Mr. Gurnani strongly believes in promoting child education. He is an active member of the Tech Mahindra Foundation – launched in 2007 to help the underprivileged children with 1,16,000 beneficiaries & counting. Mr. Gurnani along with his wife Anita, have founded 'Titliyan', an NGO located in Noida spreading smiles, happiness and education to more than 240 under privileged children – a dream project for the Gurnanis. This is definitely a perfect culmination of his leadership capabilities in all spheres of life.

Mr. CP Gurnani has completed 61 years of age.

Mr. Gurnani is Chief Executive Officer and Managing Director of Tech Mahindra Limited. He is Non-Executive and Non-Independent Director on Board of Mahindra and Mahindra Limited, Director of Comviva Technologies Limited, Tech Mahindra Foundation, Pininfarina S.p.A and a Nominee Director of T-Hub Foundation and Mahindra Educational Institution. He is also Chairman of Indian Institute of Management, Nagpur.

Mr. CP Gurnani is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Tech Mahindra Limited	Corporate Social Responsibility Committee	Chairman
		Stakeholders Relationship Committee	Member
		Investment Committee	Member
		Securities Allotment Committee	Member
2.	Comviva Technologies Limited	Nomination & Remuneration Committee	Member

Mr. CP Gurnani does not hold any Ordinary (Equity) Shares in the Company.

F. Codes of Conduct

The Board of your Company has laid down two separate Codes of Conduct ("Codes"), one for all the Board Members and the other for Employees of the Company. These Codes have been posted on the website of your Company at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director and Chief Executive Officer to this effect is enclosed at the end of this Report.

The Code of Conduct for the Board Members of the Company also includes Code for Independent Directors which is a guide to professional conduct for Independent Directors, pursuant to section 149(8) and Schedule IV of the Act.

G. CEO/CFO Certification

The Executive Chairman, Managing Director and Chief Executive Officer and Deputy Managing Director and Group Chief Financial Officer of the Company jointly give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. Further, prior to the organisational changes, the quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations were jointly certified and issued by the Executive Chairman, Managing Director and Group CFO & Group CIO.

H. Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee Meetings to fulfil duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the Governance, Nomination and Remuneration Committee of the Board to evaluate the performance of Individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and Non-Executive Directors. The Independent Directors and Executive Chairman also carried out performance evaluation of the Managing Director of the Company. The Directors expressed their satisfaction with the evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

I. Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes for its Directors including review of Investments of the Company by Strategic Investment Committee, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, Listing Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

J. Board Confirmation regarding Independence of the Independent Directors

All the Independent Directors of the Company have given their respective declaration/disclosures under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

K. Matrix setting out the core skills/ expertise/competence of the Board of Directors

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board alongwith the names of Directors who have such skills/expertise/competence, are given below:

Sr. No.	Skills	Particulars
1.	Business Experience	Established leadership skills in strategic planning, succession planning, driving change and long- term growth and guiding the Company towards its vision, mission and values. Critically analysing complex and detailed information and developing innovative solutions and striking a balance between agility and consistency.
2.	Global business/ broad international exposure /emerging markets experience	Global mindset and staying updated on global market opportunities, experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, sensitivity to cultural diversity and adaptability.

Sr. No.	Skills	Particulars
3.	Financial Experience and Risk Oversight	The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Robust Auditing are critical to its success. The Company expects its Directors :- 1. To have an understanding of Finance and Financial Reporting Processes; 2. To understand and oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.
4.	Technology and Innovation	An appreciation of emerging trends in product design and development, research, disruptions in technology and in business models.
5.	Governance and Regulatory oversight	Devise systems for compliance with a variety of regulatory requirements, reviewing compliance and governance practices for a long term sustainable growth of the Company and protecting stakeholders' interest.
6.	Sales and Marketing Exposure	Ability in developing strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.

Name of Directors	Skills					
	Business Experience	Global business/ broad international exposure/emerging markets experience	Financial Experience and Risk Oversight	Technology and Innovation	Governance and Regulatory oversight	Sales and Marketing Exposure
Mr. Anand G. Mahindra	√	√	√	√	√	√
Dr. Pawan Goenka	√	√	√	√	√	√
Mr. Nadir B. Godrej	√	√	√	√	√	√
Mr. M. M. Murugappan	√	√	√	√	√	√
Dr. Vishakha N. Desai	–	√	–	√	–	√
Mr. Vikram Singh Mehta	√	√	√	–	√	–
Mr. T. N. Manoharan	–	√	√	–	√	–
Mr. Vijay Kumar Sharma	√	–	√	–	–	√
Mr. Haigreve Khaitan	√	√	√	√	√	–
Ms. Shikha Sharma	√	√	√	√	√	√
Dr. Anish Shah	√	√	√	√	√	√
Mr. Rajesh Jejurikar	√	√	√	√	√	√
Mr. CP Gurnani	√	√	√	√	√	√

L. Resignation of Independent Director(s)

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

II. REMUNERATION TO DIRECTORS

A. Remuneration Policy

Your Company has a well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

This Policy is available on the website of the Company at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

GNRC while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, takes into consideration various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and Listing Regulations and such other factors as the GNRC deems fit.

The elements of remuneration package of Executive Directors include salary, benefits, stock options, provident fund, etc. and is decided based on the individual performance, inflation, prevailing industry trends and benchmarks. The Non-Executive Directors are paid remuneration in the form of sitting fees and commission.

B. Remuneration to Non-Executive Directors for the year ended 31st March, 2020

Pursuant to the approval granted by the Members of the Company at the 69th AGM held on 7th August, 2015, the eligible Non-Executive Directors are paid commission upto a maximum of 1% of the net profits of the Company for each financial year, as computed in the manner laid down in section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof

or Rs. 38 crores in the aggregate, whichever is lower; provided that none of such Directors shall, in any Financial Year individually receive a portion of such remuneration more than one quarter percent of the net profits of the Company.

During the year under review, the following Non-Executive Directors were paid a commission of Rs. 247.17 lakhs (provided for in the accounts for the year ended 31st March, 2019), distributed amongst the Directors as follows:

(Rs. In Lakhs)

Directors	Commission for the year ended 31 st March, 2019, paid during the year under review
Mr. Nadir B. Godrej	30.00
Mr. M. M. Murugappan	36.00
Mr. R. K. Kulkarni *	36.00**
Mr. Anupam Puri*	30.00
Mr. Vikram Singh Mehta	30.00
Dr. Vishakha N. Desai	36.00
Mr. T. N. Manoharan	36.00
Mr. Vijay Kumar Sharma (Nominee of LIC) [§]	10.21#
Mr. S. B. Mainak [^] (Nominee of LIC)	2.96#

* Ceased to be a Director w.e.f. 8th August, 2019.

** The Commission was paid to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.

§ Appointed as a Director w.e.f. 14th November, 2018.

[^] Ceased to be a Director of the Company with effect from 11th May, 2018.

The Commission was paid to LIC.

A commission of Rs. 261.43 lakhs has been provided as payable to the Non-Executive Directors in the accounts for the year under review. Non-Executive Directors are also paid sitting fees of Rs. 1,00,000 each for every Meeting of the Board and Rs. 50,000 each for every Committee Meeting other than Stakeholders Relationship Committee. The sitting fees paid for every Meeting of Stakeholders Relationship Committee is Rs. 10,000 each for Non-Executive Director.

The sitting fees paid to Non-Executive Directors and the commission payable to them for the year ended 31st March, 2020 along with their respective shareholdings in your Company are as under:

Directors	Sitting Fees paid for the Board and Committee Meetings held during the year ended 31 st March, 2020 (Rs. in Lakhs)	Commission for the year ended 31 st March, 2020, provided as payable in the accounts of the Company for the year under review (Rs. in Lakhs)	No. of Ordinary (Equity) Shares held as on 31 st March, 2020
Mr. Nadir B. Godrej	14.50	30.00	11,65,707
Mr. M. M. Murugappan	14.00	36.00	2,00,000
Mr. R. K. Kulkarni *	6.20##	12.69##	Not Applicable
Mr. Anupam Puri *	3.00	10.57	Not Applicable
Mr. Vikram Singh Mehta	14.50	30.00	20,000
Dr. Vishakha N. Desai	5.70	36.00	7,500
Mr. T. N. Manoharan	12.50	36.00	Nil
Mr. Vijay Kumar Sharma (Nominee of LIC)	4.50	27.43#	Nil
Mr. Haigreve Khaitan**	6.60##	23.31##	Nil
Ms. Shikha Sharma**	9.00	19.43	Nil

* Ceased to be a Director w.e.f. 8th August, 2019;

Sitting fees/Commission were paid/is payable to Khaitan & Co., in which Mr. R. K. Kulkarni and Mr. Haigreve Khaitan are Partners.

** Appointed as a Director w.e.f. 8th August, 2019

Commission is payable to LIC.

The Non-Executive Directors were not granted stock options during the year under review.

C. Remuneration paid/payable to Executive Chairman and Managing Director (Whole-time Directors) for the year ended 31st March, 2020

Remuneration to the Whole-time Directors is fixed by GNRC which is subsequently approved by the Board of Directors and Shareholders at a General Meeting. Following is the remuneration paid/payable to the Whole-time Directors during the year ended 31st March, 2020:

Directors	(Rs. in Lakhs)					Contract Period
	Salary ¹	Commission	Company's Contribution to Funds ²	Perquisites and Allowances	Total	
Mr. Anand G. Mahindra (Executive Chairman)	392.62	419.06	56.32	3.56	871.56	12 th November, 2016 to 11 th November, 2021
Dr. Pawan Goenka (Managing Director and Chief Executive Officer)	423.21	471.71	61.98	46.54	1,003.44	12 th November, 2016 to 11 th November, 2020 (Existing) and 12 th November, 2020 to 1 st April, 2021 (New)

1 Includes Privilege Leave Encashment.

2 Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

Notes:

a. Notice period applicable to each of the Whole-time Directors is six months.

b. Employee Stock Options and Commission are the only components of remuneration that are performance-linked. All other components are fixed.

D. The Stock Option granted to Directors, the period over which accrued and over which exercisable are as under:

Name of Directors (alongwith their Designation) to whom Stock Options have been granted	2000 Scheme							2010 Scheme				
	Options granted in December, 2001*	Options granted in June, 2005**	Options granted in October, 2005	Options granted in September, 2006	Options granted in July, 2007	Options granted in August, 2008	Options granted in September, 2012	Options granted in January, 2011	Options granted in August, 2015	Options granted in November, 2018	Options granted in November, 2019	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Mr. Anand G. Mahindra Executive Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Dr. Pawan Goenka Managing Director & Chief Executive Officer	25,290	*7,500***	*15,000***	*11,345***	*12,543***	*37,336***	Nil	*71,080	1,12,743****	36,504	36,504	
Mr. Nadir B. Godrej Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.	N.A.	
Mr. M. M. Murugappan Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.	N.A.	
Mr. R. K. Kulkarni \$ Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.	N.A.	
Mr. Anupam Puri \$ Independent Director	20,000	@ 5,000***	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.	N.A.	
Dr. Vishakha N. Desai Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	@ 20,000*****	N.A.	N.A.	N.A.	N.A.	
Mr. Vikram Singh Mehta Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	*10,000	N.A.	N.A.	N.A.	N.A.	
Mr. T. N. Manoharan Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
Mr. Vijay Kumar Sharma Non-Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Nil	Nil	
Mr. Haigreve Khaitan \$\$ Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
Ms. Shikha Sharma \$\$ Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	

\$ Ceased as a Director w.e.f. 8th August, 2019.

\$\$ Appointed as a Director w.e.f. 8th August, 2019.

@ unexercised options lapsed.

Options granted at a discount in	Vesting period	Exercise period	Exercise price
(1) December, 2001	Already vested in December, 2002	Within five years from the date of vesting	**Rs. 59 per share***
(2) June, 2005	Already vested in June, 2006	Within five years from the date of vesting	**Rs. 454 per share***
(3) October, 2005	Already vested in October, 2006	Within five years from the date of vesting	Rs. 361 per share***
(4) September, 2006	Four equal instalments in September, 2007, 2008, 2009 and 2010 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 616 per share***
(5) July, 2007	Four equal instalments in July, 2008, 2009, 2010 and 2011 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 762 per share***
(6) August, 2008	Four equal instalments in August, 2009, 2010, 2011 and 2012 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 500 per share***
(7) September, 2012	Four equal instalments in September, 2013, 2014, 2015 and 2016 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 662 per share
(8) January, 2011	Five equal instalments in January, 2012, 2013, 2014, 2015 and 2016 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(9) August, 2015	Four instalments in February, 2017, 2018, 2019 and 2020 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(10) November, 2018	Three instalments in November 2019, 2020 and 2021	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(11) November, 2019	Three instalments in November 2020, 2021 and 2022	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share

* All these Options have been exercised.

** The Options granted stand augmented by an equal number of Options and the Exercise Price stands reduced to half on account of the 1:1 Bonus Issue made in September, 2005.

*** Further, the number of Stock Options granted and outstanding as on 30th March, 2010, stand augmented by an equal number of Options and Exercise Price stands reduced to half on account of Sub-division of each Ordinary (Equity) Share of the Company having a Face Value of Rs. 10 each fully paid-up into 2 (Two) Ordinary (Equity) Shares of the Face Value of Rs. 5 each fully paid-up.

**** The Options granted and outstanding stand augmented by an equal number of Bonus Options on account of the 1:1 Bonus Issue made in December, 2017.

***** The Options granted and outstanding stand augmented by an equal number of Options and the Exercise Price stands reduced to half on account of the 1:1 Bonus Issue made in December, 2017.

III. RISK MANAGEMENT

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organisational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee consisting of Board Members which is authorised to monitor and review Risk Management plan and risk certificate. The Committee is also empowered, *inter alia*, to review and recommend to the Board the modifications to the Risk Management Policy. Further, the Board has constituted a Corporate Risk Council comprising of the Senior Executives of the Company. The terms of reference of the Council comprise review of Risks and Risk Management Policy at periodic intervals.

The Risk Management Policy approved by the Board, *inter alia*, includes identification therein of elements of risk, including those which in the opinion of the Board, may threaten the existence of the Company.

The Risk Management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company.

IV. COMMITTEES OF THE BOARD

The Committees of the Board play an important role in the governance, focus on specific areas and make informed decisions within the delegated authority. Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information and approval. During the year under review, all recommendations of the Committees were accepted by the Board.

The Board has constituted the following mandatory and non-mandatory Committees:

A. Audit Committee

This Committee comprises of the following Directors viz. Mr. T. N. Manoharan (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. M. M. Murugappan and

Ms. Shikha Sharma. All the Members of the Committee are Independent Directors. Ms. Shikha Sharma was appointed as a Member of the Committee with effect from 8th August, 2019 and Mr. R. K. Kulkarni ceased to be a Member of the Committee with effect from 8th August, 2019 upon cessation as a Director of the Company. All the Members of the Committee possess strong accounting and financial management knowledge. The Company Secretary is the Secretary to the Committee.

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the Listing Regulations. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorised to, *inter alia*, review and monitor the Auditor's independence and performance, scope and effectiveness of audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, review with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, select and establish accounting policies, review Reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters, approve (wherever necessary) transactions of the Company with related parties including subsequent modifications thereof, grant omnibus approvals for related party transactions subject to fulfilment of certain conditions, scrutinise inter-corporate loans and investments, valuation of undertakings or assets of the Company, review the risk assessment and minimisation procedures, evaluate internal financial controls and risk management systems, monitor end use of the funds raised through public offers and related matters, review the utilisation of loans and/ or advances from/ investment by the Company in the subsidiary companies exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments and review compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively. The terms of reference are also in line with the regulatory requirements mandated in the Act and SEBI Listing Regulations.

The Committee is also empowered to, *inter alia*, recommend the remuneration payable to the Statutory Auditors, availing of such other services from the Auditors and to recommend a change in the Auditors, if felt necessary. Further, the Committee is empowered to recommend to the Board, the appointment of Chief Financial Officer, the term of appointment and remuneration of the Cost Auditor, Internal Auditor, etc., review the functioning of the Whistleblower Policy/Vigil Mechanism. The Committee also reviews Financial Statements and Investments of unlisted subsidiary companies, Management Discussion & Analysis of financial condition and results of operations.

The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations. The Committee also reviews the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to PIT Regulations. Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistleblower Policy are also placed before the Committee.

The Meetings of the Audit Committee are also attended by the Executive Chairman, the Managing Director and Chief Executive Officer, the Deputy Managing Director and Group Chief Financial Officer, the President (Group Controller of Finance and Accounts), the Senior Vice President – Corporate Finance, the Statutory Auditors, the Chief Internal Auditor, the Controller of Accounts, the President – Mahindra Partners & Group Legal and the Company Secretary. The Cost Auditor also attends the Committee Meeting at which the Cost Audit Report(s) are considered.

As required under the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him on his behalf shall attend the General Meeting of the Company. Mr. T. N. Manoharan, Chairman of the Audit Committee, was present at the 73rd AGM of the Company held on 7th August, 2019 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

The Committee met six times during the year under review on 28th May, 2019, 6th August, 2019, 7th November, 2019, 20th December, 2019, 7th February, 2020 and 27th March, 2020. The gap between two Meetings did not

exceed one hundred and twenty days. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. T. N. Manoharan (Chairman)	6
Mr. Nadir B. Godrej	5
Mr. M. M. Murugappan	6
Mr. R. K. Kulkarni*	2
Ms. Shikha Sharma**	4

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

** Appointed as an Independent Director and Member of the Committee with effect from 8th August, 2019.

B. Governance, Nomination and Remuneration Committee

All Committee Members are Independent Directors including the Chairman. The Members are Mr. M. M. Murugappan (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. Haigreve Khaitan (with effect from 8th August, 2019) and Mr. Vikram Singh Mehta. Mr. R. K. Kulkarni was a Member of the Committee upto 7th August, 2019. Mr. Anand G. Mahindra, Executive Chairman and Mr. Ruzbeh Irani, President - Group HR and Communications (with effect from 1st April, 2020) are permanent invitees to the Committee. Mr. Rajeev Dubey, who retired as Group President (HR & Corporate Services) & CEO (After-Market Sector) from 1st April, 2020 was a permanent invitee upto the said date.

The Committee has been vested with the authority to, *inter alia*, recommend nominations for Board Membership, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record, integrity, establish Director retirement policies and appropriate succession plans and determine overall compensation policies of the Company.

The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time including "Mahindra & Mahindra Limited Employees' Stock Option Scheme – 2000", "Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010" and take appropriate decisions in terms of the concerned Scheme(s).

The terms of reference of this Committee are aligned with the Listing Regulations and the Act.

The scope of the Committee also includes review of market practices and deciding on remuneration packages applicable to the Chairman, Managing Director, the Executive Director(s), Group Presidents and other Members of Senior Management as may be decided from time to time (including the Chief Financial Officer and Company Secretary).

In addition to the above, the Committee's role includes identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director's performance.

The Committee has also formulated the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

The Committee has undertaken a structured and comprehensive succession planning program over a period of time and has carried out a rigorous review for an orderly Succession to the Board and the Senior Management.

The Committee carries out a separate exercise to evaluate the performance of Individual Directors. Feedback is sought by way of structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The Board also evaluated fulfilment of the criteria of Independence by the Independent Directors as set out in the Listing Regulations and their independence from the Management. The performance evaluation is carried out based on the responses received from the Directors.

The performance evaluation of Independent Directors was based on various criteria, *inter alia*, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

The Committee is also empowered to opine, in respect of the services rendered by a Director in professional capacity, whether such Director possesses requisite qualification for the practice of the profession.

As per section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. M. M. Murugappan was present at the 73rd AGM of the Company held on 7th August, 2019.

The Committee met six times during the year under review on 28th May, 2019, 6th August, 2019, 7th November, 2019, 20th December, 2019, 7th February, 2020 and 27th March, 2020. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. M. M. Murugappan (Chairman)	6
Mr. Nadir B. Godrej	5
Mr. R. K. Kulkarni*	2
Mr. Vikram Singh Mehta	6
Mr. Haigreve Khaitan**	4

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

** Appointed as an Independent Director and Member of the Committee with effect from 8th August, 2019.

C. Stakeholders Relationship Committee

The Board at its Meeting held on 7th August, 2019 re-constituted the Stakeholders Relationship Committee and appointed Mr. Haigreve Khaitan as the Chairman with effect from 8th August, 2019. Mr. Anand G. Mahindra, Dr. Vishakha N. Desai and Dr. Pawan Goenka are the other Members of the Committee. Mr. R. K. Kulkarni ceased to be a Chairman of the Committee with effect from 8th August, 2019, upon cessation as a Director of the Company. Mr. Narayan Shankar, Company Secretary is the Compliance Officer of the Company.

The Committee meets, as and when required, to *inter alia*, deal with matters relating to transfer/transmission of shares, issue of duplicate share certificates, issue of new share certificates (including for transfer to Investor Education & Protection Fund as per the provisions of the Act and Rules framed thereunder), resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc., review of measures taken for effective exercise of voting rights by Shareholders, review of adherence to the service standards adopted by the Company in respect of services being rendered by the Registrar & Transfer Agent, review of various measures and initiatives taken by the Company for reducing the

quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company. With a view to expedite the process of share transfers, necessary authority has been delegated to certain officers of the Company to approve the transfers of not more than 10,000 Ordinary (Equity) Shares per transfer, provided the transferee does not hold 2,00,000 or more Ordinary (Equity) Shares in your Company. The Committee is also authorised to approve request for transmission of shares and issue of duplicate share certificates.

The role and terms of reference of the Committee cover the areas as contemplated under Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as applicable, besides other terms as referred by the Board of Directors.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The then Chairman of the Committee, Mr. R. K. Kulkarni was present at the 73rd AGM of the Company held on 7th August, 2019.

Apart from the Meeting(s), urgent business (including approvals for issue of duplicate Share Certificates) was transacted through Circular Resolution(s). Subsequently, these Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) is/are passed by the Members.

The Committee met thrice during the year under review on 29th May, 2019, 7th August, 2019 and 8th February, 2020. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. R. K. Kulkarni (Chairman)@	2
Mr. Haigreve Khaitan (Chairman)#	1
Mr. Anand G. Mahindra	3
Dr. Pawan Goenka	3
Dr. Vishakha N. Desai	2

@ Ceased to be a Director and thereby Chairman of the Committee with effect from 8th August, 2019.

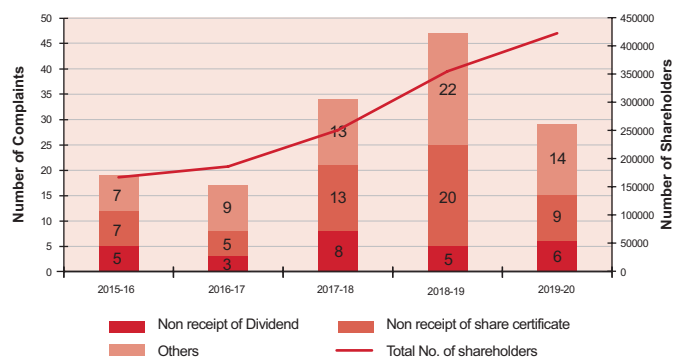
Appointed as an Independent Director and Chairman of the Committee with effect from 8th August, 2019.

■ Details of Shareholders'/Investors' Complaints:

During the Financial Year ended 31st March, 2020, 29 complaints were received from Shareholders, all of which have been attended/resolved to the satisfaction of the Shareholders. As of date, there are no pending complaints/share transfers pertaining to the year under review.

■ Trend of Complaints and Number of Shareholders during last 5 years:

Financial Year	2015-16	2016-17	2017-18	2018-19	2019-20
Total No. of Complaints	19	17	34	47	29
No. of Shareholders as on 31 st March	1,66,742	1,85,882	2,50,395	3,54,817	4,22,292



There has been a substantial increase in the number of Shareholders over the last 5 years. Increase in number of complaints during the Financial Years 2017-18 and 2018-19 was primarily on account of non receipt of Bonus share certificates issued in the Financial Year 2017-18, transfer of shares to Investor Education and Protection Fund and increase in volume of demat requests on account of restriction on transfer of shares in physical mode. During the Financial Year 2019-20, the Company has witnessed a fall in number of complaints as a result of proactive interaction with the Shareholders by the Company to resolve their queries.

D. Corporate Social Responsibility Committee

Dr. Vishakha N. Desai, Independent Director is the Chairperson of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Vikram Singh Mehta are the other Members of the Committee. Out of the total number of Members of the Committee, two are Independent Directors. Mr. R. K. Kulkarni ceased to be a Member of the Committee with effect from 8th August, 2019 upon cessation as a Director of the Company.

The Corporate Social Responsibility ("CSR") Committee is a Committee constituted by the Board with powers, *inter alia*, to make donations/contributions, to any Charitable and/or CSR projects or programs to be implemented directly or through an executing agency or other Not for Profit Agency with minimum three years proven track record or through a Corporate Foundation or other reputed Non-Governmental Organisation, of at least two percent of the Company's average net

profits during the three immediately preceding Financial Years in pursuance of its CSR Policy for the Company's CSR Initiatives.

The scope of functions of the Committee includes, *inter alia*, the formulation and recommendation to the Board for its approval and implementation, the Business Responsibility ("BR") Policy(ies) of the Company, undertake periodical assessment of the Company's BR performance, review the draft BR Report and recommend the same to the Board for its approval and inclusion in the Annual Report of the Company.

The role of this Committee also includes recommendation of the amount of expenditure to be incurred on the CSR activities as enumerated in Schedule VII of the Act and also referred to in the CSR Policy of the Company, as also to monitor the CSR Policy from time to time, etc. During the year, the Annexure to the CSR Policy containing list of the CSR Projects (2019-20) was updated.

The CSR Policy for your Company as duly amended is available on the website of the Company at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

The Committee met thrice during the year under review on 28th May, 2019, 7th November, 2019 and 27th March, 2020. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Dr. Vishakha N. Desai (Chairperson)	3
Mr. Anand G. Mahindra	3
Dr. Pawan Goenka	3
Mr. R. K. Kulkarni*	1
Mr. Vikram Singh Mehta	3

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

E. Risk Management Committee

Regulation 21 of the Listing Regulations mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company. The Board has constituted a Risk Management Committee. The Committee is headed by Dr. Pawan Goenka. The other Members are Mr. Nadir B. Godrej, Mr. M. M. Murugappan,

Mr. T. N. Manoharan and Ms. Shikha Sharma. Ms. Shikha Sharma was appointed as a Member of Committee with effect from 8th August, 2019 and Mr. R. K. Kulkarni ceased to be a Member of the Committee with effect from 8th August, 2019 upon cessation as a Director of the Company. Subsequent to year end, Dr. Anish Shah and Mr. Rajesh Jejurikar have been appointed as Members of the Committee, with effect from 1st April, 2020.

The Committee met twice during the year under review on 7th November, 2019 and 27th March, 2020. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Dr. Pawan Goenka (Chairman)	2
Mr. Nadir B. Godrej	2
Mr. M. M. Murugappan	2
Mr. R. K. Kulkarni*	N.A.
Mr. T. N. Manoharan	2
Ms. Shikha Sharma**	2

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

** Appointed as a Member of the Committee with effect from 8th August, 2019.

F. Research & Development Committee (A voluntary initiative of your Company)

The Research & Development ("R&D") Committee, which was constituted by the Board in 1998, provides direction on the R&D mission and strategy and key R&D and technology issues. The Committee also reviews and makes recommendations on the skills and competencies required and the structure and the process needed to ensure that the R&D initiatives result in products that are in keeping with the business needs. Mr. M. M. Murugappan is the Chairman of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Nadir B. Godrej are the other Members of the Committee.

The Committee met twice during the year under review on 28th May, 2019 and 6th November, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. M. M. Murugappan (Chairman)	2
Mr. Anand G. Mahindra	2
Dr. Pawan Goenka	2
Mr. Nadir B. Godrej	2

G. Strategic Investment Committee (A voluntary initiative of your Company)

The Strategic Investment Committee is constituted by the Board with powers, *inter alia*, to evaluate and scrutinise significant investments/funding including but not limited to business acquisitions, reviewing and monitoring existing investments in subsidiaries, joint ventures and other group companies, overseeing and reviewing performance of various subsidiaries and making necessary recommendations to the Board from time to time including disinvestments. Mr. Anand G. Mahindra is the Chairman of the Committee. Mr. Nadir B. Godrej, Mr. Vikram Singh Mehta, Mr. T. N. Manoharan, Ms. Shikha Sharma and Mr. Vijay Kumar Sharma are other Members of the Committee. Ms. Shikha Sharma and Mr. Vijay Kumar Sharma were appointed as Members of Committee with effect from 8th August, 2019 and 8th February, 2020, respectively and Mr. Anupam Puri ceased to be a Member of the Committee with effect from 8th August, 2019 upon cessation as a Director of the Company.

The Committee met five times during the year under review on 28th May, 2019, 6th August, 2019, 7th & 8th November, 2019, 7th February, 2020 and 26th March, 2020. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	5
Mr. Nadir B. Godrej	5
Mr. Anupam Puri*	2
Mr. Vikram Singh Mehta	5
Mr. T. N. Manoharan	5
Ms. Shikha Sharma**	3
Mr. Vijay Kumar Sharma***	1

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

** Appointed as an Independent Director of the Company and as a Member of Committee with effect from 8th August, 2019.

*** Appointed as a Member of Committee with effect from 8th February, 2020.

H. Loans & Investment Committee (A voluntary initiative of your Company)

The Loans & Investment Committee is authorised to approve loans and investment, disinvestment, borrowing moneys and related aspects of fund management in accordance with the authority granted and the parameters prescribed by the Board with

Mr. Anand G. Mahindra as the Chairman of the Committee and the other Members being Dr. Pawan Goenka, Mr. Vikram Singh Mehta, Mr. Haigreve Khaitan and Ms. Shikha Sharma. Mr. Haigreve Khaitan and Ms. Shikha Sharma were appointed as Members of the Committee with effect from 8th August, 2019 and Mr. R. K. Kulkarni ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

Apart from the Meetings, Circular Resolution(s) is/are also passed by the Members after discussion over a conference call between the Members. Subsequently, these Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) is/are passed by the Members.

The Committee met four times during the year under review on 28th May, 2019, 17th July, 2019, 6th August, 2019 and 1st October, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	4
Dr. Pawan Goenka	4
Mr. R. K. Kulkarni*	3
Mr. Vikram Singh Mehta	3#
Mr. Haigreve Khaitan**	1
Ms. Shikha Sharma**	1

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2019.

In addition, Mr. Vikram Singh Mehta participated in one Committee Meeting through audio call. No sitting fees was paid to him for participation through audio call.

** Appointed as Independent Directors of the Company and as Members of Committee with effect from 8th August, 2019.

V. SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Under this definition, Mahindra & Mahindra Financial Services Limited (Listed), Ssangyong Motor Company (Listed in South Korea) and Mahindra Vehicle Manufacturers Limited (Unlisted) are material subsidiaries of the Company.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings of subsidiaries of the Company are placed before the Board of Directors of the Company for their review at every quarterly Meeting.

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

There is no Subsidiary which falls under this definition of unlisted material subsidiary for the financial year ended 31st March, 2020.

The other requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

VI. DISCLOSURES

A. Policy for determining 'material' subsidiaries

Your Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been posted on the website of the Company and can be accessed through the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

B. Policy on Materiality of and Dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy has also been posted on the website of the Company and can be accessed through the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

C. Disclosure of Transactions with Related Parties

During the Financial Year 2019-20, there were no materially significant transactions or arrangements entered into between the Company and its Promoters,

Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in Note No. 36 to Annual Accounts in the Annual Report.

In addition, as per the Listing Regulations, your Company has also submitted within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results and also published it on the website of the Company.

D. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.

E. Code for Prevention of Insider Trading Practices

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which *inter alia* includes Policy for determination of "Legitimate Purpose" and 'Code of Conduct for Prevention of Insider Trading in Securities of Mahindra & Mahindra Limited' ("M&M Code of Conduct") in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

M&M Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and their immediate relatives towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The Code lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations. During the year under review, the M&M Code of Conduct was amended in line with the amendments brought in the Regulations by SEBI.

F. Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

The Company has formulated the 'Policy and procedure for inquiry in case of leak / suspected leak of Unpublished Price Sensitive Information' ('UPSI'). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

G. Whistleblower Policy

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the Listing Regulations is implemented through the Whistleblower Policy. This Policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

As such the Whistleblower Policy provides for protected disclosure and protection to the Whistleblower. Under the Vigil Mechanism, all Stakeholders have been provided access to the Audit Committee through the Chairperson. No personnel has been denied access to the Audit Committee. All Employees, Directors, Vendors, Suppliers or other Stakeholders associated with the Company can make the Protected Disclosure through an e-mail to whistleblower.mahindra@ethicshelpline.in or any other mechanism as prescribed in the Whistleblower Policy.

The Chairperson of the Audit Committee can be reached by sending an e-mail to chairpersonofauditcommittee@mahindra.com or by sending a letter to the below address:

Chairperson of the Audit Committee
Mahindra & Mahindra Limited
Mahindra Towers,
Dr. G. M. Bhosale Marg,
P. K. Kurne Chowk, Worli,
Mumbai – 400 018.

The Whistleblower Policy provides for reporting of insider trading violations as well as reporting of instances of leak of Unpublished Price Sensitive Information by the employees.

The Whistleblower Policy of the Company is available on the website of the Company and can be accessed at the web link: <https://www.mahindra.com/resources/FY20/AnnualReport.zip>.

VII. MEANS OF COMMUNICATION

The Company recognizes the importance of two way communication with Shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website.

Financial Results:

The unaudited quarterly results are announced within forty- five days of the close of each quarter, other than the last quarter. The audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Other Information:

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited – Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portal of National Stock Exchange of India Limited – NSE's Electronic Application Processing System (NEAPS). The information to the Stock Exchanges located outside India is filed through electronic means or other permissible means.

■ Analyst/Institutional Investors Presentations

Presentations are also made to international and domestic institutional investors and analysts. These presentations and other disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company, viz.: <http://www.mahindra.com> and as per the Archival Policy of the Company would be hosted on the website for a minimum period of five years from the date of respective disclosures. The Annual Report of the Company, the quarterly/half-yearly and the audited financial statements and the official news releases of the Company are also disseminated on the Company's website. The presentation on the Financial Results of the Company made to the Analyst and Institutional Investors are also disseminated to the Stock Exchanges. The quarterly, half-yearly and yearly results are also published in Business Standard and Sakal which are national and local dailies respectively. These are not sent individually to the Shareholders.

■ FAQs for the Shareholders

The Investor Relations page of the Company's website provides more than 50 Frequently Asked Questions on various topics related to transfers and transmissions of shares, dematerialisation, nomination, change of address, loss of share certificates, dividend and sub-division of share certificates. In addition, various downloadable forms required to be executed by the Shareholders have also been provided on the website of the Company viz. <https://www.mahindra.com/investors/reports-and-filings>.

■ Investor Services Web-based Query Redressal System

Members may utilise the facility extended by the Registrar and Transfer Agent for redressal of queries, by visiting <https://karisma.kfintech.com> and clicking on 'Investor Grievance' option for query registration through free identity registration process.

Investors can submit their query in the option provided on the above website, which would generate a registration number. For accessing the status / response to the query submitted, the grievance registration number can be used at the option 'Track your grievance' on right hand corner under 'Investor Grievance' option after 24 hours. Investors can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Investors can provide their feedback on the services provided by the Company and its Registrar and Transfer Agent by filling the Shareholder Satisfaction Survey form available in Investor Relations page on website of the Company at the web link: <https://www.mahindra.com/investors/reports-and-filings>.

■ KPRISM- Mobile service application by KFinTech

Members are requested to note that KFin Technologies Private Limited (KFinTech) has launched a mobile application - KPRISM and a website <https://kprism.kfintech.com> for online service to Shareholders.

Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFinTech, Dividend status, requests for change of address, change/update Bank Mandate. Through the Mobile app, members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application would be available for download from Android Play Store. Members may alternatively visit the link <https://kprism.kfintech.com/app/> to download the mobile application.

VIII. GENERAL SHAREHOLDER INFORMATION

Pursuant to Circular issued by Ministry of Corporate Affairs ('MCA') dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, companies are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM) for the calendar year 2020. Accordingly, your Company will be conducting the AGM through VC/OAVM facility. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

In addition to conducting the AGM through VC/OAVM, the Company would also be providing one-way live webcast of the proceedings of the AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging on the e-voting website of KFinTech at <https://emeetings.kfintech.com> using their secure login credentials.

During the live AGM, Members may post their queries in the message box provided on the screen or may submit questions in advance on the email ID of the Company investors@mahindra.com.

In case of any query and/or help, in respect of attending AGM through VC/OAVM, Members may refer to the Help & Frequently Asked Questions (FAQs) and VC/OAVM user manual available at the download Section of <https://evoting.karvy.com> (KFintech Website) or contact at investors@mahindra.com, or Mr. Sri Sai Karthik Tikkiseti, Manager - Corporate Registry, KFintech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1500 or call KFintech's toll free No.: 1800-3454-001 for any further clarifications.

1. 74th Annual General Meeting

Date : 7th August, 2020

Time : 3:00 p.m. (IST)

Venue : Meeting through VC/OAVM

2. Financial Year of the Company

The financial year covers the period from 1st April to 31st March.

3. Date of Book Closure and Dividend Payment Date

Book Closure for Dividend will be from Saturday, 18th July, 2020 to Friday, 7th August, 2020, both days inclusive and the Dividend would be paid after 7th August, 2020.

4. Listing of Ordinary (Equity) Shares, Debentures on Stock Exchanges and Stock Code

Your Company's Ordinary (Equity) Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) of your Company are listed on the Luxembourg Stock Exchange and are also admitted for trading on International Order Book (IOB) of the London Stock Exchange. The requisite listing fees have been paid in full to all these Stock Exchanges.

The Company's privately placed Non-Convertible Debentures (NCDs) of Rs. 500 crores and of Rs. 475 crores are listed on the Debt Segment of BSE.

Subsequent to year end, the Company has issued 6.65% and 6.78% series of privately placed NCDs of Rs. 1000 crores each in April, 2020, and 6.19% series of privately placed NCDs of Rs. 500 crores in June, 2020, which are also listed/to be listed on the Debt Segment of BSE.

Name and Address of the Exchanges	Type of Security/ Scrip Code	International Securities Identification Number (ISIN)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	Ordinary (Equity) Shares/500520	INE101A01026
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.	Ordinary (Equity) Shares/M&M	
Bourse de Luxembourg Societe de la Bourse de Luxembourg, Societe Anonyme/R.C.B. 6222, B.P. 165, L-2011, Luxembourg.	Global Depository Receipts (GDRs)	USY541641194
London Stock Exchange Plc, 10, Paternoster Square, London - EC4M 7LS.	GDRs/MHID	–
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	Non-Convertible Debentures/ 949342/Scrip ID: 955MML2063	INE101A08070
	Non-Convertible Debentures/ 954977/Scrip ID: 757MML26	INE101A08088
	Non-Convertible Debentures/959445/ Scrip ID: 665MML23	INE101A08096
	Non-Convertible Debentures/ 959446/Scrip ID: 678MML23	INE101A08104
	Non-Convertible Debentures*	INE101A08112

* Allotted on 8th June, 2020 and are under the process of listing with BSE.

5. List of all Credit Ratings obtained by the Company along with revisions for the FY 2019-20

The credit ratings obtained by the Company along with revisions, if any, thereto during the Financial Year 2019-20, for all the debt instruments, fixed deposit programme, any scheme or proposal of the Company involving mobilisation of funds, in India or abroad are given below:

Instrument Details	Rating(s)			
	CARE	CRISIL	ICRA	Indian Ratings & Research
Non-Convertible Debentures	–	CRISIL AAA/Stable	[ICRA] AAA (Stable)	IND AAA/Stable
Bank Facilities – Long Term	CARE AAA/Stable	CRISIL AAA/Stable	[ICRA] AAA (Stable)	IND AAA/Stable
Bank Facilities – Short Term	CARE A1+	CRISIL A1+	[ICRA] A1+	IND A1+
Commercial Paper (CP)	–	CRISIL A1+	–	–

6. Corporate Identity Number: L65990MH1945PLC004558

7. Registered Office Address

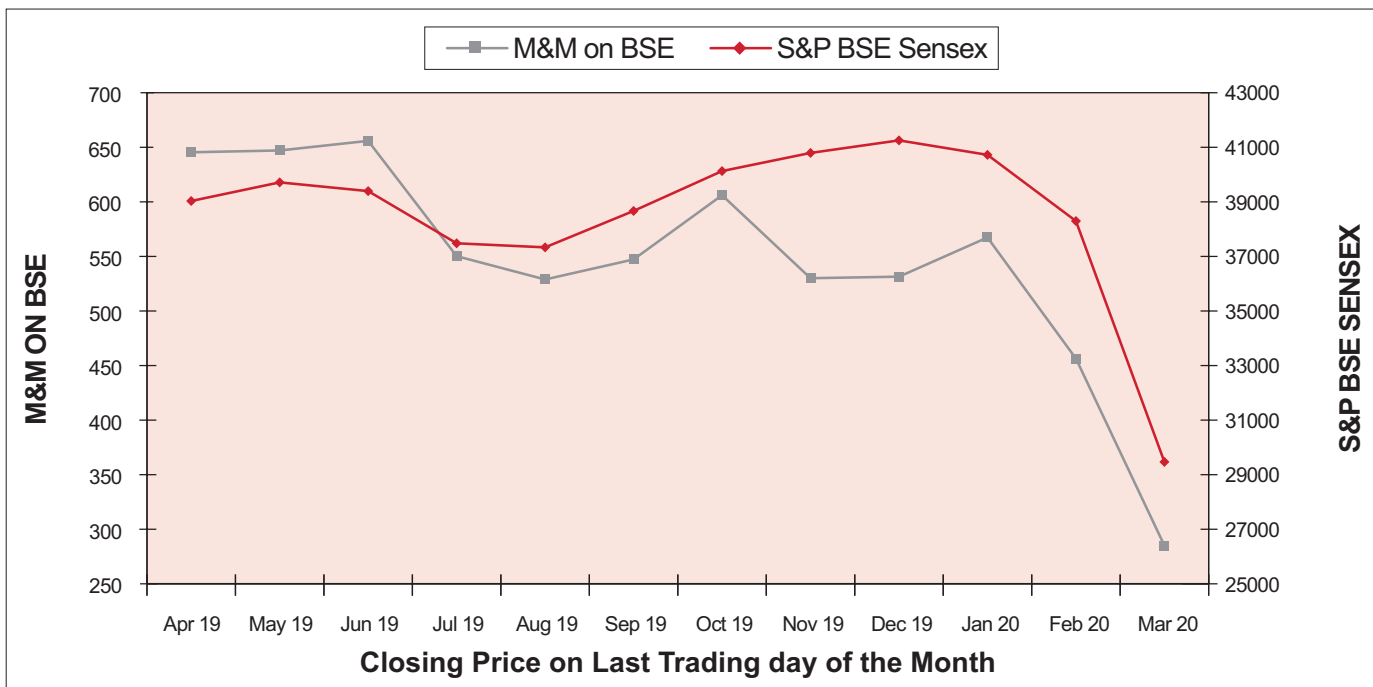
Mahindra & Mahindra Limited
 Gateway Building, Apollo Bunder,
 Mumbai – 400 001.

8. Stock Price Data

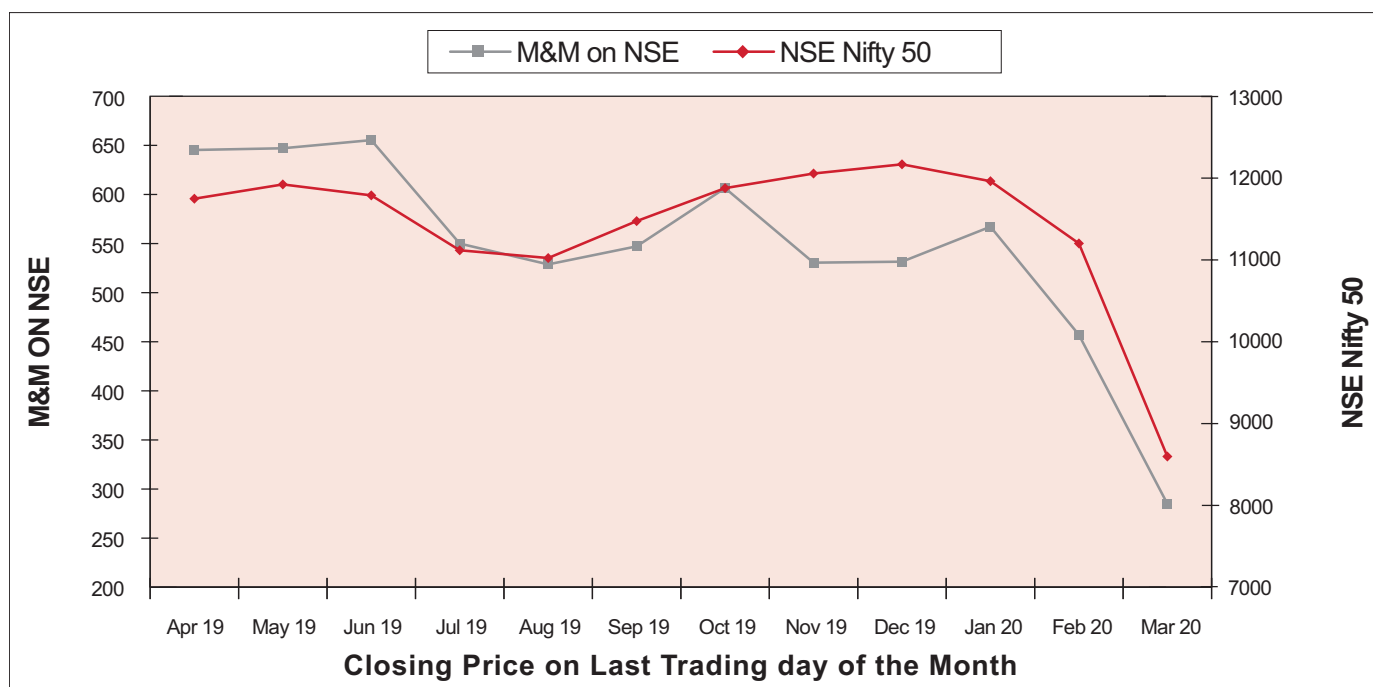
Month	Equity Shares				GDRs	
	BSE Limited		National Stock Exchange of India Limited		Luxembourg Stock Exchange	
	High	Low	High	Low	High	Low
	Rs.	Rs.	Rs.	Rs.	US\$	US\$
April, 2019	695.50	640.00	695.50	640.00	9.94	9.22
May, 2019	682.35	598.00	683.00	597.20	9.79	8.60
June, 2019	662.75	608.00	662.45	608.00	9.54	8.83
July, 2019	675.00	541.65	675.30	541.75	9.80	7.93
August, 2019	563.70	502.85	563.85	502.55	8.02	7.12
September, 2019	601.90	503.50	602.20	503.15	8.10	7.01
October, 2019	621.00	537.00	621.65	536.60	8.71	7.78
November, 2019	614.00	528.35	609.75	528.25	8.32	7.53
December, 2019	539.30	502.70	539.85	502.65	7.56	7.11
January, 2020	589.85	519.10	589.75	519.00	8.12	7.25
February, 2020	589.70	453.80	589.85	453.60	8.21	6.29
March, 2020	482.25	245.80	482.50	245.40	6.54	3.55

9. Stock Performance

The performance of your Company's shares relative to the S&P BSE Sensitive Index is given in the chart below:



The performance of your Company's shares relative to the Nifty 50 Index is given in the chart below:



10. Registrar and Transfer Agents

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Unit: Mahindra & Mahindra Limited
Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad.
Telangana -500032, India.
Tel. No. : +91 40 6716 2222
Fax : +91 40 2342 0814
Email : einward.ris@kfintech.com
Website : www.kfintech.com
Toll Free No. : 1800 3454 001

The name of the Registrar and Transfer Agents of the Company has been changed from Karvy Fintech Private Limited to KFin Technologies Private Limited (KFintech) with effect from 5th December, 2019.

Accordingly, KFin Technologies Private Limited acts as the Share Transfer Agents of the Company.

11. Share Transfer System

Trading in Ordinary (Equity) Shares of the Company through recognised Stock Exchanges is permitted only in dematerialised form.

The Stakeholders Relationship Committee meets as and when required to, inter alia, consider the transfer proposals, issue of duplicate share certificates and attend to Shareholders' grievances, etc.

Pursuant to Regulation 40 of Listing Regulations requests for effecting transfer of securities had not been processed unless the securities are held in the dematerialised form with the depository with effect from 1st April, 2019. However, this restriction shall not be applicable to the request received for effecting transmission or transposition of physical shares.

The Shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience in future while transferring the shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of KFintech to seek guidance in the demat procedure. The Shareholders may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited

viz. <https://www.cdslindia.com/Investors/FAQs.html> for further understanding of the demat procedure.

12. Distribution of Shareholding as on 31st March, 2020

Number of Shares held	Number of Shareholders*	Number of Shares held	% of Shareholding
1 to 1,000	4,17,385	3,78,96,360	3.05
1,001 to 2,000	8,268	1,22,10,724	0.98
2,001 to 10,000	7,638	3,20,14,993	2.58
10,001 to 20,000	976	1,37,36,832	1.10
20,001 and above	1,429	1,14,73,33,635	92.29
Total	4,35,696	1,24,31,92,544	100.00

* Without consolidating the folios on the basis of PAN

13. Dematerialisation of Shares and Liquidity

99.55% of the paid-up Ordinary (Equity) Share Capital of your Company is held in a dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2020. The market lot of the Share of your Company is one Share, as the trading in the Equity Share of your Company is permitted only in dematerialised form. The Non-Promoters' holding as on 31st March, 2020 is around 81.10% and the stock is highly liquid.

14. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

6,21,89,746 GDRs were outstanding as on 31st March, 2020. Since the underlying Ordinary (Equity) Shares represented by GDRs have been allotted in full, the outstanding GDRs have no impact on the Equity of the Company. There are no other convertible instruments outstanding as on 31st March, 2020.

15. Commodity price risk or Foreign Exchange Risk & hedging activities

The Financial Year 2019-20 witnessed a sharp fall in prices in most of the commodities, including but not limited to castings, forgings and sheet metal. Your Company has been able to leverage the same and get a reduction in its material cost.

Your Company continues to watch the market situation closely and continues to focus on mitigating commodity price volatility through "Commodity Risk Management" and other cost reduction measures. Hedging of currencies and commodities are being governed in accordance with the Foreign Exchange Risk Management Policy and Commodity Risk Management Policy, approved by the Board of Directors of your Company.

The details of Foreign Exchange hedging activities undertaken by the Company is disclosed in Note No. 35 to the Annual Accounts of the Annual Report.

Disclosures regarding commodity price risk and hedging activities, the details of exposure of the Company to material commodities and risks faced by it throughout the year as mandated by Regulation 34(3) read with clause 9(n) of Part C of Schedule V of the Listing Regulations and SEBI Circular No. SEBI/ HO/CFD/CMD1/ CIR/P/2018/0000000141 dated 15th November, 2018, is as follows:

(a) Total exposure of the listed entity to commodities in INR: Rs.6,235 crores

(b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity (Rs. in crores)	Exposure in Quantity terms towards the particular commodity (in tons)	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Flat Steel (Sheet Metal)	2,800	5,42,234	Nil	Nil	Nil	Nil	Nil
Casting	1,282	3,89,156	Nil	Nil	Nil	Nil	Nil
Alloy Steel (Forging)	1,562	2,78,022	Nil	Nil	Nil	Nil	Nil

(c) Commodity risks faced by the listed entity during the year and how they have been managed:

The commodity risks on above commodities are mitigated through close monitoring of commodity movements and mitigation measures like value engineering yielding significant cost reduction.

16. Plant Locations

Your Company's manufacturing facilities are located at Kandivali, Nashik, Igatpuri, Nagpur, Chakan, Zaheerabad, Jaipur, Rudrapur, Haridwar, Mohali and Pithampur.

17. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Unit: Mahindra & Mahindra Limited
Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032, India.
Tel. No. : +91 40 6716 2222
Fax No. : +91 40 2342 0814
Email : einward.ris@kfintech.com
Website : www.kfintech.com
Toll Free No. : 1800 3454 001

for all matters relating to transfer/dematerialisation of shares, payment of dividend and any other query relating to Equity Shares of your Company.

The Registrar and Transfer Agents also have an Office at:

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
24-B, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE, Fort, Mumbai 400 023.
Tel. No.: +91 22 6623 5454/412/427.

Your Company has also designated investors@mahindra.com as an exclusive email ID for Investors for the purpose of registering complaints and the same has been displayed on the Company's website. KFin Technologies Private Limited also acts as Registrar and Transfer Agents for the Listed Non-Convertible Debentures of the Company.

Security holders would have to correspond with the respective Depository Participants for Securities held in dematerialised form for transfer/transmission of shares, change of Address, change in Bank details, etc.

For all investor related matters, the Company Secretary & Compliance Officer can also be contacted at:

Mahindra Towers,
5th Floor, Dr. G. M. Bhosale Marg,
Worli, Mumbai – 400 018.
Tel. No. : +91 22 2490 5812 / 2490 5957
Email: investors@mahindra.com

Your Company can also be visited at its website:
<http://www.mahindra.com>.

18. Address for correspondence with Debenture Trustee

Axis Trustee Services Limited
The Ruby, 2nd Floor,
SW, 29 Senapati Bapat Marg,
Dadar West,
Mumbai – 400 028.
Tel. No. : +91 22 6230 0451
Fax No. : +91 22 6230 0700
E-mail : debenturetrustee@axistrustee.com;
complaints@axistrustee.com.

19. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying as on 1 st April, 2019	2,535	5,95,104
Less: Number of Shareholders who approached the Company for transfer of shares from suspense account (which number is same as the shares transferred from suspense account during the year)	42	17,190
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2020	2,493	5,77,914

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

20. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

21. Details of non-compliance, etc.

Your Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets. The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report.

22. Unclaimed Dividend and shares transferred to Investor Education and Protection Fund ("IEPF")

In accordance with the provisions of sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement.

Further, pursuant to SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 ('Circular'), the dividend processing bank needs to ensure that any dividend instrument (such as Demand Drafts/Warrants, etc.) lying unpaid beyond the validity period of the instrument shall be cancelled and the unpaid dividend amount is credited back to the relevant dividend bank account of the issuer company.

In pursuance to the above, the dividend processing Bank has reversed the demand drafts pertaining to the dividend for the Financial Years 2010-11 and 2011-12, lying un-encashed beyond the validity period of the demand drafts. The Company has transferred such unclaimed dividend amount to IEPF on 19th March, 2020.

The details of Dividend remitted to IEPF during the year:

Financial Year	Dividend declared on	Amount transferred to IEPF (in Rs.)	Date of transfer to IEPF
2011-12	8 th August, 2012	2,26,65,400.00	19 th September, 2019
2010-11	8 th August, 2011	4,738.00	19 th March, 2020 (Reversal of un-encashed demand drafts as mentioned above)
2011-12	8 th August, 2012	2,12,613.00	
2018-19*	7 th August, 2019	1,92,18,262.00	8 th August, 2019

* Dividend on shares which are transferred to IEPF.

Shares transferred/ credited to IEPF

During the year 2019-20, the Company transferred 62,079 Ordinary (Equity) Shares to IEPF Authority corresponding to unclaimed dividend for the year 2011-12. The IEPF Authority holds 22,92,887 Ordinary (Equity) Shares in the Company as on 31st March, 2020.

Further, the Company on 8th April, 2020 transferred 30 shares corresponding to unclaimed dividend for Financial Year 2011-12 to IEPF upon release of statutory freeze.

Pursuant to IEPF Rules, given below are the Ordinary (Equity) Shares transferred to and released from IEPF Authority:

Particulars	Number of shares transferred to IEPF
Transferred to IEPF during the year 2017-18	11,00,234
Bonus shares credited to IEPF on 26 th December, 2017	11,00,234
Transferred to IEPF during the year 2018-19	61,352
Total number of shares held by IEPF as on 31 st March, 2019	22,61,820
Transferred to IEPF during the year 2019-20	62,079
Released from IEPF during the year 2019-20	31,012
Total number of shares held by IEPF as on 31 st March, 2020	22,92,887
Transferred to IEPF on 8 th April 2020	30
Total number of shares held by IEPF as on 8 th April, 2020	22,92,917

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company <http://www.mahindra.com/contact-us>.

Further, the Company has also appointed Deputy Nodal Officers to assist the Nodal Officer to inter alia verify the claim(s) and co-ordinate with the IEPF Authority.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2019 on the Company's website at the web link: <https://www.mahindra.com/investors/reports-and-presentations> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in/.

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF:

Year	Date of declaration of dividend	Due date for transfer to IEPF	Amount (Rs.) (As on 31 st March, 2020)
2012-13	13 th August, 2013	12 th September, 2020	2,25,72,186.00
2013-14	8 th August, 2014	8 th September, 2021	3,24,09,818.00
2014-15	7 th August, 2015	9 th September, 2022	2,22,92,556.00
2015-16	10 th August, 2016	9 th September, 2023	3,16,18,536.00
2016-17	4 th August, 2017	3 rd September, 2024	3,08,32,256.00
2017-18	7 th August, 2018	6 th September, 2025	2,64,66,337.50
2018-19	7 th August, 2019	6 th September, 2026	3,21,64,331.50

IX. OTHER DISCLOSURES

1. Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

2. Separate posts of Chairman and CEO

With effect from 1st April, 2020, your Company has separate posts of Chairman and CEO. Whilst Mr. Anand G. Mahindra is the Executive Chairman, Dr. Pawan Goenka, is the Managing Director of the Company and has been further appointed as the Chief Executive Officer of the Company.

3. Compliance with Non-mandatory requirements: Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's standalone financial statements. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

4. Details of utilisation of funds of Preferential Allotment/QIP

The Company has not raised funds through Preferential Allotment/QIP during the year under review.

5. Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors

A certificate from Company Secretary in Practice certifying that none of the Directors on the Board of the Company as on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.

6. Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries for the Financial Year 2019-20

Total fees paid by the Company and its Subsidiaries on a consolidated basis, to the Statutory Auditor viz. B S R & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022 and all entities in the network firm/network entity of which the Statutory Auditors is a part, are as follows:

(Rs. in Crores)

Particulars	Amount
Audit Fees	7.23
Other Services	3.09
Reimbursement of expenses	0.23
Total	10.55

7. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2019-20 is as under:

- (a) Number of complaints filed during the financial year under review : 2
- (b) Number of complaints disposed of during the financial year under review : 2
- (c) Number of complaints pending as on end of the financial year : NIL

8. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

X. GENERAL BODY MEETINGS

Details of General Meetings and Special Resolutions passed

AGM held during the past 3 years and the Special Resolutions passed therein:

Year	Date	Time	Special Resolutions passed
2017	4 th August, 2017	3:00 p.m.	1. Appointment of Mr. Anand G. Mahindra as Executive Chairman for a period of 5 years with effect from 12 th November, 2016 upto and including 11 th November, 2021 and approval of remuneration payable to him.
			2. Appointment of Dr. Pawan Goenka as Managing Director for a period of 4 years with effect from 12 th November, 2016 upto and including 11 th November, 2020 and approval of remuneration payable to him.
			3. Borrow by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures and/or Commercial Paper to be issued under Private Placement basis upto Rs. 5,000 crores.
2018	7 th August, 2018	3:00 p.m.	1. Re-appointment of Mr. M. M. Murugappan as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two consecutive years commencing from 8 th August, 2018 to 7 th August, 2020.
			2. Re-appointment of Mr. Nadir B. Godrej as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two consecutive years commencing from 8 th August, 2018 to 7 th August, 2020.
			3. Borrow by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures to be issued under Private Placement basis upto Rs. 5,000 crores.
2019	7 th August, 2019	3:00 p.m.	1. Re-appointment of Dr. Vishakha N. Desai as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 8 th August, 2019 to 30 th April, 2024.
			2. Re-appointment of Mr. Vikram Singh Mehta as an Independent Director of the Company not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024.

The above Meetings were held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020.

No Extraordinary General Meeting was held during the past 3 years. No Special Resolution(s) requiring a Postal Ballot was passed last year or is being proposed at the ensuing AGM.

DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Mahindra & Mahindra Limited

I, Pawan Kumar Goenka, Managing Director and Chief Executive Officer of Mahindra & Mahindra Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

Mumbai, 12th June, 2020

Pawan Kumar Goenka
Managing Director and Chief Executive Officer

CERTIFICATE

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of Mahindra & Mahindra Limited

1. This report is issued in accordance with the terms of our engagement letter dated 22 August 2017 and addendum to the engagement letter dated 21 September 2018.
2. This report contains details of compliance of conditions of corporate governance by Mahindra & Mahindra Limited ('the Company') for the year ended 31 March 2020 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.
4. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2020.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016), 'Guidance Note on Certification of Corporate Governance', both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per the Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.
10. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

11. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jamil Khatri
Partner

Mumbai
12 June 2020

Membership No: 102527
ICAI UDIN: 20102527AAAAAX2559

CERTIFICATE

[Pursuant to Regulation 34(3) and sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Mahindra and Mahindra Limited
Gateway Building, Apollo Bunder,
Mumbai – 400 001

I have examined the relevant registers, returns and records maintained by Mahindra and Mahindra Limited (“the Company”) having CIN L65990MH1945PLC004558 and registered office at Gateway Building, Apollo Bunder, Mumbai – 400 001, forms and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors’ Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its Officers, I certify that none of the Directors on the Board of the Company for the Financial year ended on March 31, 2020 has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory Authority.

Ensuring eligibility for appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune
Date: 12 June, 2020

Signature:

CS SACHIN BHAGWAT
Membership No.: A 10189
C. P. No.: 6029
UDIN: A010189B000333391

An aerial, grayscale photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings curves along the coast. To the left of the road is a paved promenade with palm trees and other vegetation. Beyond the promenade is the ocean. In the background, a dense city skyline with various skyscrapers is visible under a cloudy sky. A vertical red line is positioned on the right side of the image, partially overlapping the text boxes.

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report

for the Financial Year 2019-20

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1. Corporate Identity Number : L65990MH1945PLC004558 (CIN) of the Company
2. Name of the Company : Mahindra & Mahindra Limited
3. Registered address : Gateway Building, Apollo Bunder, Mumbai - 400001
4. Website : <https://www.mahindra.com>
5. Email ID : investors@mahindra.com
6. Financial Year reported : 01.04.2019 to 31.03.2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Description	Industrial Activity Code		
	Group	Class	Sub-class
Automotive	291	2910	29101, 29102, 29103, 29104, 29109
Farm Equipment	282	2821	28211, 28212
Truck and Bus	282	2824	28243

8. List three key products/services that the Company manufactures/provides (as in balance sheet):
 - i. Passenger Vehicles (Utility Vehicles, Multi Purpose Vehicles and Cars)
 - ii. Commercial Vehicles
 - iii. Tractors
9. Total number of locations where business activity is undertaken by the Company:
 - (a) Number of International Locations: 0
 - (b) Number of National Locations: 47
10. Markets served by the Company – Local/State/ National/International: All

Section B: Financial Details of the Company

Paid up Capital (INR)	: 621.60 crores
Total Turnover (INR)	: 45,487.78 crores
Total profit after taxes (INR)	: 1,330.55 crores
Total Spending on Corporate Social Responsibility (CSR) (INR) as percentage of profit after tax (%)	: 126.59 crores As per section 135 of the Companies Act, 2013, the CSR spend is 2.38% of average net profits of the preceding three financial years
List of activities in which expenditure in 4 above has been incurred	: (a) Education (b) Health (c) Environment & Green Cover (d) Rural Development

Section C: Other details

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company has 182 Subsidiary companies as on March 31, 2020.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes. Last year the company has released its Integrated Report conforming to reporting frameworks viz. International Integrated Reporting Council and Sustainability Report as per GRI Standards – Core Option. The Sustainability Report was externally assured by KPMG. The Company has a Code of Conduct for Employees and Directors as well as a set of Governance Policies. This Code is followed by the Subsidiary Companies also with modifications depending on the business requirement.

For the year 2019-20, Sustainability initiatives have been implemented at 17 subsidiaries viz

 1. Mahindra Vehicle Manufacturers Limited
 2. Mahindra Electric Mobility Limited
 3. Mahindra Agri Solutions Limited
 4. Mahindra EPC Irrigation Limited
 5. Mahindra Lifespace Developers Limited
 6. Mahindra World City Developers Limited
 7. Mahindra World City (Jaipur) Limited
 8. Mahindra Holidays & Resorts India Limited
 9. Mahindra & Mahindra Financial Services Limited
 10. Mahindra Rural Housing Finance Limited

11. Mahindra Insurance Brokers Limited
12. Mahindra First Choice Services Limited
13. Mahindra Intertrade Limited
14. Mahindra Steel Service Centre Limited
15. Mahindra Logistics Limited
16. Mahindra Heavy Engines Limited
17. Mahindra Susten Private Limited

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company has long lasting relationships with its suppliers. A majority of supplier base has been already covered by conducting awareness sessions on 'sustainability'. From F14 a special drive for awareness to suppliers was started and we had covered 428 suppliers till F16. A road map for covering additional 375 suppliers from F17 in the next 3 years' period was put in place and actions were already underway to cover suppliers from Mahindra Trucks and Buses Division (MTBD), Mahindra Two Wheelers Limited (MTWL), Swaraj Division (SD) and Construction Equipment Division (CED). In F17, 145 suppliers were covered by conducting two online training sessions. In continuation, in F18 additional 200 suppliers participated in training & awareness programs through online and classroom sessions. In F19 another 193 participants attended the same, thus totalling to 538 Suppliers till F19 in last 3 years. A new three year roadmap has been developed starting F20 & put into action for supplier sustainability. We conducted our webinar for F20 and total 249 suppliers attended the same. As a new initiative, we have launched a sustainability e learning module for our suppliers on the MSETU platform. In addition to this since F17, we have supported the Institute for Sustainable Communities (ISC) to launch EHS+ (Environment Health and Safety Plus) Centre at the Symbiosis Institute of International Business, Pune. This centre is poised to provide training to Small & Medium Scale Enterprises (SMSEs) in the field of Energy and Environment Health & Safety (EHS). A detailed curriculum was jointly prepared and training was imparted. In F18, 35 courses were developed and trainings were imparted to 779 participants, in continuation in F19 trainings were imparted to 1,180 participants, thus totalling to 55 courses and 2,978 participant trainings in the last three years for Indian industries. In F20, we have

extended our capability program further with total 59 course modules and have trained 3,873 suppliers. For enhancing skills at the Supplier end, a focused activities drive in the following areas was undertaken and organisation work structure for the same has been put in place in the Purchasing group for last few years. The areas covered are supplier business capability building (93 suppliers), Mahindra supplier evaluation standard (121 suppliers), Supply Risk Mitigation & Management (375 suppliers).

380 strategic Suppliers have actively participated in the Annual Supplier meet conducted in F20.

In F16 "MSETU" an IT platform was launched through which technology has been leveraged to interact with Supplier Partners. 100% Suppliers are live on this interactive platform.

The % of entities covered is now more than 60% for Suppliers in above initiatives.

As regards SD (Swaraj Division), Training & Awareness has now been extended to 200+ suppliers till F20.

Similarly, 268 Dealers out of 302 have taken part in sustainability drive via Mahindra Dealers Excellency Programme (MDEP), this amounts to 88% of the total Dealers.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number	: 00254502
Name	: Dr. Pawan Kumar Goenka
Designation	: Managing Director

b) Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN Number (If applicable)	NA
2.	Name	Mr. Rajeev Dubey
3.	Designation	Group President (HR & Corporate Services) & CEO (After-Market Sector) Member of the Group Executive Board
4.	Telephone Number	+9122 24975192 +9122 24901441 Extn. 5594
5.	Email ID	DUBEY.RAJEEV@mahindra.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The Business Responsibility Policy ("BR Policy") addressing the following 9 principles as per the

National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs), duly approved by Board, is in place. This policy is operationalised and supported by various other policies, guidelines and manuals.

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the wellbeing of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P1: Ethics and Transparency	P2: Product Responsibility	P3: Well-being of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environmental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customer
1.	Do you have a policy/policies for	Yes	Yes Note 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes	Yes	Yes	Yes	Yes	Yes	NA Note 3	Yes	Yes
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Indicate the link for the policy to be viewed online?	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	Does the company have in-house structure to implement the policy/policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes Note 5	Yes	NA Note 3	Yes	Yes
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note 1 – The Company complies with consumers' awareness through appropriate product labelling and operator manual & instructions which ensure safe usage by the customer. However, Company's current control is limited till warranty period. The Company is in the process of addressing this by appropriate communication to all value chain members for their responsibilities.

Note 2 – While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

Note 3 – This question is not applicable for influencing public and regulatory policy.

Note 4 – It has been Company's practice to upload all policies on the intranet site for the information and implementation by the internal stakeholders. The Code of Conduct for Directors, the Employee Code of Conduct, Business Responsibility Policy and Corporate Social Responsibility Policy are available on the following website:

<https://www.mahindra.com/resources/FY20/AnnualReport.zip>

Note 5 – The Company has a "Whistleblower Policy" to address grievances. There is a Corporate Governance Cell where these issues are dealt with.

3. Governance Related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The CSR Committee of the Board assesses the BR performance twice a year. Other supporting councils/cells viz. Group Sustainability Council, Group CSR council Central Safety Council and Corporate Governance Council meet every 3 months.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Mahindra Group started publishing the Sustainability Report since 2007-08 annually and all Sustainability Reports from 2007-08 till date are GRI compliant. The Sustainability Report 2018-19 is accessible on the Company's Website at the hyperlink <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2018-19.pdf>.

The Sustainability Report for 2019-20 is under preparation and will be uploaded on the website of the Company in due course of time.

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company has a Code of Conduct for Directors as well as all employees of the Company that covers

issues, inter alia, related to ethics and bribery. It covers all dealings with Suppliers, customers and other business partners including Joint Ventures, and other stakeholders. The Company also has a Code of Conduct for Suppliers and Vendors. The Company has a Policy on Anti-Bribery and Anti-Corruption which is listed on the Company's website. The Policy covers all stakeholders of the Company.

As part of the Mahindra Group's Trade Mark Licence Agreement (TLA) with Subsidiary companies, the Code of Conduct and a few Governance Polices are being made mandatory for signatories to the TLA.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the reporting year, 29 investor complaints were received by the Company, all of which were attended to/resolved till date.

These complaints pertain to transfer/transmission of shares, non – receipt of dividend, non-receipt of share certificates, non-receipt of Annual Report etc.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

<ol style="list-style-type: none"> 1. Passenger Vehicles (UV/ MPV/ Cars) 	<p>Automated Manual Transmission (AMT) in XUV300</p> <ul style="list-style-type: none"> • Auto and Manual Mode • Vehicle Creep: For easy manoeuvring in city traffic and during reversing • Electronic Stability Control: The XUV300 comes with Hill Start Assist to prevent roll-back when driving on a hill or moving up an incline • Kick-down Shifts: Gear shifts optimised to provide optimum power/torque during overtaking or for quick acceleration • Driver Information System with Gear Display: Important alerts and information about the vehicle, such as the current gear, driving mode etc., are available on the Driver Information System
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	<p>Bold New TUV 300</p> <p>The New TUV300 is powered by the powerful mHAWK100 engine, which delivers 100 BHP and 240 Nm of torque.</p> <p>Additionally, the Tough Body Shell made of High-Strength Steel ensures occupant safety. Incorporated hi-tech features, such as the new reverse parking camera, 17.8 cm infotainment system with GPS, Static Bending Headlamps & Micro-Hybrid technology. The TUV300, now comes with a bolder and more muscular look. It offers a new aggressive piano black front grille with black chrome inserts, muscular side cladding & a newly designed X-shaped metallic grey spare wheel cover.</p>	<p>3. Tractors (Farm Division)</p>	<p>Mahindra Plus Series under less than 50 hp. (in domestic Segment):</p> <p>Bhoomiputra and Sarpanch models were refreshed with Plus series. This involved optimising the combustion for delivering plus Power and back up torque by retaining the fuel efficiency. Its look was also refreshed and better ergonomics were added.</p> <p>Fitted with the latest ELS DI engine, high back-up torque feature which enables it to work faster & Increase the productivity. It has high lift capacity (1600Kg) with Oil immersed brakes and larger tyres.</p> <p>XP Plus in its new Avatar retains its key looks and ensures enhanced performance with all agricultural implements. With best-in-class fuel efficiency, increase in service duration hours leads to reducing maintenance costs, minimum effort and maximum comfort.</p> <p>SP Plus has futuristic styling and design to cater to sensibilities of the modern farmer. It also has an engine with parallel cooling system for better cooling efficiency of engine. This enables the farmer to work for longer duration. The increase in service interval i.e. 400 hrs helps the farmer to use the tractor during season w/o any stoppage for service. It is made for the smart farmer who yearns to do more with his tractor and tools.</p>
<p>2. Light Commercial Vehicles</p>	<p>New Bolero City Pickup</p> <p>The New City Pik-Up is powered by 2,523cc, m2Di, four-cylinder, diesel engine providing power of 46.3 kW (63 HP) & torque of 195 Nm for better performance. The City Pik-Up has a payload capacity of 1.4T and an 8.7ft x 5.6ft cargo box to carry heavy loads effortlessly. Wrap around headlamps, stylised front chrome grille, a trendy dual tone instrument panel and comfortable fabric seats with matching door trims, giving it a more stylish and elegant look.</p>		<p>First in industry with 6 years warranty* (2 years standard warranty on the entire tractor + 4 years warranty on engine and transmission wear and tear items)</p>
	<p>Jeeto Plus</p> <p>Jeeto Plus comes with an increased payload capacity of 715 kg and cargo length of 7.4 feet. At the same time, at 29.1 kmpl, it retains its best-in-class mileage while maintaining the ruggedness and reliability that has made it so reliable with customers. Jeeto Plus comes with a class-leading warranty of 3 years.</p>		<p>Mahindra JIVO :</p> <p>Mahindra JIVO brings unmatched power with its fuel efficient, robust, 2-cylinder, Direct Injection (DI) engine to carry out all intended operations with ease.</p>
	<p>Supro MiniTruck :</p> <p>Supro Minitruck VX offers higher payload of 900kgs with Class leading mileage of 23.17 kmpl. Leaf Spring front & rear suspension for carrying heavy loads over any terrain. It is conceptualised to effectively cater to intercity and intracity business needs with the same vehicle. It is driven by Mahindra's powerful DI engine, which delivers 26HP and 55nm of torque for superior pick up even with heavy loads.</p>		<p>Higher Power take Off (PTO) Horse Power (HP), optimised power loss & unique architecture with high end technology offers multi-application suitability with excellent performance.</p> <p>Mahindra JIVO ensures greater profits to the customer because of its low maintenance, best in class mileage, and easy spare part availability along with low cost.</p> <p>It has been launched in the range of 24 HP with lift capacity of 450 kg at standard frame, with 8 forward and 2 reverse speed transmission and 2 speed Power take Off (PTO).</p>
			<p>The new Mahindra Jivo is also available in 20hp-4WD for Vineyard and Orchard specific requirements to meet most of the applications with lesser fuel consumption.</p>

Mahindra NOVO:

Arjun Novo is available in 50 - 95 hp Engine power range globally both in Open Station and Cabin with Heating Ventilation & Air Conditioning (HVAC) version. It is a technologically advanced range of tractors which can handle more than 40 farming applications in different soil conditions with longest service interval of 400 hours.

Arjun Novo delivers uniform and consistent power in all applications and soil conditions. It has higher lift capacity hydraulic system, which makes it suitable for numerous farming and haulage operations. It is ergonomically designed, is low on maintenance and has best in class fuel efficiency.

In India, we have upgraded 65-75 hp Arjun Novo with better performance and operator comfort. Novo tractors have been equipped with Tractor Mounted Combine Harvester (TMCH) as prime mover. TMCH is a futuristic machine which reduces farmers' harvesting time comprehensively and improves grain quality. These advanced Novo tractors have also been introduced in new countries viz. Sudan, Uganda, Bolivia, Peru.

Mahindra YUVO

To meet the growing demand for SLIPTO (Single lever Independent PTO feature) clutch in different applications, under 50hp range category, Mahindra Yuvo 45 HP SLIPTO model is launched to meet the customer requirements in various applications.

With the growing demand for the upgradation of the existing models of NST (New Styling Tractor) Variants, Mahindra NST Refresh model has been launched with 2 HP power increase (44 HP & 47 HP). This model is a mixture of Mahindra YUVO and domestic NST transmission which gives better performance and modern aesthetic looks.

To meet the growing demand of better performance in Puddling application under 50 HP Range category, Mahindra YUVO 45 HP 4WD- High lug tyre model has been launched to meet the customer demand. Also, a variant of High lug with tyre from BKT manufacture has been launched to meet the specific customer demand.

Swaraj

4WD variants of 744 and 855: 4WD is an emerging feature which enables better traction and allows the usage of bigger implements. 4WD was introduced in existing Swaraj Models like 744 and 855 allowing the extension of portfolio to Swaraj Customers who want to opt for a 4WD in lower HP model and improve productivity.

717 ES: 717 ES has helped in expanding Swaraj Product portfolio, addressing requirements of subsidy markets and made the tractor more affordable to the farmers.

LLT Project: 25 Kg of Cast iron material and 10 litres of Transmission oil has been saved on 735XT & 843 models. All the saving has been achieved along with the improved life and reliability over current design of transmission.

Side Gear Shift arrangement on 735XT model for improving operator's comfort.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

For the above mentioned products, there is no explicit tracking mechanism in respect of resource use. However, resource use for the entire portfolio is tracked and monitored. Since the product portfolio is distributed across various manufacturing locations of the Company, the resource use is monitored per unit of equivalent vehicle or equivalent tractor manufactured. The performance for current and previous year on Specific Energy Consumption, Specific GHG Emissions and Specific Water Consumption during production is appended below, which will be reported in the Sustainability Report for 2019-20.

Resource Use	Divisions	Unit of Measurement	Current Year 2019-20	Previous Year 2018-19
Specific Energy Consumption	Automotive Division	GJ/Equivalent Vehicles	1.308	1.288
	Farm + Swaraj Division	GJ/Equivalent Tractors	1.277	1.212
Specific Green House Gas Emissions (Scope 1 & 2)	Automotive Division	tCO ₂ /Equivalent Vehicles	0.198	0.191
	Farm + Swaraj Division	tCO ₂ /Equivalent Tractors	0.181	0.177
Specific Water Consumption	Automotive Division	KL/Equivalent Vehicles	1.259	1.165
	Farm + Swaraj Division	KL/Equivalent Tractors	1.022	0.924

ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Due to constant innovations and focus on fuel efficiency, there would be a reduction of energy use by consumers. However, tracking of such reduction is not possible as it is highly dependent on individual customers driving habits.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has been working to enhance the degree of sustainability associated with its sourcing practices under the umbrella of "ONE SOURCING". This includes strategy of one supplier per platform and common supplier basket for multiple businesses, setting up of vendor parks at its new plants, sourcing from tightly knit clusters, optimising logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimise waste and maximize re-use. The Sustainability road map of the Company covers these areas and the Company takes steps to ensure that its sourcing methods are sustainable. Almost the entire sourcing work is done from the country with a very small percentage of input being procured from overseas.

The Company has a Green Supply Chain Management Policy & Policy on Supplier Code of Conduct, which has been shared with all suppliers, under which, the Company is committed to improve the awareness with regard to legal compliances, enhance eco-efficiencies, employee health and safety initiatives etc. at supplier end through initiatives such as Supplier Business Capability Building (SBCB), Mahindra Supplier Evaluation Standard (MSES), Mass Manufacturing Approval (MMA) & Supply Risk Mitigation & Management (SRMM). Continuous engagement with suppliers is ensured through supplier meets, business reviews, multiple training sessions & two-way interactive M SETU Platform. To motivate the suppliers to take the Sustainability agenda forward, good practices at supplier end are recognised, by institutionalising "Annual Sustainability Award".

In F20 "Supplier management policy" has been released and made available on our two way interactive MSETU Platform for all suppliers.

Since the last 3 years, we have been working on Zero Wood Waste Policy and with various initiatives, we have successfully reduced our wood in domestic packaging. Auto Division (AD) has reduced 91% of wood consumption w.r.t F16 base year and Farm Division (FD) has reduced 100%.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes. The Company has a practice of purchasing goods and services from local suppliers. The Company does not have any small suppliers where the owner himself or herself is a worker. The Company has multiple plants spread across West, South and North of India. The major factors influencing selection of Suppliers across these regions are:

- Capability, performance and on-time delivery.
- Compliance on environment, health & safety guidelines.
- Readiness to participate in sustainable supply chain management program.
- Total cost.

The purchasing group has a standard practice of sharing its annual plans and next two year's tentative plans with its key suppliers through communication meets and supplier business reviews. These suppliers are provided with managerial and technical assistance to train them on practices and procedures that will ensure improvements in Productivity, Quality, Cost, Delivery, Safety and Moral (PQCDSM). This is done by initiatives like Supplier Business Capability Building (SBCB), Mahindra Supplier Evaluation Standard (MSES), Technical Capability Building programs, Supply Risk Mitigation & Management (SRMM), Safety Training & assessments and technical support for special processes during new product developments, VAVE (Value Analysis Value Engineering) activities along with Associate Value Specialist Program for suppliers, etc. The Company has special focus on creating supplier parks near the plants for e.g. Chakan Supplier Park and Zaheerabad Supplier Park. The Company has a continued focus on buying from local suppliers, geographically nearest to the Company's manufacturing facility. Almost entire sourcing work is done from the country with a very small percentage of input being procured from overseas.

In connection with procurement from Local & small suppliers in Swaraj Division, significant reduction in Electrical energy, Water & diesel consumption was achieved by our suppliers due to which 18% improvement was observed in average BSC (Balanced Score Card) score for F20 w.r.t. F19 for our major suppliers. Many of our suppliers are now practicing sustainable logistics solutions and have implemented Returnable packaging for 76 tractor parts in F20. Due to constant focus on energy saving initiatives by our Business partners, Installation of 3 Solar Power plants has been accomplished at their works in F20 leading to monthly energy savings of 14000 units (cost benefit of 1 lacs approx.). for each of them.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

It is the Company's ongoing endeavour to have a mechanism to recycle products and limit the waste arising out of production of vehicles and tractors. The Company has initiated well documented processes to ensure compliance with the European Union Directive 2005/64/EC which is now implemented for vehicles exported to European Union. Our objective is to restrict the amount of waste produced from End of Life of vehicles (ELVs) and increase the recovery and recycling of ELVs that arise. The information on recyclable parts and manual for dismantling is provided with export vehicles. We follow the ISO 22628:2002, to calculate the recyclability rate, the recoverability rate and reusability rate (RRR) of our export vehicles. We have 5 models complying with the European Union Directive 2005/64/EC norms on recyclability and are currently exporting 1 product. Your Company is actively participating in the committee formed by the Society of Indian Automotive Manufacturers (SIAM) to frame processes and procedures for Product Recycling in India. At present, the batteries used in vehicles are recycled in a structured manner through the battery manufacturing companies in India. Similarly, other parts such as tyres, body components, etc. are recycled in an unstructured manner through licensed scrap dealers who either recover the material used or cannibalize/refurbish the parts for reuse. So far we have been doing a simplified Life Cycle Assessment (LCA) in the form of compliance with End of Life of vehicle (ELV) directive for European M1 & N1 products. The vehicles are exported and certified as per European Emission

Compliance (EEC) directive 2005/64/ EC. We have now conducted an experimental project to evaluate full LCA. For this study one UV pickup model Bolero Maxi Truck (BMT) and one XUV 500 assessment has been completed. The outcomes will be incorporated in the future development phases.

The CO2 emissions are evaluated during the type approval test at the government approved test agencies and this data is used to assess the CO2 impact of products as Company weighted average fuel consumption (CAFE) to align with future Fuel Economy emission regulation in India.

Principle 3: Businesses should promote the wellbeing of all employees-

1. Please indicate the Total number of employees: 39,792
2. Please indicate the Total number of employees hired on temporary/contractual/ casual basis: 19,154
3. Please indicate the Number of permanent women employees: 751
4. Please indicate the Number of permanent employees with disabilities: 30
5. Do you have an employee association that is recognized by management: Yes
6. What percentage of your permanent employees is members of this recognized employee association? (Total Unionized Permanent Workmen/Total Permanent Workmen): 78%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	2	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
- (a) Permanent Employees: 75%
 - (b) Permanent Women Employees: 68%
 - (c) Casual/Temporary/Contractual Employees: 60%
 - (d) Employees with Disabilities: 87%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No:

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?:

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company has made conscious efforts to design products and offerings, specifically to improve the earning potential and encourage entrepreneurship amongst rural and semi-urban stakeholders through offering accessible and affordable technology. Moreover, in the Farm equipment business vertical, there is a conscious focus to deliver 'Farm Prosperity' through various products and services that are designed to improve farm productivity especially amongst small farmers. Trringo is a revolutionary tractor and farm equipment rental business that harnesses the power of technology through a strong franchisee network to make farm mechanisation easily accessible, affordable and reachable to every Indian farmer. Trringo operates 54 Custom Hiring service centres under Krishi Yantra Dhare program of the Karnataka state government providing subsidised rental services to small and marginal farmers. It also provides rental services to small and marginal farmers through 31 custom hiring centres in Rajasthan state. Trringo's aim is to aggregate the existing market operators and bringing in a new advanced equipment by setting up Implement bank. Trringology tech platform will assist in aggregating orders and passing them on to the nearest tractors owners, through location based mapping. Farmers on demand can book their orders using the Trringo app and experience transparency in pricing, delivery and rental amount calculation. In FY 2019-20, Trringo provided 1,13,867 hours of subsidised rental work to 20,214 farmers in Karnataka. In Rajasthan, Trringo provided 44,512 hours rental services to 2,757 farmers.

At Mahindra EPC, we strive to provide solutions to farmers in modern scientific water management through customised micro-irrigation systems, protected cultivation solutions and related products and agronomical support in order to achieve superior product quality and higher crop yields.

Under its Corporate Social Responsibility, M&M has been driving various projects across the country to uplift the marginalised and vulnerable community. The Integrated Watershed Management Project (IWMP) is one such project that was initiated in 2011 in a Public Private Partnership (PPP) mode with the Government of Madhya Pradesh at Damoh. The project being scalable and sustainable has resulted in replication at Bhopal and Hatta in Madhya Pradesh. This project was implemented in 32 villages over 9,660 hectares of land covering 4,219 households thereby benefiting 17547 people. There were three main interventions of the project 1) Soil & Water Conservation, 2) Productivity Enhancement and 3) Alternative Livelihood Generation. This project resulted in 1) Ground Water availability 6.2 metres against the baseline of 8 metres. 2) An average percentage increase of income from agriculture by 339% over the baseline 3) An average percentage increase of household income by 363% over the baseline. The Damoh project has now been completed and handed over to government post which M&M has partnered with NABARD for similar watershed project in Hatta block of Damoh. It covers a total of 13 villages and is spread over 4,816 hectares, benefitting 1,613 households and 6,884 individuals.

This project at Bhopal follows the similar PPP model with the Government of Madhya Pradesh. Being implemented in 35 villages it is spread over 10,760 hectares of land covering 6,673 households benefitting 34,228 people. The project has been completed on 31st March 2020 and is in the process of handover to Government and Gram panchayat. Multiple soil and water conservation activities along with seed replacement and irrigation techniques have resulted in increased crop production from the same hectare of cultivable land. This coupled with micro enterprise and skill development through provision of revolving funds to SHGs (Self Help Groups) has translated into outcomes such as increased income and saving levels and reduction in the cost of agriculture inputs. The project resulted in 1) An average percentage increase of income

by 262% over the baseline. 2) An average percentage increase of income from agriculture by 150% over the baseline and increase in crop productivity of major crops by 30%. 3) Average increase of ground water table by 1.8 m.

All three programs follow the 'Ridge to Valley' watershed treatment model. A Watershed plan is created for each village based on a thorough examination of the village geography. Factors considered in the situational analysis include topography, existing watershed structures, rain water drainage routes, existing storage tanks, irrigation channels, etc. Each village gets a combination of watershed structures that work in unison to achieve the final overall output. Along with increasing water availability, simultaneous work on implementing 'best in class farming package of practices' is also done. Handholding of farmers during the entire crop cycle results in sustainable benefits of increased crop production and enhanced income. Self Help Groups (SHGs) for livelihood generation are also formed in close co-ordination with the village councils resulting in generation of additional income avenues.

The Company has entered into a 'Agroforestry Livelihood Generation Programme' at Araku Valley, Andhra Pradesh. The Agroforestry project is aimed at regenerating the lost green cover through plantation of indigenous species and at the same time also generating livelihood opportunities for the Adivasi tribal population by planting fruit and coffee saplings in the valley. The programme is being implemented in partnership with the NGO partner, Naandi Foundation.

Since the inception of the project in 2010 at Araku Valley, 10.78 million trees have been planted, reaching out to nearly 25000 families in the region, resulting in considerable ecological, environmental and livelihood benefits for the community. The project has both transformed the landscape and transitioned the lifestyle of the tribal farmers at Araku.

The external audits of the plantations were conducted in 2019 by UNIQUE Forestry and Land Use GmbH and the survival rate of the plantations stood at 96%.

Further details of community development initiatives are given in Principle 8.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Business Responsibility Policy covers the aspects on Human Rights for the Company. Human Rights issues are a part of the supplier selection process and are also included in the contracts drawn up with them. The Company has put in place a Whistleblower Helpline managed by an external agency to ensure that any violations to its Code of Conduct (including violation of Human rights) are addressed objectively. Besides this, through various awareness sessions, various stake holders like contractors, security personnel, Associates are sensitised and this helps to promote adherence on Human Rights aspects.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

17 complaints have been received through the Whistleblower Helpline out of which 10 complaints has been investigated and resolved and 7 complaints are pending. 3 complaints were received by the Chairman of the Audit Committee out of which 2 complaints have been investigated and resolved and 1 complaint is pending.

There is an active and a well-defined four step Grievance Redressal Machinery available at each plant for workmen through which all types of grievances are redressed. Additionally, Employee Satisfaction Survey for workmen is periodically carried out and all low scoring responses are discussed in Focused Group Meetings and duly resolved. Although there is no process to separately maintain records for grievances related to Human Rights, the above stated mechanism adequately addresses this issue. There is a mechanism for all employees of Automotive and Farm Sectors to voice their concerns to the Sector President through a 'Reach-out' mailbox which is addressed with confidentiality. Besides, in order to address the Human Rights violation in specific for blue collared workmen (Permanent & Flexible workforce), a Grievance Register has been kept at Time Office to raise concerns. However, no complaints have been received or reported for the reporting year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company has various policies related to environmental protection. The Green Supply Chain Management Policy includes environment protection and covers suppliers. The subsidiaries/Joint Ventures have their own policies which are in sync with the Company's environmental policies.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes

Mahindra senior leadership represented at UNFCCC conference COP25 in Madrid by participating in 25 events. The Company participated in a program to inspire corporations in Japan and Mauritius to adopt Sustainability practices. It is committed to Science Based Target (SBT) to restrict average global temperature rise in alignment with the Paris Climate Change Agreement. The target has been approved by the global review committee in the current year. The Company is committed to EP-100, a program by The Climate Group and became the 1st company globally to do so. It has also announced its carbon price of US \$ 10 per ton of carbon emitted. The Company is also a signatory for India Business Biodiversity Initiative (IBBI). The entire group is committed to become Carbon Neutral by 2040 with use of energy efficiency, renewable energy and sequestration by tree plantation. The Company has revised its Sustainability Roadmap and targets have been taken to reduce carbon emissions, water consumption, increase in the use of renewable energy and enhance recycling of waste.

The strategies and initiatives will be elaborated in the Company's Sustainability Report 2019-20 and will be available on <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2019-20.pdf>.

Please note the indicative list of various projects implemented in this regard. The complete details will be available in the Sustainability Report for the year 2019-20.

Energy Savings:

- Energy efficient air conditioning system
- Intelligent flow controller system to reduced compressed air consumption
- Installed Energy Efficient motors replacing conventional motors

Water Savings:

- Use ETP/STP/RO treated water for gardening, cleaning and process application
- Rainwater harvesting for ground water recharge
- Water aerators for optimum water flow

Waste Reduction:

- Total 4 locations certified for Zero Waste to Landfill in the year
- Reusing paint sludge as an input material to cement industry
- Reduction in packaging waste, replacing corrugated boxes with plastic bins

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company has a mechanism to identify and assess potential environmental risks across all locations.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes. The name of the CDM – PoA 9731: Energy Efficiency through Micro irrigation system – India. The Registered Program of Activities (PoA) aims at encouraging energy efficiency through installation of efficient irrigation system such as drip and sprinkler irrigation replacing the conventional flood method of irrigation resulting in GHG (Green House Gas) Emission reduction & Water Conservation. It was registered in September 2013.

For more details refer https://cdm.unfccc.int/ProgrammeOfActivities/poa_db/4Z28CN6S0DEB5F1PLIXAY9W3GMRUOQ/view.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

Yes, the Company has undertaken following other initiatives:

- Replacement of old conventional lights with LED

- Installation of energy efficient centrifugal air compressor
- Replacement of old motors with premium efficiency IE3 motors
- Installation of Energy efficient inverter split AC's
- Installation of energy efficient BLDC ceiling fans.
- Installation of high velocity low speed (HVLS) fans on shop floor
- Adoption of cold box process in Foundry
- Waste heat recovery from air compressors
- Adoption of innovative Nano-technology at pre-treatment to reduce process temperature
- Installation of roof top & Ground mounted Solar PV project in manufacturing plants Installation of wind mills and access renewable power through open access.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. The Company is a member of the following trade and chamber or association in alphabetical order:

- a) The Associated Chambers of Commerce and Industry of India (ASSOCHAM),
- b) Bombay Chamber of Commerce and Industry (BCCI),
- c) Confederation of Indian Industry (CII)
- d) Employers' Federation of India (EFI),
- e) FICCI
- f) Indian Merchants Chambers,

- g) National Human Resource Development Network (NHRDN),
- h) Society of Indian Automobile Manufacturers (SIAM),
- i) The Energy and Resource Institute (TERI)
- j) Tractor Manufacturer's Association (TMA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company participates as a stakeholder of SIAM and TMA on policies related to Automotive and Tractor Industry, Sustainable Mobility and Farm Tech Prosperity, Economic Reforms, Sustainable Business Principles (Sustainable Supply Chain Management) and Vehicle Recall policy. The Company also contributes through Confederation of Indian Industry/ Bombay Chamber of Commerce and Industry, when views are solicited on matters such as Securities Law, Corporate Laws, etc.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, since its inception Mahindra & Mahindra Ltd. has been a socially responsible corporate making investments in the community which go beyond any mandatory legal & statutory requirements. The CSR vision of the Company is to focus its efforts within the constituencies of girls, youth & farmers, by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE. In accordance with the Companies Act, 2013 the Company has committed to spend 2% (PBT), towards CSR initiatives. Further, the unique ESOPs (Employee Social Options) platform provides employees a menu of volunteering opportunities enabling them to participate actively in the Company's CSR initiatives

and giving back to society. Some of the major initiatives the Company has invested in the financial year (F-20) are as follows:

- a) **Project Nanhi Kali** – Provision of educational support to underprivileged girls from poor urban, remote rural and tribal communities across India to enable them to complete their schooling.
 - b) **Mahindra Pride School & Mahindra Pride Classrooms** – Livelihood training programme for youth from socially and economically disadvantaged communities to enable them to get jobs based on the skills learnt.
 - c) **Mahindra scholarships at Mahindra United World College of India (MUWCI)** – to enable deserving and meritorious students to study at MUWCI.
 - d) **Promoting Health & Preventive Healthcare** – Providing palliative care for people with chronic illnesses such as cancer, Alzheimer's, kidney failure, lung conditions and stroke & support for setting up 'The Head and Neck Cancer Institute of India'.
 - e) **Mahindra Hariyali** – Afforestation initiative to improve green cover & protect biodiversity in the country and also contribute to the livelihood of farmers.
 - f) **Integrated Watershed Management Project (IWMP)** – A public private partnership with the Government of Madhya Pradesh at Bhopal and National Bank for Agriculture and Rural Development (NABARD) at Hatta, for Soil & Water Conservation, Productivity Enhancement and Livelihood Generation interventions.
 - g) **Wardha Farmer Family Project (WFFP)** – The project aims to create a comprehensive agrarian solution that will deliver sustainable local nutritional security and assured prosperity to the farmer families in three blocks of Wardha district, Maharashtra.
 - h) **BAJA**: Training undergraduate engineering students in automotive engineering thereby enabling them to get jobs in the automobile industry.
 - i) **A World In Motion (AWIM)**: Training Class V & VI students in mechanical automobile concepts for building vehicles for road and water.
 - j) **Environment, Health & Safety Plus Centre (EHS+)**: The EHS+ Center aims to expand the pool of EHS and sustainability professionals working in factories, by providing affordable, state of art, training designed to improve workers and organisations health and safety conditions along with saving energy. These trainings focus on increasing resource efficiency, enhancing gender equity and empowerment, and reducing greenhouse gas emissions.
 - k) **Rise for Safe Roads**: Mahindra & Mahindra Ltd, SaveLIFE Foundation and MSRDC signed an MOU to implement the 'Road Safety' project with the objective to make the Mumbai Pune Expressway a near 'Zero Fatality Corridor' by 2021. Interventions under 4E's are conducted i.e. Engineering, Enforcement, Education and Emergency Response. In addition, efforts are made to train long haul truck drivers through the Anticipatory Driving and Action Prevention Training (ADAPT™) program and police personnel in life saving skills.
 - l) **Village Social Transformation Mission**: A path breaking public- private partnership, between the Government of Maharashtra and India's leading corporates and philanthropic organisations, to plug developmental gaps in 1000 least developed villages in Maharashtra.
 - m) **Employee Social Options (ESOPs)**: The Company's ESOPs programme supports employees in creating volunteering projects based on the needs of underprivileged communities in and around their places of work.
2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**
- CSR projects are implemented either directly by the Company through its ESOPs structure where the Mahindra employees directly implement the CSR programmes or through implementing partners which include NGOs having an established track record of at least 3 years in carrying on the specific activity. The main implementation partners the Company works with are the Mahindra Foundation, The K C Mahindra Education Trust, Tech Mahindra Foundation and Naandi Foundation.

3. Have you done any impact assessment of your initiative?

Impact assessment studies were conducted by Deloitte Touche Tohmatsu Limited to measure the impact of the following 4 CSR projects.:

- Water Management project, Anand Ghana implemented in partnership with Dilasa Janvikas Prathisthan
- Zero Fatality Corridor (Mumbai-Pune Expressway) implemented in partnership with MSRDC and SaveLife Foundation
- Project Samriddh Kisan by Samriddhi - in partnership with Self-Reliant Initiatives through Joint Action (SRIJAN) Madhya Pradesh
- Project Samriddh Kisan by Samriddhi – in partnership with Rajasthan Rural Institute of Development Management – (RRIDMA)

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company's contribution to community development projects amounts to approximately Rs. 126.59 crores during the Financial Year 2019-20. Details of some of the major initiatives the Company has invested in the financial year (F-20) are given in Point 1 above.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Where we implement CSR projects, we ensure that the initiative is successfully adopted and owned by the community. Below are four examples of the same:

- a) **PROJECT NANHI KALI** provides educational support to underprivileged girls in India. The intervention provides 2 hours of daily academic support beyond school hours and an annual school supplies kit including feminine hygiene material, thereby allowing every girl in the project to attend school with dignity. In F20, the project supported the education of 1,74,681 girls. Of these 67,337 girls were supported by the Mahindra Group of which 14,462 girls were supported by M&M Ltd. The balance girls in the project were supported by individual donors and other corporates. When the project is set up in a new area, the Nanhi Kali team gets permissions from local

education authorities at the district, block and village levels. This includes interactions with the District and Block Education Officers, school administration, village elders etc. who sensitise the parents and community on the importance of girls' education in particular, and other gender related issues. Moreover, regular community engagement is ensured in every project location, through monthly meetings with the families of the girls and other awareness building activities involving community stakeholders, with the aim of building conducive, girl-friendly ecosystems. Further, Nanhi Kali afterschool academic support classes are conducted by 'Community Associates' who are locally hired women, trained by the program's National Resource Group. Since the 'Community Associates' are local recruits, they play a major role in the community's acceptance of the project.

- b) **INTEGRATED WATERSHED MANAGEMENT PROJECT (IWMP)** – The project is a Public Private Partnership (PPP) with Government of Madhya Pradesh at Bhopal and with National Bank for Agriculture and Rural Development (NABARD) at Hatta for increasing the ground water table resulting in increased agricultural productivity and improved living standards. These projects have benefitted 38,447 people in 48 villages. The project has resulted in an increase in ground water table through various 'watershed' measures. All the Soil & Water Conservation, Productivity Enhancement and Livelihood Enhancement interventions are conducted in complete cohesion with the community i.e. the Village Level Water Committees (WCs) and Self Help Groups (SHGs). The IWMP Projects at Bhopal and Damoh have received 2 Awards in F20, including the prestigious National CSR Award by the Ministry of Corporate Affairs for exemplary work in watershed management and rural development. These projects have proved to be a sustainable and replicable model for the development sector which was also recognised by Indian Institute of Corporate Affairs.
- c) **MAHINDRA PRIDE SCHOOLS (MPS)** – provide livelihood training to youth from socially & economically disadvantaged backgrounds. In

F20, the Mahindra Group supported 9 MPSs in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and 3 in Chennai through which 6,045 students were trained. From inception till date, 39,280 students have been trained and 100% have been placed. The Company supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi & two in Chennai which skilled 3,641 students in F20. The MPS schools have had a record 100% placement of the students in lucrative jobs. This has been possible through a network of 200+ corporates, many of these have been repeat recruiters. This is a validation of the quality of training provided at MPS. The alumni of MPS who are employed with different companies serve as role models in their community. Active alumni clubs regularly send referrals to MPS and at least 30-40% of a batch comprises of referrals. The alumni also act as peer leaders and mentors to students undergoing training at MPS, motivating them to overcome their challenging circumstances. Further, in F20, 101,391 youth from 856 ITIs, Polytechnics, Arts & Science Colleges across 16 states of India, received training through 2,374 Mahindra Pride Classrooms. Of this, 71248 students were supported by M&M. The Mahindra Pride Classrooms provided 40-120 hours modules of training to final year students covering English Speaking, Life Skills, Aptitude, Interview, Group Discussion and Digital Literacy.

- d) **MAHINDRA HARIYALI** – The Mahindra Group is committed to planting one million trees every year. Apart from the obvious environmental benefits there are additional livelihood benefits for the local tribal communities. For. e.g. in Araku Valley in Andhra Pradesh, the trees planted include fruit bearing trees and coffee saplings, which also yielded high returns to the Adivasi tribal population in this region. Apart from the Araku valley, plantations undertaken by communities across the country have focused on planting fruit bearing trees. Since the economic value of such plants is high, communities are eager to adopt these projects. Awareness related to benefits of trees in arresting soil erosion and climate change too has increased in the recent past. The testimony of the community adopting the

project is evident through the survival rates of the plantations, which is 96% for Araku Valley (external audit by UNIQUE Forestry and Land Use GmbH in 2019) and “above 80%” for other locations (external audit by Bombay Natural History Society in 2019).

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Customer complaints are treated very seriously in the organisation. We hear our customers through various mediums such as emails to customercare@mahindra.com, With You Hamesha 24X7 Call Centre toll free no, websites, tweet handle, telephone, letter, fax etc. The status of pending complaints/cases as on March 31, 2019 is as follows:

2019-20	Automotive Division	Farm Division (Including Swaraj)	Total
Percentage of Consumer Cases Pending against M&M as on 31st March 2020 of cumulative cases pending or filed since 1st April 2009.	32.30%	34.36%	32.81%

Auto Division – Customer Complaints

Receiving Period	Total Complaints registered in this period	Open	Closed	Open %	Close %
F20	40,849	190	40,659	0.5%	99.5%
F12-F20	2,92,485	190	2,92,295	0.1%	99.9%

Farm Division – Customer Complaints

Receiving Period	Total Complaints registered in this period	Open	Closed	Open %	Close %
F20	14,765	21	14,744	0.14%	99.86%
F11-F20	1,49,018	25	1,48,965	0.02%	99.96%
F20 Swaraj Division	1,336	19	1,317	1.4%	98.6%
F11-F20 Swaraj Division	3,702	19	3,683	0.9%	99.1%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes. In addition to mandatory requirements, Company also provides service and safety labels as deemed appropriate. e.g.: Product fuel economy data displayed for each variant at selling points (Dealership).

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Yes. The Company has been impleaded in the below listed proceedings that allege unfair competition/ trade practices. The Company believes that the allegations are untrue and without merit and is vigorously defending itself in these proceedings.

Description of the matters pending under the Competition Act, 2002:

Case No. 3/2011:

Based on the information given by the Informant 'Shamsher Kataria' against 3 car manufacturers about non-availability of spare parts in the open market, the Competition Commission of India (CCI) commenced investigation of 17 car manufacturers. On August 25, 2014 CCI passed an order ("Order") against fourteen companies including Mahindra & Mahindra (M&M) Limited. By this Order, the CCI imposed a penalty of Rs. 292.25 crores amounting to 2% of the average annual turnover for the years 2007-08, 2008-09 and 2009-10. M&M vide a Writ Petition W.P.(C) 6610/2014 ("W.P") filed before the Delhi High Court challenged the constitutional validity of certain sections of the Competition Act, 2002 based on which the order and penalty was decided by the CCI. On 10th April, 2019, the Delhi High Court pronounced its order (HC order) and held certain sections of the Competition Act as unconstitutional. The HC order requires that in views of its directions, new guidelines be framed by CCI, in regard to the manner in which the CCI conduct its proceedings. M&M challenged the aforesaid Order of Delhi HC by filing a SLP before the Supreme Court. The Hon'ble Supreme Court was pleased to issue notice to Respondents and further granted stay on Impugned CCI Order till the next date of hearing to be held in August 2019. The matter is not yet listed for hearing in the Supreme Court.

Matters pending before the ITC, USA

In August of 2018, a complaint was filed by Fiat Chrysler Automobile US, LLC ("Fiat") with the United States International Trade Commission (ITC) against Mahindra & Mahindra Ltd. ("M&M") and Mahindra Automotive North America ("MANA") alleging that certain design features of the Mahindra ROXOR infringe the intellectual property rights of Fiat's Jeep design. Fiat has sought an order for permanently restraining M&M from exporting to the United States, and MANA from importing into US, any part or component which infringes Fiat's intellectual property rights. If they succeed in getting permanent injunction, sale of certain parts or components by M&M to MANA will be affected. M&M continues to assert that the complaint is without merit.

In response, M&M/MANA brought action in Federal District Court in Michigan on the issue of the applicability and enforcement of M&M's 2009 agreement with Fiat and to assert a claim for compensation arising out of the harm caused by Fiat using the ITC case to injure the ROXOR business, M&M and MANA by creating negative publicity, damaging our reputation and our stature in the marketplace. After the hearing the court indicated that both the Federal District Court action and the ITC investigation would continue. The parties agreed to delay trial at the Federal District Court until the final outcome at the ITC.

Trial at the ITC was held in August, 2019. The administrative law judge overseeing the case issued an initial determination and recommendation wherein it was suggested that although the Mahindra ROXOR did not infringe on any of FCA's registered trademarks, FCA did establish new rights in certain new trade dress elements and the ITC should issue an order prohibiting import of infringing parts. The full commission reviewed the initial determination and issued a final determination on June 11, 2020. The International Trade Commission has upheld the Administrative Law Judge's determination which held that the ROXOR does not violate any of FCA's registered trademarks, but it violated FCA's trade dress and had recommended an exclusion order prohibiting the importation of Roxor parts and a cease-and desist order prohibiting sale of any already imported Roxor parts.

The Company and Mahindra Automotive North America, a Subsidiary of the Company remain resolute in its position that the ROXOR does not dilute or violate Jeep's trade dress.

MANA is therefore considering its options with respect to a further review and appeal of the ITC Determination both during the Presidential review phase of the ITC decision and at the Federal Circuit Court of Appeals.

The vehicle that was subject of the action was produced in 2018 and 2019 and is no longer in production. The ROXOR design was refreshed for the 2020 model year and further design changes are in the works as part of the normal design cycle.

MANA remains committed to the ROXOR brand, its employees, and its dealers.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, through

- James David Power Syndicate Study - Applicable for Personal Model)
- CaPS (Customer as Promoter Score) Study (Done by Central Team at Corporate Office Worli) - Applicable for Personal & Commercial Model)
- Brand Track Study

Financial Position at a Glance

Rupees crores

	As per Ind AS and Schedule III of the Companies Act, 2013						As per previous GAAP and Revised Schedule VI of the Companies Act, 1956			
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Property, Plant and Equipment and Intangible Assets	14404	12502	10988	9811	9158	7766	7105	5821	5088	3904
Investments	19938	22016	20583	17908	13547	13139	11380	11834	10297	8913
Inventories	3401	3839	2702	2758	2688	2438	2804	2420	2358	1694
Trade Receivable/Debtors	2999	3946	3173	2939	2512	2558	2510	2208	1929	1260
Other Non Current/Current Assets	9760	10394	10001	6297	7594	6181	7490	5171	4098	3753
Borrowings	2932	2480	2864	2773	1844	2620	3745	3227	3174	2321
Non Current/Current Liabilities and Provisions	11694	15373	14011	10409	10773	9230	9863	8953	7964	6535
Deferred Tax Liabilities/(Assets) (Net)	1408	634	277	(255)	460	222	890	615	527	355
Equity Capital	597	596	595	297	296	296	295	295	295	294
Other Equity	33871	33613	29699	26489	22127	19714	16496	14364	11810	10019
Net Worth	34468	34209	30294	26786	22423	20009	16791	14659	12105	10313
Book Value Per Share (Rupees)	288.91	287.09	+ 254.59	451.23	378.36	338.34	284.26	248.14	205.32	175.43

+ Book Value Per Share is adjusted for Bonus Shares allotted in the ratio of 1:1 during December 2017.

Summary of Operations

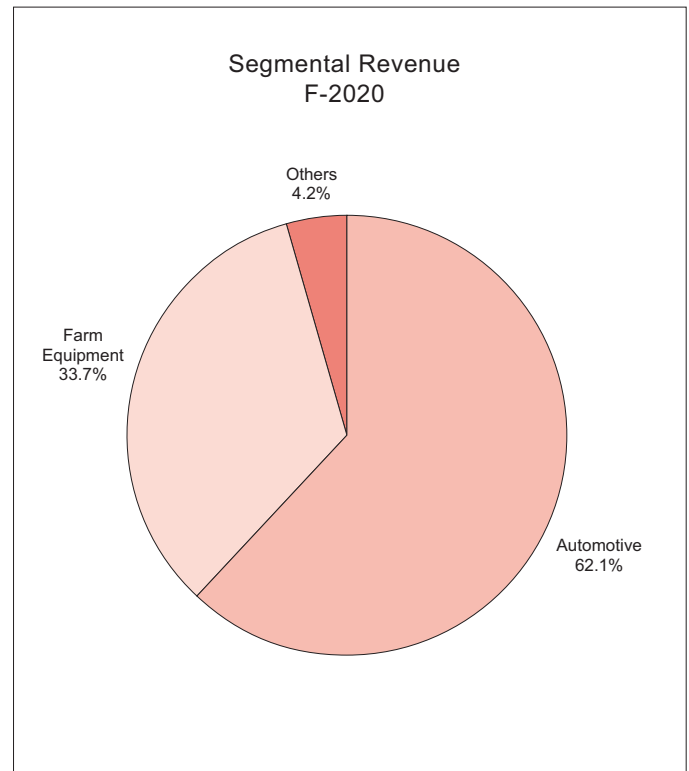
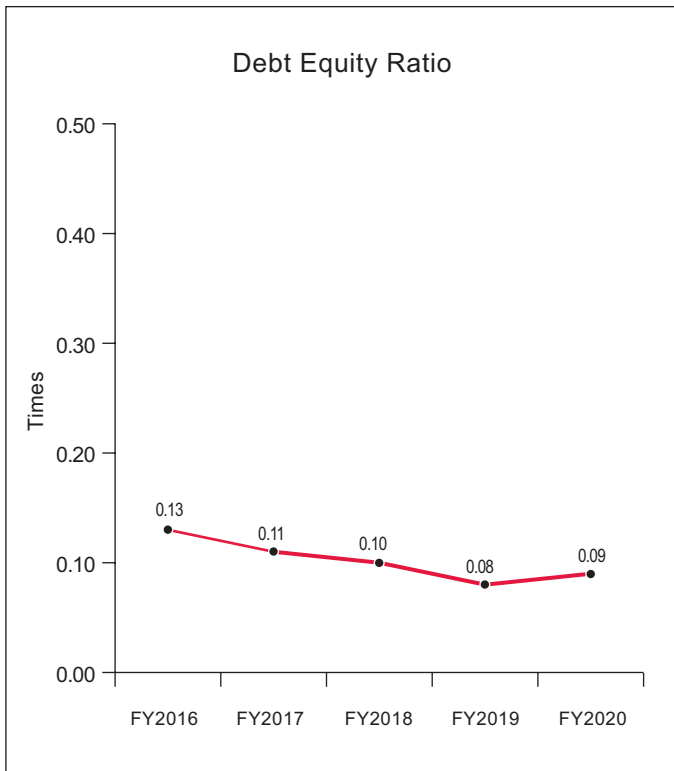
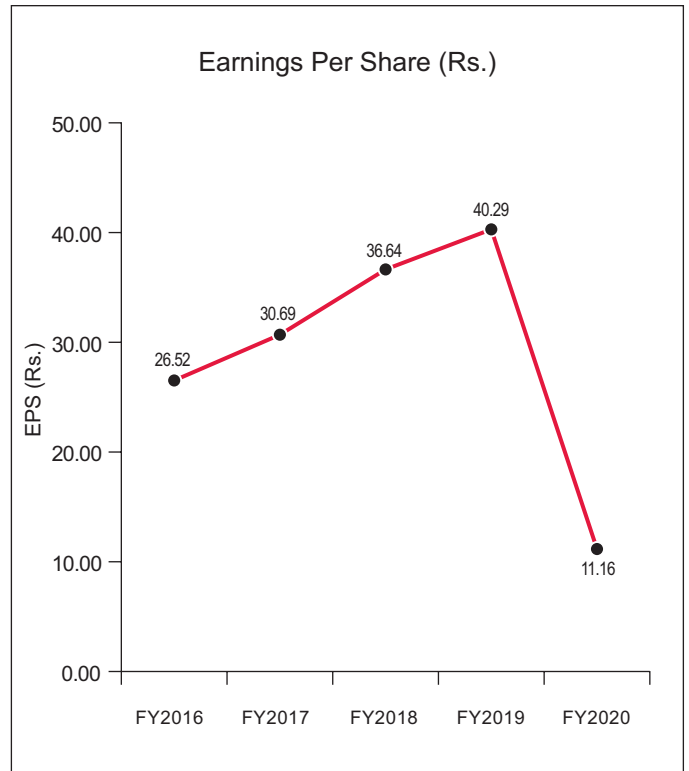
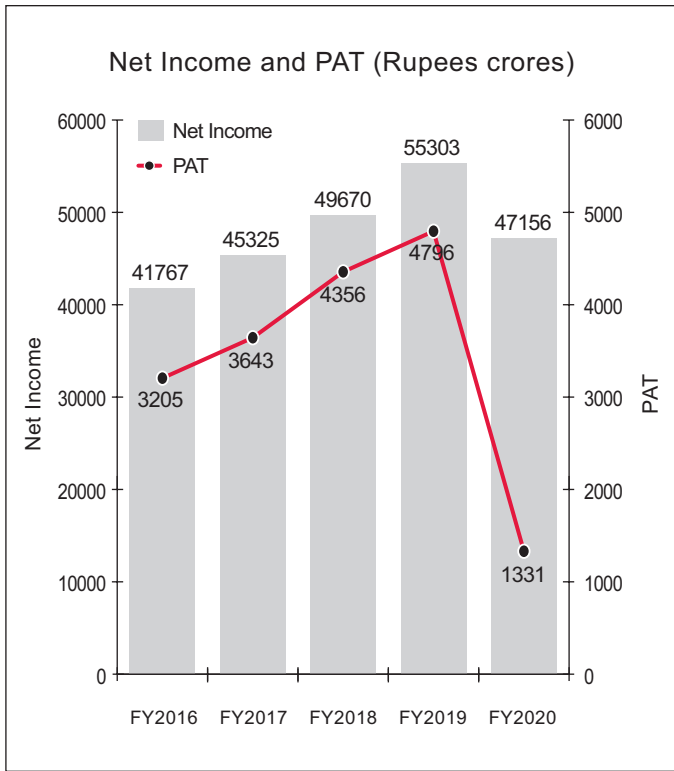
Rupees crores

	As per Ind AS and Schedule III of the Companies Act, 2013					As per previous GAAP and Schedule III of the Companies Act, 2013	As per previous GAAP and Revised Schedule VI of the Companies Act, 1956			
	2020	2019	2018	2017	2016		2015	2014	2013	2012
Income	47156	55303	50481	48729	44489	41481	43838	43962	34820	25989
Materials	31633	38257	34135	32081	29516	27955	29432	30425	23500	16264
Excise Duty	—	—	759	3330	2764	2188	2612	2972	2501	2095
Employee Benefits Expense	2880	2980	2841	2714	2349	2317	2164	1866	1701	1432
Finance Costs/Interest	113	113	112	160	186	214	259	191	163	72
Depreciation, amortisation and impairment expense	2223	1860	1479	1526	1068	975	863	711	576	414
Other Expenses	5177	5738	5487	4743	4390	3999	4191	3441	2881	2310
Exceptional items	(2014)	(30)	434	548	69	336	52	91	108	118
Profit before tax for the year	3116	6325	6102	4723	4284	4169	4369	4447	3606	3520
Tax for the year	1785	1529	1746	1080	1080	848	611	1094	727	858
Balance profit	1331	4796	4356	3643	3205	3321	3758	3353	2879	2662
Dividend (including tax thereon)	# 292.15	1187	1055	925	841	847	963	894	869	803
Equity Dividend (%)	47	170	150	260	240	240	280	260	250	230
Earnings Per Share (Rupees) ^	11.16	40.29	36.64	30.69	26.52	28.12	31.83	28.43	24.49	23.11
Vehicles produced/ purchased (Units)	466253	618412	546974	499117	496859	464799	506035	555510	474145	355500
Vehicles sold (Units)	471141	607548	548508	506624	494096	464850	507176	551469	469345	354073
Tractors produced (Units)	295126	335519	315759	272308	217383	224330	277425	219893	246475	216388
Tractors sold (Units)	298927	327033	317531	263177	214173	234766	268487	224844	236666	214325

^ Adjusted for Bonus Shares allotted in the ratio of 1:1 during December 2017.

Proposed Dividend.

Financial Highlights



An aerial, grayscale photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings curves along the coast. To the left of the road is a paved promenade with palm trees and other vegetation. The ocean is visible on the left side of the frame. In the background, a dense city skyline with various skyscrapers and buildings stretches across the horizon under a cloudy sky. A vertical red line is positioned on the right side of the image, extending from the top edge down to the top of the text box.

STANDALONE ACCOUNTS

Independent Auditors' Report to the Members of Mahindra & Mahindra Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mahindra & Mahindra Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

1. Impairment assessment of long-term investments in subsidiaries, joint ventures and associates

The key audit matter	How the matter was addressed in our audit
<p>The Company has long-term investments in subsidiaries, joint ventures and associates (collectively "the investments") aggregating Rs. 17,748 crores as at 31 March 2020. The Company records the investments at cost less any provision for impairment loss.</p> <p>Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), could have a significant impact on the valuation of these investments. As such, the investments are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the investments are determined and if the amount is lower than the carrying value of the investments, impairment loss is recognised in the statement of profit and loss.</p> <p>The recoverable amount is determined as higher of value in use (VIU) or fair value less cost to sell the investment.</p> <p>Refer note 2(d)(iv) – significant accounting policy for impairment of investments.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's impairment assessment process, including the approval of forecasts and valuation models; Tested the key VIU assumptions used in estimating future cash flows such as sales volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Involved our valuation specialists to evaluate the assumptions including the discount rates used in VIU calculations, through external market data; Evaluated past performances where relevant, and assessed historical accuracy of the forecast used in the VIU calculations; and Assessed the adequacy of disclosures in the financial statements on key judgements, assumptions and quantitative data with respect to impairment losses.

2. Impairment assessment of tangible assets and development expenditure capitalised and currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Company has aggregate tangible assets of Rs. 9,178 crores, which includes property, plant and equipment of Rs. 7,981 crores and Rs. 1,197 crores of capital-work-in-progress as at 31 March 2020. Further, the Company has Rs. 2,223 crores of development expenditure capitalised and Rs. 2,813 crores of intangible assets under development (collectively "the intangible assets").</p> <p>Changes in business environment, including the economic uncertainty created by COVID-19, could have a significant impact on the valuation of the tangible and intangible assets. As such, tangible and intangible assets are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the tangible and intangible assets are determined and if the amount is lower than the carrying value of the assets, impairment loss is recognised in the statement of profit and loss.</p> <p>The recoverable amount is determined as higher of value in use (VIU) or fair value less cost to sell of the asset or the cash generating unit (CGU) to which the asset belongs.</p> <p>Refer note 2(g) – significant accounting policy for impairment of tangible and intangible assets.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's impairment assessment process, including the approval of forecasts and valuation models; Obtained an understanding of the identification of CGU process; Tested the key VIU assumptions used in estimating future cash flows such as sales volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Involved our valuation specialists to evaluate the assumptions including the discount rates used in VIU calculation, through external market data; Evaluated past performances where relevant, and assessed historical accuracy of the forecast used in VIU calculations; Evaluated the stage of development of the intangible assets, judgments used for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects; and Assessed the adequacy of disclosures in the financial statements on key judgements, assumptions and quantitative data with respect to impairment losses.

3. Taxes including provision for current tax, valuation of uncertain tax positions and recognition of deferred taxes

The key audit matter	How the matter was addressed in our audit
<p>The Company has recorded Rs. 1,785 crores of tax expense for the year ended 31 March 2020.</p> <p>The Company is subject to periodic tax challenges by tax authorities leading to protracted litigations. As such, accounting for taxes involves judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision.</p> <p>Further, during the year, the Company elected to apply the concessional tax regime which resulted in foregoing certain specified tax deductions including Minimum Alternate Tax (MAT) credit and restatement of the deferred tax liabilities on account of change in tax rates.</p> <p>The Company has unused tax losses on which it assesses recognition of deferred tax assets. This involves significant judgment, including assessment of future taxable profits.</p> <p>Refer note 2(p) – significant accounting policy for income tax.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's process for recognition of tax expense, including uncertain tax positions and deferred taxes; Inquired and assessed the completeness of uncertain tax positions in conjunction with our tax specialists by considering changes to business and tax legislation through inquiries with the Company and reading of correspondence with authorities relevant recent judicial pronouncements and judgments in similar matters and outcome of past litigations; Challenged the Company's judgements on the recognition and recoverability of the deferred tax assets including the deferred taxes arising on unused tax losses; and Assessed the adequacy of the disclosures in the financial statements relating to impact on income taxes and deferred taxes.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

■ Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

■ Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

■ Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by section 143(3) of the Act, we report 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.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 39 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 18 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Jamil Khatri
Partner

Membership No. 102527
UDIN: 20102527AAAAAZ3690

Mumbai, 12 June, 2020

Annexure A to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2020

With reference to the Annexure A referred to in the Independent Auditors' report to the members of Mahindra & Mahindra Limited ('the Company') on the standalone financial statements for the year ended 31 March 2020, we report the following:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a programme of physical verification of its fixed assets by which all fixed assets are verified once in three years, pursuant to which the fixed assets were physically verified in the financial year ended 31 March 2019 and no material discrepancies were noticed on such verification. All discrepancies have been dealt with in the books of account.
 - (c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the Balance Sheet date.
- ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been suitably adjusted in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3 (iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 ('the Act'), with respect to granting of loans, making investment and providing guarantees and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the compliance with Section 73 and 76 of the Act is not applicable. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Act. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Duty of Customs, Duty of Excise, Cess, Goods and Service Tax and other material statutory dues have been generally regularly deposited during the period by the Company with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Duty of Customs, Duty of Excise, Cess, Goods and Service Tax and other material statutory dues that have remained outstanding for more than six months from the date it became payable.
 - (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Goods and Service Tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	103.87	AY 2011-12 to AY 2015 -16	Income Tax Appellate Tribunal
		3.60	AY 2017-2018	Commissioner of Income tax (Appeals)
		0.09	AY 2009-2010 and AY 2012-2013	Assessing Officer
Central Excise Act, 1944	Duty of Excise	4.22	2005-2011	High Court
		934.00	1991-2016	Appellate Authority-Tribunal
		0.05	2009-2013	Appellate Authority-Commissioner

Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Sales Tax and Value Added Tax	Sales tax	173.78	1994-2016	High Court
		27.94	1991-2011	Appellate Authority-Tribunal
		632.64	1992-2018	Appellate Authority-Commissioner
		4.77	2006-2010	Appellate Authority-Revisional Board
Finance Act, 1994	Service tax	33.76	2006-2015	Appellate Authority-Tribunal
		0.63	2007 to 2012	Appellate Authority-Commissioner
Customs Act, 1962	Duty of Customs	1.49	1996-2001	High Court
		1.14	1990-1994	Appellate Authority-Tribunal
		1,921.98		

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government and outstanding dues to debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. In our opinion and according to the information and explanations given to us, the term loans taken by the Company has been applied for the purpose for which they were raised.
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any material instances of fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xii. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with the related parties in compliance with provision of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in standalone Ind AS financial statements as required under applicable Ind AS.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Jamil Khatri
Partner
Membership No. 102527
UDIN: 20102527AAAAAZ3690

Mumbai, 12 June, 2020

Annexure B to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2020.

■ Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra & Mahindra Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company 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 (the "Guidance Note").

■ Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

■ Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

■ Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

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

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration No. 101248W/W-100022

Jamil Khatri
 Partner
 Membership No. 102527
 UDIN: 20102527AAAAAZ3690

Mumbai, 12 June, 2020

Balance Sheet | as at 31st March 2020

Rupees crores

	Note No.	2020	2019
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment.....	4	7,980.76	7,614.71
Capital work-in-progress.....		1,196.68	706.77
Intangible assets.....	5	2,413.83	2,467.04
Intangible assets under development.....		2,812.78	1,713.02
Financial assets			
(i) Investments.....	6	17,748.48	19,032.07
(ii) Loans.....	7	138.86	37.55
(iii) Other financial assets.....	8	486.38	494.18
Income tax assets (net).....		929.28	827.56
Other non-current assets.....	9	1,653.52	1,733.10
		35,360.57	34,626.00
CURRENT ASSETS			
Inventories.....	10	3,400.91	3,839.27
Financial assets			
(i) Investments.....	6	2,189.65	2,983.96
(ii) Trade receivables.....	11	2,998.98	3,946.30
(iii) Cash and cash equivalents.....	12	2,323.51	2,237.58
(iv) Bank balances other than cash and cash equivalents.....	12	1,913.00	1,494.08
(v) Loans.....	7	512.02	673.40
(vi) Other financial assets.....	8	506.41	556.22
Other current assets.....	9	1,297.01	2,321.84
Assets held for sale.....	13	—	18.41
		15,141.49	18,071.06
TOTAL ASSETS.....		50,502.06	52,697.06
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital.....	14	596.52	595.80
Other equity.....	15	33,871.32	33,613.43
		34,467.84	34,209.23
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	16	2,032.03	2,031.78
(ii) Other financial liabilities.....	17	560.07	451.18
Provisions.....	18	922.98	1,016.93
Deferred tax liabilities (net).....	19	1,408.17	634.13
Other non-current liabilities.....	20	138.15	153.74
		5,061.40	4,287.76
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	16	900.00	448.54
(ii) Trade payables			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises.....	21	102.11	118.98
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises.....	21	6,683.72	9,559.17
(iii) Other financial liabilities.....	17	1,052.85	956.14
Other current liabilities.....	20	1,422.22	2,362.57
Provisions.....	18	595.56	554.67
Current tax liabilities (net).....		216.36	200.00
		10,972.82	14,200.07
TOTAL EQUITY AND LIABILITIES.....		50,502.06	52,697.06

The accompanying notes 1 to 41 are an integral part of the Financial Statements

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

Statement of Profit and Loss | for the year ended 31st March 2020

	Note No.	2020	2019
<i>Rupees crores</i>			
INCOME			
Revenue from operations	22	45,487.78	53,614.00
Other income	23	1,667.81	1,688.97
Total income		47,155.59	55,302.97
EXPENSES			
Cost of materials consumed.....	24	22,873.74	27,095.07
Purchases of stock-in-trade		8,349.36	12,111.61
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	409.49	(950.19)
Employee benefits expense	26	2,880.08	2,980.22
Finance costs.....	27	113.23	113.39
Depreciation, amortisation and impairment expense	28	2,222.63	1,860.40
Other expenses.....	29	5,384.59	5,867.23
		42,233.12	49,077.73
Less: Amounts capitalised		207.54	129.50
Total expenses		42,025.58	48,948.23
Profit before exceptional items and tax		5,130.01	6,354.74
Exceptional items (net).....	30	(2,013.98)	(29.73)
Profit before tax		3,116.03	6,325.01
Tax expense			
Current tax.....	19	996.98	1,179.12
Deferred tax.....	19	788.50	349.85
Profit for the year		1,330.55	4,796.04
Other comprehensive income/(loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(11.18)	(13.60)
(b) Equity instruments through other comprehensive income		(0.78)	(0.73)
(ii) Income tax relating to items that will not be reclassified to profit or loss		3.25	4.75
B. (i) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income.....		0.68	1.88
(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge.....		(35.28)	31.84
(ii) Income tax relating to items that will be reclassified to profit or loss		11.21	(11.79)
Total other comprehensive (loss)/income		(32.10)	12.35
Total comprehensive income for the year		1,298.45	4,808.39
Earnings per equity share:			
(Face value Rs. 5/- per share) (Rupees)			
Basic	31	11.16	40.29
Diluted	31	11.12	40.13

The accompanying notes 1 to 41 are an integral part of the Financial Statements

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

} Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

Statement of Changes in Equity | for the year ended 31st March, 2020

(A) Equity Share Capital

	Rupees crores	
	2020	2019
Issued, Subscribed and Paid-up:		
Balance as at the beginning of the year	595.80	594.97
Add: Allotment of shares by ESOP Trust to Employees	0.72	0.83
Balance as at the end of the year	596.52	595.80

(B) Other Equity

	Reserves and Surplus						Items of other comprehensive income			Total
	Capital Reserve	Securities Premium (refer note a)	General Reserve (refer note b)	Debt Redemption Reserve	Share Option Outstanding Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges [Note 35.1(c)]	
As at 1st April, 2018	346.00	2,160.94	1,730.45	36.26	229.33	25,205.82	(0.79)	(4.44)	(4.50)	29,699.07
Profit for the year	—	—	—	—	—	4,796.04	—	—	—	4,796.04
Other Comprehensive Income/(Loss)	—	—	—	—	—	(8.85)	1.22	(0.73)	20.71	12.35
Total Comprehensive Income for the year ..	—	—	—	—	—	4,787.19	1.22	(0.73)	20.71	4,808.39
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	—	(1,011.92)	—	—	—	(1,011.92)
Transfers from retained earnings	—	—	—	14.38	—	(14.38)	—	—	—	—
Exercise of employee stock options	—	—	—	—	(89.79)	—	—	—	—	—
Allotment of shares by ESOP Trust to Employees	—	—	—	—	—	—	—	—	—	23.83
Allotment of bonus shares by ESOP Trust to Employees	—	(0.41)	(0.04)	—	—	—	—	—	—	(0.45)
On account of employee stock options lapsed	—	—	0.13	—	(0.13)	—	—	—	—	—
Share based payment to employees	—	—	—	—	94.51	—	—	—	—	94.51
As at 31st March, 2019	346.00	2,274.15	1,730.54	50.64	233.92	28,966.71	0.43	(5.17)	16.21	33,613.43

Rupees crores

(B) Other Equity (contd.)

Rupees crores

	Reserves and Surplus				Items of other comprehensive income				Total	
	Capital Reserve	Securities Premium (refer note a)	General Reserve (refer note b)	Debt Redemption Reserve	Share Option Outstanding Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income		Effective portion of Cash Flow Hedges [Note 35.1(c)]
As at 1 st April, 2019	346.00	2,274.15	1,730.54	50.64	233.92	28,966.71	0.43	(5.17)	16.21	33,613.43
Profit for the year.....	—	—	—	—	—	1,330.55	—	—	—	1,330.55
Other Comprehensive Income/(Loss)	—	—	—	—	—	(7.93)	0.57	(0.78)	(23.96)	(32.10)
Total Comprehensive Income for the year..	—	—	—	—	—	1,322.62	0.57	(0.78)	(23.96)	1,298.45
Dividend paid on Equity Shares (including tax thereon).....	—	—	—	—	—	(1,187.33)	—	—	—	(1,187.33)
Exercise of employee stock options.....	—	87.87	—	—	(87.87)	—	—	—	—	—
Allotment of shares by ESOP Trust to Employees.....	—	25.93	—	—	—	—	—	—	—	25.93
Allotment of bonus shares by ESOP Trust to Employees.....	—	(0.36)	—	—	—	—	—	—	—	(0.36)
On account of employee stock options lapsed.....	—	—	2.29	—	(2.29)	—	—	—	—	—
Share based payment to employees	—	—	—	—	121.20	—	—	—	—	121.20
As at 31st March, 2020.....	346.00	2,387.59	1,732.83	50.64	264.96	29,102.00	1.00	(5.95)	(7.75)	33,871.32

Remeasurement loss (net) on defined benefit plans **Rs. 7.93 crores** (2019: **Rs. 8.85 crores**) has been recognised during the year as part of retained earnings.

(C) Description of the nature and purpose of Other Equity:

- (i) **Capital reserve:** Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.
- (ii) **Securities premium:** Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options.
- (iii) **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.
- (iv) **Debt redemption reserve:** Debt 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.
- (v) **Share option outstanding account:** Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Notes:

- (a) The Company has reduced the share capital by **Rs. 12.54 crores** (2019: **Rs. 12.90 crores**) and securities premium by **Rs. 204.78 crores** (2019: **Rs. 230.71 crores**) for the **2,50,76,433** shares of Rs. 5 each (2019: **2,58,02,706** shares of Rs. 5 each) held by the ESOP Trust pending transfer to the eligible employees.
- (b) The share capital of the Company has also been reduced and the securities premium increased by **Rs. 12.54 crores** (2019: **Rs. 12.90 crores**) for the **2,50,76,432** bonus shares of Rs. 5 each (2019: **2,58,02,706** bonus shares of Rs. 5 each) issued by the Company in December, 2017 to the ESOP Trust but not yet transferred by the ESOP Trust to the employees.

The accompanying notes 1 to 41 are an integral part of the Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No : 101248/WV-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

Directors

Anand G. Mahindra
Dr. Pawan Goenka
Dr. Anish Shah
Rajesh Jejurikar
Narayan Shankar

Executive Chairman
Managing Director and CEO
Deputy Managing Director and Group CFO
Executive Director (Auto and Farm Sectors)
Company Secretary

Mumbai, 12th June, 2020

Cash Flow Statement | for the year ended 31st March 2020

Rupees crores

	2020	2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax.....	5,130.01	6,354.74
Adjustments for:		
Depreciation, amortisation and impairment expense	2,222.63	1,860.40
Loss/(gain) on foreign exchange fluctuations (net)	16.48	(28.61)
Dividend on investment and interest income	(1,432.71)	(1,318.44)
Net gain/(loss) arising on financial assets measured at fair value.....	152.66	(115.84)
Finance costs.....	113.23	113.39
Share based payment expenses	114.50	89.20
Gain on sale of current investments (net)	(156.73)	(87.55)
Profit on property, plant and equipment sold/scrapped/written off (net)	(73.90)	(3.30)
Operating profit before working capital changes.....	6,086.17	6,863.99
Changes in:		
Trade and other receivables.....	2,055.93	(660.74)
Inventories	438.36	(1,137.58)
Trade and other payables and provisions.....	(3,820.29)	1,292.34
	(1,326.00)	(505.98)
Cash generated from operations	4,760.17	6,358.01
Income taxes paid (net of refunds).....	(1,082.34)	(1,434.14)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	3,677.83	4,923.87
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Payments to acquire property, plant and equipment and intangible assets	(3,991.93)	(3,082.14)
Proceeds from sale of property, plant and equipment and intangible assets.....	48.26	50.54
Payments to acquire non-current investments – subsidiaries	(2,107.57)	(2,558.96)
Payments to acquire non-current investments – associates.....	(24.68)	(34.45)
Payments to acquire non-current investments – joint ventures.....	(142.88)	(198.72)
Payments to acquire other non-current investments	(33.46)	(2.04)
Payments to acquire current investments	(1,11,727.63)	(1,44,592.65)
Proceeds from sale of current investments	1,12,756.38	1,45,592.59
Share application money paid.....	(23.86)	—
Bank deposits placed.....	(2,235.57)	(1,733.25)
Bank deposits matured	1,774.15	1,714.95
Interest received.....	355.60	317.15
Dividends received	1,007.35	889.27
Inter-corporate deposits given.....	(804.06)	(1,010.00)
Inter-corporate deposits refunded.....	885.61	1,324.50
Exceptional Items:		
Proceeds from sale of non current investments in subsidiaries, associate, joint ventures and capital receipt from M&M Benefit Trust.....	1,688.57	774.50
NET CASH FLOW FROM INVESTING ACTIVITIES (B).....	(2,575.72)	(2,548.71)

Cash Flow Statement (contd.)

	<i>Rupees crores</i>	
	2020	2019
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings.....	1,312.42	1,048.28
Repayment of borrowings and lease liabilities.....	(983.53)	(1,420.81)
Dividends paid (including tax thereon).....	(1,187.37)	(1,011.74)
Interest, commitment and finance charges paid.....	(156.98)	(170.95)
NET CASH FLOW FROM FINANCING ACTIVITIES (C).....	(1,015.46)	(1,555.22)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C).....	86.65	819.94
Cash and cash equivalents at the beginning of the year.....	2,237.58	1,417.95
Unrealised loss on foreign currency cash and cash equivalents.....	(0.72)	(0.31)
Cash and cash equivalents at the end of the year.....	2,323.51	2,237.58

Note:

The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 – Statement of Cash Flows'.

The accompanying notes 1 to 41 are an integral part of the Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 12th June, 2020

<p>Nadir B. Godrej M. M. Murugappan Dr. Vishakha N. Desai Vikram Singh Mehta T. N. Manoharan Vijay Kumar Sharma Haigreve Khaitan Shikha Sharma CP Gurnani</p>	}	Directors
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<p>Anand G. Mahindra Dr. Pawan Goenka Dr. Anish Shah Rajesh Jejurikar Narayan Shankar</p>	<p>Executive Chairman Managing Director and CEO Deputy Managing Director and Group CFO Executive Director (Auto and Farm Sectors) Company Secretary</p>	<p>Mumbai, 12th June, 2020</p>
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Notes forming part of the Financial Statements | for the year ended 31st March 2020

1. General information

Mahindra & Mahindra Limited ('the Company') is a limited company incorporated in India. The addresses 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 of India Limited ("NSE"), the BSE Limited ("BSE") in India. The Global Depository Receipts (GDRs) (underlying equity shares) of the Company are listed on the Luxembourg Stock Exchange and are also admitted for trading on International Order Book (IOB) of the London Stock Exchange.

2. Significant accounting policies:

(a) Statement of compliance and basis of preparation and presentation

These standalone or separate financial statements of the Company 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.

These standalone or separate financial statements were approved by the Company's Board of Directors and authorised for issue on 12th June, 2020.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

(c) Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

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) Use of 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 and expenses 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, intangible assets, provision for product warranties, fair value of financial assets/liabilities and impairment of investments.

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:

(i) *Useful lives of property, plant and equipment and intangible assets*

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

(ii) *Provision for product warranties*

The Company recognises provision for warranties in respect of the 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.

(iii) *Fair value of financial assets and liabilities and investments*

The Company 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.

2. Significant Accounting Policies: (contd.)

(iv) **Impairment of investments**

The Company assesses impairment of investments in subsidiaries, associates and joint ventures which are recorded at cost. At the time when there are any indications that such investments have suffered a loss, if any, is recognised in the statement of Profit and Loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate.

(v) **Estimation uncertainties relating to the Covid-19 global pandemic**

The Company has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended 31st March, 2020. The Company has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognising provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

(e) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and 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 Company's expected usage pattern supported by technical assessment:

<u>Asset Class</u>	<u>Useful lives</u>
(i) Certain items of Plant and Equipment	2 years, 3 years, 5 years, 7 years, 10 years, 20 years and 25 years as the case may be.
(ii) Buildings (Roads)	15 years
(iii) Vehicles	5 years

(f) **Intangible assets**

Intangible assets are initially recognised at cost.

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 Company 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

i) **Technical Knowhow**

The expenditure incurred is amortised over the estimated period of benefit, commencing with the year of purchase of the technology.

ii) **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.

iii) **Brand license fee**

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

2. Significant Accounting Policies: (contd.)

iv) *Software Expenditure*

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

v) *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 Company reviews the carrying amounts of its property, plant & equipment 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. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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, 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.

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.

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 translated at the functional currency using exchange 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 is 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).

(j) Investments in subsidiaries, associates and joint ventures

The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

(k) Financial instruments

Financial assets and financial liabilities are recognised when the Company 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.

2. Significant Accounting Policies: (contd.)

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 (FVTPL)

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

All financial assets 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 expenses are recognised in profit or loss. Any gain and loss on derecognition is also 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 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 Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Company 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 Company has chosen to designate these investments as at FVTOCI as the Company 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 to be measured at FVTOCI are designated to be measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company 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 Company 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.

Derecognition of financial assets

The Company 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 financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company 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 and the proceeds received are recognised as a collateralised borrowing.

2. Significant Accounting Policies: (contd.)

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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

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 issued by the Company 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 115.

Derivative financial instruments and hedge accounting

The Company 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 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 Company 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 Company 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 Company 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 the 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 profit or 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 Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

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 Company 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 Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2. Significant Accounting Policies: (contd.)

(l) Revenue Recognition

Sale of goods

The Company recognizes revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

Sale of services

Sale of services are recognised on satisfaction of performance obligation towards 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 Company and the amount of income can be measured reliably.

(m) Government Grants

The Company, 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 Company 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 Company 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.

(n) Employee Benefits

Superannuation Fund, ESIC and Labour Welfare Fund

The Company'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 a Trust administered by the Company/Regional Provident Fund Commissioners and are charged to profit or loss as incurred. The Company is liable for the contribution and any shortfall in interest between the amount of income 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 Company. The shortfall, if any, based on actuarial valuation is recognised through Other Comprehensive Income (OCI).

Long term Compensated Absences

Company's 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

Company's 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 defined benefit plans 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 where the currency and terms of the government bonds are consistent with the currency and estimated terms of the obligation.

2. Significant Accounting Policies: (contd.)

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 Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

(o) 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.

(p) Income taxes

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company'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 Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. 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. 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 it is probable that the Company 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.

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.

2. Significant Accounting Policies: (contd.)

(q) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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 Company's obligation.

(r) Leases

The Company has adopted Ind AS 116 "Leases" using the modified retrospective approach with effect from initially applying this standard from 1st April 2019. Accordingly, the information presented for previous year ended 31st March 2019, is not restated and reported as per Ind AS 17.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3. Recent Accounting Pronouncements:

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

4. Property, Plant and Equipment

Property, plant and equipment comprise of owned and leased assets that do not meet the definition of Investment property.

Particulars	2020	2019
(a) Property, plant and equipment owned.....	7,762.64	7,614.71
(b) Right of use assets.....	218.12	—
Total	7,980.76	7,614.71

(a) Property, plant and equipment owned

Rupees crores

Particulars	Land – Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Aircraft	Vehicles	Total
Cost								
Balance as at 1 st April, 2018	262.39	1,860.31	11,195.53	123.70	202.64	103.46	410.85	14,158.88
Additions during the year.....	16.16	66.00	2,119.29	8.85	7.11	—	94.33	2,311.74
Disposals during the year.....	6.59	8.58	288.93	12.26	15.80	—	70.53	402.69
Balance as at 31st March, 2019	271.96	1,917.73	13,025.89	120.29	193.95	103.46	434.65	16,067.93
Balance as at 1 st April, 2019	271.96	1,917.73	13,025.89	120.29	193.95	103.46	434.65	16,067.93
Additions during the year.....	—	163.48	1,150.55	13.42	16.20	—	95.28	1,438.93
Disposals during the year.....	0.25	1.97	104.38	2.51	0.90	—	65.58	175.59
Balance as at 31st March, 2020	271.71	2,079.24	14,072.06	131.20	209.25	103.46	464.35	17,331.27
Accumulated depreciation & impairment								
Balance as at 1 st April, 2018	—	483.71	6,691.34	91.36	135.45	31.44	217.63	7,650.93
Depreciation expense for the year.....	—	54.47	988.94	10.54	13.55	4.81	64.70	1,137.01
Disposals during the year.....	—	3.43	247.44	11.18	14.34	—	58.33	334.72
Balance as at 31st March, 2019	—	534.75	7,432.84	90.72	134.66	36.25	224.00	8,453.22
Balance as at 1 st April, 2019	—	534.75	7,432.84	90.72	134.66	36.25	224.00	8,453.22
Depreciation expense for the year.....	—	60.66	1,085.43	10.48	13.58	4.81	70.84	1,245.80
Disposals during the year.....	—	1.36	90.00	2.36	0.78	—	55.82	150.32
Impairment during the year	—	—	—	—	—	19.93	—	19.93
Balance as at 31st March, 2020	—	594.05	8,428.27	98.84	147.46	60.99	239.02	9,568.63
Net carrying amount								
Net carrying amount as at 31 st March, 2019..	271.96	1,382.98	5,593.05	29.57	59.29	67.21	210.65	7,614.71
Net carrying amount as at 31st March, 2020..	271.71	1,485.19	5,643.79	32.36	61.79	42.47	225.33	7,762.64

Notes:

- Additions during the year includes borrowing costs capitalised **Rs. 32.82 crores** (2019: Rs. 41.24 crores)
 - Buildings include **Rs. * crores** (2019: Rs. * crores) being the value of shares in co-operative housing societies.
- * denotes amounts less than Rs. 50,000.

4. Property, Plant and Equipment (contd.)
(b) Right of use assets

Rupees crores

Particulars	Land	Buildings	Others (refer note)	Total
Cost				
Balance as at 1st April, 2019				
On account of adoption of Ind AS 116 [Refer Note 38]	117.99	76.15	37.14	231.28
Additions during the year	—	8.95	14.92	23.87
Deductions during the year	—	—	—	—
Balance as at 31st March, 2020	117.99	85.10	52.06	255.15
Accumulated amortisation				
Balance as at 1st April, 2019				
Amortisation expense for the year	1.86	21.63	13.54	37.03
Deductions during the year	—	—	—	—
Balance as at 31st March, 2020	1.86	21.63	13.54	37.03
Net carrying amount as at 31st March, 2020	116.13	63.47	38.52	218.12

Note:

Others include Plant and Equipment & Furniture and Fixtures.

5. Intangible Assets

Rupees crores

Particulars	Development Expenditure (Internally Generated)	Brand Licence	Computer Softwares	Others (refer note b)	Total
Cost					
Balance as at 1 st April, 2018	2,496.54	129.16	93.41	—	2,719.11
Additions during the year.....	1,824.85	—	14.12	—	1,838.97
Deductions during the year	89.86	—	17.83	—	107.69
Balance as at 31st March, 2019	4,231.53	129.16	89.70	—	4,450.39
Balance as at 1st April, 2019	4,231.53	129.16	89.70	—	4,450.39
Additions during the year.....	780.00	—	27.83	65.00	872.83
Deductions during the year	193.31	—	50.08	—	243.39
Balance as at 31st March, 2020	4,818.22	129.16	67.45	65.00	5,079.83
Accumulated amortisation & impairment					
Balance as at 1 st April, 2018	1,286.23	7.90	73.52	—	1,367.65
Amortisation expense for the year	700.69	4.31	18.39	—	723.39
Deductions during the year	89.86	—	17.83	—	107.69
Balance as at 31st March, 2019.....	1,897.06	12.21	74.08	—	1,983.35
Balance as at 1st April, 2019	1,897.06	12.21	74.08	—	1,983.35
Amortisation expense for the year	891.32	4.31	18.98	0.04	914.65
Deductions during the year	193.31	—	38.69	—	232.00
Balance as at 31st March, 2020	2,595.07	16.52	54.37	0.04	2,666.00
Net carrying amount					
Net carrying amount as at 31 st March, 2019.....	2,334.47	116.95	15.62	—	2,467.04
Net carrying amount as at 31st March, 2020.....	2,223.15	112.64	13.08	64.96	2,413.83

Notes:

- Additions during the year includes Borrowing costs capitalised **Rs. 51.77 crores** (2019: Rs. 35.94 crores)
- Intangible – Others include trade marks, transferable development rights etc.

6. Investments

A. Non-current investments

Particulars	Face Value Per Unit (Rupees)	2020		2019	
		Number	Rupees crores	Number	Rupees crores
Investments in Equity Instruments (fully paid-up)					
Quoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Mahindra Lifespace Developers Limited.....	10	2,64,39,850	440.28	2,64,39,850	440.28
Mahindra & Mahindra Financial Services Limited..	2	31,62,07,660	1,205.91	31,62,07,660	1,205.91
Mahindra Holidays & Resorts India Limited	10	8,98,90,615	24.72	8,98,90,615	24.72
SsangYong Motor Company (Listed on a Stock Exchange outside India)	KRW 5000	11,18,55,108	2,450.25	11,18,55,108	2,450.25
Mahindra EPC Irrigation Limited.....	10	1,51,44,433	77.75	1,51,44,433	77.75
Mahindra Logistics Limited	10	4,18,12,157	41.81	4,18,12,157	41.81
			4,240.72		4,240.72
(ii) In Associate Companies					
Equity shares					
Swaraj Engines Limited	10	42,16,792	26.28	40,39,206	1.60
Tech Mahindra Limited.....	5	25,15,48,691	985.57	25,15,48,691	985.57
			1,011.85		987.17
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Equity shares.....					
			0.55		1.33
			0.55		1.33
			5,253.12		5,229.22
Unquoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Mahindra Engineering and Chemical Products Limited.....	10	11,64,50,934	962.89	11,64,50,934	962.89
Mahindra USA Inc.....	US \$ 0.25	45,60,00,000	755.08	45,60,00,000	755.08
Gromax Agri Equipment Limited	10	59,73,218	4.29	59,73,218	4.29
Mahindra Agri Solutions Limited	10	8,01,35,372	327.35	6,81,63,987	278.15
Mahindra and Mahindra South Africa (Proprietary) Limited.....	ZAR 1	5,20,00,000	28.54	5,20,00,000	28.54
Mahindra Overseas Investment Company (Mauritius) Limited	US \$ 1	29,25,79,209	1,826.40	23,55,79,209	1,412.65
Mahindra Trucks and Buses Limited.....	0.20	4,66,74,78,380	144.51	4,66,74,78,380	144.51
Mahindra Vehicle Manufacturers Limited	10	4,06,47,23,484	4,064.72	4,06,47,23,484	4,064.72
Mahindra Holdings Limited	10	2,46,14,99,450	2,461.50	2,06,75,49,450	2,067.55
Mahindra Consulting Engineers Limited	10	11,51,000	1.25	11,51,000	1.25
NBS International Limited.....	10	2,45,50,474	25.30	2,45,50,474	25.30
Mahindra Automotive Australia Pty. Limited.....	AUD 1	45,75,000	21.16	45,75,000	21.16
Mahindra Defence Systems Limited.....	10	1,67,23,655	292.95	1,67,23,655	292.95
Mahindra 'Electoral Trust' Company.....	10	50,000	0.05	50,000	0.05
Mahindra eMarket Limited.....	10	3,59,865	0.02	3,59,865	0.02
Trringo.com Limited.....	10	2,74,60,000	27.46	2,74,60,000	27.46
Mahindra Two Wheelers Europe Holdings S.a.r.l. – Class A Shares.....	EUR 1	1,49,00,000	188.71	1,49,00,000	188.71
– Class B Shares.....	EUR 0.05	160,00,00,000	633.90	—	—

6. Investments (contd.)

A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2020		2019	
		Number	Rupees crores	Number	Rupees crores
Mahindra do Brasil Industrial Ltda.(quotas).....	BRL 1	2,39,73,450	50.56	2,39,73,450	50.56
Orizonte Business Solutions Limited#	10	—	—	2,26,31,262	21.85
Mahindra & Mahindra Contech Limited.....	10	35,000	0.04	35,000	0.04
Kota Farm Services Limited.....	10	2,73,420	—	2,73,420	—
Mahindra Construction Company Limited.....	10	9,00,000	—	9,00,000	—
Officemartindia.com Limited	10	7,49,997	—	7,49,997	—
Mitsubishi Mahindra Agricultural Machinery Co., Limited:					
– Equity share.....	NA	1	42.53	1	42.53
– Class A Shares.....	NA	3	149.06	3	149.06
Mahindra Waste To Energy Solutions Limited	10	1,85,10,000	18.51	1,85,10,000	18.51
Mahindra Telecom Energy Management Services Limited.....	10	50,000	0.05	50,000	0.05
Mahindra Automotive Mauritius Limited.....	EUR 1	9,51,75,001	754.39	3,05,75,001	245.12
Mahindra Bangladesh Private Limited	BDT 100	4,20,000	3.57	—	—
MERU Travel Solutions Private Limited.....	10	3,18,90,157	54.78	—	—
			12,839.57		10,803.00
Preference shares (classified as equity instruments)					
0.01% Compulsory Convertible Cumulative Preference Shares: Orizonte Business Solutions Limited#	10	—	—	45,31,972	14.95
			—		14.95
			12,839.57		10,817.95
(ii) In Trust Securities					
M&M Benefit Trust			1,189.42		1,459.77
Sunrise Initiatives Trust.....			62.30		52.30
Mahindra World Motor Driving School Trust.....			0.01		0.01
M&M Fractional Entitlement Trust.....			0.01		0.01
			1,251.74		1,512.09
(iii) In Associate Companies					
Equity Shares					
PSL Media & Communications Limited	5	19,750	0.01	19,750	0.01
PF Holdings B.V.	EUR 1	1,83,36,050	185.76	1,83,36,050	185.76
			185.77		185.77
Preference shares (classified as equity instruments)					
Series C Preferred shares: Resson Aerospace Corporation	NA	8,00,402	34.45	8,00,402	34.45
			34.45		34.45
			220.22		220.22
(iv) In Joint Venture Companies					
Equity Shares					
Mahindra Sanyo Special Steel Private Limited....	10	34,75,264	145.13	34,75,264	145.13
Classic Legends Private Limited	10	10,33,28,000	104.04	8,53,28,000	86.04
Mahindra Aerospace Private Limited.....	10	67,43,70,306	914.19	61,28,70,326	852.69
M.I.T.R.A Agro Equipments Private Limited	10	1,02,662	15.99	68,413	8.90
Sampo Rosenlew Oy	NA	1,872	132.35	1,872	132.35
Carnot Technologies Private Limited	10	1,296	1.07	1,296	1.07

6. Investments (contd.)

A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2020		2019	
		Number	Rupees crores	Number	Rupees crores
Mahindra Ideal Lanka (Private) Limited	LKR 1000	1,75,000	6.79	1,75,000	6.79
Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited)*	10	3,47,105	71.56	—	—
			1,391.12		1,232.97
Preference shares (classified as equity instruments)					
5% Non Cumulative Compulsory Convertible Preference Shares: Mahindra Aerospace Private Limited	10	50,00,000	5.00	50,00,000	5.00
Series P1 Preference Shares: Zoomcar India Private Limited	10	3,63,752	129.13	3,63,752	129.13
Compulsorily Convertible Cumulative Participating Preference Shares: Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited)* :					
– 0.01% Series C	100	3,15,788	64.38	2,46,280	50.05
– 0.01% Series C1	100	1,84,529	37.50	—	—
Series A Compulsory Convertible Cumulative Preference Shares: Carnot Technologies Private Limited	100	6,074	5.00	6,074	5.00
Cumulative Compulsory Convertible Preference Shares: Sampo Rosenlew Oy	NA	192	15.32	192	15.32
			256.33		204.50
			1,647.45		1,437.47
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Gamaya SA :					
– Irredeemable Preferred shares	CHF 1	30,469	30.16	—	—
– Common shares	CHF 1	300	0.30	—	—
Equity shares			0.16		0.31
			30.62		0.31
Investments in Equity Instruments (Total)			21,242.72		19,217.26
Investments in Debt instruments:					
Unquoted					
At Amortised Cost					
(i) In Subsidiary Companies					
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares: Mahindra Vehicle Manufacturers Limited	10	60,00,00,000	600.00	60,00,00,000	600.00
10.00% Non-Cumulative Redeemable Participating Preference Shares : Mahindra Construction Company Limited	100	5,40,000	—	5,40,000	—
			600.00		600.00
			*		*
Investments in Debt Instruments (Total)			600.00		600.00
Other Non Current Investments					
Unquoted					
Carried at FVTPL					
(i) In Subsidiary Companies					
6% Optionally Convertible Cumulative Redeemable Preference Shares : Mahindra Agri Solutions Limited	46	1,06,96,170	37.73	—	—
			37.73		—

6. Investments (contd.)

A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2020		2019	
		Number	Rupees crores	Number	Rupees crores
(ii) In Joint Venture Companies					
18% Optionally Convertible Debenture: Zoomcar India Private Limited	100,000	1,880	—	—	—
			—		—
(iii) In Others					
Investment in Alternate Investment Fund.....			7.88		3.90
			7.88		3.90
Other Non-Current Investments (Total)			45.61		3.90
Total Non-Current Investments (Gross)			21,888.33		19,821.16
Less : Aggregate amount of impairment in value of investments			(4,139.85)		(789.09)
Total Non-Current Investments (Net)			17,748.48		19,032.07
Other Disclosures					
(i) Aggregate amount of quoted investments (Gross).....			5,253.12		5,229.22
Market Value of quoted investments [includes Rs. 981.60 crores (2019: Rs. 3,468.40 crores) in respect of investment listed on a Stock Exchange outside India].....			23,044.04		42,340.50
(ii) Aggregate amount of unquoted investments (Gross) ..			16,635.21		14,591.94

Notes:

During the year, under the scheme of merger, Orizonte Business Solutions Limited merged with Resfeber Labs Private Limited. Further, Resfeber Labs Private Limited, changed its name to Smartshift Logistics Solutions Private Limited.

* denotes amounts less than Rs. 50,000

B. Current Investments

Particulars	Rupees crores	
	2020	2019
Quoted :		
Carried at FVTPL		
Investments in Mutual Funds.....	1,474.70	2,034.14
Investments in Market Linked Debentures.....	201.57	104.32
	1,676.27	2,138.46
Carried at FVTOCI		
Investments in Equity Instruments	*	0.01
Investments in Debentures and Bonds	42.07	56.22
	42.07	56.23
	1,718.34	2,194.69
Unquoted :		
Carried at FVTOCI		
Investments in Certificate of Deposits	321.31	481.93
Investments in Commercial Papers.....	—	107.34
	321.31	589.27
Carried at Amortised cost		
Investments in Corporate Fixed Deposits	150.00	200.00
	150.00	200.00
Total Current Investments	2,189.65	2,983.96
Other Disclosures		
(i) Aggregate amount of quoted investments (Gross)	1,718.34	2,194.69
Market Value of quoted investments.....	1,718.34	2,194.69
(ii) Aggregate amount of unquoted investments (Gross)	471.31	789.27

Notes:

* denotes amounts less than Rs. 50,000.

7. Loans
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
(a) Loans to related parties (refer note 36)				
Unsecured, considered good	62.99	9.51	336.04	579.09
Doubtful	17.00	17.00	5.27	5.27
	79.99	26.51	341.31	584.36
Less: Allowance for Expected Credit Loss.....	17.00	17.00	5.27	5.27
Total (a)	62.99	9.51	336.04	579.09
(b) Other Loans				
Unsecured, considered good	75.87	28.04	175.98	94.31
Doubtful	—	—	5.98	5.98
	75.87	28.04	181.96	100.29
Less: Allowance for Expected Credit Loss.....	—	—	5.98	5.98
Total (b)	75.87	28.04	175.98	94.31
Total Loans	138.86	37.55	512.02	673.40

(a) Non-Current Loans to Related Parties includes Loan to a Director of Rs. 10.00 crores (2019 : Rs. 9.51 crores).

(b) Other Current and Non Current Loans mainly includes loans to employees and loans given to other companies.

(c) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

8. Other Financial Assets
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
Carried at amortised cost :				
Security deposits	31.49	32.67	24.44	26.66
Bank deposits	51.78	9.28	—	—
Interest accrued.....	—	—	164.86	166.22
Other financial assets	286.19	240.49	298.62	241.80
Carried at fair value through profit and loss:				
Derivative financial assets	—	—	18.49	39.85
Derivatives on Interest over Subsidiaries, Associates and Joint Ventures....	116.92	211.74	—	81.69
Total Other Financial Assets	486.38	494.18	506.41	556.22

Other Financial assets include receivables for oil royalty income, scrap sales, incentive receivables, share application money and other recoverable expenses.

Derivative financial assets includes foreign currency forwards, commodity derivatives in the nature of forward contracts, interest rate swaps and options.

9. Other Non Financial Assets
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
Capital Advances.....	741.62	518.47	—	—
Other Advances.....	911.90	1,214.63	1,297.01	2,321.84
Total Other Non Financial Assets	1,653.52	1,733.10	1,297.01	2,321.84

Other advances include advances to suppliers, prepaid expenses, export benefits receivable, other recoverable expenses, balances with government authorities (other than income taxes) and Goods and Services Tax (GST) receivable.

10. Inventories

Particulars	Rupees crores	
	2020	2019
Raw Materials and Bought-out Components [includes in transit Rs. 91.46 crores ; 2019 : Rs. 144.85 crores] ...	1,109.75	1,141.97
Work-in-Progress.....	126.81	126.35
Finished Goods.....	1,379.46	1,670.61
Stock-in-Trade [includes in transit Rs. 24.56 crores ; 2019 : Rs. 58.81 crores]	551.25	629.18
Manufactured Components	105.72	146.59
Stores and Spares.....	72.54	68.97
Tools	55.38	55.60
Total Inventories	3,400.91	3,839.27

- (a) The amount of inventories recognised as an expense is **Rs. 37,106.59 crores** (2019 : Rs. 43,906.19 crores) including **Rs. 105.02 crores** (2019 : Rs. 42.43 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 26.17 crores** (2019 : Rs. 14.84 crores) in respect of the reversal of such write downs. Reversal in provision is due to sale and/or consumption of inventories provided for in earlier years.
- (b) The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, some of which are secured by hypothecation of inventories.
- (c) Mode of valuation of inventories is stated in Note 2(h).

11. Trade Receivables

Particulars	Rupees crores	
	2020	2019
Unsecured, considered good	2,998.98	3,946.30
Doubtful	158.30	69.54
	3,157.28	4,015.84
Less: Allowance for Expected Credit Loss.....	158.30	69.54
Total Trade Receivables	2,998.98	3,946.30

Refer Note 35 - 2(b).

12. Cash and Bank Balances

Particulars	Rupees crores	
	2020	2019
a) Cash and cash equivalents		
Balances with banks		
– On Current accounts.....	1,397.26	1,715.24
– Fixed deposits with original maturity less than 3 months.....	909.99	224.23
	2,307.25	1,939.47
Cheques, drafts on hand (including in transit).....	16.14	297.99
Cash on hand	0.12	0.12
Total Cash and cash equivalents	2,323.51	2,237.58
b) Bank Balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	19.88	19.91
Balances with banks on margin accounts.....	2.25	2.17
Fixed deposits.....	1,890.87	1,472.00
Total Other Bank balances	1,913.00	1,494.08

13. Assets held for sale

During the previous year, the Company tendered 47,00,013 equity shares of Tech Mahindra Limited in the share buy-back scheme at Rs. 950 per equity share. The shares have been transferred during financial year 2019-2020.

14. Equity Share Capital
Rupees crores

Particulars	2020	2019
Authorised:		
8,10,00,00,000 (2019: 8,10,00,00,000) Ordinary (Equity) Shares of Rs. 5 each	4,050.00	4,050.00
25,00,000 Unclassified Shares of Rs. 100 each	25.00	25.00
	4,075.00	4,075.00
Issued and Subscribed and Paid-up:		
1,24,31,92,544 (2019: 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
5,01,52,865 (2019: 5,16,05,412) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees	25.08	25.80
Adjusted Issued, Subscribed and Paid-up Share Capital	596.52	595.80

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

Particulars	2020		2019	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up:				
Balance as at the beginning of the year	1,24,31,92,544	621.60	1,24,31,92,544	621.60
Less: Shares issued to ESOP Trust but not allotted to Employees	5,01,52,865	25.08	5,16,05,412	25.80
Adjusted Issued, Subscribed and Paid-up Share Capital	1,19,30,39,679	596.52	1,19,15,87,132	595.80

 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's Issued, Subscribed and Paid-up:

Name of the Shareholder	2020		2019	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management and Services Pvt. Ltd.	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India	13,42,61,077	10.80	12,32,82,698	9.92
M&M Benefit Trust	8,44,70,428	6.79	10,36,70,428	8.34
J.P. Morgan Chase Bank, N.A (for GDR Holders)	6,21,89,746	5.00	6,17,40,932	4.97

d. For the period of preceding five years as on the Balance Sheet date, Issued, Subscribed and Paid-up Share Capital includes:

- i. Aggregate of **5,03,888** (2019: 5,03,888) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Scheme of Arrangement without payment being received in cash.
- ii. Aggregate of **62,15,96,272** (2019: 62,15,96,272) Ordinary (Equity) Shares allotted as fully paid up by way of bonus shares.

15. Other Equity
Details of Dividends proposed:
Rupees crores

Particulars	2020	2019
Dividend per share (Rupees)	2.35	8.50
Dividend on Equity Shares	292.15	1,056.71
Dividend Distribution Tax	—	130.64
Total Dividend including Dividend Distribution Tax	292.15	1,187.35

The Union Budget 2020-21 has proposed to abolish Dividend Distribution Tax (DDT) payable by the Company on dividends declared on or after 1 April 2020.

16. Borrowings

a) Long Term Borrowings

i) Non Current borrowings

Particulars	2020	2019
<i>Rupees crores</i>		
Unsecured (Carried at Amortised Cost) :		
Debentures	973.96	973.84
Term loan from banks	413.48	387.28
Lease liabilities	68.80	—
Other loans.....	575.79	670.66
Total Unsecured Borrowings.....	2,032.03	2,031.78

(a) Debentures:

Particulars	2020	2019
<i>Rupees crores</i>		
– 9.55% p.a. Senior Redeemable Non-Convertible Debentures maturing in July 2063	500.00	500.00
– 7.57% p.a. Redeemable Non-Convertible Debentures maturing in September 2026	475.00	475.00
Less : Unamortised finance cost	1.04	1.16
	973.96	973.84

(b) Term loan from banks comprise of EURO External Commercial Borrowings carrying an average margin of 95 basis points over three month EURO LIBOR and are repayable after five years and one day from the date of respective avilment of loan.

(c) Lease liabilities comprises of liabilities on account of long term leases pursuant to adoption of Ind AS 116 - Leases [Refer note 38].

(d) Other loans comprise deferred sales tax loans which are interest free and repayable in five equal installments after ten years from the year of avilment of respective loan.

ii) Current maturities of long term borrowings

Particulars	2020	2019
<i>Rupees crores</i>		
Debentures	0.01	0.01
Lease Liabilities	41.04	—
Other Loans.....	94.87	91.01
Total	135.92	91.02

Refer Note 17.

Lease Liabilities comprise of current portion of long term lease liability.

b) Short Term Borrowings

Particulars	2020	2019
<i>Rupees crores</i>		
Unsecured (Carried at Amortised Cost):		
Term Loan from Banks	900.00	300.00
Other Loan from Bank	—	148.54
Total Short Term Borrowings.....	900.00	448.54

Unsecured Borrowings:

Term loan from banks consists of packing credit facility under Interest equalisation scheme and working capital loan, carrying fixed interest rate ranging from 2.99% p.a. to 7.85% p.a., repayable within a year from the date of avilment of loan.

Reconciliation of movement in borrowings to cash flows from financing activities

Particulars	2020	2019
<i>Rupees crores</i>		
Opening balance		
– Long Term Borrowings	2,031.78	2,195.90
– Short Term Borrowings	448.54	668.47
– Current maturities of Long term borrowings	91.02	93.71
– Unclaimed matured Deposits.....	0.17	0.50
Total Opening Balance	2,571.51	2,958.58

16. Borrowings (contd.)

		<i>Rupees crores</i>	
Particulars	2020	2019	
a) Cash flow movements			
– Proceeds from borrowings	1,312.42	1,048.28	
– Repayment of borrowings and lease liabilities	(983.53)	(1,420.81)	
	328.89	(372.53)	
b) Non-cash movements			
– On account of adoption of Ind AS 116 [Refer Note 38]	117.42	—	
– Addition to lease liability during the year	23.87	—	
– Effect of amortisation of loan origination costs	0.57	0.56	
– Foreign exchange translation.....	25.79	(15.10)	
	167.65	(14.54)	
Closing Balance			
– Long Term Borrowings	2,032.03	2,031.78	
– Short Term Borrowings (other than loans repayable on demand)	900.00	448.54	
– Current maturities of Long term borrowings	135.92	91.02	
– Unclaimed matured Deposits.....	0.10	0.17	
Total Closing Balance	3,068.05	2,571.51	

17. Other Financial Liabilities
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
Carried at Amortised Cost:				
Current maturities of long-term borrowings	—	—	135.92	91.02
Interest accrued and not due on borrowings	—	—	20.83	20.98
Unclaimed dividends.....	—	—	19.87	19.91
Unclaimed matured deposits and interest accrued thereon.....	—	—	0.10	0.17
Security Deposits.....	91.94	86.33	—	—
Other liabilities.....	321.18	295.74	840.41	818.92
Carried at Fair Value:				
Derivative financial Liabilities.....	54.44	47.88	35.72	5.14
Derivatives on Interest in Subsidiaries, Associates and Joint Ventures.....	92.51	21.23	—	—
Total other financial liabilities.....	560.07	451.18	1,052.85	956.14

Other liabilities include salaries and wages payable, capital creditors, brand licenses payable and monies adjusted from share capital and other equity on account of shares held by ESOP Trust pending transfer to the eligible employees.

18. Provisions
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
Provision for Employee Benefits.....	595.54	710.04	177.99	111.25
Provision for Warranty	302.03	275.57	312.11	319.98
Provision for Service coupons.....	25.41	31.32	105.46	123.44
Total Provisions.....	922.98	1,016.93	595.56	554.67

Provision for warranty relates to 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 8 months to 5 years.

18. Provisions (contd.)

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

Rupees crores

Particulars	Warranty		Service coupons	
	2020	2019	2020	2019
Opening Balance.....	595.55	528.55	154.76	189.89
Additional net provisions recognised during the year.....	265.63	297.38	77.93	115.90
Amounts utilised during the year.....	(285.26)	(262.88)	(111.90)	(156.29)
Unwinding of discount.....	38.22	32.50	10.08	5.26
Closing Balance.....	614.14	595.55	130.87	154.76

19. Income Taxes

Deferred Tax (Assets)/Liabilities (Net)

Rupees crores

Particulars	Balance as at 01-04-2019	Charge/(credit) to Profit or Loss	Charge/(credit) to OCI	Balance as at 31-3-2020
<i>Tax effect of items resulting in taxable temporary differences</i>				
Allowances on Property, Plant and Equipment and Intangible Assets.....	2,141.26	(375.18)	—	1,766.08
Others.....	156.90	(91.84)	—	65.06
<i>Tax effect of items resulting in deductible temporary differences</i>				
Provision for employee benefits.....	(305.42)	71.30	(3.25)	(237.37)
Allowances for credit losses.....	(46.37)	(9.74)	—	(56.11)
Long term capital losses.....	(116.20)	29.37	—	(86.83)
Minimum Alternate Tax Credit.....	(1,116.35)	1,116.35	—	—
Others.....	(79.69)	48.24	(11.21)	(42.66)
Total Deferred Tax (Assets)/Liabilities (Net).....	634.13	788.50	(14.46)	1,408.17

Rupees crores

Particulars	Balance as at 01-04-2018	Charge/(credit) to Profit or Loss	Charge/(credit) to OCI	Balance as at 31-3-2019
<i>Tax effect of items resulting in taxable temporary differences</i>				
Allowances on Property, Plant and Equipment and Intangible Assets.....	1,750.78	390.48	—	2,141.26
Others.....	140.87	16.03	—	156.90
<i>Tax effect of items resulting in deductible temporary differences</i>				
Provision for employee benefits.....	(201.41)	(99.26)	(4.75)	(305.42)
Allowances for credit losses.....	(41.25)	(5.12)	—	(46.37)
Long term capital losses.....	—	(116.20)	—	(116.20)
Minimum Alternate Tax Credit.....	(1,246.71)	130.36	—	(1,116.35)
Others.....	(125.04)	33.56	11.79	(79.69)
Total Deferred Tax (Assets)/Liabilities (Net).....	277.24	349.85	7.04	634.13

Income Tax recognised in profit or loss

Rupees crores

Particulars	2020	2019
Current Tax:		
In respect of current year.....	876.10	1,344.19
In respect of prior years.....	120.88	(165.07)
	996.98	1,179.12
Deferred Tax:		
In respect of current year origination and reversal of temporary differences.....	155.49	474.95
Effect of utilisation/ (recognition) of deferred tax on capital losses.....	27.30	(116.20)
Effect of change in tax rate due to switch to new tax regime (Refer note below).....	599.14	—
In respect of prior year.....	6.57	(8.90)
	788.50	349.85
Total Income Tax recognised in profit or loss.....	1,785.48	1,528.97

19. Income Taxes (contd.)
Income tax recognised in Other comprehensive income
Rupees crores

Particulars	2020		2019	
Deferred tax related to items recognised in other comprehensive income during the year:				
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	11.32		(11.13)	
Net fair value gain on investments in debt instruments at FVTOCI	(0.11)		(0.66)	
Remeasurement of defined benefit plans.....	3.25		4.75	
Total Income tax recognised in Other comprehensive income	14.46		(7.04)	

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	2020		2019	
Profit before tax	3,116.03		6,325.01	
Applicable Income tax rate.....	25.17%		34.94%	
Expected income tax expense.....	784.24		2,210.21	
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:				
Effect of income exempt from tax / non taxable on compliance of conditions.....	(534.36)		(494.67)	
Effect of concessions (Research and Development and other allowances).....	—		(99.09)	
Effect of expenses/provisions not deductible in determining taxable profit.....	898.68		290.98	
Effect of change in tax rate due to switch to new tax regime (Refer note below)	599.14		—	
Effect of utilisation/ (recognition) of deferred tax on capital losses.....	27.30		(116.20)	
Effect of net additional / (reversal) of provision in respect of prior years	127.45		(173.97)	
Others	(116.97)		(88.29)	
Reported income tax expense.....	1,785.48		1,528.97	

Note:

During the year ended 31st March, 2020, the Government of India vide Taxation Laws (Amendment) Tax Ordinance, 2019 allowed an option to the domestic companies to switch to a lower tax rate structure of 22% (25.17% including surcharge and cess) from the earlier 30% (34.944% including surcharge and cess) subject to condition that the Company will not avail any of the specified deductions / incentives under the Income Tax Act. The Company has elected to switch to the new lower tax rate structure with effect from the financial year 2019-20. Consequently, net impact of **Rs. 599.14 crores** has been recognised in profit or loss on account of expensing of MAT credit balance and offset by tax credit on account of restatement of net deferred tax liabilities at the beginning of the year.

20. Other Non Financial Liabilities
Rupees crores

Particulars	Non-Current		Current	
	2020	2019	2020	2019
Contract Liabilities	138.15	153.74	711.76	384.46
Others	—	—	710.46	1,978.11
Total Other Non Financial Liabilities.....	138.15	153.74	1,422.22	2,362.57

Others mainly include government dues, taxes payable, GST payable and salary deductions payable.

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

21. Trade Payables

Particulars	Rupees crores	
	2020	2019
Total outstanding dues of micro enterprises and small enterprises	102.11	118.98
Total outstanding dues other than micro enterprises and small enterprises		
– Trade payable - Other than Micro and small enterprises	6,170.99	8,683.05
– Acceptances.....	512.73	876.12
	6,683.72	9,559.17
Total Trade Payables.....	6,785.83	9,678.15

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as “the MSMED Act”) are given below :

Particulars	Rupees crores	
	2020	2019
(a) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
– Principal.....	6.96	10.77
– Interest on the above	0.08	0.14
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
– Principal paid beyond the appointed date.....	554.91	917.88
– Interest paid in terms of Section 16 of the MSMED Act.....	1.00	1.70
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	1.36	3.06
(d) Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	1.85	1.97
(e) Amount of interest accrued and remaining unpaid.....	3.29	5.17

22. Revenue from Operations

Particulars	Rupees crores	
	2020	2019
(a) From contract with customers for goods and services		
Sale of products.....	43,922.03	52,222.45
Sale of services.....	975.90	738.35
Other operating revenue.....	396.83	384.30
	45,294.76	53,345.10
(b) From other sources of revenue		
Other operating revenue		
– Government grant and incentives.....	176.45	245.08
– Others.....	16.57	23.82
	193.02	268.90
Total Revenue from Operations	45,487.78	53,614.00

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Particulars	Rupees crores	
	2020	2019
Revenue from contract with customer as per the contract price	47,867.42	56,479.65
Less: Trade discounts, volume rebates, returns etc.....	(2,572.66)	(3,134.55)
Revenue from contract with customer as per the statement of Profit and Loss	45,294.76	53,345.10

Revenue disaggregation as per nature of products and services and geography has been included in segment information (refer note 37).

23. Other Income
Rupees crores

Particulars	2020	2019
(a) Interest Income		
– On Financial Assets measured at Amortised Cost	346.66	301.04
– On Financial Assets at Fair Value Through Other Comprehensive Income.....	45.78	64.71
(b) Dividend Income		
– On equity investments in subsidiaries, associates and JVs	1,007.06	888.99
– Mutual fund at Fair Value through Profit or Loss	33.21	63.70
(c) Net Gain arising on financial assets/ liabilities measured at Fair Value through profit or loss.....	4.07	203.84
(d) Other non operating income (net of directly attributable expenses).....	231.03	166.69
Total Other Income	1,667.81	1,688.97

24. Cost of materials consumed
Rupees crores

Particulars	2020	2019
Opening inventory.....	1,141.97	967.07
Add: Purchases	22,841.52	27,269.97
	23,983.49	28,237.04
Less: Closing inventory	1,109.75	1,141.97
Total Cost of materials consumed	22,873.74	27,095.07

25. Changes in inventories of finished goods, stock-in-trade and work-in-progress
Rupees crores

Particulars	2020	2019
Opening inventories:		
Finished goods	1,670.61	1,013.63
Work-in-progress.....	126.35	93.37
Stock-in-trade	629.18	381.80
Manufactured Components	146.59	133.74
	2,572.73	1,622.54
Less: Closing inventories:		
Finished goods	1,379.46	1,670.61
Work-in-progress.....	126.81	126.35
Stock-in-trade	551.25	629.18
Manufactured Components	105.72	146.59
	2,163.24	2,572.73
Net (increase)/decrease in inventories	409.49	(950.19)

26. Employee Benefits Expense
Rupees crores

Particulars	2020	2019
(a) Salaries and wages, including bonus.....	2,357.32	2,439.46
(b) Contribution to provident and other funds	220.72	215.90
(c) Share based payment to employees.....	114.50	89.20
(d) Staff welfare expenses.....	187.54	235.66
Total Employee Benefits Expense	2,880.08	2,980.22

27. Finance Costs

Particulars	Rupees crores	
	2020	2019
(a) Interest expense for financial liabilities measured at amortised cost.....	127.50	127.46
Less: Amounts included in the cost of qualifying assets.....	95.90	95.98
	31.60	31.48
(b) Other borrowing costs	81.63	81.91
Total Finance Costs	113.23	113.39

Other borrowing costs includes discounting charges, unwinding of discount on lease and other liabilities.

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 4.37% p.a. (2019: 4.10% p.a)

28. Depreciation, amortisation and impairment expense

Particulars	Rupees crores	
	2020	2019
(a) Depreciation on Property, Plant and Equipment.....	1,245.80	1,137.01
(b) Amortisation on Right-of-use asset.....	37.03	—
(c) Amortisation on Intangible Assets.....	914.65	723.39
(d) Impairment of property, plant & equipment and intangible under development	25.15	—
Total Depreciation, amortisation and impairment expense	2,222.63	1,860.40

29. Other Expenses

Particulars	Rupees crores	
	2020	2019
Advertisements.....	624.15	596.63
Freight outward.....	686.96	980.54
Stores consumed	110.46	150.94
Tools consumed.....	41.98	47.17
Power and Fuel.....	248.32	264.19
Repairs and Maintenance	346.74	387.29
Sales promotion expenses.....	342.12	600.88
Legal and Professional charges [refer note (a)].....	585.21	516.42
Hire and Service charges.....	864.83	741.88
Miscellaneous expenses [refer note (b), (c), (d) & (e)].....	1,533.82	1,581.29
Total Other Expenses	5,384.59	5,867.23

(a) Auditors remuneration (Net of taxes where applicable) included in Legal and Professional charges are as below:

Particulars	Rupees crores	
	2020	2019
Statutory Auditors:		
Audit Fees.....	3.58	3.20
Taxation Matters.....	—	—
Other Services.....	1.61	1.70
Reimbursement of expenses	0.08	0.14
Total	5.27	5.04
Cost Auditors:		
Audit Fees.....	0.08	0.08
Reimbursement of expenses	—	—
Total	0.08	0.08

29. Other Expenses (contd.)

- (b) Expenditure incurred on Corporate Social Responsibility(CSR) under section 135 of the Companies Act, 2013 **Rs. 126.59 crores** (2019 : Rs. 93.50 crores). This includes donation of **Rs. 20.00 crores** (2019 : Nil) to PM CARES Fund for combating, containment and relief efforts against the COVID-19 pandemic in India which the Company has made out of the CSR spending plan of the following year ending 31st March, 2021 and subject to necessary approvals, the CSR spending required in the following year will be lower to that extent.
- (c) Donations given to New Democratic Electoral Trust **Rs. 23.00 crores** (2019 : Rs. 1.02 crores).
- (d) The foreign exchange loss (net) recognised in profit or loss is **Rs. 0.12 crores** (2019 : Rs. 4.62 crores).
- (e) Short term lease expenses recognised during the year is **Rs. 75.35 crores**.

30. Exceptional Items (net)

The Company classifies items of income and expense within profit or loss from ordinary activities as exceptional items when they are of such size, nature or incidence that their disclosure is relevant to explain the performance for the period.

Exceptional Items (net) recognised in profit or loss

Rupees crores

Particulars	2020	2019
Profit on transfer / sale of certain long term investments*	1,367.05	598.29
Impairment loss on current investments	—	(160.00)
Impairment loss on certain long term investments.....	(3,381.03)	(468.02)
Total	(2,013.98)	(29.73)

* includes gain received due to sale of investment held by M&M Benefit Trust **Rs. 972.10 crores** (2019 : Nil).

The Company has long-term investments in subsidiaries, associates and joint ventures which are measured at cost less impairment or at fair value through profit or loss. The management assesses the performance of these entities including the future projections and relevant economic and market conditions in which they operate to identify if there is any indicator of impairment in the carrying value of the investments. In case indicators of impairment exist, the impairment loss is measured by estimating the recoverable amounts based on the higher of (i) 'fair value less cost of disposal' determined using market price information, where available, and (ii) 'value-in-use' estimates determined using discounted cash flow projections, where available. The fair value less costs of disposal is determined using the market approach and is categorised as Level 1 in the fair value hierarchy. The future cash flow projections are specific to the entity based on its business plan and may not be the same as those of market participants. The future cash flows consider key assumptions such as volume projections, margins, terminal growth rates, etc. with due consideration for the potential risks given the current economic environment in which the entity operates. The discount rates used are pre-tax rates based on weighted average cost of capital and reflects market's assessment of the risks specific to the asset as well as time value of money. The recoverable amount estimates are based on judgments, estimates, assumptions and market data as on reporting date and ignore subsequent changes in the economic and market conditions.

During the year ended 31st March 2020, the performance of certain subsidiaries, associates and joint ventures along with the relevant economic and market indicators including the impact of uncertainties arising from Covid-19 and the significant fall in market price of shares of the listed entities as on reporting date resulted in indicators of impairment in respect of certain entities. Accordingly, the Company determined the recoverable amounts for these investments and recorded a provision for impairment of **Rs. 3,381.03 crores** (2019 : Rs. 468.02 crores) for the year ended 31st March 2020. The fair value less cost of disposal for listed entities is based on the market price of the shares as on reporting date. The value-in-use calculation use discount rates ranging from 10.1% - 20.0% and the terminal growth rates ranging from 2.0% - 5.0%.

31. Earning Per Share (EPS)

Particulars	2020	2019
Profit for the year (Rupees crores).....	1,330.55	4,796.04
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,19,22,28,305	1,19,04,76,415
Effect of potential Dilutive Ordinary (Equity) Shares.....	45,90,921	47,60,035
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,19,68,19,226	1,19,52,36,450
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	11.16	40.29
Diluted Earnings per share (Rs.)	11.12	40.13

32. Employee Benefits

General description of defined benefit plans:

Gratuity

The Company operates 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. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Post - retirement medical

The Company provides 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 Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with 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. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Life expectancy

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

A. Details of defined benefit plans as per actuarial valuation are as below:

Rupees crores

Particulars	Funded Plan		Unfunded Plans			
	Gratuity		Post retirement medical		Post retirement housing allowance	
	2020	2019	2020	2019	2020	2019
i Amounts recognised in profit or loss						
Current service cost	65.21	59.82	3.07	2.86	3.16	2.67
Past service cost	—	—	—	—	12.52	—
Net interest expense.....	7.98	13.52	3.38	3.29	4.77	4.29
Total amount included in employee benefits expense	73.19	73.34	6.45	6.15	20.45	6.96
ii Amounts recognised in other comprehensive income						
Remeasurement (gains)/losses:						
a) Actuarial (gains)/losses arising from changes in -						
– financial assumptions.....	(18.53)	20.72	2.43	1.94	4.13	1.80
– demographic assumptions.....	(17.07)	0.12	(7.40)	0.11	—	(0.67)
– experience adjustments.....	(12.31)	(7.07)	(12.20)	(3.67)	(2.07)	3.41
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(4.86)	(3.09)	—	—	—	—
Total amount recognised in other comprehensive income	(52.77)	10.68	(17.17)	(1.62)	2.06	4.54

32. Employee Benefits (contd.)

A. Details of defined benefit plans as per actuarial valuation are as below. (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans			
	Gratuity		Post retirement medical		Post retirement housing allowance	
	2020	2019	2020	2019	2020	2019
iii Changes in the defined benefit obligation						
Opening defined benefit obligation.....	805.80	747.62	45.82	42.66	65.19	55.56
Add/(less) on account of transfer of employees.....	—	0.09	—	—	—	—
Current service cost	65.21	59.82	3.07	2.86	3.16	2.67
Past service cost	—	—	—	—	12.52	—
Interest expense.....	55.41	53.81	3.38	3.29	4.77	4.29
Remeasurements (gains)/ losses arising from changes in -						
– financial assumptions	(18.53)	20.72	2.43	1.94	4.13	1.80
– demographic assumptions	(17.07)	0.12	(7.40)	0.11	—	(0.67)
– experience adjustments.....	(12.31)	(7.07)	(12.20)	(3.67)	(2.07)	3.41
Benefits paid	(87.51)	(69.31)	(0.98)	(1.37)	(4.20)	(1.87)
Closing defined benefit obligation.....	791.00	805.80	34.12	45.82	83.50	65.19
iv Changes in fair value of plan assets during the year						
Opening fair value of plan assets	659.45	555.36	—	—	—	—
Interest income	47.43	40.29	—	—	—	—
Return on plan assets excluding interest income....	4.86	3.09	—	—	—	—
Contribution by employer.....	143.68	130.02	0.98	1.37	4.20	1.87
Benefits paid	(87.51)	(69.31)	(0.98)	(1.37)	(4.20)	(1.87)
Closing fair value of plan assets.....	767.91	659.45	—	—	—	—
v Net defined benefit obligation						
Defined benefit obligation	791.00	805.80	34.12	45.82	83.50	65.19
Fair value of plan assets.....	767.91	659.45	—	—	—	—
Surplus/(Deficit).....	(23.09)	(146.35)	(34.12)	(45.82)	(83.50)	(65.19)
Current portion of the above.....	—	—	(1.35)	(1.60)	(5.70)	(3.18)
Non current portion of the above	(23.09)	(146.35)	(32.77)	(44.22)	(77.80)	(62.01)

Particulars	2020	2019
Actuarial Assumptions and Sensitivity		
vi Actuarial assumptions		
Discount rate.....	6.85%	7.50%
Attrition rate.....	10.00%	7.00%
Costs inflation	7 - 9%	7-10%
vii Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
One percentage point increase in discount rate	(60.44)	(66.73)
One percentage point decrease in discount rate	69.27	77.30
One percentage point increase in Salary growth rate.....	56.51	63.84
One percentage point decrease in Salary growth rate.....	(50.52)	(56.59)

32. Employee Benefits (contd.)

A. Details of defined benefit plans as per actuarial valuation are as below. (contd.)

Particulars	2020	2019
One percentage point increase in attrition rate	(6.01)	(9.05)
One percentage point decrease attrition rate.....	6.76	10.15
One percentage point increase in medical inflation rate.....	4.32	6.31
One percentage point decrease in medical inflation rate.....	(3.66)	(5.30)
viii Maturity profile of defined benefit obligation		
Within 1 year	140.97	138.78
Between 2 and 5 years.....	360.29	332.22
Between 6 and 9 years.....	339.69	340.48
10 years and above.....	857.77	1,186.09

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.

B. Trust-managed Provident fund:

Particulars	Rupees crores	
	2020	2019
i Net defined benefit obligation		
Defined benefit obligation	2,582.80	2,397.48
Fair value of plan assets.....	2,503.74	2,397.48
Surplus/(Deficit).....	(79.06)	—
ii Actuarial assumptions		
Discount rate.....	6.85%	7.50%
Average remaining tenure of investment portfolio (years).....	5.39	5.70
Guaranteed rate of return.....	8.50%	8.65%

Additionally, the Company has recognised an obligation of **Rs. 79.06 crores** (2019: Nil) to fund the shortfall on account of interest rate guarantee through OCI.

The plan assets have been primarily invested in government securities and corporate bonds.

The Company's contribution to Provident Fund and Superannuation fund aggregating **Rs. 147.43 crores** (2019: Rs. 141.83 crores) has been recognised in Profit or Loss under the head Employee Benefits Expense.

33. Employee 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 ("ESOP 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 recommendations of the Compensation Committee.

Options granted under Mahindra & Mahindra Limited Employees Stock Option Scheme - 2000 ("2000 Scheme") vest in 4 equal instalments 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 or
- iii) 3 instalments bifurcated as 33.33% on the expiry of 12 months, 33.33% on the expiry of 24 months and 33.34% on the expiry of 36 months.

33. Employee Stock Option Plan (contd.)

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

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2019.....	63,51,833	4.18
Options granted during the year	20,54,575	5.00
Options forfeited/lapsed during the year.....	3,19,189	6.19
Options exercised during the year	14,52,547	3.62
Options outstanding on 31 st March, 2020	66,34,672	4.46
Options vested but not exercised on 31 st March, 2020	24,39,947	4.20

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

Date of exercise	Weighted average share price (Rs.)
24 th April 2019 to 13 th March, 2020	543.59

Information in respect of options outstanding as at 31st March, 2020

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50	27,36,792	4.48 years
Rs. 5.00	38,87,880	6.43 years
Rs. 331.00	10,000	0.98 years

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

Grant Date	No. of Years vesting	Fair value per option
7 th November, 2019.....	5 years	Rs. 531.26
7 th November, 2019.....	3 years	Rs. 538.85

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	
	7 th November, 2019 (5 years vesting)	7 th November, 2019 (3 years vesting)
Risk free interest rate.....	6.29%	6.11%
Expected life.....	5.51 years	4.51 years
Expected volatility.....	26.27%	26.00%
Expected dividend yield	1.47%	1.47%
Exercise Price (Rs.)	5.00	5.00
Stock Price (Rs.)	579.80	579.80

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. 114.50 crores** (2019: Rs. 89.20 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited. The amount excludes **Rs. 6.70 crores** (2019: Rs. 5.31 crores) charged to subsidiaries, associates or joint ventures for options issued to their employees.

34. Capital Management

The Company'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 Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. The same is funded through a combination of capital sources be it either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

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

Net Debt and Equity is given in the table below:

Particulars	Rupees crores	
	2020	2019
Total Shareholders' Equity as reported in Balance Sheet	34,467.84	34,209.23
Net Debt		
Short term debt.....	900.00	448.54
Long term debt (including current portion of long term debt).....	2,167.95	2,122.80
<i>Gross Debt</i>	3,067.95	2,571.34
Less:		
Current investments.....	2,189.65	2,983.96
Cash and Bank Balances	4,288.29	3,731.66
<i>Net Debt</i>	(3,409.99)	(4,144.28)
Total Capital deployed	31,057.85	30,064.95

35. Financial instruments

Financial Risk Management Framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company'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 Company's risk management policy which has been approved by its Board of Directors.

1. Market Risk Management

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company'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 Company's exposure to currency risk relates primarily to the Company's operating activities including anticipated sales, purchases and borrowings where the transactions are denominated in a currency other than the Company's functional currency.

The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company 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 Company's foreign currency exposure at the end of the reporting period are as follows:

	Rupees crores				
	US Dollar	Euro	Australian Dollar	Others	Total
As at 31st March, 2020					
Financial assets.....	578.40	133.99	22.31	172.96	907.66
Financial liabilities.....	258.27	451.51	2.57	56.86	769.21
As at 31st March, 2019					
Financial assets.....	753.36	44.84	30.27	56.84	885.31
Financial liabilities.....	250.51	446.72	3.10	119.83	820.16

35. Financial instruments (contd.)
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	2020		2019	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Buy currency</i>				
— EUR.....	414.10	(53.98)	388.30	(47.83)
<i>Sell currency</i>				
— USD.....	594.38	(17.50)	331.86	11.06
— ZAR.....	87.41	15.16	233.63	23.75
Total		(56.32)		(13.02)

There are no significant transactions of hedges which are ineffective.

The Company also has outstanding forward exchange contracts that are not accounted as hedges.

Notional value of the same is as given below:-

Rupees crores

Particulars	2020	2019
<i>Buy currency</i>		
— USD	—	26.57
— EUR	—	69.91
— Others.....	—	193.79
<i>Sell currency</i>		
— USD	7.56	—

(b) Interest Rate Risk

The Company 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.

Hedge Accounting: Interest Rate Swaps

Interest Rate Swaps entered into by the Company 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	2020		2019	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Floating to fixed Interest Rate Swaps</i>	414.10	(1.19)	388.30	(0.43)
Total		(1.19)		(0.43)

There are no significant transactions of hedges which are ineffective.

35. Financial instruments (contd.)

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

Rupees crores

Particulars		2020			2019		
		Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance as at the beginning of the year.....	Gross	25.37	(0.43)	24.94	(10.48)	3.58	(6.90)
	Deferred tax	(8.87)	0.14	(8.73)	3.66	(1.26)	2.40
Balance as at the beginning of the year (net).....		16.50	(0.29)	16.21	(6.82)	2.32	(4.50)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transactions		(37.80)	—	(37.80)	29.28	—	29.28
Change in Fair Value of Effective Portion of cash flow hedges		3.28	(0.76)	2.52	6.57	(4.01)	2.56
Total		(34.52)	(0.76)	(35.28)	35.85	(4.01)	31.84
Deferred tax effect on above		8.69	0.19	8.88	(12.53)	1.40	(11.13)
Effect of change in tax rate on opening balances		2.48	(0.04)	2.44	—	—	—
Balance as at the end of the year.....	Gross	(9.15)	(1.19)	(10.34)	25.37	(0.43)	24.94
	Deferred tax	2.30	0.29	2.59	(8.87)	0.14	(8.73)
Balance as at the end of the year (net)		(6.85)	(0.90)	(7.75)	16.50	(0.29)	16.21
Of the above:							
Balance relating to continuing hedges.....		(6.85)	(0.90)	(7.75)	16.50	(0.29)	16.21
Total		(6.85)	(0.90)	(7.75)	16.50	(0.29)	16.21

(d) Sensitivity Analysis

(i) 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, 2020	USD	+10%	14.52	(43.82)
	EUR	+10%	9.66	—
Year ended 31 st March, 2019	USD	+10%	39.72	(20.81)
	EUR	+10%	5.64	—

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.

(ii) 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 Company'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, 2020	EUR	+25	—	1.32
Year ended 31 st March, 2019	EUR	+25	—	2.29

35. Financial instruments (contd.)
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 Company. The Company 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 Company's exposure are continuously monitored.

(a) Financial Guarantees

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount, the Company would have to pay, if the guarantee is called on. Financial guarantees are accounted as explained in note 2 (k). The amount recognised in Balance Sheet as liabilities are as given below:-

Particulars	2020	2019
Financial Guarantee Liabilities.....	29.77	34.42

Rupees crores
(b) Trade Receivables

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. The Company has taken dealer deposits, bank guarantees etc. which are considered as collateral and these are considered in determination of expected credit losses, where applicable.

Amounts pertaining to these collaterals are as given below:-

Particulars	2020	2019
Dealer Deposits	10.64	6.20
Bank Guarantees.....	647.23	756.14
Others (including Letter of Credit).....	51.19	99.02

Rupees crores

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

Particulars	Not due	0-6 months past due	> 6 months	Total
As at 31st March, 2020				
Gross carrying amount	40.57	2,602.81	513.90	3,157.28
Loss allowance provision.....	—	(8.44)	(149.86)	(158.30)
Net.....	40.57	2,594.37	364.04	2,998.98
As at 31st March, 2019				
Gross carrying amount	429.30	3,168.30	418.24	4,015.84
Loss allowance provision.....	—	(6.05)	(63.49)	(69.54)
Net.....	429.30	3,162.25	354.75	3,946.30

Rupees crores
Reconciliation of loss allowance for Trade Receivables

Particulars	2020	2019
Balance as at beginning of the year	(69.54)	(49.25)
Additions during the year.....	(104.48)	(27.44)
Amounts written off during the year.....	2.90	0.42
Amount of loss reversed/written back.....	12.82	6.73
Balance as at end of the year	(158.30)	(69.54)

Rupees crores

The Company's maximum exposure to credit risk in respect of Financial Guarantee contracts are disclosed in Note 35 - 3(a).

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.

35. Financial instruments (contd.)

3. Liquidity Risk Management

(a) Maturity profile of non-derivative financial liabilities

The following tables detail the Company'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 Company 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, 2020				
Short term borrowings - Principal.....	900.00	—	—	—
Short term borrowings - Interest.....	59.20	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal*.....	94.88	620.29	208.69	1,134.25
Long term borrowings (including Current maturities of long term debt) - Interest.....	86.62	168.87	167.42	1,880.37
Lease liabilities.....	42.31	72.70	10.19	6.15
Trade payables.....	6,785.83	—	—	—
Other Financial Liabilities.....	855.74	25.59	1.45	360.96
Financial Guarantees.....	667.88	—	—	—
Total	9,492.46	887.45	387.75	3,381.73
As at 31st March, 2019				
Short term borrowings - Principal.....	448.54	—	—	—
Short term borrowings - Interest.....	9.75	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal.....	91.02	581.85	217.53	1,232.40
Long term borrowings (including Current maturities of long term debt) - Interest.....	86.62	171.73	167.42	1,964.08
Trade payables.....	9,678.15	—	—	—
Other Financial Liabilities.....	834.37	21.66	0.03	330.60
Financial Guarantees.....	1,064.88	—	—	—
Total	12,213.33	775.24	384.98	3,527.08

* Excluding lease liabilities

The amounts included above for financial guarantee contracts are the maximum amounts the Company 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 Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

(b) Maturity profile of derivative financial liabilities

The following table details the Company's liquidity analysis for its derivative financial liabilities other than derivatives on Interest in Subsidiaries, Associates and Joint Ventures. When the amount payable 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.

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2020	35.72	54.44	—
As at 31 st March, 2019.....	5.14	47.88	—

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

5. Collaterals

The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, some of which are secured by hypothecation of book debts, receivables, outstanding monies and all other current assets.

35. Financial instruments (contd.)

6. Fair Value Disclosures

(a) Financial Instruments regularly measured using Fair Value - recurring items

Rupees crores

Particulars	Financial assets/ financial liabilities	Category	Fair Value		Fair value hierarchy	Valuation technique(s)	Key inputs (for level 2 and level 3)	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
			2020	2019					
1) Foreign currency forwards, Options, Interest rate swaps & Commodity derivatives	Financial Assets	Financial instruments measured at FVTPL/ FVTOCI	18.49	39.85	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) Foreign currency forwards, Options, Interest rate swaps & Commodity derivatives	Financial Liabilities	Financial instruments measured at FVTPL/ FVTOCI	90.16	53.02	Level 2	Discounted Cash Flow and Interest Rate	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.	—	—
3) Derivatives on Interest in Subsidiaries, Associates and Joint Ventures	Financial Assets	Financial instruments measured at FVTPL	116.92	293.43	Level 3	Comparable Companies Method/Discounted Cash Flow/Price of Recent Transaction/ Comparable Companies Quoted multiples	For Comparable Companies Method/Comparable Companies Quoted multiples - compares 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, statement of profit and loss along with underlying assumptions.	Interest Rates to discount future cash flow, market multiple used for comparable companies.	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 and joint ventures.
4) Derivatives on Interest in Subsidiaries, Associates and Joint Ventures	Financial Liabilities	Financial instruments measured at FVTPL	92.51	21.23	Level 3	Comparable Companies Method/Discounted Cash Flow/Price of Recent Transaction/ Comparable Companies Quoted multiples	For Comparable Companies Method/Comparable Companies Quoted multiples - compares 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, statement of profit and loss along with underlying assumptions.	Interest Rates to discount future cash flow, Financial Projections	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 and joint ventures.
5) Investment in Market Linked Debentures	Financial Assets	Financial instruments measured at FVTPL	201.57	104.32	Level 1	Quoted market price	—	—	—
6) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instruments measured at FVTPL	1,482.58	2,038.04	Level 1	Net Asset value	—	—	—
7) Investment in equity instruments -Quoted	Financial Assets	Financial instruments designated at FVTOCI	0.55	1.34	Level 1	Quoted bid price in active market	—	—	—
8) Equity investments- Unquoted	Financial Assets	Financial instruments designated at FVTOCI	30.62	0.31	Level 3	Market Multiple Approach	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise Value (EV) multiple, Revenue multiple etc.	Market multiples used by benchmarking for valuation	Higher multiple will result in increase in valuation
9) Investments in Debentures/Bonds	Financial Assets	Financial instruments measured at FVTOCI	42.07	56.22	Level 1	Quoted market price	—	—	—
10) Commercial Papers and Certificate of Deposits	Financial Assets	Financial instruments measured at FVTOCI	321.31	589.27	Level 1	Market price	—	—	—
11) Investments in Optionally Redeemable Preference Shares/ Optionally Convertible Debentures	Financial Assets	Financial instruments measured at FVTPL	37.73	—	Level 3	Discounted Cash Flow method	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	Financial projections and discount rates to discount future cash flows.	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of the equity component and/or the debt component.

35. Financial instruments (contd.)

6. Fair Value Disclosures (contd.)

(a) Financial Instruments regularly measured using Fair Value - recurring items (contd.)

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

Rupees crores

Particulars	Unquoted Equity investment	Derivatives on Interest in Subsidiaries, Associates and Joint Ventures (Net)	Investments in Optionally Convertible Preference Shares/ Optionally Convertible Debentures	Total
Year Ended 31st March, 2020				
Opening balance of fair value	0.31	272.20	—	272.51
Total incomes/gains or losses recognised:				
— in profit or loss.....	—	(156.03)	(30.27)	(186.30)
(a) unrealised gains or losses during the year related to assets & liabilities existing on balance sheet date.....	—	(156.03)	(30.27)	(186.30)
(b) gain or loss realised during the year for assets & liabilities disposed, settled etc	—	—	—	—
— in other comprehensive income.....	—	—	—	—
Fair value of -				
— purchases/contracts entered during the year	30.46	(10.07)	68.00	88.39
— disposals/contracts realised during the year	(0.15)	(81.69)	—	(81.84)
Closing balance of fair value.....	30.62	24.41	37.73	92.76
Year Ended 31st March, 2019				
Opening balance of fair value	0.31	160.87	—	161.18
Total incomes/gains or losses recognised:				
— in profit or loss.....	—	111.33	—	111.33
Closing balance of fair value.....	0.31	272.20	—	272.51

(b) Financial Instruments not measured using Fair Value i.e. measured using amortised cost

Rupees crores

Particulars	Carrying Value	Fair value (Level 2)
As at 31st March, 2020		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares: Mahindra Vehicle Manufacturers Limited	600.00	540.82
Non Current Borrowings		
— Debentures.....	973.96	1,018.50
— Other loans	575.79	463.41
As at 31st March, 2019		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares: Mahindra Vehicle Manufacturers Limited	600.00	570.71
Non Current Borrowings		
— Debentures.....	973.84	938.95
— Other loans	670.66	501.17

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.

36. Related Party Disclosures:

- (a) Related parties where control exists:
Subsidiaries:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1	2 x 2 Logistics Private Limited	46	Kiinteistö Oy Kuusamon Pulkajärvi 1
2	Anthurium Developers Limited	47	Kiinteistö Oy Kylpyläntorni 1
3	Arabian Dreams Hotel Apartments LLC	48	Kiinteistö Oy Mällönsniemi
4	Are Villa 3 AB	49	Kiinteistö Oy Rauhan Liikekiinteistöt 1
5	Astra Solren Private Limited	50	Kiinteistö Oy Rauhan Ranta 1
6	Auto Digitech Private Limited	51	Kiinteistö Oy Rauhan Ranta 2
7	Automobili Pininfarina Americas Inc	52	Kiinteistö Oy Spa Lofts 2
8	Automobili Pininfarina GmbH	53	Kiinteistö Oy Spa Lofts 3
9	Bristlecone (Malaysia) Sdn. Bhd.	54	Kiinteistö Oy Tenetinlahti
10	Bristlecone (Singapore) Pte. Limited	55	Kiinteistö Oy Tiurunniemi
11	Bristlecone Consulting Limited	56	Kiinteistö Oy Vanha Ykköstii
12	Bristlecone GmbH	57	Knowledge Township Limited
13	Bristlecone Inc.	58	Kota Farm Services Limited
14	Bristlecone India Limited	59	Lords Freight (India) Private Limited
15	Bristlecone International AG	60	M&M Benefit Trust
16	Bristlecone Limited	61	Mahindra & Mahindra Contech Limited
17	Bristlecone Middle East DMCC	62	Mahindra & Mahindra ESOP Trust
18	Bristlecone UK Limited	63	Mahindra & Mahindra Financial Services Limited ESOP Trust
19	Cleansolar Renewable Energy Private Limited (upto 26 th March 2020)	64	Mahindra & Mahindra Financial Services Limited
20	Covington S.a.r.l.	65	Mahindra Agri Solutions Limited
21	Daiya Computer Services Co., Ltd.	66	Mahindra Airways Limited
22	Deep Mangal Developers Private Limited	67	Mahindra and Mahindra South Africa (Proprietary) Limited
23	Divine Solren Private Limited	68	Mahindra Armored Vehicles Jordan, LLC.
24	Erkunt Sanayi A.S.	69	Mahindra Asset Management Company Private Limited
25	Erkunt Traktor Sanayii A.S.	70	Mahindra Auto Steel Private Limited
26	Gables Promoters Private Limited	71	Mahindra Automobile Distributor Private Limited
27	Graphic Research Design s.r.l. (formerly known as Mahindra Graphic Research Design s.r.l.)	72	Mahindra Automotive Australia Pty. Limited
28	Gromax Agri Equipment Limited	73	Mahindra Automotive Mauritius Limited
29	HCR Management Oy	74	Mahindra Automotive North America Inc.
30	Heritage Bird (M) Sdn. Bhd.	75	Mahindra Bangladesh Private Limited (w.e.f. 12 th September 2019)
31	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	76	Mahindra Bloomdale Developers Limited
32	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	77	Mahindra Construction Company Limited
33	Holiday Club Canarias Investments S.L.U.	78	Mahindra Consulting Engineers Limited
34	Holiday Club Canarias Resort Management S.L.U.	79	Mahindra Defence Systems Limited
35	Holiday Club Canarias Sales & Marketing S.L.U.	80	Mahindra do Brasil Industrial Ltda.
36	Holiday Club Canarias Vacation Club SLU (formerly known as Passeport Sante SLU)	81	Mahindra 'Electoral Trust' Company
37	Holiday Club Resorts Oy	82	Mahindra Electric Mobility Limited
38	Holiday Club Resorts Rus LLC	83	Mahindra Electrical Steel Private Limited
39	Holiday Club Sport and Spahotels AB	84	Mahindra eMarket Limited
40	Holiday Club Sweden Ab	85	Mahindra Emirates Vehicle Armouring FZ-LLC
41	Immobiliare Somaschini SPA	86	Mahindra Engineering and Chemical Products Limited
42	Industrial Township (Maharashtra) Limited	87	Mahindra EPC Irrigation Limited
43	Infinity Hospitality Group Company Limited	88	Mahindra Europe s.r.l.
44	Kiinteistö Oy Himos Gardens	89	Mahindra Finance CSR Foundation
45	Kiinteistö Oy Katinnurkka	90	Mahindra First Choice Services Limited
		91	Mahindra First Choice Wheels Limited
		92	Mahindra First Choice Wheels Limited ESOP Trust

36. Related Party Disclosures (contd.):

(a) Related parties where control exists: (contd.)

Subsidiaries: (contd.)

Sr. No.	Name of the entity	Sr. No.	Name of the entity
93	Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.	141	Meru Travel Solutions Private Limited (w.e.f. 5 th December, 2019)
94	Mahindra Greenyard Private Limited	142	MH Boutique Hospitality Limited
95	Mahindra Heavy Engines Limited	143	MHR Holdings (Mauritius) Limited
96	Mahindra Holdings Limited	144	Mitsubishi Mahindra Agricultural Machinery Co., Ltd.
97	Mahindra Holidays & Resorts India Limited	145	Mitsubishi Noki Hanbai Co., Ltd.
98	Mahindra Holidays & Resorts India Limited ESOP Trust	146	Moonshine Construction Private Limited
99	Mahindra Hotels and Residences India Limited	147	MRHFL Employee Welfare trust (ESOP)
100	Mahindra HZPC Private Limited	148	MSPE URJA S.R.L.
101	Mahindra Infrastructure Developers Limited	149	Mumbai Mantra Media Limited
102	Mahindra Insurance Brokers Limited	150	NBS International Limited
103	Mahindra Integrated Business Solutions Private Limited	151	Neo Solren Private Limited
104	Mahindra Integrated Township Limited	152	New Democratic Electoral Trust
105	Mahindra Intertrade Limited	153	Objectwise Consulting Group Inc. (w.e.f. 4 th October, 2019)
106	Mahindra Knowledge Park Mohali Limited	154	OFD Holding B.V.
107	Mahindra Lifespace Developers Limited	155	Officemartindia.com Limited
108	Mahindra Logistics Limited	156	Origin Direct Asia (Shanghai) Trading Co. Ltd.
109	Mahindra Marine Private Limited	157	Origin Direct Asia Ltd.
110	Mahindra Mexico S. de. R. L.	158	Origin Fruit Direct B.V.
111	Mahindra MiddleEast Electrical Steel Service Centre (FZC)	159	Origin Fruit Services South America SpA
112	Mahindra MSTC Recycling Private Limited	160	Ownership Services Sweden Ab
113	Mahindra Namaste Limited	161	Peugeot Motorcycles Deutschland GmbH
114	Mahindra North American Technical Center, Inc.	162	Peugeot Motorcycles Italia S.p.A.
115	Mahindra Overseas Investment Company (Mauritius) Limited	163	Peugeot Motorcycles S.A.S.
116	Mahindra Racing UK Limited	164	PMTC Engineering SpA
117	Mahindra Renewables Private Limited	165	PT Mahindra Accelo Steel Indonesia
118	Mahindra Residential Developers Limited	166	Rathna Bhoomi Enterprises Private Limited
119	Mahindra Retail Limited	167	Retail Initiative Holdings Limited
120	Mahindra Rural Housing Finance Limited	168	Ryono Asset Management Co., Ltd.
121	Mahindra Steel Service Centre Limited	169	Ryono Engineering Co., Ltd.
122	Mahindra Susten Bangladesh Private Limited	170	Ryono Factory Co., Ltd.
123	Mahindra Susten Private Limited	171	Somaschini Automotive S.r.l
124	Mahindra Telecom Energy Management Services Limited	172	Somaschini International, Inc
125	Mahindra Teqo Private Limited (formerly known as MachinePulse Tech Private Limited w.e.f. 9 th April, 2019)	173	Somaschini North America, LLC
126	Mahindra Tractor Assembly Inc.	174	Somaschini Realty, LLC
127	Mahindra Trucks and Buses Limited	175	Somaschini SpA
128	Mahindra Trustee Company Private Limited	176	SsangYong Australia Pty Limited
129	Mahindra Two Wheelers Europe Holdings S.a.r.l.	177	SsangYong European Parts Center B.V.
130	Mahindra Two Wheelers Limited	178	SsangYong Motor (Shanghai) Company Limited
131	Mahindra USA Inc.	179	SsangYong Motor Company
132	Mahindra Vehicle Manufacturers Limited	180	Sunrise Initiatives Trust
133	Mahindra Vehicle Sales and Service Inc.	181	Suomen Vapaa-aikakiinteistöt Oy LKV
134	Mahindra Water Utilities Limited	182	Supermarket Capri Oy
135	Mahindra West Africa Limited	183	Trringo.com Limited
136	Mahindra World City (Maharashtra) Limited	184	V-Link Automotive Services Private Limited (w.e.f. 5 th December, 2019)
137	Mahindra Waste To Energy Solutions Limited	185	V-Link Fleet Solutions Private Limited (w.e.f. 5 th December, 2019)
138	Marvel Solren Private Limited (Subsidiary upto 13 th August, 2019)	186	MSPL International DMCC (w.e.f. 8 th October, 2019)
139	Mega Suryaurja Private Limited	187	Fifth Gear Venture Limited (w.e.f. 27 th January, 2020)
140	Meru Mobility Tech Private Limited (w.e.f. 5 th December, 2019)		

36. Related Party Disclosures (contd.):

(b) Other parties with whom transactions have taken place during the year:

(i) Associates:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Swaraj Engines Limited	2.	Tech Mahindra Limited
	<i>Subsidiaries of Associate</i>		
1.	Mahindra CIE Automotive Limited	5.	Satyam Venture Engineering Services Private Limited
2.	PF Holdings B.V.	6.	Tech Mahindra Foundation
3.	Pininfarina Engineering S.R.L	7.	Tech Mahindra (Shanghai) Co. Limited
4.	Pininfarina S.p.A.		

(ii) Joint Ventures:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Classic Legends Private Limited	6.	Mahindra Ideal Lanka (Private) Limited
2.	Mahindra Aerospace Private Limited	7.	Sampo Rosenlew Oy
3.	Mahindra Sanyo Special Steel Private Limited	8.	M.I.T.R.A. Agro Equipments Private Limited
4.	Mahindra World City (Jaipur) Limited	9.	Smartshift Logistics Solutions Private Limited
5.	Mahindra World City Developers Limited		
	<i>Subsidiaries of Joint Venture</i>		
1.	Gippsaero Pty. Limited	3.	Zoomcar India Private Limited
2.	Mahindra Aerostructures Private Limited	4.	Mahindra Industrial Park Chennai Limited
	<i>Joint Venture of Subsidiary</i>		
1.	Mahindra Tsubaki Conveyor Systems Private Limited		

(iii) Key Management Personnel (KMP):

Sr. No.	Name of KMP	Designation
1.	Mr. Anand G. Mahindra	Executive Chairman
2.	Dr. Pawan Goenka	Managing Director
3.	Mr. Nadir B. Godrej	Independent Director
4.	Mr. R. K. Kulkarni (upto 8 th August, 2019)	Independent Director
5.	Mr. M. M. Murugappan	Independent Director
6.	Dr. Vishakha N. Desai	Independent Director
7.	Mr. Vikram Singh Mehta	Independent Director
8.	Mr. Anupam Puri (upto 8 th August, 2019)	Independent Director
9.	Mr. T. N. Manoharan	Independent Director
10.	Mr. Vijay Kumar Sharma	Nominee Director
11.	Mr. Haigreave Khaitan (w.e.f. 8 th August, 2019)	Independent Director
12.	Mrs. Shikha Sharma (w.e.f. 8 th August, 2019)	Independent Director

(iv) Close member of KMP and entities controlled/jointly controlled by KMP:

Sr. No.	Close member of KMP	Sr. No.	Close member of KMP
1.	Mrs. Anuradha Mahindra	6.	Dr. T. N. Gajendran
2.	Mrs. Radhika Nath	7.	Mr. M.M. Venkatachalam
3.	Mrs. Mamta Goenka	8.	Mrs. Swati Desai
4.	Mr. Suresh Ram Kishore Goenka	9.	Mrs. Aruna Bajaj
5.	Mrs. Shakuntala Kulkarni		
Sr. No.	Entities controlled/jointly controlled by KMP		
1.	The Indian & Eastern Engineer Company Private Limited		

(v) Entity belonging to Promoter/Promoter Group holding 10% or more in the Company:

Sr. No.	Name of the entity
1.	Prudential Management & Services Private Limited

(vi) Welfare Funds:

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

36. Related Party Disclosures (contd.):

(c) The related party transactions are as under:

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
1.	Purchases:	Goods.....	2020	10,775.95	1,944.13	14.00	—	—	—
			2019	15,744.83	2,416.83	16.43	—	—	—
	Services.....	2020	1,998.24	210.91	6.96	—	—	—	
		2019	2,347.82	211.63	3.10	—	—	—	
	Property, Plant and Equipment.....	2020	47.72	7.83	0.05	—	—	—	
		2019	126.73	6.09	0.15	—	—	—	
	Intangible Assets.....	2020	472.39	28.72	—	—	—	—	
		2019	491.02	—	—	—	—	—	
2.	Sales:	Goods.....	2020	2,473.51	9.02	366.77	—	—	—
			2019	2,924.52	29.85	3.76	—	—	—
	Property, Plant and Equipment.....	2020	1.21	0.05	—	—	—	—	
		2019	23.14	—	0.08	—	—	—	
	Services.....	2020	44.61	2.89	16.20	—	—	—	
		2019	36.70	0.63	8.39	—	—	—	
3.	Investments:	Purchased/Subscribed/ Conversion/Bonus.....	2020	2,306.75	—	221.69	—	—	—
			2019	2,705.10	—	198.72	—	—	—
	Sold/Redeemed.....	2020	1,242.45	—	—	—	—	—	
		2019	628.38	—	—	—	—	—	
	Proceeds from buyback of shares.....	2020	—	446.50	—	—	—	—	
		2019	—	—	—	—	—	—	
4.	Deputation of Personnel:	From Parties.....	2020	7.55	0.04	—	—	—	—
			2019	6.76	—	—	—	—	—
	To Parties.....	2020	21.13	5.27	2.63	—	—	—	
		2019	30.24	4.81	2.21	—	—	—	
5.	Managerial Remuneration	2020	—	—	—	18.75	—	—	
		2019	—	—	—	18.35	—	—	
6.	Stock Options	2020	—	—	—	—	—	—	
		2019	—	—	—	2.51	—	—	

36. Related Party Disclosures (contd.):

(c) The related party transactions are as under: (contd.)

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds	
7.	Commission and other benefits to Non-executive/independent directors (including nominee directors)*	2020	—	—	—	3.52	—	—	—	
		2019	—	—	—	3.29	—	—	—	
8.	Finance: Inter Corporate Deposits given	2020	351.11	—	2.95	—	—	—	—	
		2019	875.00	—	50.00	—	—	—	—	
	Inter Corporate Deposits refunded by parties	2020	550.61	—	—	—	—	—	—	
		2019	959.50	—	50.00	—	—	—	—	
	Interest Income	2020	76.02	—	0.30	0.49	—	—	—	
		2019	89.29	—	0.19	0.49	—	—	—	
	Dividend received	2020	382.26	624.80	—	—	—	—	—	
		2019	510.05	378.94	—	—	—	—	—	
	Security Deposits Received/ Refunded	2020	—	—	—	—	—	—	—	
		2019	0.03	—	—	—	—	—	—	
	Share Application Money Given	2020	8.26	—	15.60	—	—	—	—	
		2019	—	—	—	—	—	—	—	
	9.	Dividends Distributed	2020	115.30	—	—	2.59	0.69	120.29	1.09
			2019	117.47	—	—	2.25	0.60	106.14	3.05
10.	Guarantees Given.....	2020	965.13	—	41.41	—	—	—	—	
		2019	521.49	—	—	—	—	—	—	
11.	Other Transactions: Other Income	2020	124.79	13.70	2.03	—	0.42	—	—	
		2019	129.40	11.61	3.63	—	0.42	—	—	
	Other Expenses.....	2020	336.62	1.17	0.46	—	0.14	—	—	
		2019	115.03	3.90	—	—	0.19	—	—	
	Reimbursements received from parties.....	2020	266.12	8.27	13.38	—	0.01	—	76.96	
		2019	195.44	8.33	13.33	—	—	—	1.60	
	Reimbursements made to parties	2020	70.85	0.04	0.01	—	—	—	—	
		2019	154.22	6.67	1.55	—	—	—	—	
	Advances received from parties	2020	—	—	—	—	—	—	—	
		2019	21.43	—	—	—	—	—	—	

36. Related Party Disclosures (contd.):

(c) The related party transactions are as under: (contd.)

Rupees crores

Sl. No.	Nature of Transactions	Balance as on 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
12.	Outstandings:								
	Trade and Other Payable	2020	749.70	193.74	0.13	4.19	—	—	—
		2019	1,540.42	280.25	5.51	4.46	—	—	—
	Trade and Other Receivable ...	2020	1,122.43	11.67	36.62	10.73	2.01	—	41.88
		2019	1,025.22	7.01	10.14	10.69	1.90	—	17.00
	Inter Corporate Deposits outstanding	2020	390.63	—	2.99	—	—	—	—
		2019	583.68	—	—	—	—	—	—
13.	Guarantees given	2020	244.63	381.84	41.41	—	—	—	—
		2019	624.47	440.41	—	—	—	—	—

* includes sitting fees and commission paid/payable to Khaitan & Co., in which Mr. Haigreve Khaitan is a partner.

Details of related party transactions with Key Management Personnel are as under:

Sl. No.	Nature of Transaction	Name of KMP	For the Year Ended 31 st March	Rupees crores
1.	Salary including perquisites	Mr. Anand G. Mahindra	2020	3.96
			2019	3.69
		Dr. Pawan Goenka	2020	4.70
			2019	4.28
2.	Stock Options	Mr. Anand G. Mahindra	2020	—
			2019	—
		Dr. Pawan Goenka	2020	—
			2019	2.51
3.	Commission.....	Mr. Anand G. Mahindra	2020	4.19
			2019	4.46
		Dr. Pawan Goenka	2020	4.72
			2019	4.84
4.	Other Contribution to Funds	Mr. Anand G. Mahindra	2020	0.56
			2019	0.52
		Dr. Pawan Goenka	2020	0.62
			2019	0.56

36. Related Party Disclosures: (contd.)

(d) Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (net of provision):

Rupees crores

Sr. No.	Name	Relation	2020	2019
1.	Inter Corporate deposits and Loans			
	Mahindra Overseas Investment Company (Mauritius) Limited	Subsidiary	85.54	79.09
	Mahindra Rural Housing Finance Limited	Subsidiary	200.00	50.00
	Mahindra Agri Solutions Limited	Subsidiary	—	50.00
	Mahindra & Mahindra Financial Services Limited	Subsidiary	100.00	400.00
	Mahindra Ideal Lanka (Private) Limited	Subsidiary	2.99	—
	Mahindra Integrated Business Solutions Limited	Subsidiary	0.50	—
	Kotak Mahindra Investment Limited		150.00	—
	Kotak Mahindra Prime Limited		50.00	85.00
2.	Guarantees			
	Mahindra Racing UK Limited	Subsidiary	18.65	18.09
	Peugeot Motocycles S.A.S.	Subsidiary	225.97	606.38
	Sampo Rosenlew Oy	Joint Venture of Company	41.41	—
	PF Holding B.V.	Subsidiary of Associate	381.85	440.41

- Note:
- Inter corporate deposits given and repaid during the year amounting to **Rs. 300.61 crores** (2019: Rs. 435.00 crores) were given to Mumbai Mantra Media Limited (step down subsidiary), Mahindra Airways Limited (step down subsidiary), Mahindra First Choice Services Ltd (step down subsidiary), Mahindra EPC Irrigation Limited (subsidiary), Mahindra Electric Mobility Limited (step down subsidiary), Kotak Mahindra Prime Limited & Kotak Mahindra Investment Limited.
 - Above inter corporate deposits and loans have been given for general business purposes (including investment purposes) and guarantees have been given against their borrowing obligation which have been taken for general corporate purpose.
 - Refer note 6 for investments.

37. Segment information Operating Segments

The reportable segments of the Company are Automotive and Farm Equipment. 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 Executive Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:

- (a) **Automotive:-** This segment comprises of sale of automobiles, spares, mobility solutions, Construction Equipment and related services;
 (b) **Farm Equipment:-** This segment comprises of sale of tractors, implements, spares and related services;
 (c) **Others:-** This segment comprise of Powerol, Two Wheelers and Spares Business Unit.

The 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 financial statements. Segment profit represents the profit before interest and tax.

Information regarding the Company's reportable segments is presented below:

Particulars	2020						2019					
	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total
Revenue												
External Revenue	28,388.36	15,162.22	1,937.20	45,487.78		45,487.78	35,327.67	16,561.65	1,724.68	53,614.00		53,614.00
Inter Segment Revenue	20.27	240.23	0.53	261.03	(261.03)	—	25.25	313.00	0.43	338.68	(338.68)	—
Total Revenue	28,408.63	15,402.45	1,937.73	45,748.81	(261.03)	45,487.78	35,352.92	16,874.65	1,725.11	53,952.68	(338.68)	53,614.00
Result												
Segment Result	1,263.72	2,926.23	72.58	4,262.53		4,262.53	2,027.45	3,265.11	50.77	5,343.33		5,343.33
Less:												
Finance costs						113.23						113.39
Add:												
Unallocated corporate income net of unallocated expenses						980.71						1,124.80
Exceptional items unallocable to segments						(2,013.98)						(29.73)
Profit before tax						3,116.03						6,325.01
Income Taxes						1,785.48						1,528.97
Profit after tax						1,330.55						4,796.04
Out of total external revenue above:-												
Revenue from contracts with customers						45,294.76						53,345.10
Revenue from other sources						193.02						268.90
Total						45,487.78						53,614.00
OTHER INFORMATION												
Segment Assets	16,223.14	6,965.15	1,017.04	24,205.33	—	24,205.33	17,557.28	7,823.91	916.67	26,297.86	—	26,297.86
Unallocated Corporate Assets						26,296.73						26,399.20
Total Assets	16,223.14	6,965.15	1,017.04	24,205.33	—	50,502.06	17,557.28	7,823.91	916.67	26,297.86	—	52,697.06
Segment Liabilities	6,874.14	3,200.65	475.90	10,550.69	—	10,550.69	10,518.19	3,275.60	402.24	14,196.03	—	14,196.03
Unallocated Corporate Liabilities						5,483.53						4,291.80
Total Liabilities	6,874.14	3,200.65	475.90	10,550.69	—	16,034.22	10,518.19	3,275.60	402.24	14,196.03	—	18,487.83
Additions to non current assets	3,303.22	621.34	33.70	3,958.26	—	3,958.26	2,563.20	447.74	42.10	3,053.04	—	3,053.04
Depreciation, amortisation and impairment expense	1,807.49	322.69	30.32	2,160.50	—	2,160.50	1,508.33	291.54	22.58	1,822.45	—	1,822.45

Note:-

Additions to non-current assets comprises of capital expenditure on property, plant and equipment, capital work-in-progress, intangible assets including those under development and capital advances.

37. Segment information (contd.)

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:

Particulars	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue from External Customers comprising of:						
– Revenue from contracts with customers	42,930.58	2,557.20	45,487.78	50,237.54	3,376.46	53,614.00
– Revenue from other sources	193.02	—	193.02	263.56	5.34	268.90
Non-Current Assets	16,986.85	—	16,986.85	15,062.20	—	15,062.20

Domestic includes sales to customers located in India and service income accrued in India.

Overseas includes sales and services rendered to customers located outside India.

Information about major customers

During the years ended 31st March, 2020 and 31st March, 2019 no revenues from transactions with a single external customer amount to 10% or more of the Company's revenues from external customers.

38. Adoption of Ind AS 116 - Leases

- (a) Effective 1st April 2019, the Company has adopted Ind AS 116 - Leases using a modified retrospective approach. Accordingly, on initial application of Ind AS 116, in respect of leases previously classified as operating leases, lease liability is measured at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and the Right-of-use asset has been measured at the amount equal to lease liability, adjusted for any prepaid or accrued lease payments recognised in the balance sheet immediately before the date of initial application.
- (b) Effect of initial application of Ind AS 116 on transition date is disclosed below.
- (i) *Lease liabilities recognised on the date of initial application:*

	Rupees crores
Operating lease commitments as per Ind AS 17 as at 31 st March, 2019	217.01
Weighted average incremental borrowing rate (% p.a.) as at 1 st April, 2019.....	6.50%- 8.47%
Present value of lease commitments using incremental borrowing rate.....	192.25
<i>Adjustments</i>	
Practical expedient for leases with remaining lease term less than 12 months.....	(74.83)
Lease liabilities recognised on initial application	117.42

- (ii) *Right of use asset recognised on the date of initial application:*

	Rupees crores
Lease liability amount recognised.....	117.42
Prepaid or accrued lease amounts recognised in the balance sheet.....	115.78
Amounts recognised as net investment in sub-lease	(1.92)
Right of use asset recognised on initial application	231.28

39. Contingent Liability & Commitments:

(A) Contingent Liability:

- (a) Claims against the Company not acknowledged as debts comprise of:
- (i) Excise Duty, Sales Tax and Service Tax claims disputed by the Company relating to issues of applicability and classification aggregating **Rs. 1,993.91 crores** (2019: Rs. 2,006.90 crores) before tax.
- (ii) Other matters (excluding claims where amounts are not ascertainable): **Rs. 33.09 crores** (2019: Rs. 27.46 crores) before tax.
- (b) Taxation matters:
- (i) Demands against the Company not acknowledged as debts and not provided for, in respect of which the Company is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed.
- Income-tax: **Rs. 1,265.65 crores** (2019: Rs. 1,128.52 crores).

39. Contingent Liability & Commitments (contd.)

(ii) Items in respect of which the Company 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. 99.09 crores** (2019: Rs. 80.39 crores).

(c) 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, 2020 is **Rs. 1,783.55 crores** (2019: Rs. 1,587.42 crores) and other commitment as at 31st March, 2020 is **Rs. 58.30 crores** (2019: Rs. 5.46 crores).

40. Other information:**(A) Research and Development expenditure**

(a) In recognised Research and Development units:

(i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 687.18 crores** (2019: Rs. 812.27 crores) [excluding depreciation and amortisation of **Rs. 1,006.27 crores** (2019: Rs. 833.10 crores)].

(ii) Development expenditure incurred during the year **Rs. 1,626.52 crores** (2019: Rs. 1,299.35 crores).

(iii) Capitalisation of assets **Rs. 259.88 crores** (2019: Rs. 165.10 crores).

(b) In other units:

(i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 118.56 crores** (2019: Rs. 97.50 crores) [excluding depreciation and amortisation of **Rs. 86.05 crores** (2019: Rs. 34.53 crores)] .

(ii) Development expenditure incurred during the year **Rs. 251.19 crores** (2019: Rs. 189.56 crores).

(iii) Capitalisation of assets **Rs. 52.55 crores** (2019: Rs. 126.52 crores).

(B) The Scheme of merger by absorption of the wholly-owned subsidiary, Mahindra Vehicle Manufacturers Limited with the Company has been filed with the National Company Law Tribunal (NCLT). The Appointed Date of the Scheme would be 1st April, 2019 or such other date as may be approved. The Scheme will be given effect upon receipt of requisite approvals/ consent.

(C) Subsequent events

The Company has borrowed an amount of **Rs. 5,718.00 crores** by way of term loans, issue of non convertible debentures, commercial papers etc. subsequent to the reporting date.

41. Previous year's figures have been regrouped/reclassified wherever necessary.

Signatures to Notes 1 to 41

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreva Khaitan
Shikha Sharma
CP Gurnani

} Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

An aerial, grayscale photograph of a coastal city. In the foreground, a wide, multi-lane road with white lane markings curves along the coast. To the left of the road is a paved promenade with palm trees and other vegetation. The ocean is visible on the left side of the frame. In the background, a dense urban skyline with numerous high-rise buildings stretches across the horizon under a cloudy sky. A vertical red line is positioned on the right side of the image, extending from the top edge down to the top of the text box.

CONSOLIDATED ACCOUNTS

Independent Auditors' Report to the Members of Mahindra & Mahindra Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Mahindra & Mahindra Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, joint ventures as at 31 March 2020, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

1. Impairment assessment of tangible assets, goodwill and development expenditure capitalised and currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Group has aggregate tangible assets of Rs. 26,969 crores, which includes property, plant and equipment of Rs. 24,417 crores and Rs. 2,552 crores of capital-work-in-progress as at 31 March 2020. Further, the Group has Rs. 1,512 crores of goodwill, Rs. 3,350 of other development expenditure capitalised and Rs. 4,305 crores of intangible assets under development (collectively "the intangible assets").</p> <p>Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), could have a significant impact on the valuation of the tangible and intangible assets. The Group assesses the carrying amount of its assets to determine the indicators of impairment loss. As such, the tangible and intangible assets are tested for triggers for impairment. If triggers are identified, the recoverable amounts of the tangible and intangible assets are determined and if the amount is lower than the carrying value of the assets, impairment loss is recognised in the statement of profit and loss.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Group's impairment assessment process, including the approval of forecasts and valuation models; Obtained understanding of the identification of CGU process including businesses which benefit from Group synergies; Tested the key VIU assumptions used in estimating future cash flows such as revenue volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Involved our valuation specialists to evaluate the assumptions including the discount rates used in the VIU calculations, through reference to external market data; Evaluated the Holding Company's decision to restrict funding of its significant subsidiary in Korea which resulted in the auditor of that component issuing an adverse opinion on the entity's ability to continue as a going concern;

1. Impairment assessment of tangible assets, goodwill and development expenditure capitalised and currently under development (contd.)

The key audit matter	How the matter was addressed in our audit
<p>The recoverable amount is determined as higher of value in use (VIU) or fair value less cost to sell of the asset or the cash generating unit (CGU) to which the asset belongs.</p> <p>Refer note 2(h) – significant accounting policy for impairment of assets.</p>	<ul style="list-style-type: none"> Evaluated past performances where relevant, and assessed historical accuracy of the forecast used in VIU calculations; Evaluated the stage of development of the intangible assets, judgments used for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects; and Assessed the adequacy of disclosures in the financial statements on key judgements, assumptions and quantitative data with respect to impairment losses.

2. Taxes including provision for current tax, valuation of uncertain tax positions and recognition of deferred taxes

The key audit matter	How the matter was addressed in our audit
<p>The Group has recorded Rs. 1,976 crores of tax expense for the year ended 31 March 2020.</p> <p>The Group operates in tax jurisdictions across the world, which are subject to periodic tax challenges by local tax authorities leading to protracted litigations. As such, accounting for taxes involves judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision.</p> <p>Further, during the year, the Holding Company and certain entities in the Group elected to apply the concessional tax regime which resulted in such entities foregoing certain specified tax deductions including Minimum Alternate Tax (MAT) credit offset by reversal of deferred tax liabilities on account of change in tax rates. In addition, regulatory changes relating to the dividend distribution tax resulted in reversals of certain deferred tax liabilities.</p> <p>The Group has unused tax losses across multiple entities and jurisdictions on which it assesses recognition of deferred tax assets. This involves significant judgment, including assessment of future taxable profits.</p> <p>Refer note 2(p) – significant accounting policy for income tax.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Group's process of recognition of tax expense, including uncertain tax positions and deferred taxes; Assessed the Group's process of alignment of accounting policies across entities in the Group and tested the deferred taxes recognised on the consolidation adjustments; Inquired and assessed the completeness of uncertain tax positions in conjunction with our tax specialists by considering changes to business and tax legislation through inquiries with the Group and reading of correspondence with authorities, relevant recent judicial pronouncements and judgments in similar matters and outcome of past litigations; Inquired and challenged the Group in relation to the significant tax provisions and deferred tax adjustments by the entities in Group; Challenged the Group's judgements on the recognition and recoverability of the deferred tax assets including the deferred taxes arising on unused tax losses; and Assessed the adequacy of the disclosures in the financial statements relating to income taxes and deferred taxes.

3. Evaluation of the consolidation process

The key audit matter	How the matter was addressed in our audit
<p>The Group's consolidation process is complex on account of its presence in various geographies and multiple businesses through different ownership structures.</p> <p>The consolidation process includes evaluation of the degree of control/ significant influence, application of consistent accounting policies and elimination of intercompany balances. The resultant tax adjustments require a high level of judgement.</p> <p>Refer note 2(c) – significant accounting policy for basis of consolidation.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls of Group's consolidation process and alignment of group accounting policies, consolidation adjustments, elimination of inter-company balances and the resultant tax impact; Read the underlying agreements and minutes of Board committees to assess the Group's evaluation of degree of control/ significant influence; Tested the relevant general IT and applications controls over the consolidation process to test the inter-company elimination process; Tested significant consolidation adjustments related to manual journal entries and inspected the underlying documents; and Evaluated the Group's process of evaluating tax effect on account of consolidation related adjustments.

4. Impairment Loss Allowance in financial services business

The key audit matter	How the matter was addressed in our audit
<p>Within the financial services business, the Group recognised impairment loss allowance of Rs. 3,652 crores as at 31 March 2020 and recognised an expense for Rs. 1,722 crores in its statement of profit and loss.</p> <p>The determination of impairment loss allowance is inherently judgmental and relies on the Group's best estimate due to the following:</p> <ul style="list-style-type: none"> Increased level of data inputs for capturing the historical data for the Probability of Default ('PDs') and Loss Given Default ('LGD') and the completeness and accuracy of the data; Use of the Group overlays for considering the probability weighted scenarios, the forward looking macro-economic factors, economic environment and the timing of cash flows; Criteria selected to identify significant increase in credit risk, particularly in respect of moratorium benefit given to eligible borrowers, as per the approved policy, read with the RBI COVID-19 regulatory package; and Judgements and assumptions including the extent and duration of COVID-19, impact of governments and other authority actions, and the responses of businesses and consumers in different industries and the associated impact on the economy. <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Group. The extent to which the COVID-19 will impact the Group's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, this is considered as a key audit matter.</p> <p>Refer note 2(k) – significant accounting policy for impairment of financial assets.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Performed process walkthroughs to identify the key systems, applications and controls used in the impairment allowance processes; Assessed the design and implementation of controls of the impairment allowance process including timely recognition of impairment loss, completeness and accuracy of reports used and the related disclosures on credit risk; Obtained understanding of the impairment allowance process, systems and controls implemented, due to staging freeze as on 29 February 2020 as per the policy adopted consequent to the RBI COVID-19 regulatory package; Tested that the periods considered for capturing underlying data as base to PD and LGD workings are in line with Company's recent experience of past observed periods. Further, tested the accuracy of the key inputs and assumptions used in the PD and LGD workings for reasonableness; Challenged the Group overlays, particularly in response to COVID-19 with assistance of our financial risk modelling experts. Evaluated the completeness of the risks which have been addressed by the Group through overlays. Tested the Group's underlying documentation for the overlay quantum; and Assessed the adequacy of the disclosures in the financial statements on key judgements, assumptions and quantitative data with respect to impairment loss allowance.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows 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) specified under section 133 of the Act. The respective Management and 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 each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of each company.

■ Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 151 subsidiaries, whose financial statements reflect total assets of Rs. 37,898 crores as at 31 March 2020, total revenues of Rs. 39,648 crores and net cash outflows amounting to Rs. 1,560 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 121 crores for the year ended 31 March 2020, in respect of 21 associates and 23 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 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 sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, 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

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, 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 financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 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, joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 40 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2020.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures and to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration No. 101248W/W-100022

Jamil Khatri
 Partner
 Membership No. 102527
 UDIN: 20102527AAAABA8132

Annexure A to the Independent Auditors' report on the consolidated financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2020

■ Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Mahindra & Mahindra Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

■ Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

■ Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 relevant subsidiary companies, associate companies and joint venture companies 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 internal financial controls with reference to consolidated financial statements.

■ Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements 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 with Reference to consolidated Financial Statements

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

■ Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 65 subsidiary companies, 5 associate companies and 17 joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
 Firm's Registration No. 101248W/W-100022

Jamil Khatri
 Partner
 Membership No. 102527
 UDIN: 20102527AAAAABA8132

Mumbai, 12 June, 2020

Consolidated Balance Sheet | as at 31st March, 2020

Rupees crores

	Note No.	2020	2019
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment.....	4	24,417.18	22,227.17
Capital work-in-progress.....		2,551.75	2,454.34
Goodwill.....	5	1,512.31	2,073.60
Other intangible assets.....	6	3,759.78	4,681.97
Intangible assets under development.....		4,304.73	2,305.50
Investments accounted using equity method.....	7	11,229.40	10,790.94
Financial assets			
(i) Investments.....	7	1,685.38	1,369.94
(ii) Trade receivables.....	8	556.19	614.52
(iii) Loans.....	9	45,945.23	40,515.00
(iv) Other financial assets.....	10	1,187.72	828.97
Deferred tax assets (net).....	11	1,290.53	1,502.91
Income tax assets (net).....		1,897.98	1,797.02
Other non-current assets.....	12	2,623.05	2,823.65
		1,02,961.23	93,985.53
CURRENT ASSETS			
Inventories.....	13	11,111.86	12,200.16
Financial assets			
(i) Investments.....	7	6,295.56	6,107.22
(ii) Trade receivables.....	8	6,928.28	8,677.89
(iii) Cash and cash equivalents.....	14	4,745.03	6,139.00
(iv) Bank balances other than cash and cash equivalents.....	14	3,165.87	2,595.91
(v) Loans.....	9	27,963.68	29,234.68
(vi) Other financial assets.....	10	1,177.36	891.44
Other current assets.....	12	2,561.29	3,559.74
Assets held for sale.....		96.50	—
		64,045.43	69,406.04
TOTAL ASSETS		1,67,006.66	1,63,391.57
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital.....	15	554.28	543.96
Other equity.....		39,415.03	39,439.45
Equity attributable to owners of the Company.....		39,969.31	39,983.41
Non-controlling interests.....		7,691.74	8,360.57
		47,661.05	48,343.98
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	17	52,298.05	43,526.17
(ii) Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises.....	18	10.25	7.93
(iii) Other financial liabilities.....	19	1,781.40	1,455.32
Provisions.....	20	4,384.13	4,234.64
Deferred tax liabilities (net).....	11	1,511.89	2,171.31
Other non-current liabilities.....	21	5,350.37	5,042.89
		65,336.09	56,438.26
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	17	10,217.53	10,541.01
(ii) Trade payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises.....		147.45	166.98
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.....		14,837.90	20,825.19
(iii) Other financial liabilities.....	19	23,852.06	21,178.94
Other current liabilities.....	21	2,902.05	4,141.09
Provisions.....	20	1,751.54	1,482.45
Current tax liabilities (net).....		300.99	273.67
		54,009.52	58,609.33
TOTAL EQUITY AND LIABILITIES		1,67,006.66	1,63,391.57

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

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary
Mumbai, 12th June, 2020

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2020

Rupees crores

	Note No.	2020	2019
INCOME			
Revenue from operations	22	95,179.09	1,04,720.68
Other income	23	1,062.59	1,085.61
Total Income		96,241.68	1,05,806.29
EXPENSES			
Cost of materials consumed.....	24	45,166.73	55,919.29
Purchases of stock-in-trade		6,566.05	5,961.90
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	831.54	(1,730.48)
Employee benefits expense	26	11,211.90	11,242.08
Finance costs.....	27	6,064.65	5,021.35
Depreciation, amortisation and impairment expense	4,6	4,976.29	3,990.77
Other expenses.....	28	19,156.18	18,477.93
		93,973.34	98,882.84
Less: Amounts capitalised		317.58	356.55
Total Expenses		93,655.76	98,526.29
Profit Before Exceptional Items and Tax		2,585.92	7,280.00
Exceptional items (net).....	29	(1,973.89)	224.32
Share of profit of associates and joint ventures, (net)		1,042.58	1,366.52
Profit Before Tax		1,654.61	8,870.84
Tax Expense	11		
Current tax.....		2,314.16	2,350.46
Deferred tax.....		(338.55)	503.53
Profit/(Loss) for the year		(321.00)	6,016.85
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans.....		(44.52)	(176.14)
(b) Equity instruments through other comprehensive income.....		(165.50)	(8.71)
(c) Share of other comprehensive loss of equity accounted investees.....		(12.97)	(3.79)
(ii) Income tax relating to items that will not be reclassified to profit or loss.....		7.03	11.90
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(69.10)	(147.13)
(b) Debt instruments through other comprehensive income		8.35	9.76
(c) Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge.....		(54.42)	26.73
(d) Share of other comprehensive income of equity accounted investees		8.15	13.07
(ii) Income tax relating to items that will be reclassified to profit or loss.....		49.72	(35.42)
Total Other Comprehensive Loss		(273.26)	(309.73)
Total Comprehensive Income/(Loss) for the year		(594.26)	5,707.12
Profit/(Loss) for the year attributable to:			
Owners of the company.....		127.04	5,315.46
Non-controlling interests.....		(448.04)	701.39
		(321.00)	6,016.85
Other Comprehensive loss for the year attributable to:			
Owners of the company.....		(298.16)	(273.98)
Non-controlling interests.....		24.90	(35.75)
		(273.26)	(309.73)
Total Comprehensive Income/(Loss) for the year attributable to:			
Owners of the company.....		(171.12)	5,041.48
Non-controlling interests.....		(423.14)	665.64
		(594.26)	5,707.12
Earnings per equity share	30		
(Face value Rs. 5/- per share) (Rupees)			
Basic		1.15	48.91
Diluted		1.04	48.70

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

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
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Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2020

(A) Equity Share Capital

	Rupees crores	
	2020	2019
Issued, subscribed and paid up :		
Balance as at the beginning of the year	543.96	543.13
Add: Allotment of shares by M&M ESOP Trust to Employees.....	0.72	0.83
Add: Sale of shares by M&M benefit trust.....	9.60	—
Balance as at the end of the year.....	554.28	543.96

(B) Other Equity

	Attributable to owners of the company										Rupees crores	
	Capital reserve on consolidation	Securities premium	Shares options outstanding account	Reserves and surplus	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of Cash Flow Hedges	Foreign currency translation reserve	Total other equity	Non-controlling interests
As at 1st April, 2018	1,518.13	2,186.86	229.33	4,227.66	27,823.62	(0.79)	(20.79)	(86.15)	354.19	36,232.06	8,250.47	44,482.53
Profit/(Loss) for the year	—	—	—	—	5,315.46	—	—	—	—	5,315.46	701.39	6,016.85
Other comprehensive income/(loss).....	—	—	—	—	(122.10)	3.86	(9.94)	49.55	(195.35)	(273.98)	(35.75)	(309.73)
Total comprehensive income for the year	—	—	—	—	5,193.36	3.86	(9.94)	49.55	(195.35)	5,041.48	665.64	5,707.12
Dividend paid on equity shares (including dividend tax)	—	—	—	—	(937.46)	—	—	—	—	(937.46)	(196.06)	(1,133.52)
Transfers to Retained Earnings....	—	—	—	(81.48)	81.48	—	—	—	—	—	—	—
Transfers from retained earnings ..	—	—	—	389.49	(389.49)	—	—	—	—	—	—	—
Exercise of employee stock options	—	89.79	(89.79)	—	—	—	—	—	—	—	—	—
Allotment of shares by M&M ESOP trust to employees.....	—	23.83	—	—	—	—	—	—	—	23.83	—	23.83
Allotment of bonus shares by M&M ESOP trust to employees ..	—	(0.41)	—	(0.04)	—	—	—	—	—	(0.45)	—	(0.45)
On account of employee stock options lapsed.....	—	—	(0.13)	0.13	—	—	—	—	—	—	—	—
Share-based payment to employees.....	—	—	94.51	—	—	—	—	—	—	94.51	64.72	159.23
Transactions with non-controlling interest and changes in group's interest.....	—	—	—	—	(89.25)	—	—	—	—	(89.25)	67.94	(21.31)
Cumulative impact of adoption of Ind AS 115	—	—	—	—	(925.27)	—	—	—	—	(925.27)	(492.14)	(1,417.41)
As at 31st March, 2019	1,518.13	2,500.07	233.92	4,535.76	30,756.99	3.07	(30.73)	(36.60)	158.84	39,439.45	8,360.57	47,800.02

Rupees crores

	Attributable to owners of the company										Non-controlling interests	Total
	Reserves and surplus				Items of other comprehensive income				Total other equity			
	Capital reserve on consolidation	Securities premium	Shares options outstanding account	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of Cash Flow Hedges	Foreign currency translation reserve			
As at 1 st April, 2019	1,518.13	2,300.07	233.92	4,535.76	30,756.99	3.07	(30.73)	(36.60)	158.84	39,439.45	8,360.57	47,800.02
Profit/(Loss) for the year	—	—	—	—	127.04	—	—	—	—	127.04	(448.04)	(321.00)
Other Comprehensive Income/(Loss)	—	—	—	—	(42.11)	3.92	(164.98)	(124.98)	29.99	(298.16)	24.90	(273.26)
Total Comprehensive Income for the year	—	—	—	—	84.93	3.92	(164.98)	(124.98)	29.99	(171.12)	(423.14)	(594.26)
Dividend paid on equity shares (including dividend tax)	—	—	—	—	(1,135.09)	—	—	—	—	(1,135.09)	(262.93)	(1,398.02)
Transfers from Retained earnings ...	—	—	—	125.67	(125.67)	—	—	—	—	—	—	—
Transfers to Retained earnings....	—	—	—	(187.07)	187.07	—	—	—	—	—	—	—
On business combinations during the year.....	—	—	—	—	—	—	—	—	—	—	6.98	6.98
Exercise of employee stock options	—	87.87	(87.87)	—	—	—	—	—	—	—	—	—
Allotment of bonus shares by M&M ESOP trust to employees ...	—	(0.36)	—	—	—	—	—	—	—	(0.36)	—	(0.36)
Allotment of shares by M&M ESOP trust to employees.....	—	25.93	—	—	—	—	—	—	—	25.93	—	25.93
On account of employee stock options lapsed.....	—	—	(2.29)	2.29	—	—	—	—	—	—	—	—
Share-based payment to employees.....	—	—	121.20	—	—	—	—	—	—	121.20	41.83	163.03
Sale of shares by M&M Benefit Trust	—	(4.80)	—	—	1,237.71	—	—	—	—	1,232.91	—	1,232.91
Transactions with non-controlling interest and changes in group's interest.....	—	—	—	—	(6.41)	—	—	—	—	(6.41)	14.49	8.08
Cumulative impact of adoption of Ind AS 116	—	—	—	—	(91.48)	—	—	—	—	(91.48)	(46.06)	(137.54)
As at 31 st March, 2020.....	1,518.13	2,408.71	264.96	4,476.65	30,908.05	6.99	(195.71)	(161.58)	188.83	39,415.03	7,691.74	47,106.77

Remeasurement loss (net) on defined benefit plans, net of deferred tax, aggregating to Rs. 42.11 crores (2019 : Rs. 122.10 crores) has been recognised during the year as part of retained earnings.

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2020 (contd.)

(C) Other reserves

Particulars	Rupees crores					
	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	General Reserve	Statutory reserve	Total
As at 1 st April, 2018.....	73.69	23.52	236.65	3,058.51	835.29	4,227.66
Transfer from retained earnings.....	—	—	115.04	80.08	194.37	389.49
Transfer to retained earnings.....	—	—	(80.62)	—	(0.86)	(81.48)
Allotment of shares by M&M ESOP trust to employees.....	—	—	—	(0.04)	—	(0.04)
On account of employee stock options lapsed.....	—	—	—	0.13	—	0.13
As at 31 st March, 2019.....	73.69	23.52	271.07	3,138.68	1,028.80	4,535.76
As at 1 st April, 2019.....	73.69	23.52	271.07	3,138.68	1,028.80	4,535.76
Transfer from retained earnings.....	—	—	11.26	—	114.41	125.67
Transfer to retained earnings.....	—	—	(187.07)	—	—	(187.07)
On account of employee stock options lapsed.....	—	—	—	2.29	—	2.29
As at 31 st March, 2020.....	73.69	23.52	95.26	3,140.97	1,143.21	4,476.65

Notes

- The Company has reduced the share capital by **Rs. 12.54 crores** (2019: Rs. 12.90 crores) and securities premium by **Rs. 204.78 crores** (2019: Rs. 230.71 crores) for the **2,50,76,433** shares of Rs. 5 each (2019: 2,58,02,706 shares of Rs. 5 each) held by the M&M ESOP Trust pending transfer to the eligible employees.
- The Company has also reduced the share capital by **Rs. 21.12 crores** (2019: Rs. 25.92 crores) and retained earnings by **Rs. 1,168.30 crores** (2019: Rs. 1,433.85 crores) for **4,22,35,214** shares of Rs. 5 each (2019: 5,18,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.
- The share capital of the Company has also been reduced and the securities premium increased by **Rs. 33.66 crores** (2019: Rs. 38.82 crores) for **2,50,76,433** bonus shares of Rs. 5 each (2019: 2,58,02,706 bonus shares of Rs. 5 each) issued by the Company to M&M ESOP Trust and for **4,22,35,214** bonus shares of Rs. 5 each (2019: 5,18,35,214 bonus shares of Rs. 5 each) issued by the Company to M&M Benefit Trust in December, 2017.

(D) Description of the nature and purpose of reserves

(i) 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.

(ii) 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.

(iii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in securities premium once the shares have been allotted on exercise of the options.

(iv) 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.

(v) 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.

(vi) Share option outstanding account

The share option outstanding represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the employee stock option plan.

(vii) 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.

(viii) Capital redemption reserve

Capital redemption reserve was created against redemption of preference shares.

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

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner

Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

Directors

Anand G. Mahindra

Executive Chairman

Dr. Pawan Goenka

Managing Director and CEO

Dr. Anish Shah

Deputy Managing Director and Group CFO

Rajesh Jejurikar

Executive Director (Auto and Farm Sectors)

Narayan Shankar

Company Secretary

Mumbai, 12th June, 2020

Consolidated Cash Flow Statement | for the year ended 31st March, 2020

Rupees crores

	2020	2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax.....	2,585.92	7,280.00
Adjustments for :		
Depreciation, amortisation and impairment expense	4,976.29	3,990.77
Loss/(Gain) on foreign exchange fluctation (net).....	202.94	(34.22)
Dividend on investments and interest income [excluding Rs. 11,525.88 crores (2019: Rs. 9,962.80 crores) in respect of financial services business].....	(530.38)	(509.87)
Interest, commitment and finance charges [excluding Rs. 5,349.32 crores (2019: Rs. 4,386.16 crores) in respect of financial services business]	715.33	635.19
Equity-settled share-based payment expenses	174.47	143.04
Net gain on financial instruments measured at fair value	(296.49)	(408.88)
(Gain)/Loss on property, plant and equipment sold/scrapped/written off (net).....	(53.96)	16.31
	5,188.20	3,832.34
Operating Profit before working capital changes.....	7,774.12	11,112.34
Changes in :		
Trade and other receivables.....	2,415.01	(278.30)
Financial services receivable	(3,924.73)	(13,433.40)
Inventories	1,316.36	(2,276.20)
Trade and other payables and provisions.....	(6,775.09)	3,465.67
	(6,968.45)	(12,522.23)
Cash generated from/(used in) operations.....	805.67	(1,409.89)
Income taxes paid (net of refunds).....	(2,256.60)	(2,937.40)
Net cash flow from operating activities	(1,450.93)	(4,347.29)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant & equipment and other intangible assets.....	(6,896.02)	(7,340.01)
Proceeds from sale of property, plant & equipment and other intangible assets	101.90	141.54
Payment to acquire investments	(1,98,567.80)	(1,96,473.58)
Proceeds from sale of investments.....	1,98,131.58	1,95,897.54
Interest received (excluding financial services business)	372.38	314.37
Dividends received from joint ventures and associates	695.76	444.60
Proceeds from buy-back of shares by associate.....	446.31	—
Dividends received from others.....	26.28	21.09
Bank deposits placed.....	(3,341.68)	(2,751.76)
Bank deposits matured	2,583.41	2,250.65
Net change in earmarked and margin account.....	(150.53)	(69.99)
Purchase of investment in joint ventures and associates.....	(418.27)	(319.38)
Purchase consideration paid on acquisition of subsidiaries net of cash acquired.....	(58.74)	4.97
Consideration received on disposal of subsidiaries	174.59	—
Consideration received on disposal of joint ventures and associates.....	—	711.79
Net cash used in investing activities	(6,900.83)	(7,168.17)

Cash Flow Statement (contd.)

Rupees crores

	2020	2019
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from sale of shares by M&M Benefit Trust	1,242.51	—
Proceeds from issue of shares to employees by ESOP trust.....	0.53	1.00
Proceeds from borrowings.....	52,617.59	71,389.41
Repayments of borrowings and lease liabilities	(43,838.52)	(56,573.82)
Net change in loans repayable on demand and cash credit	(628.14)	221.82
Dividends paid (including dividend distribution tax paid thereon).....	(1,135.09)	(937.46)
Dividend paid to non-controlling interests (including dividend distribution tax paid thereon).....	(262.93)	(196.06)
Transactions with non-controlling interest.....	(303.57)	11.98
Interest, commitment and finance charges paid (excluding financial services business).....	(759.63)	(723.24)
Net cash from financing activities	6,932.75	13,193.63
Net (decrease)/ increase in cash and cash equivalents.....	(1,419.01)	1,678.17
Cash and cash equivalents at the beginning of the year	6,139.00	4,466.63
Unrealised gain/(loss) on foreign currency cash and cash equivalents.....	25.04	(5.80)
Cash and cash equivalents at the end of the year.....	4,745.03	6,139.00

Notes to the Consolidated Cash Flow Statements for the year ended 31st March, 2020.

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 B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
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Haigreva Khaitan
Shikha Sharma
CP Gurnani

Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

Notes to the Consolidated Financial Statements | for the year ended 31st March, 2020

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") and 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 also admitted for trading on International Order Book (IOB) of London Stock Exchange.

2. Significant Accounting Policies

(a) Statement of compliance and basis of preparation and presentation

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.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 12th June, 2020.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Subsidiaries

Subsidiaries are 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.

In case of loss of control of a subsidiary, any excess of fair value of consideration received over carrying amount of the assets (including any goodwill) and liabilities of the subsidiary, is recognised as gain or loss in Statement of Profit and Loss. Additionally components of Other Comprehensive Income of Subsidiaries are reclassified to Statement of Profit and Loss or transferred directly to retained earnings.

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 that have joint control of the arrangement 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.

(d) 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.

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).

2. Significant Accounting Policies (contd.)

(e) Use of 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 and expenses 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, other intangible assets, provision for product warranty, fair value of financial assets/liabilities and impairment of investments and goodwill.

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:

(i) *Useful lives of property, plant and equipment and other intangible assets*

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

(ii) *Provision for product warranties*

The Group recognises provision for warranties in respect of the 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.

(iii) *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.

(iv) *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.

(v) *Estimation uncertainties relating to the Covid-19 global health pandemic*

The Group has considered relevant internal and external sources of information to evaluate the impact of the pandemic on the financial statements for the year ended 31st March, 2020. The Group has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, goodwill and have made necessary adjustments to the carrying amounts by recognising provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will be dependent upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and 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 accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in profit or loss.

2. Significant Accounting Policies (contd.)

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

(g) Goodwill and Intangible Assets

Goodwill is initially recognised as the excess of consideration paid and 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 except those acquired in a business combination.

Subsequent to initial recognition, 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 the 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, 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 license 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.

(h) 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.

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.

2. Significant Accounting Policies (contd.)

(i) Inventories

Inventories comprise cost 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.

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.

(j) Foreign exchange transactions and translation

The functional currency of the Company and its Indian subsidiaries is Indian Rupees whereas the functional currency of foreign subsidiaries is the currency of primary economic environment in which the entity operates.

Transactions in foreign currencies 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 translated at the functional currency using exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are measured 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.

(k) 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

2. Significant Accounting Policies (contd.)

The classification of debt instrument as amortised cost or FVTOCI is based on the business model and cash flow characteristics of such instrument.

Financial assets are not reclassified subsequent to their initial recognition, except if 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 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 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 from financial asset in a manner that substantially all the risks and rewards of ownership of the asset are transferred to another party. If the Group neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

2. Significant Accounting Policies (contd.)

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 and the proceeds received are recognised as a collateralised borrowing.

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 115.

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 economic characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

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 the statement of profit and 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 the 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.

2. Significant Accounting Policies (contd.)

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.

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.

(i) Revenue Recognition

Sale of goods

The Group recognises revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until the crystallisation of the amount.

Sale of services

Sale of services are recognised on satisfaction of performance obligation towards 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.

Income from financing business

Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at FVOCI and debt instruments designated at FVTPL.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of profit and loss.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income from bill discounting is recognised over the tenure of the instrument so as to provide a constant periodic rate of return.

Fee and commission income

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

Long term construction contracts and property development activity

Some of the Group companies are in the business to develop and sell residential and commercial properties. Revenue from such contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

For certain contracts involving the sale of property under development, deferred payment schemes are offered to the customers. The transaction price is adjusted for the effects of the significant financing component.

Income from Sale of land and other rights

Revenue from sale of land and other rights are considered upon transfer of all significant risks and rewards of ownership of such real estate/property as per the terms of the contract entered into with the buyers, which generally with the firmity of the sale contracts/agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115.

2. Significant Accounting Policies (contd.)

Income from Project Management

Project management fees receivable on fixed period contracts is accounted over the tenure of the contract/agreement. Where the fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the management fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis. The determination of transfer of control did not change upon the adoption of Ind AS 115.

Land Lease Premium

Land lease premium is recognised as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession. Property lease rentals, income from operation & maintenance charges and water charges are recognised on an accrual basis as per terms of the agreement with the lessees.

Vacation ownership

Under the vacation ownership, holiday facilities are provided to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

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.

Income from sale of vacation ownership weeks in villas is recognised 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.

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.

Revenue from Membership fees

Revenue from membership fees are recognised over the tenure of membership as the performance obligation is fulfilled. The revenue which will be recognised in future periods are disclosed under Contract Liability.

Non refundable admission fee is recognised as income on admission of a member.

Entitlement fee, which entitles the members the vacation ownership facilities over the agreed membership period, are recognised as income equally over the tenure of membership, commencing from the year of admission and disclosed under Contract Liability.

Revenue from Annual subscription fees

Annual subscription fee dues from members are recognised as income on accrual basis and fees pertaining to the period beyond the year end is disclosed under Contract Liability.

Interest income on deferred payment plans

In case of deferred payment plans wherein significant financing components exists in a contract, interest income or expense is recognised over the financing period using the Effective Interest Method.

(m) Government Grants

The Group, directly or indirectly through a consortium of 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 at the inception of the loan.

(n) 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.

2. Significant Accounting Policies (contd.)

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.

(o) 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.

(p) 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 recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. 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 probable 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.

2. Significant Accounting Policies (contd.)

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.

(q) 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 115 - Revenue from contracts with customers.

(r) Leases

Transition to Ind AS 116

The Group has adopted Ind AS 116 "Leases" using the modified retrospective approach with effect from initially applying this standard from 1st April, 2019. Accordingly, the information presented for previous year ended 31st March, 2019 is reported as per Ind AS 17.

The Group has adopted modified retrospective approach where lease liability is measured at a present value of remaining lease payment discounted at the incremental borrowing rate at the date of initial application. The Group has adopted a policy of measuring the Right-of-use Asset at an amount equal to lease liability. However, in cases of few subsidiaries, the right-of-use asset is measured at present value of lease payment using incremental borrowing rate on the date of initial application as if the standard is applicable from commencement date of the lease. The difference between the right-of-use asset and lease liability is recognised in retained earnings.

The Group has leases that were previously classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset and the lease liability at the date of initial application of Ind AS 116 is the carrying amount of the finance lease asset and finance lease liability as per Ind AS 17.

From the date of initial application Ind AS 116, the classification of expenses has changed from lease rent (included in other expenses) in previous year to amortisation expense of right-of-use asset, and finance cost for interest unwound on lease liability.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the lessor has a substantive substitution right, then the asset is not identified.
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group as a lessee has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - o the Group as a lessee has the right to operate the asset; or
 - o the Group as a lessee designed the asset in a way that predetermines how and for what purpose it will be used.

For effect of applying Ind AS 116 - Leases on transition period refer Note 42.

2. Significant Accounting Policies (contd.)

The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(s) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. The acquiree's identifiable assets including liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. 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.

Before recognising capital reserve 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 directly in equity as capital reserve.

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.

2. Significant Accounting Policies (contd.)

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 off.

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 (which cannot exceed one year from the acquisition date), 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.

In consolidated financial statements, acquisition of non-controlling interest is accounted as equity transaction. The carrying amount of the Group'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.

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.

(t) Acquisition of interest in associate and joint ventures

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. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new Indian Accounting Standards and/or amendments to existing Indian Accounting Standards. There is no such notification which would be applicable from 01 April 2020.

4. Property, Plant and Equipment
a) Owned assets

Particulars	Rupees crores											
	Land - Freehold	Land - Leasehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Plant and Equipment - Leasehold	Furniture and Fixtures	Vehicles	Aircraft	Office Equipments	Batteries	Total
COST												
Balance as at 1 st April, 2018	3,924.76	359.95	8,779.34	62.19	32,478.13	234.62	1,059.49	684.40	103.45	372.45	19.87	48,078.65
Additions	43.33	—	252.96	7.29	3,682.32	58.97	85.66	173.29	—	37.32	—	4,341.14
Foreign exchange translation differences	(22.70)	—	(38.33)	1.18	(120.01)	(6.39)	(1.12)	(0.86)	—	(0.33)	—	(188.56)
Disposals	(10.26)	(0.09)	(18.63)	(9.11)	(518.98)	(46.70)	(65.11)	(113.74)	—	(25.85)	(2.45)	(810.92)
Balance as at 31 st March, 2019	3,935.13	359.86	8,975.34	61.55	35,521.46	240.50	1,078.92	743.09	103.45	383.59	17.42	51,420.31
Balance as at 1 st April, 2019	3,935.13	359.86	8,975.34	61.55	35,521.46	240.50	1,078.92	743.09	103.45	383.59	17.42	51,420.31
Additions	62.67	—	273.25	10.95	3,027.16	—	91.53	234.28	—	36.73	—	3,736.57
Acquisitions through business combinations	—	—	—	—	0.15	—	0.09	10.40	—	0.08	—	10.72
Foreign exchange translation differences	78.39	—	130.31	1.85	356.90	—	10.36	0.29	—	0.94	—	579.04
Disposals	(90.90)	—	(37.31)	(2.42)	(389.96)	—	(17.39)	(125.86)	—	(11.35)	(3.00)	(678.19)
Derecognition on disposal of subsidiaries	(27.75)	—	(8.21)	—	(318.92)	—	(0.43)	(2.43)	—	—	—	(357.74)
Reclassified on account of adoption of Ind AS 116 (Refer Note No 42)	—	(359.86)	—	—	(240.50)	—	(14.50)	—	—	(7.55)	—	(622.41)
Balance as at 31 st March, 2020	3,957.54	—	9,333.38	71.93	38,196.79	—	1,148.58	859.77	103.45	402.44	14.42	54,088.30
ACCUMULATED DEPRECIATION												
AND IMPAIRMENT												
Balance as at 1 st April, 2018	—	32.85	4,047.41	38.63	21,645.89	93.15	721.78	363.38	31.43	275.72	7.92	27,258.16
Depreciation expense for the year ..	—	3.64	233.61	4.07	2,175.02	44.51	97.77	107.92	4.81	37.25	2.47	2,711.07
Foreign exchange translation differences	—	—	(14.01)	0.27	(77.76)	—	(1.09)	(0.36)	—	—	—	(92.95)
Disposals	—	—	(5.44)	(7.90)	(454.92)	(42.21)	(62.82)	(85.84)	—	(22.75)	(1.95)	(683.83)
Impairment losses recognised in the statement of profit and loss	—	—	—	0.24	0.22	—	0.15	—	—	0.08	—	0.69
Balance as at 31 st March, 2019	—	36.49	4,261.57	35.31	23,288.45	95.45	755.79	385.10	36.24	290.30	8.44	29,193.14
Balance as at 1 st April, 2019	—	36.49	4,261.57	35.31	23,288.45	95.45	755.79	385.10	36.24	290.30	8.44	29,193.14
Depreciation expense for the year ..	—	—	237.71	5.48	2,438.35	—	91.23	126.26	4.81	37.14	1.96	2,942.94
Foreign exchange translation differences	5.54	—	87.38	0.74	343.49	—	9.37	0.35	—	0.93	—	447.80
Disposals	—	—	(19.39)	(2.16)	(366.50)	—	(13.83)	(85.86)	—	(10.71)	(2.22)	(500.67)
Derecognition on disposal of subsidiaries	—	—	(1.53)	—	(56.82)	—	(0.15)	(1.45)	—	(0.07)	—	(60.02)
Impairment losses recognised in the statement of profit and loss*	79.90	—	152.98	0.22	485.35	—	20.45	0.80	19.93	0.05	—	759.68
Reclassified on account of adoption of Ind AS 116 (Refer Note No 42)	—	(36.49)	—	—	(95.45)	—	(4.08)	—	—	(5.72)	—	(141.74)
Balance as at 31 st March, 2020	85.44	—	4,718.72	39.59	26,132.32	—	858.78	425.20	60.98	311.92	8.18	32,641.13
NET CARRYING AMOUNT												
Net carrying amount as at 31 st March, 2019	3,935.13	323.37	4,713.77	26.24	12,233.01	145.05	323.13	357.99	67.21	93.29	8.98	22,227.17
Net carrying amount as at 31 st March, 2020	3,872.10	—	4,614.66	32.34	12,064.47	—	289.80	434.57	42.47	90.52	6.24	21,447.17

* Out of impairment losses recognised in the statement of profit and loss, Rs. 739.28 crores and Rs. 19.93 crores has been recognised in exceptional items and depreciation and amortisation expense respectively

4. Property, Plant and Equipment (contd.)

b) Right-of-use asset

Rupees crores

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
Balance as at 1st April, 2019	—	—	—	—	—	—	—
On account of adoption of Ind AS 116 (Refer Note No 42).....	229.50	2,232.23	74.30	0.75	85.06	0.35	2,622.19
Reclassified on account of adoption of Ind AS 116 (Refer Note No 42).....	323.37	—	145.05	10.42	—	1.83	480.67
Additions	0.35	246.18	55.74	—	17.62	12.48	332.37
Acquisitions through business combinations ...	—	0.29	—	—	—	—	0.29
Foreign exchange translation differences	0.55	90.41	20.07	—	2.02	0.19	113.24
Deduction	—	(18.09)	—	—	—	—	(18.09)
Balance as at 31st March, 2020	553.77	2,551.02	295.16	11.17	104.70	14.85	3,530.67
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
Balance as at 1st April, 2019	—	—	—	—	—	—	—
Depreciation expense for the year	10.45	355.29	63.39	1.50	32.54	3.49	466.66
Foreign exchange translation differences	0.04	12.79	9.56	—	1.28	0.15	23.82
Deduction	—	(5.04)	—	—	—	—	(5.04)
Impairment losses recognised in the statement of profit and loss*	—	—	75.22	—	—	—	75.22
Balance as at 31st March, 2020	10.49	363.04	148.17	1.50	33.82	3.64	560.66
NET CARRYING AMOUNT							
Net carrying amount as at 31st March, 2020	543.28	2,187.98	146.99	9.67	70.88	11.21	2,970.01

* Impairment losses are recognised in the statement of profit and loss as a part of exceptional items.

Break-up of Net carrying amount of Property, Plant & Equipment is as follows:

Rupees crores

Particulars	2020	2019
a) Owned Assets	21,447.17	22,227.17
b) Right-of-use asset	2,970.01	—
Total	24,417.18	22,227.17

5. Goodwill

Rupees crores

Particulars	2020	2019
Balance at the beginning of the year	2,073.60	2,159.67
Additions during the year.....	102.79	—
Impairment during the year (Refer Note No 29).....	(663.42)	(49.86)
Foreign exchange translation difference.....	(0.66)	(36.21)
Balance at the end of the year	1,512.31	2,073.60

5. Goodwill (contd.)

Segment wise allocation of goodwill

Goodwill is monitored by the management at the level of operating segments as described in Note 38. The carrying amount of goodwill has been allocated to segments as below.

Particulars	Rupees crores	
	2020	2019
Automotive.....	32.88	32.78
Farm Equipment.....	112.28	129.39
Financial Services.....	1.34	1.34
Real Estate.....	103.59	103.59
Hospitality.....	115.38	111.19
Others	1,146.84	1,695.31
Total	1,512.31	2,073.60

The Group tests goodwill on an annual basis and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal. Where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, the recoverable amount is determined by value-in-use. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable.

Apart from the observable market information, significant management estimates and judgments are used to determine the recoverable amounts based on value-in-use. Key assumptions on which management has based its determination of recoverable amount includes estimated growth rates (including terminal growth rates), margins and discount rates. Cash flow projections are usually considered for next 3-5 years and represent management's best estimate about future developments with due consideration for past performance. Cash flows beyond the five-year period are extrapolated using terminal growth rates.

Since mid-March 2020, the outbreak of Covid - 19 global pandemic started impacting the economic environment in which these cash generating unit operates. In certain cases, the performance of the cash generating units were below their expected levels. Accordingly, the Group assessed such cash generating units for the recoverable amounts based on fair value less cost of disposal and value-in-use estimates and recognised impairment of goodwill amounting to **Rs. 663.42 crores** for the year ended 31st March, 2020. The goodwill impairment has been recognised as 'Exceptional item' in the Statement of Profit and Loss and is attributable to the following operating segments:

- (a) 'Farm Equipment' segment - **Rs. 9.42 crores**. This relates to goodwill allocated to an international subsidiary.
- (b) 'Others' segment - **Rs. 654.00 crores**. This relates to goodwill allocated to a domestic subsidiary and is based on its market price of the shares with appropriate adjustments for control premium which considers synergies available for a market participant.

6. Other Intangible Assets

Rupees crores

	Development Expenditure	Computer Software	Brand License & Trademarks	Others	Total
COST					
Balance as at 1 st April, 2018	4,887.51	650.81	168.91	393.71	6,100.94
Additions	2,651.30	105.30	2.72	2.19	2,761.51
Foreign exchange translation differences	2.22	(1.33)	(0.52)	(19.91)	(19.54)
Deductions.....	(89.86)	(20.50)	—	(15.09)	(125.45)
Balance as at 31st March, 2019	7,451.17	734.28	171.11	360.90	8,717.46
Balance as at 1st April, 2019	7,451.17	734.28	171.11	360.90	8,717.46
Additions	729.15	112.40	2.81	88.00	932.36
Acquisitions through business combinations	—	0.09	—	0.19	0.28
Foreign exchange translation differences	58.17	10.85	1.85	(2.73)	68.14
Deductions.....	(194.03)	(44.23)	—	(8.97)	(247.23)
Balance as at 31st March, 2020	8,044.46	813.39	175.77	437.39	9,471.01
ACCUMULATED AMORTISATION AND IMPAIRMENT					
Balance as at 1 st April, 2018	2,209.50	523.63	27.70	138.37	2,899.20
Amortisation expense for the year	1,139.89	95.67	9.90	34.24	1,279.70
Foreign exchange translation differences	(14.85)	(2.52)	(0.32)	(0.27)	(17.96)
Deductions.....	(89.86)	(20.50)	—	(15.09)	(125.45)
Balance as at 31st March, 2019	3,244.68	596.28	37.28	157.25	4,035.49
Balance as at 1st April, 2019	3,244.68	596.28	37.28	157.25	4,035.49
Amortisation expense for the year	1,403.23	88.97	9.36	39.98	1,541.54
Impairment losses recognised in the statement of profit and loss*	197.15	12.29	0.28	100.28	310.00
Foreign exchange translation differences	42.74	10.89	0.87	9.07	63.57
Deductions.....	(193.20)	(43.01)	—	(3.16)	(239.37)
Balance as at 31st March, 2020	4,694.60	665.42	47.79	303.42	5,711.23
NET CARRYING AMOUNT					
Net carrying amount as at 31 st March, 2019.....	4,206.49	138.00	133.83	203.65	4,681.97
Net carrying amount as at 31st March, 2020.....	3,349.86	147.97	127.98	133.97	3,759.78

* Impairment losses are recognised in the statement of profit and loss as a part of exceptional items.

7. Investments
A. Non-Current Investments
a) Measured as per equity accounting method
Rupees crores

Particulars	2020	2019
Quoted		
Investments in Equity Instruments		
— of Associates *#.....	8,280.90	8,100.25
Total	8,280.90	8,100.25
Unquoted		
Investments in Equity Instruments		
— of Associates *.....	1,348.00	1,383.50
— of Joint ventures *.....	1,600.50	1,307.19
Total	2,948.50	2,690.69
Investments measured as per equity accounting method	11,229.40	10,790.94

During the year March 2019, the Company tendered 47,00,013 equity shares of Tech Mahindra Limited in the share buy-back scheme at Rs. 950 per equity share.

* Refer note 36.

b) Measured as per other than equity accounting method
Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Quoted								
Investments in Non Convertible Debentures/Bonds.....	—	25.00	104.75	—	—	—	104.75	25.00
Investments in Government Securities.....	975.52	664.42	143.02	—	—	—	1,118.54	664.42
Investments in Equity Instruments.....	—	—	135.55	237.31	—	—	135.55	237.31
Investments in Mutual Funds.....	—	—	—	—	6.40	6.98	6.40	6.98
	975.52	689.42	383.32	237.31	6.40	6.98	1,365.24	933.71
Unquoted								
Investments in Preference Shares								
— of Associates *.....	6.86	4.41	—	—	—	—	6.86	4.41
— of Joint ventures *.....	5.00	5.32	—	—	8.34	2.76	13.34	8.08
— of Other entities.....	0.06	8.97	—	—	4.38	4.81	4.44	13.78
Investments in Debentures/Bonds								
— of Joint ventures *.....	—	—	—	—	89.14	316.23	89.14	316.23
— of Other entities.....	42.90	6.38	—	—	—	—	42.90	6.38
Investments in Certificate of Deposits.....	—	—	—	10.89	—	—	—	10.89
Investments in Alternate Investment Fund.....	—	—	—	—	7.88	3.90	7.88	3.90
Investments in Equity Instruments.....	—	—	140.99	58.55	14.59	14.01	155.58	72.56
	54.82	25.08	140.99	69.44	124.33	341.71	320.14	436.23
Total	1,030.34	714.50	524.31	306.75	130.73	348.69	1,685.38	1,369.94

Rupees crores

Other Disclosures :	2020	2019
Aggregate amount of quoted investments (Gross).....	9,646.14	9,033.96
Market Value of quoted Investments.....	17,464.02	24,246.56
Aggregate amount of unquoted investments (Gross).....	3,268.64	3,126.92

* Refer Note 36

7. Investments (contd.)

B. Current Investments

Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Quoted								
Investments in Non Convertible Debentures/ Bonds	25.00	37.00	—	—	—	—	25.00	37.00
Investments in Debentures/Bonds	—	—	42.07	56.22	—	104.32	42.07	160.54
Investments in Equity Instruments	—	—	*	0.01	—	—	—	0.01
Investments in Government Securities.....	5.00	44.80	—	—	—	—	5.00	44.80
Investments in Mutual Funds.....	—	—	—	—	5,605.19	3,543.07	5,605.19	3,543.07
	30.00	81.80	42.07	56.23	5,605.19	3,647.39	5,677.26	3,785.42
Unquoted								
Investments in Certificate of Deposits	79.84	204.39	321.31	481.93	—	469.10	401.15	1,155.42
Investments in Corporate Fixed Deposits ...	217.15	200.00	—	—	—	—	217.15	200.00
Investments in Commercial paper	—	268.34	—	107.34	—	590.70	—	966.38
	296.99	672.73	321.31	589.27	—	1,059.80	618.30	2,321.80
Total	326.99	754.53	363.38	645.50	5,605.19	4,707.19	6,295.56	6,107.22

* denotes amounts less than Rs. 50,000.

Rupees crores

Other disclosures :	2020	2019
Aggregate amount of quoted investments	5,677.26	3,785.42
Market value of quoted investments	5,677.26	3,785.42
Aggregate amount of unquoted investments.....	618.30	2,321.80

8. Trade Receivables

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Secured, considered good.....	7.35	7.90	98.75	86.77
Unsecured, considered good	548.84	606.62	6,829.53	8,591.12
Doubtful	8.87	11.20	363.34	246.86
	565.06	625.72	7,291.62	8,924.75
Less: Allowance for Expected Credit Losses.....	8.87	11.20	363.34	246.86
Total	556.19	614.52	6,928.28	8,677.89

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

9. Loans
Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
a) Security Deposits				
— Unsecured, considered good.....	222.62	285.62	104.39	104.56
— Doubtful.....	2.04	0.46	0.04	0.04
	224.66	286.08	104.43	104.60
Less: Allowance for doubtful Security Deposits.....	2.04	0.46	0.04	0.04
Total (a).....	222.62	285.62	104.39	104.56
b) Loans to related parties				
— Unsecured, considered good.....	27.66	40.74	49.55	—
— Doubtful.....	17.00	17.00	—	—
	44.66	57.74	49.55	—
Less: Allowance for doubtful loans to related parties	17.00	17.00	—	—
Total (b)	27.66	40.74	49.55	—
c) Other Loans				
— Secured, considered good.....	0.54	0.50	44.77	26.33
— Unsecured, considered good.....	243.48	181.82	353.24	172.18
— Doubtful.....	2.40	9.81	14.21	13.69
	246.42	192.13	412.22	212.20
Less: Allowance for doubtful loans.....	2.40	9.81	14.21	13.69
Total (c)	244.02	182.32	398.01	198.51
d) Financial Services receivable #				
— Secured, considered good.....	40,750.80	35,916.78	18,255.97	20,729.42
— Unsecured, considered good.....	58.30	41.42	2,334.72	2,509.91
— Significant increase in credit risk.....	4,762.09	3,520.68	3,337.81	3,322.76
— Credit impaired	1,900.14	1,497.74	5,114.88	3,617.28
	47,471.33	40,976.62	29,043.38	30,179.37
Less: Allowance for doubtful Financial Services receivable	2,020.40	970.30	1,631.65	1,247.76
Total (d)	45,450.93	40,006.32	27,411.73	28,931.61
Total (a)+(b)+(c)+(d).....	45,945.23	40,515.00	27,963.68	29,234.68

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

10. Other Financial Assets
Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Financial assets at amortised cost				
Bank deposit.....	467.73	138.58	—	—
Security deposit.....	56.59	61.87	28.52	31.97
Interest accrued on investment, other loans.....	—	—	359.39	306.73
Government grant receivable.....	430.81	416.78	128.76	104.61
Others	41.87	—	622.75	356.32
Financial Assets at Fair value				
Derivative financial assets	190.72	211.74	37.94	91.81
Total	1,187.72	828.97	1,177.36	891.44

11. Current Tax and Deferred Tax

a) Income Tax recognised in profit or loss

Rupees crores

Particulars	2020	2019
Current Tax		
In respect of current year	2,002.39	2,740.64
In respect of prior years.....	311.76	(390.18)
Total Current Tax.....	2,314.16	2,350.46
Deferred Tax		
In respect of current year origination and reversal of temporary differences.....	(70.07)	626.28
Reversal on account of amendment in tax laws *	(1,292.38)	—
Effect of change in tax rate due to switch to new tax regime #	871.72	—
Effect of utilisation/(recognition) of deferred tax on capital losses	27.30	(116.20)
In respect of prior years.....	124.88	(6.54)
Total Deferred Tax	(338.55)	503.53
Total Income Tax expense.....	1,975.61	2,853.99

b) Income tax recognised in Other Comprehensive Income

Rupees crores

Particulars	2020	2019
Deferred Tax related to items recognised in other comprehensive income:		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.....	26.58	(26.33)
Net change in fair value of investments in debt instruments at FVTOCI.....	(1.27)	(3.41)
Net change in fair value of investments in equity shares at FVTOCI	0.01	1.96
Remeasurement of defined benefit plans.....	7.02	9.94
Exchange differences in translating the financial statements of foreign operations - Associates	24.41	(5.68)
Total	56.75	(23.52)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss.....	7.03	11.90
Income taxes related to items that will be reclassified to profit or loss.....	49.72	(35.42)
Total	56.75	(23.52)

11. Current Tax and Deferred Tax (contd.)

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

<i>Rupees crores</i>		
Particulars	2020	2019
Profit Before Tax	1,654.61	8,870.84
Applicable Income Tax rate	25.17%	34.94%
Expected Income Tax expense	416.43	3,099.83
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	178.76	271.18
Effect of change in tax rate due to switch to new tax regime #	871.72	—
Effect of income exempt from tax/non taxable on compliance of conditions	(177.32)	(648.68)
Effect of expenses/provisions that is non-deductible in determining taxable profit	705.55	194.99
Effect of concessions (R&D and other allowances).....	—	(102.15)
Effect of unused tax losses & tax offsets for which no deferred tax asset has been recognised	939.17	538.58
Effect of utilisation/(recognition) of deferred tax on capital losses	27.30	(116.20)
Reversal on account of amendment in tax laws *	(1,292.38)	—
Effect of net additional/(reversal) of provision in respect of prior years	436.65	(396.72)
Others	(130.27)	13.16
Income tax expense recognised in profit or loss	1,975.61	2,853.99

* During the year ended 31st March, 2020, the Government of India vide Finance Act, 2020 has abolished Dividend Distribution Tax, pursuant to which deferred tax liabilities of **Rs. 1,292.38 crores** relating to undistributed profit of certain associates have been reversed.

During the year ended 31st March, 2020, the Government of India, vide Taxation Laws (Amendment) Tax Ordinance, 2019 has provided an option to the domestic companies to switch to a lower tax rate structure of 22% (25.168% including surcharge and cesses) from the earlier tax rate of 30% (34.944% including surcharge and cesses) subject to condition that the Company will not avail any of the specified deductions/incentives under the Income Tax Act. The Company and many of its group companies have elected to switch to the new lower tax rate structure with effect from the financial year 2019-2020. Consequently, net impact of **Rs. 871.72 crores** has been recognised in the statement of profit and loss on account of expensing of MAT credit balance and offset by tax credit on account of restatement of net deferred tax liabilities at the beginning of the year.

- 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.

<i>Rupees crores</i>		
Particulars	2020	2019
Deductible Temporary differences (no expiry date).....	831.06	977.80
Unused tax losses (revenue in nature).....	11,894.29	13,104.37
Unused tax losses (capital in nature).....	15.26	19.40
Unused tax credits	164.98	148.30
Total	12,905.59	14,249.87

Unused Tax losses - Revenue in nature

<i>Rupees crores</i>		
Particulars	2020	2019
Expiry period		
Up to Five Years.....	4,258.67	7,587.30
More than Five Years	5,293.40	3,042.80
No Expiry Date	2,342.22	2,474.27
Total	11,894.29	13,104.37

11. Current Tax and Deferred Tax (contd.)

Unused Tax losses - Capital in nature

Rupees crores

Particulars	2020	2019
Expiry period		
Up to five years.....	2.76	10.82
No expiry date	12.50	8.58
Total	15.26	19.40

Unused tax credits

Rupees crores

Particulars	2020	2019
Expiry period		
Up to five years.....	126.31	113.37
More than five years	38.67	34.93
Total	164.98	148.30

- e) Aggregate amount of temporary differences associated with investment in subsidiaries, associates and joint ventures for which deferred tax liability has not been recognised:

Particulars	2020	2019
Undistributed earnings.....	14,288.35	6,757.41

Movement in deferred tax balances

Year ended 31st March, 2020

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in equity for Ind AS 116	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Others	Closing Balance
Tax effect of items resulting in taxable temporary differences								
Fiscal allowances on property, plant and equipment and intangible assets.....	2,686.90	(302.25)	(28.00)	—	(3.20)	0.42	—	2,353.87
Undistributed profit of subsidiaries, associates and joint ventures.....	1,352.52	(1,292.38)	—	(39.67)	—	—	—	20.47
Others	43.61	(116.94)	(1.96)	(9.09)	—	0.16	—	(84.22)
	4,083.03	(1,711.57)	(29.96)	(48.76)	(3.20)	0.58	—	2,290.12
Tax effect of items resulting in deductible temporary differences								
Provision for employee benefits.....	509.38	(94.56)	—	7.02	—	1.29	—	423.13
Allowances for expected credit loss....	533.16	140.60	—	(1.39)	—	0.09	—	672.46
Carried forward tax losses	380.11	30.61	—	—	0.40	1.60	—	412.72
MAT credit.....	1,196.64	(1,146.17)	—	—	—	—	—	50.47
Unrealised gain on inter-company transactions (net)	218.64	(80.28)	—	—	—	—	—	138.36
Others	576.70	(223.22)	7.80	2.36	—	7.98	—	371.62
	3,414.63	(1,373.02)	7.80	7.99	0.40	10.96	—	2,068.76
Net Deferred Tax Asset/(Liabilities)	(668.40)	338.55	37.76	56.75	3.60	10.38	—	(221.36)

11. Current Tax and Deferred Tax (contd.)

 Year ended 31st March, 2019

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in equity for Ind AS 115	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Others	Closing Balance
Tax effect of items resulting in taxable temporary differences								
Fiscal allowances on property, plant and equipment and intangible assets.....	2,299.76	400.45	—	—	—	(13.31)	—	2,686.90
Undistributed profit of subsidiaries, associates and joint ventures.....	1,124.09	101.65	—	18.65	—	—	108.13	1,352.52
Others	88.48	(53.80)	—	8.74	—	0.19	—	43.61
	3,512.33	448.30	—	27.39	—	(13.12)	108.13	4,083.03
Tax effect of items resulting in deductible temporary differences								
Provision for employee benefits.....	275.45	224.20	—	9.94	—	(0.21)	—	509.38
Allowances for expected credit loss....	870.89	(333.09)	—	(4.34)	—	(0.30)	—	533.16
Carryforward tax losses	184.31	197.06	—	—	—	(1.26)	—	380.11
MAT credit	1,302.26	(105.62)	—	—	—	—	—	1,196.64
Unrealised gain on inter-company transactions (net)	148.48	52.67	17.49	—	—	—	—	218.64
Others	(14.88)	(90.45)	688.91	(1.73)	—	(5.15)	—	576.70
	2,766.51	(55.23)	706.40	3.87	—	(6.92)	—	3,414.63
Net Deferred Tax Asset/(Liabilities)	(745.82)	(503.53)	706.40	(23.52)	—	6.20	(108.13)	(668.40)

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

Rupees crores

	2020	2019
Deferred Tax Assets (net)	1,290.53	1,502.91
Deferred Tax Liabilities (net)	1,511.89	2,171.31
Net Deferred Tax Asset/(Liabilities)	(221.36)	(668.40)

12. Other Assets (Non-Financial)

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Capital Advances.....	944.47	734.26	—	—
Balances with government authorities (other than current taxes).....	664.14	846.75	1,278.16	2,266.71
Contract Assets	—	—	70.16	73.51
Deferred Acquisition Cost	665.16	642.83	48.31	45.59
Others	349.28	599.81	1,164.66	1,173.93
Total	2,623.05	2,823.65	2,561.29	3,559.74

Others include advances to suppliers, prepaid expenses.

Significant changes in Contract Assets during the year are as follows:-

Particulars	2020	2019
Reclassification of opening balances of contract assets to trade receivables.....	77.88	96.46
Adjustments due to contract modification	1.64	1.79

In addition to the contract balances disclosed above, the group has also recognised a deferred acquisition cost in relation to some of the long-term contracts.

Particulars	2020	2019
Assets recognised from cost incurred to fulfil a contract	713.47	688.42
Amortisation expenses recognised as cost of providing services during the period	47.12	43.77

13. Inventories

Particulars	Rupees crores	
	2020	2019
Raw materials and bought-out components [includes in-transit Rs. 569.24 crores (2019: Rs. 712.67 crores)].....	3,863.48	4,070.78
Work-in-progress.....	484.04	513.87
Work-in-progress-property development activity and long term contracts.....	1,708.22	1,840.94
Finished products produced	3,468.99	4,042.95
Stock-in-trade [includes in-transit Rs. 27.61 crores (2019: Rs. 75.92 crores)]	1,223.23	1,343.37
Manufactured components.....	130.33	166.00
Stores and Spares	152.76	144.71
Loose Tools	68.11	64.62
Food, beverages, smokes and operating supplies	12.70	12.92
Total	11,111.86	12,200.16

- (a) The cost of inventories recognised as an expense during the year was **Rs. 66,102.47 crores** (2019: Rs. 72,895.30 crores).
- (b) The cost of inventories recognised as an expense include **Rs. 262.93 crores** (2019: Rs. 123.53 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 29.58 crores** (2019: Rs. 21.66 crores) in respect of the reversal of such write downs.
- (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 (i).

14. Cash and Cash Equivalents and Bank Balance

Particulars	Rupees crores	
	2020	2019
a) Cash and Cash Equivalents		
Balances with banks		
– On current accounts.....	3,423.42	5,377.01
– On saving accounts.....	0.03	0.05
– Fixed deposits with original maturity of less than 3 months.....	1,278.77	381.65
Cheques, drafts on hand.....	21.78	331.15
Cash on hand	21.03	49.14
Total	4,745.03	6,139.00
b) Bank balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	42.50	48.20
Balances with banks on margin accounts.....	35.19	56.78
Fixed deposits.....	3,088.18	2,490.93
Total	3,165.87	2,595.91

15. Equity Share Capital
Rupees crores

Particulars	2020	2019
Authorised :		
8,10,00,00,000 (2019: 8,10,00,00,000) Ordinary (Equity) Shares of Rs. 5 each	4,050.00	4,050.00
25,00,000 Unclassified Shares of Rs. 100 each	25.00	25.00
	4,075.00	4,075.00
Issued, Subscribed and Paid-up:		
1,24,31,92,544 (2019: 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
5,01,52,865 (2019: 5,16,05,412) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M ESOP Trust but not yet allotted to employees.....	25.08	25.80
Less:		
8,44,70,428 (2019: 10,36,70,428) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M Benefit Trust	42.24	51.84
Adjusted Issued, Subscribed and Paid-up	554.28	543.96

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

Particulars	2020		2019	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up :				
Balance as at the beginning of the year.....	1,24,31,92,544	621.60	1,24,31,92,544	621.60
Less :				
Shares issued to M&M ESOP Trust but not yet allotted to Employees ..	5,01,52,865	25.08	5,16,05,412	25.80
Shares issued to M&M Benefit Trust	8,44,70,428	42.24	10,36,70,428	51.84
Adjusted Issued,Subscribed and Paid-up Share Capital.....	1,10,85,69,251	554.28	1,08,79,16,704	543.96

M&M Benefit Trust has sold 1,92,00,000 shares to an external party for total consideration of **Rs. 1,241.51 crores** and the gain of **Rs. 1,237.71 crores** has been recognised in Retained earnings and a debit of **Rs. 4.80 crores** recognised in securities premium relating to the bonus shares issued to M&M Benefit Trust.

 (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's Issued, Subscribed and Paid-up:

Name of the Shareholder	2020		2019	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management & Services Private Limited.....	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India	13,42,61,077	10.80	12,32,82,698	9.92
M&M Benefit Trust	8,44,70,428	6.79	10,36,70,428	8.34
J.P. Morgan Chase Bank, N.A. (for GDR holders).....	6,21,89,746	5.00	6,17,40,932	4.97

(d) For the period of preceding five years as on the balance sheet date, Issued, Subscribed and Paid-up share capital includes:

- i) Aggregate of **5,03,888** (2019 : 5,03,888) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Schemes of Arrangement without payment having been received in cash.
- ii) Aggregate of **62,15,96,272** (2019 : 62,15,96,272) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up by way of bonus shares.

16. Other Equity
Rupees crores

Details of Dividends proposed	2020	2019
Proposed Dividend per equity share (Rs.)	2.35	8.50

The Union Budget 2020-21 has abolished Dividend Distribution Tax (DDT) payable by the Company on dividends declared on or after 1 April 2020.

17. Borrowings

A. Long Term Borrowings

a) Non-current

Particulars	2020	2019
<i>Rupees crores</i>		
Secured (Carried at Amortised Cost) :		
Debentures & Bonds.....	12,248.39	14,099.58
Term Loan		
(i) From Banks	24,633.60	18,752.38
(ii) From other parties	67.08	43.07
Other Loans.....	—	96.44
	36,949.07	32,991.47
Unsecured (Carried at Amortised Cost) :		
Debentures & Bonds.....	4,881.61	4,851.34
Term Loan		
(i) From Banks	425.61	686.11
(ii) From other parties	—	27.84
Deposits	7,127.00	4,281.48
Lease Liabilities	2,298.82	—
Other loans.....	590.68	687.93
Loan from related parties.....	25.26	—
	15,348.98	10,534.70
Total	52,298.05	43,526.17

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

The borrowings carry varying rates of interest ranging from 0% to 11.75% p.a. and have maturities starting from 2020 and ending with 2063.

b) Current maturities of Long Term borrowing - Refer Note 19

B. Short Term Borrowings

Particulars	2020	2019
<i>Rupees crores</i>		
Secured (Carried at Amortised Cost) :		
Other loans.....	3,144.58	1,505.37
Loans repayable on demand		
– From Banks and Cash credit account.....	878.08	1,522.20
Term Loan from Banks	1,659.22	887.11
	5,681.88	3,914.68
Unsecured (Carried at Amortised Cost) :		
Deposits	582.64	488.23
Other loans.....	664.30	355.80
Loans repayable on demand		
– From Banks and Cash credit account.....	1,901.95	1,725.22
Loan from related parties.....	—	517.06
Commercial Papers.....	—	3,016.48
Term Loan from Banks	1,386.76	523.54
	4,535.65	6,626.33
Total	10,217.53	10,541.01

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

17. Borrowings (contd.)

Reconciliation of movement in borrowings to cash flows from financing activities

Rupees crores

Particulars	2020	2019
Opening balance		
– Long Term Borrowings	43,526.17	33,809.18
– Short Term Borrowings	10,541.01	11,325.54
– Current maturities of Long term borrowings	16,781.12	10,763.20
– Unclaimed matured Deposits.....	5.22	0.50
Total Opening Balance	70,853.52	55,898.42
Cash flow movements		
– Proceeds from borrowings.....	52,617.59	71,389.41
– Repayment of borrowings and lease liabilities	(43,838.52)	(56,573.82)
– Net increase in Loans repayable on demand and cash credit	(628.14)	221.82
	8,150.93	15,037.41
Non-cash movements		
– Addition on account of adoption of Ind AS 116	2,601.00	—
– Addition to lease liability during the year	332.37	—
– On account of business combinations / loss of control during the year	(203.11)	25.07
– Other adjustments on account of lease liabilities	33.26	—
– Effect of amortisation of loan origination costs and foreign exchange translation.....	804.36	(107.38)
	3,567.88	(82.31)
Closing Balance		
– Long Term Borrowings	52,298.05	43,526.17
– Short Term Borrowings	10,217.53	10,541.01
– Current maturities of Long term borrowings	20,051.43	16,781.12
– Unclaimed matured Deposits.....	5.32	5.22
Total Closing Balance	82,572.33	70,853.52

18. Trade Payables

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Acceptances	—	—	2,066.38	4,438.98
Trade payable - Micro and small enterprises	—	—	147.45	166.98
Trade payable - Other than micro and small enterprises	10.25	7.93	12,771.52	16,386.21
Total	10.25	7.93	14,985.35	20,992.17

19. Other Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Carried at Amortised Cost				
Current maturities of long-term debt.....	—	—	19,576.70	16,781.12
Current maturities of lease liabilities.....	—	—	474.73	—
Unclaimed dividends.....	—	—	19.87	19.91
Unclaimed matured deposits and interest accrued thereon.....	—	—	5.32	5.22
Interest accrued.....	626.59	364.60	1,566.02	1,577.17
Others	456.45	370.62	2,161.26	2,484.26
Carried at Fair value				
Derivative financial liabilities and gross obligation to acquire non-controlling interest	698.36	720.10	48.16	311.26
Total	1,781.40	1,455.32	23,852.06	21,178.94

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

20. Provisions

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Provision for employee benefits.....	3,491.29	3,313.34	613.05	465.50
Provision for warranties.....	858.89	883.18	777.19	684.11
Provision for service coupons.....	25.50	31.41	106.32	124.45
Provision for others.....	8.45	6.71	254.98	208.39
Total	4,384.13	4,234.64	1,751.54	1,482.45

Provision for warranty relates to 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	Warranty		Service coupons	
	2020	2019	2020	2019
Opening Balance.....	1,567.29	1,549.26	155.86	190.71
Additional provisions recognised.....	654.89	582.86	78.17	116.39
Amounts utilised.....	(640.53)	(569.18)	(112.29)	(156.51)
Unwinding of discount.....	32.79	22.56	10.08	5.27
Foreign exchange translation differences.....	21.64	(18.21)	—	—
Closing Balance	1,636.08	1,567.29	131.82	155.86

21. Other Non-Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2020	2019	2020	2019
Statutory dues (other than income taxes).....	—	—	719.85	2,215.04
Contract Liabilities.....	5,350.37	5,042.89	1,903.08	1,683.55
Others.....	—	—	279.12	242.50
Total	5,350.37	5,042.89	2,902.05	4,141.09

Contract Liabilities represents deferred revenue and advance received from customers.

Significant changes in Contract Liabilities during the period are as follows:-

Rupees crores

	2020	2019
Recognition of revenue arising from contract liabilities.....	1,405.52	1,259.30

22. Revenue from Operations
Rupees crores

Particulars	2020	2019
Sale of products	74,177.53	85,631.26
Sale of services	7,448.84	6,848.71
Interest income of financial services business	11,525.88	9,962.80
Income from long term contracts	612.26	572.46
Gross revenue from sale of products and services	93,764.51	103,015.23
Other operating revenue		
– Government grant and incentives.....	252.90	354.62
– Scrap sales	189.00	255.02
– Others	972.68	1,095.81
Total	95,179.09	104,720.68

Revenue from operations comprises of :

Rupees crores

Particulars	2020	2019
(a) From contract with customers (as defined under Ind AS 115)		
Sale of products.....	74,177.53	85,631.26
Sale of services.....	7,448.84	6,848.71
Income from long term contracts.....	612.26	572.46
Other operating revenue.....	520.82	613.90
	82,759.45	93,666.33
(b) From financial services		
Interest income of financial services business	11,525.88	9,962.80
	11,525.88	9,962.80
(c) Others		
Other operating revenue.....	893.76	1,091.55
	893.76	1,091.55

The Group undertakes periodic revalidations in the estimate of variable consideration on account of various economic factors. The amount of revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods is aggregating to Rs. 129.30 crores (2019: Rs. 78.09 crores).

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

Rupees crores

Particulars	2020	2019
Time Band		
Less than 1 year	1,682.58	1,413.23
Greater than 1 year but less than 5 year	2,747.26	2,365.09
Greater than 5 year	3,541.60	3,435.95
Total	7,971.44	7,214.27

The Group applies the practical expedient of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less. Revenue disclosed above does not include estimated amount of variable consideration that are constrained.

22. Revenue from Operations (contd.)

Reconciliation of revenue recognised in the statement of Profit and Loss with contracted price

		<i>Rupees crores</i>	
Particulars	2020	2019	
Revenue from contract with customer as per the contract price	85,110.02	95,808.08	
Adjustments made to contract price			
– Trade discounts, volume rebates, return etc.....	(3,287.56)	(3,172.61)	
– Deferment of revenue	(468.53)	(228.44)	
– Recognition of revenue out of opening balance of contract liability	1,405.52	1,259.30	
Revenue from contract with customer as per the statement of Profit and Loss	82,759.45	93,666.33	

Revenue disaggregation as per nature of products and geography has been included in segment information. (Refer note no. 38)

23. Other Income

		<i>Rupees crores</i>	
Particulars	2020	2019	
Interest Income			
– On financial assets carried at amortised cost.....	420.99	359.47	
– On financial assets carried at FVTOCI	45.78	64.71	
Dividend income			
– Mutual funds.....	63.61	85.69	
Net gains / (losses) on financial instruments.....	296.49	408.88	
Profit on sale of property, plant and equipment and intangible assets	91.22	11.14	
Other non-operating income (net of directly attributable expenses)	144.50	155.72	
Total	1,062.59	1,085.61	

24. Cost of Materials Consumed

		<i>Rupees crores</i>	
Particulars	2020	2019	
Opening inventory.....	4,070.78	3,432.83	
Add: Purchases	44,859.29	56,526.69	
	48,930.07	59,959.52	
Less: Closing Inventory	3,863.48	4,070.78	
Foreign currency translation difference.....	100.14	30.55	
Total	45,166.73	55,919.29	

25. Changes In Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade
Rupees crores

Particulars	2020	2019
Inventories at the beginning of the year:		
Finished goods produced.....	4,042.95	2,627.75
Work-in-progress	513.87	569.92
Stock-in-trade.....	1,343.37	1,014.62
Manufactured Components.....	166.00	159.15
	6,066.19	4,371.44
Less: Stock on disposal of subsidiary		
Stock-in-trade	(40.66)	—
	(40.66)	—
Less: Inventories at the end of the year:		
Finished goods produced.....	3,468.99	4,042.95
Work-in-progress	484.04	513.87
Stock-in-trade.....	1,223.23	1,343.37
Manufactured Components.....	130.33	166.00
	5,306.59	6,066.19
Foreign currency translation difference.....	112.60	(35.73)
Net (increase)/decrease in inventories	831.54	(1,730.48)

26. Employee Benefits Expense
Rupees crores

Particulars	2020	2019
Salaries and wages, including bonus	9,177.39	9,244.80
Contribution to provident and other funds.....	857.45	777.96
Share based payment expenses.....	204.05	143.04
Staff welfare expenses	973.01	1,076.28
Total	11,211.90	11,242.08

27. Finance Cost
Rupees crores

Particulars	2020	2019
Interest expense on Financial liabilities at amortised cost	5,800.92	4,908.10
Interest on lease liability	136.72	—
Other borrowing cost.....	127.01	113.25
Total	6,064.65	5,021.35

Other borrowing cost mainly includes discounting charges and unwinding of discount on financial liabilities other than lease liability.

28. Other Expenses*Rupees crores*

Particulars	2020	2019
Stores consumed	252.97	342.58
Tools consumed.....	52.33	59.35
Power & fuel	726.90	817.11
Rent including lease rentals.....	299.79	743.35
Insurance.....	176.15	144.32
Repairs and maintenance.....	812.16	836.79
Advertisement.....	1,028.19	1,015.85
Commission on sales/contracts (net)	1,707.56	1,841.93
Freight outward.....	3,244.66	3,570.71
Sales promotion expenses.....	1,066.88	1,652.49
Travelling and conveyance expenses.....	632.21	690.33
Cost of projects.....	907.58	816.68
Subcontracting, hire and service charges.....	1,962.86	2,197.60
Provision for expected credit losses including write offs \$	1,929.10	299.99
Donations and contributions.....	208.21	151.07
Miscellaneous expenses @.....	4,148.63	3,297.78
Total	19,156.18	18,477.93

@ During the year ended 31 March, 2020 short term leases and low value leases recognised as an expense is aggregating to Rs. 191.48 and Rs. 40.80 respectively.

\$ Break-up of expected credit losses recognised during the year is as follows :-

Rupees crores

Particulars	2020	2019
Expected credit losses on:		
- Trade receivables	189.18	136.88
- Contract assets.....	1.92	2.11
- Financial services receivables.....	1721.94	66.20
- Other financial assets.....	16.06	94.80
Total	1,929.10	299.99

29. Exceptional items (net)

Exceptional items (net) recognised in the statement of profit and loss

Rupees crores

Particulars	2020	2019
Gain on change in ownership interests in subsidiaries (resulting in loss of control), associates and joint ventures and change of relationships.....	274.76	569.28
Impairments: -		
Property, plant and equipments and other Intangible assets (including impairment of Capital work-in-progress and Intangible under development of Rs. 97.37 crores)	(1,222.34)	—
Goodwill	(663.42)	(49.86)
Investment accounted using equity method.....	(362.89)	(135.10)
Debt Instruments measured at FVTOCI.....	—	(160.00)
Total	(1,973.89)	224.32

As described in note 2(h), the Group reviews for indication of asset impairment at the end of reporting date in addition to any impairment indicators that may arise in between the two reporting periods. If there is any indication of asset impairment, the Group estimates the recoverable amount of the asset to determine the amount of the impairment loss. During the year ended 31st March, 2020, the internal and external sources of information including the effect of COVID-19 on the economic environment in which these entities operate, provided indicators of asset impairment for certain international subsidiaries. Consequently, impairment has been recognised for property, plant and equipment, capital work-in-progress, intangible assets under development and other intangible assets of certain CGUs amounting to **Rs. 1,222.34 crores** during the year ended 31st March, 2020 (2019 – Nil) based on the fair value less costs to sell.

As detailed in note 5, impairment of goodwill amounting to **Rs. 663.42 crores** has been recognised during the year ended 31st March, 2020 (2019 – Rs. 49.86 crores).

Further, as described in the note 2(c), the investments in associates and joint ventures are accounted using equity method as per Ind AS 28 – Investments in Associates and Joint Ventures. As required by Ind AS 28, after application of the equity method, the Group assesses if there is any objective evidence based on observable data that its net investment in the associate or joint venture is impaired. Based on the observable evidence, certain investments in associate and joint ventures were tested for recoverable amounts and impairment amounting to **Rs. 362.89 crores** has been recognised during the year ended 31st March, 2020 (2019 – Rs. 135.10 crores).

Additionally, impairment of debt instruments measured at FVTOCI amounting to Rs. 160.00 crores has been recognised during the year ended 31st March, 2019.

30. Earnings Per Share (EPS)

Particulars	2020	2019
Profit for the year for basic EPS (Rupees crores).....	127.04	5,315.46
Profit for the year for diluted EPS (Rupees crores).....	114.97	5,315.46
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,10,44,52,959	1,08,68,05,987
Effect of dilutive potential Ordinary (Equity) Shares	45,90,921	47,60,035
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,10,90,43,880	1,09,15,66,022
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	1.15	48.91
Diluted Earnings per share (Rs.)	1.04	48.70

31. 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 makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

A Group company provides certain severance benefit to employees on leaving service. The benefit is payable after one year of service and is one months salary for every completed year of service. Additionally based on number of years of service an additional benefit is provided on normal retirement.

31. Employee Benefits (contd.)

Post retirement medical

Few entities in the Group 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. 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.

Risk exposure

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

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with 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. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Life expectancy

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

Defined benefit plans - Actuarial valuation as on 31st March, 2020

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2020	2019	2020	2019	2020	2019	2020	2019
1 Amounts recognised in profit or loss								
Current service cost	114.00	90.17	293.25	267.91	3.08	2.85	3.16	2.67
Past service cost	(10.91)	—	—	—	—	—	12.52	—
Net interest expense	10.03	21.33	57.68	62.19	3.46	3.38	4.77	4.29
Total amount included in employee benefits expense	113.12	111.50	350.93	330.10	6.54	6.23	20.45	6.96
2 Amounts recognised in other comprehensive income								
Remeasurement (gains)/ losses:								
a) Actuarial (gains)/ losses arising from changes in -								
– demographic assumptions	(15.18)	0.68	4.23	19.06	(7.41)	0.11	—	(0.67)

31. Employee Benefits (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2020	2019	2020	2019	2020	2019	2020	2019
– financial assumptions	(6.87)	23.04	93.03	120.48	2.53	1.97	4.13	1.80
– experience adjustments	(11.43)	3.90	(86.88)	10.31	(12.49)	(3.88)	(2.07)	3.41
b) Return on plan assets, excluding amount included in net interest expense/ (income)	3.87	(4.07)	—	—	—	—	—	—
Total amount recognised in other comprehensive income	(29.61)	23.55	10.38	149.85	(17.37)	(1.80)	2.06	4.54
3 Changes in the defined benefit obligation								
Opening defined benefit obligation	1,170.95	1,073.30	2,286.95	1,977.38	47.13	44.10	65.19	55.56
Add/(less) on account of business combination	—	—	1.46	—	—	—	—	—
Current service cost	114.00	90.17	293.25	267.91	3.08	2.85	3.16	2.67
Past service cost	(10.91)	—	—	—	—	—	12.52	—
Interest expense	69.35	66.08	57.68	62.19	3.46	3.38	4.77	4.29
Remeasurements (gains)/ losses	(33.48)	27.62	10.38	149.85	(17.37)	(1.80)	2.06	4.54
Benefits paid	(110.75)	(91.44)	(143.43)	(154.79)	(0.99)	(1.40)	(4.20)	(1.87)
Foreign exchange translation difference	12.09	5.22	64.56	(15.59)	—	—	—	—
Closing defined benefit obligation	1,211.25	1,170.95	2,570.85	2,286.95	35.31	47.13	83.50	65.19
4 Changes in fair value of plan assets								
Opening fair value of plan assets	926.75	794.42	—	—	—	—	—	—
Interest income	59.32	44.75	—	—	—	—	—	—
Return on plan assets excluding interest income	(3.87)	4.07	—	—	—	—	—	—
Contributions by employer	191.72	170.88	—	—	0.99	1.40	4.20	1.87
Benefits paid	(110.75)	(91.44)	—	—	(0.99)	(1.40)	(4.20)	(1.87)
Foreign exchange translation difference	19.60	4.07	—	—	—	—	—	—
Closing fair value of plan assets	1,082.77	926.75	—	—	—	—	—	—

31. Employee Benefits (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2020	2019	2020	2019	2020	2019	2020	2019
5 Net defined benefit obligation								
Defined benefit obligation	1,211.25	1,170.95	2,570.85	2,286.95	35.31	47.13	83.50	65.19
Fair value of plan assets	1,082.77	926.75	—	—	—	—	—	—
Surplus/(Deficit)	(128.48)	(244.20)	(2,570.85)	(2,286.95)	(35.31)	(47.13)	(83.50)	(65.19)
Current portion of the above	(10.22)	(8.55)	(12.78)	(10.61)	(1.37)	(1.63)	(5.70)	(3.18)
Non current portion of the above.....	(118.26)	(235.65)	(2,558.07)	(2,276.34)	(33.94)	(45.50)	(77.80)	(62.01)

Rupees crores

Assumptions	2020	2019
6 Actuarial Assumptions and sensitivity		
a Actuarial assumptions		
Discount rate (%)	0.36-6.90	0.25 - 8.00
Attrition rate (%)	1.57-52.00	1.50 - 48.91
Cost inflation (%).....	7.00 - 9.00	7.00 - 10.00
Cost inflation includes an estimate of medical inflation and future salary increases taking into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
Assumptions		
One percentage point increase in discount rate.....	(372.33)	(354.35)
One percentage point decrease in discount rate	408.93	387.11
One percentage point increase in salary growth rate.....	366.68	350.51
One percentage point decrease in salary growth rate.....	(327.77)	(315.15)
One percentage point increase in attrition rate.....	(67.68)	(57.90)
One percentage point decrease in attrition rate.....	59.20	50.06
One percentage point increase in medical inflation rate	5.13	6.62
One percentage point decrease in medical inflation rate	(4.24)	(5.51)
7 Maturity profile of defined benefit obligation		
Time periods		
Within 1 year	241.13	222.51
2 - 5 year	979.75	869.43
Between 6 and 9 years.....	1,262.36	1,131.56
10 years and above.....	2,962.36	3,276.53

31. Employee Benefits (contd.)
Trust-managed Provident fund
Rupees crores

Particulars	2020	2019
I Net defined benefit obligation		
Defined benefit obligation	2,582.80	2,397.48
Fair value of plan assets.....	2,503.74	2,397.48
Surplus/(Deficit)	(79.06)	—
II Actuarial assumptions		
Discount rate	6.85%	7.50%
Average remaining tenure of investment portfolio (years).....	5.39	5.70
Guaranteed rate of return.....	8.50%	8.65%

Additionally, the Company has recognised an obligation of Rs. **79.06 crores** (2019: Nil) to fund the shortfall on account of interest rate guarantee through OCI.

The plan assets have been primarily invested in government securities and corporate bonds.

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating Rs. **392.84 crores** (2019 : Rs. 336.33 crores) has been recognised in the Profit or Loss under the head 'Employee Benefits Expense'.

32. 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 equity, net debt 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 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

Particulars	2020	2019
Total Equity	36,217.30	37,851.64
Net Debt		
Short term debt.....	7,639.54	5,438.16
Long term debt (including current portion of long term debt and lease liabilities)	9,687.98	7,237.00
Gross Debt	17,327.52	12,675.16
Less :		
Current investments	2,794.63	3,914.12
Cash and Bank Balances	6,379.56	7,740.88
Net Debt	8,153.33	1,020.16
Total Capital deployed	44,370.63	38,871.80

33. Financial Instruments

Financial Risk Management Framework

In the course of its business, the Group is exposed to a certain financial risks namely credit risk, 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 Management

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 also 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, 2020					
Financial Assets	1,467.68	443.74	4.16	402.19	2,317.77
Financial Liabilities	3,440.27	923.71	610.24	183.79	5,158.01
As at 31st March, 2019					
Financial Assets	1,202.70	409.39	25.92	592.17	2,230.18
Financial Liabilities	2,482.77	2,158.02	800.79	238.72	5,680.30

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	2020		2019	
	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)
Cash Flow Hedges				
<i>Buy currency</i>				
Maturing in 1+ years				
— EUR/INR	414.10	(53.98)	388.30	(47.83)
<i>Sell currency</i>				
Maturing less than 1 year				
— USD/INR	594.38	(17.50)	924.29	11.04
— USD/KRW	865.41	(0.54)	274.17	(2.24)
— GBP/KRW	—	—	90.62	0.12
— EUR/KRW	556.34	1.42	—	—
— ZAR/INR	87.41	15.16	233.63	23.75
— EUR/INR	14.88	(0.53)	16.41	(0.02)
— CAD/INR	0.43	0.01	—	—

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

33. Financial Instruments (contd.):
(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.

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	2020		2019	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Floating to fixed Interest Rate Swaps</i>				
<i>Maturing in 1+ years</i>				
— EUR	414.10	(1.19)	388.30	0.43
— USD	188.34	(4.02)	—	—

(c) The movements in Cash Flow Hedge Reserve for instruments designated in a cash flow hedge are as follows:
Rupees crores

Particulars	2020			2019		
	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 ...	(36.31)	(0.29)	(36.60)	(88.46)	2.32	(86.14)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction..	(36.08)	—	(36.08)	25.93	—	25.93
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur	(0.08)	—	(0.08)	—	—	—
Change in Fair Value of Effective Portion of cash flow hedges.....	3.84	(4.78)	(0.94)	4.80	(4.01)	0.79
Deferred Tax on the above#.....	11.40	0.15	11.55	(12.70)	1.40	(11.30)
Balance at the end of the year	(57.23)	(4.92)	(62.15)	(70.43)	(0.29)	(70.72)
Add: Share of Associate/Joint Venture ...	(102.07)	—	(102.07)	47.50	—	47.50
Deferred Tax on share of associates/ joint ventures	15.03	—	15.03	(15.03)	—	(15.03)
Add/(Less) : Non Controlling interest	(0.67)	—	(0.67)	1.65	—	1.65
Total	(144.94)	(4.92)	(149.86)	(36.31)	(0.29)	(36.60)
Of the above:						
Balance relating to continuing hedges..	(144.94)	(4.92)	(149.86)	(36.31)	(0.29)	(36.60)

Impact of deferred tax on opening balance due to changes in tax rate is **Rs. 8.69 crores** (2019: Rs. Nil crores).

33. Financial Instruments (contd.):

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 usually deals with creditworthy counterparties and obtain 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. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. The accounting of financial guarantees is as explained in Note. 2(k). The amount recognised in Balance Sheet as liabilities is as below.

Particulars	2020	2019
Financial guarantee liabilities.....	29.77	34.42

Rupees crores

The Group's maximum exposure to credit risk in respect of Financial Guarantee contracts is **Rs. 423.25 crores** and Rs. 440.41 crores as at 31st March, 2020 and 2019 respectively

(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	Not due	Less than 6 months past due	More than 6 months past due	Total
As at 31st March, 2020				
Gross carrying amount	1,931.44	3,383.96	787.28	6,102.68
Loss allowance provision	—	(22.87)	(338.87)	(361.74)
Net.....	1,931.44	3,361.09	448.41	5,740.94
As at 31st March, 2019				
Gross carrying amount	2,979.91	4,004.34	875.72	7,859.97
Loss allowance provision	—	(14.12)	(234.56)	(248.68)
Net.....	2,979.91	3,990.22	641.16	7,611.29

Rupees crores

Particulars	2020	2019
Related to hospitality segment		
Gross carrying amount	1,754.00	1,690.50
Loss allowance provision	(10.47)	(9.38)
Net.....	1,743.53	1,681.12

Reconciliation of loss allowance for Trade Receivables:

Other than related to hospitality segment

Particulars	2020	2019
Balance as at beginning of the year	248.68	150.19
Additions during the year.....	191.90	119.11
Amounts written off during the year.....	(45.40)	(3.80)
Impairment losses reversed/written back	(17.13)	(14.04)
Foreign exchange translation difference.....	3.23	(2.78)
Addition/reduction on business combination and loss of control	(19.54)	—
Balance as at end of the year	361.74	248.68

Rupees crores

33. Financial Instruments (contd.):
(b) Trade Receivables (contd.)
Related to hospitality segment
Rupees crores

Particulars	2020	2019
Balance as at beginning of the year	9.38	33.20
Additions during the year.....	1.09	7.09
Amounts written off during the year.....	—	(30.91)
Balance as at end of the year	10.47	9.38

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

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.

The following tables set out information about credit quality of loan assets measured at amortised cost:

Retail Loans
Rupees crores

Particulars	2020	2019
<i>Gross carrying value of Retail and SME loan assets</i>		
Neither Past due nor impaired.....	56,091.97	52,196.46
Past due but not impaired		
30 days past due.....	4,343.99	5,213.29
31-90 days past due	7,888.40	6,812.10
Impaired (more than 90 days)	6,951.00	5,059.83
Total Gross carrying value as at reporting date	75,275.36	69,281.68

Trade Advances
Rupees crores

Particulars	2020	2019
<i>Gross carrying amount of trade advances</i>		
Less than 60 days past due	963.83	1,787.78
61-90 days past due.....	211.50	31.34
Impaired (more than 90 days)	64.02	55.19
Total Gross carrying value as at reporting date	1,239.35	1,874.31

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 Financial services business categorises loan assets into stages based on the days past due status:

- Stage 1: 0-30 days past due
- Stage 2: 31-90 days past due
- Stage 3: More than 90 days past due

RBI COVID-19 Regulatory Package

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March, 2020 and RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated 17th April, 2020 relating to 'COVID-19 - Regulatory Package', the financial services subsidiaries, as per their board approved policy and ICAI advisories, has granted moratorium upto three months on the payment of installments falling due between 01st March, 2020 and 31st May, 2020 to all eligible borrowers. In respect of accounts overdue but standard (i.e, stage 1 and stage 2) at 29 February 2020 where moratorium benefit has been granted, for the purpose of staging of those accounts and for determination of impairment loss allowance as at 31st March, 2020, the days past due status as on 29th February, 2020 has been considered.

33. Financial Instruments (contd.):

(c) Credit risk related to financial services business (contd.)

Impact of COVID-19

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the assessment of impairment loss allowance on its loans which are subject to a number of judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy.

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 cashflows are discounted with average rate for arriving loss rate. Effective interest rate (EIR) has been taken as discount rate for all retail loans.
- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%. This is calculated as an average of the last 60 months yearly average.

Estimation Technique

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

- Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. This is calculated as an average of the last 60 months yearly movement of default rates and future adjustment for macro economic factor.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied while preparing the financial statements for the year ended March 2019, estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages have been incorporated in the measurement of impairment loss allowance and recognised an overlay in the statement of profit and loss. The impairment loss allowance estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

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 these historical PDs are converted in to forward looking PDs considering the agricultural and GDP growth estimates.

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's 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 accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the financial services business monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk.

Definition of default

The financial services business considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the financial services business 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 financial services business recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

33. Financial Instruments (contd.):
(c) Credit risk related to financial services business (contd.)
Impairment loss

The expected credit loss allowance provision is determined as follows:

Rupees crores

Particulars	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31st March, 2020	60,435.96	7,888.40	6,951.00	75,275.36
Expected credit loss rate	0.99%	10.74%	30.53%	
Carrying amount as at 31 st March, 2020 (net of impairment provision)	59,835.42	7,040.95	4,829.13	71,705.50
Gross Balance as at 31st March, 2019	57,409.75	6,812.10	5,059.83	69,281.68
Expected credit loss rate	1.22%	11.94%	35.35%	
Carrying amount as at 31 st March, 2019 (net of impairment provision)	56,847.17	6,134.45	4,147.64	67,129.26

Level of Assessment - Aggregation Criteria

The financial services business recognises the expected credit losses on a collective basis that takes into account comprehensive credit risk information and considers the economic and risk characteristics, pricing range and sector concentration.

Reconciliation of loss allowance provision for Retail and SME loans

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1st April 2018	560.55	837.63	1,886.84	3,285.02
— Transferred to/from 12 months ECL	325.77	(186.68)	(139.09)	—
— Transferred to/from lifetime ECL not credit impaired	(50.03)	140.29	(90.26)	—
— Transferred to/from lifetime ECL credit impaired	(17.84)	(122.96)	140.80	—
Loans that have been derecognised during the period	(67.66)	(124.80)	(565.58)	(758.04)
New loans originated during the year	321.62	121.81	163.55	606.98
Write-offs	(0.02)	(2.34)	(907.86)	(910.22)
Net remeasurement of loss allowance	(509.81)	14.70	423.79	(71.32)
Balance as at 31st March 2019	562.58	677.65	912.19	2,152.42

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1st April 2019	562.58	677.65	912.19	2,152.42
— Transferred to/from 12 months ECL	171.49	(117.45)	(54.04)	—
— Transferred to/from lifetime ECL not credit impaired	(37.22)	47.88	(10.66)	—
— Transferred to/from lifetime ECL credit impaired	(12.04)	(134.49)	146.53	—
Loans that have been derecognised during the year	(52.75)	(90.15)	(164.73)	(307.63)
New loans originated during the year	262.67	96.01	104.30	462.98
Write-offs	—	(0.02)	(322.58)	(322.60)
Net remeasurement of loss allowance	(294.19)	368.02	1,510.86	1,584.69
Balance as at 31st March 2020	600.54	847.45	2,121.87	3,569.86

33. Financial Instruments (contd.):

(c) Credit risk related to financial services business (contd.)

Trade advances

	<i>Rupees crores</i>	
	2020	2019
Loss allowance provision	82.19	65.64

Impairment loss on financial services receivable for the year ended 31st March, 2020 recognised in profit or loss of **Rs. 1,721.94 crores** (2019: Rs. 66.20 crores) includes bad debt written off of **Rs. 289.60 crores** (2019: Rs. 1,170.79 crores), changes in provision for expected credit loss of **Rs. 1,433.99 crores** (2019: (1,107.38) crores) and changes in provision for loan commitments of **Rs. (1.65) crores** (2019: 2.79 crores).

'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 area which are of small ticket size. Change in any single customer repayment will not impact significantly to Financial Services business 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 businesses risk.

Concentration of Credit Risk

Financial services business's 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 table shows the geographical concentrations of financial loans as at year end:

	<i>Rupees crores</i>	
	2020	2019
Carrying Value	76,514.71	71,155.99
Concentration by Geographical region in India:		
North	20,051.06	18,126.29
East	17,437.44	15,612.87
West	22,372.69	22,236.29
South	16,653.52	15,180.54
Total Loans as at reporting period	76,514.71	71,155.99

Maximum Exposure to credit Risk

The maximum exposure to credit risk of loans is their carrying amount. The maximum exposure is before considering the effect of mitigation through collateral.

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 primarily 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 the credit exposure)

	<i>Rupees crores</i>	
Loan To Value (LTV) Range	Gross Value of loans in stage 3	
	2020	2019
Upto 50% coverage.....	643.83	463.52
51 - 70% coverage.....	730.07	422.05
71 - 100% coverage.....	685.43	704.79
Above 100% coverage	4,891.67	3,469.47
	6,951.00	5,059.83

33. Financial Instruments (contd.):
3. Liquidity risk management
(a) Maturity profile of financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has 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 table includes 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, 2020				
Short term borrowings - Principal	10,217.53	—	—	—
Short term borrowings - Interest	273.49	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	19,576.70	32,776.70	7,445.76	9,895.45
Long term borrowings (including Current maturities of long term debt) - Interest	4,573.56	6,695.31	2,851.43	5,273.19
Trade payables	14,985.35	10.21	0.04	—
Financial Guarantees	423.25	—	—	—
Lease Liabilities	588.69	763.54	711.08	1,418.60
Other Financial Liabilities.....	2,181.82	243.51	8.54	182.45
Total	52,820.39	40,489.27	11,016.85	16,769.69
As at 31st March, 2019				
Short term borrowings - Principal	10,541.01	—	—	—
Short term borrowings - Interest	245.17	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	16,781.12	30,091.01	5,879.11	7,682.31
Long term borrowings (including Current maturities of long term debt) - Interest	4,025.44	5,280.83	2,004.38	4,219.33
Trade payables	20,992.17	7.93	—	—
Financial Guarantees	440.41	—	—	—
Other Financial Liabilities	2,509.39	182.10	5.68	156.15
Total	55,534.71	35,561.87	7,889.17	12,057.79

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.

33. Financial Instruments (contd.):

(b) Derivative financial instruments - Payables

The following table details the Group's liquidity analysis for its derivative financial instruments.

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2020			
Interest rate swaps	11.05	16.25	—
Foreign exchange forward contracts	20.59	81.90	—
Commodity futures.....	16.52	—	—
Gross obligation to acquire non-controlling interest.....	11.28	463.60	104.45
	59.44	561.75	104.45
As at 31st March, 2019			
Interest rate swaps	3.88	61.29	—
Foreign exchange forward contracts	11.34	73.47	—
Commodity futures.....	0.94	—	—
Gross obligation to acquire non-controlling interest.....	308.67	495.74	93.66
	324.83	630.50	93.66

4. Sensitivity Analysis

(a) Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax
Year ended 31 st March, 2020	KRW/USD	+10%	5.35
	KRW/JPY	+10%	(56.71)
	INR/EUR	+10%	8.51
Year ended 31 st March, 2019	KRW/USD	+10%	8.68
	KRW/JPY	+10%	(69.54)
	INR/EUR	+10%	3.99

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.

(b) Interest Rate analysis

The sensitivity analysis 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, 2020	INR	+50 bps	(90.18)	—
	EUR	+25 bps	(1.78)	1.32
Year ended 31 st March, 2019	INR	+50 bps	(74.85)	—
	EUR	+25 bps	(1.72)	2.29

33. Financial Instruments (contd.):

5. Fair Value Disclosures

(a) Financial Instruments regularly measured using fair value - recurring items

Rupees crores

Particulars	Financial assets/ financial liabilities	Category	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
			2020	2019					
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL/FVTOCI	(89.58)	(4.59)	Level 2	Discounted Cash Flow and Interest rate	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	69.70	(54.52)	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	75.85	200.43	Level 3	Comparable Companies 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, statement of profit and loss 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, associates and joint ventures.	
4) Gross obligation to acquire non-controlling interest	Financial Liabilities	Financial Instruments measured at FVTPL	(573.83)	(869.13)	Level 3	Comparable Companies 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, statement of profit and loss 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.	
5) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	5,619.47	3,553.95	Level 1	Net asset value	—	—	
6) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	135.55	237.32	Level 1	Quoted bid price in active market	—	—	
7) Investment in equity instruments- Unquoted	Financial Assets	Financial instrument designated at FVTOCI	140.99	58.55	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 market for respective equity instrument	Terminal growth rate, weighted average cost of capital. Market multiples used for benchmarking.	Increase or decrease in multiple will result in increase or decrease in valuation
	Financial Assets	Financial instrument measured at FVTPL	14.59	14.01	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.	—	—

33. Financial Instruments (contd.):

5. Fair Value Disclosures (contd.)

(a) Financial Instruments regularly measured using fair value - recurring items (contd.)

Particulars	Financial assets/ financial liabilities	Category	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
			2020	2019					
8) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTOCI	143.02	—	Level 1	Quoted market price	—	—	—
9) Investment in debt instruments - Debentures/Bonds, etc	Financial Assets	Financial instrument measured at FVTOCI	104.75	—	Level 1	Quoted market price	—	—	—
			42.07	56.22	Level 1	Quoted market price	—	—	—
			—	104.32	Level 1	Quoted market price	—	—	—
10) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	321.31	600.16	Level 1	Market price	—	—	—
			—	1,059.80	Level 1	Market price	—	—	—

33. Financial Instruments (contd.):
5. Fair Value Disclosures (contd.)
(a) Financial Instruments regularly measured using fair value - recurring items (contd.)

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

Rupees crores

Particulars	Unquoted Equity investment	Investment in debentures/ bonds etc	Derivatives on interest over Subsidiaries, associates and joint ventures (Net)	Gross obligation to acquire non-controlling interest
Year Ended 31st March, 2020				
Opening balance.....	72.56	316.23	200.43	(869.13)
Total gains or losses recognised:				
a) in profit/(loss)	—	—	(124.57)	70.44
b) in other comprehensive income.....	(31.51)	19.02	—	—
Purchase during the year.....	113.73	18.80	—	—
Disposal/conversion into equity during the year.....	(1.54)	(252.19)	—	—
Addition during the year.....	—	—	(0.01)	(68.58)
Exercise of put option.....	—	—	—	293.44
Exchange differences.....	2.34	—	—	—
Closing balance of fair value.....	155.58	101.86	75.85	(573.83)
Year Ended 31st March, 2019				
Opening balance.....	71.82	73.80	175.86	(826.27)
Total gains or losses recognised:				
a) in profit/(loss).....	0.03	0.72	24.57	199.08
b) in other comprehensive income.....	(7.24)	—	—	—
Purchase during the year.....	5.38	241.71	—	—
Addition during the year.....	—	—	—	(279.48)
Exercise of put option.....	—	—	—	37.54
Exchange differences.....	2.57	—	—	—
Closing balance.....	72.56	316.23	200.43	(869.13)

Equity Investments designated at FVTOCI
Rupees crores

Particulars	2020	2019
Investment in quoted and unquoted equity instruments:		
Fair value of investments.....	276.54	295.87

33. Financial Instruments (contd.):

5. Fair Value Disclosures (contd.)

(b) 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, 2020					
Financial assets					
a) Investments.....	1,357.33	1,408.18	1,055.94	352.24	—
b) Trade Receivables.....	7,484.47	7,484.47	—	7,484.47	—
c) Financial Services Receivable.....	72,862.66	72,726.88	—	—	72,726.88
d) Security Deposit.....	412.12	412.12	—	412.12	—
e) Other Loans.....	2,302.82	2,307.35	—	1,807.30	500.05
f) Fixed Deposit.....	467.73	467.73	—	467.73	—
Total	84,887.13	84,806.73	1,055.94	10,523.86	73,226.93
Financial liabilities					
a) Long Term Borrowing.....	52,298.05	53,444.26	17,734.91	35,709.35	—
b) Trade Payable.....	14,995.60	14,995.60	—	14,995.60	—
c) Short Term Borrowings.....	10,217.53	10,217.53	—	10,217.53	—
d) Other Financial Liabilities.....	24,886.94	24,886.94	7,274.68	17,210.37	401.89
Total	1,02,398.12	1,03,544.33	25,009.59	78,132.85	401.89
As at 31st March, 2019					
Financial assets					
a) Investments.....	1,469.03	1,502.05	793.01	709.04	—
b) Trade Receivables.....	9,292.41	9,292.41	—	9,292.41	—
c) Financial Services Receivable.....	68,937.93	68,530.79	—	—	68,530.79
d) Security Deposit.....	484.02	484.02	—	484.02	—
e) Other Loans.....	1,606.00	1,606.00	—	1,591.41	14.59
f) Fixed Deposit.....	138.58	138.58	—	138.58	—
Total	81,927.97	81,553.85	793.01	12,215.46	68,545.38
Financial liabilities					
a) Long Term Borrowing.....	43,526.17	43,615.65	18,113.61	25,502.04	—
b) Trade Payable.....	21,000.10	21,000.10	—	21,000.10	—
c) Short Term Borrowings.....	10,541.01	10,541.01	—	10,541.01	—
d) Other Financial Liabilities.....	21,602.90	21,602.90	7,490.08	13,806.86	305.96
Total	96,670.18	96,759.66	25,603.69	70,850.01	305.96

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

34. Significant changes in ownership

a) Acquisition of subsidiaries

Meru Travel Solutions Private Limited ("Meru")

On 05 December 2019, the Group acquired 36.63% stake in the Meru Travel Solutions Private Limited ("Meru") which is into business of cab aggregation providing ride sharing in major cities of India, for a cash consideration in the form of capital infusion in Meru aggregating to **Rs. 44.71 crores**. Additionally, there are call and put options to acquire additional stake, the terms of which in substance results in the Group having present access to economic benefits associated with such shareholding held by the non-controlling interest. Hence, in addition to the cash consideration paid, the Group has recognised an obligation of **Rs. 69.68 crores** to acquire such additional shares. The total purchase price has been preliminary allocated based on management estimates resulting into goodwill of **Rs. 71.91 crores**.

34. Significant changes in ownership (contd.)

a) Acquisition of subsidiaries (contd.)

Impact of acquisition on the results of the Group

The revenue and loss for the year ended 31st March, 2020 includes **Rs. 31.51 crores** and **Rs. 9.74 crores** respectively. If the acquisition had happened at the beginning of the year, the management estimates that, reported revenue would have been higher by **Rs. 100.65 crores** and loss would have been higher by **Rs. 9.09 crores**.

Fifth Gear Ventures Limited ("FGVL")

On 17th January, 2020, the Group has acquired 100% stake in Fifth Gear Ventures Limited ("FGVL") for consideration in cash aggregating to **Rs. 16.44 crores** and deferred consideration aggregating to **Rs. 14.01 crores**.

FGVL is into operation and maintenance of e-commerce marketplace platform which keeps its users updated with the latest information and reviews from the global automotive industry. It also provides its users platform to buy and sell used cars. The purchase price has been preliminary allocated based on estimates made by the management resulting into goodwill on consolidation of **Rs. 30.45 crores**.

Impact of acquisition on the results of the Group

The revenue and loss for the year ended 31st March, 2020 includes **Rs. 1.77 crores** and **Rs. 0.51 crores** respectively. If the acquisition had happened at the beginning of the year, the management estimates that, reported revenue would have been higher by **Rs. 6.34 crores** and loss would have been higher by **Rs. 3.44 crores**.

b) Acquisition of joint venture

New Delhi Centre for Sight Limited ("NDCFS")

On 14th May, 2019, the Group acquired 30.83% stake in New Delhi Centre for Sight Limited ("NDCFS"), a chain of eye specialty hospitals with presence in many parts of the country for cash consideration aggregating to **Rs. 206.51 crores**. NDCFS offers a comprehensive suite of diagnostic and surgical eye care procedures.

c) Disposal of subsidiary

Cleansolar Renewable Energy Private Limited

During the year ended 31st March, 2020, Mahindra Renewables Private Limited, a step-down wholly owned subsidiary of the Company, has sold its 100% stake in the Cleansolar Renewable Energy Private Limited, for an aggregate consideration amounting to **Rs. 108.39 crores**. Following the disposal, a gain aggregating to **Rs. 39.46 crores** is recognised in the statement of profit and loss.

d) Change in status

Orizonte Business Solutions Limited

During the year ended 31st March, 2020, the Orizonte Business Solutions Limited ("OBSL"), a wholly owned subsidiary was merged with Smartshift Logistics Solutions Private Limited (earlier known as Resfeber Labs Private Limited) ("Smartshift"), a joint venture of the Company for the consideration received in the form of equity shares of Smartshift. The arrangement is treated as transfer of assets and liabilities of OBSL outside the group i.e. it is not treated as a common control transaction and consequently, a gain aggregating to **Rs. 88 crores** is recognised in the statement of profit and loss. Consequent to the issue of shares as consideration, the Company's effective shareholding in the Smartshift is 44.29%.

Marvel Solren Private Limited

During the year ended 31st March, 2020, through a combination of partial stake sale of Marvel Solren Private Limited ("MSPL") to certain investors and the capital infusion in MSPL by those investors, the status of MSPL has changed from a subsidiary to joint venture with the effective shareholding of 51%. The gain on sale of stake sold and gain on fair valuation of retained stake aggregating to **Rs. 17.61 crores** is recognised in the statement of profit and loss.

Mahindra Summit Agrisciences Limited

Mahindra Agri Solutions Limited ("MASL"), a subsidiary of Mahindra & Mahindra Limited, has entered into a business transfer agreement with Mahindra Summit Agrisciences Limited ("MSAL"). Pursuant to this arrangement a part of the business of MASL was sold to MSAL for an aggregate consideration of **Rs. 128.10 crores**. Subsequent to this transaction, MASL has transferred stake of 40% to an investor for aggregate consideration of **Rs. 57.22 crores**. As a result of these transactions, a gain aggregating to **Rs. 55.08 crores** has been recognised in the statement of profit and loss.

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

(a) Details of the Group's 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	
		As at 31 st March,		As at 31 st March,	
		2020	2019	2020	2019
Mahindra Vehicle Manufacturers Limited	India	100.00%	100.00%		
Mahindra Heavy Engines Limited.....	India	100.00%	100.00%		
Mahindra Electric Mobility Limited.....	India	99.43%	99.45%		
Mahindra Trucks and Buses Limited.....	India	100.00%	100.00%		
Mahindra Automobile Distributor Private Limited.....	India	100.00%	100.00%		
NBS International Limited.....	India	100.00%	100.00%		
Mahindra Automotive Australia Pty. Limited.....	Australia	100.00%	100.00%		
Ssangyong Motor Company.....	South Korea	74.65%	74.65%		
Ssangyong Motor (Shanghai) Company Limited.....	China	74.65%	74.65%	100.00%	100.00%
Ssangyong European Parts Center B.V.....	Netherlands	74.65%	74.65%	100.00%	100.00%
SsangYong Australia Pty Limited.....	Australia	74.65%	74.65%	100.00%	100.00%
Mahindra Europe s.r.l.	Italy	100.00%	100.00%		
Mahindra and Mahindra South Africa (Proprietary) Limited	South Africa	100.00%	100.00%		
Graphic Research Design S.r.l. (formerly known as Mahindra Graphic Research Design S.r.l.) (under liquidation).....	Italy	100.00%	100.00%		
Mahindra West Africa Limited.....	Nigeria	100.00%	100.00%		
Gromax Agri Equipment Limited	India	60.00%	60.00%		
Auto Digitech Private Limited	India	100.00%	100.00%		
Kota Farm Services Limited.....	India	47.81%	47.81%	51.02%	51.02%
Trringo.com Limited.....	India	100.00%	100.00%		
Mahindra USA Inc.....	U.S.A.	100.00%	100.00%		
Mitsubishi Mahindra Agricultural Machinery Co., Ltd \$	Japan	66.67%	66.67%	33.33%	33.33%
Mitsubishi Noki Hanbai co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Factory co., Ltd.....	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Engineering co., Ltd.....	Japan	66.67%	66.67%	100.00%	100.00%
Daiya Computer Services co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Asset Management co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Mahindra Mexico S. de. R. L.....	Mexico	100.00%	100.00%		
Mahindra do Brasil Industrial Ltda.....	Brazil	100.00%	100.00%		
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi.....	Turkey	88.86%	86.80%		
Hisarlar İthalat İhracat Pazarlama Anonim Şirketi.....	Turkey	88.86%	86.80%	100.00%	100.00%
Mahindra & Mahindra Financial Services Limited.....	India	51.39%	51.43%		
Mahindra Insurance Brokers Limited	India	41.11%	41.14%	80.00%	80.00%
Mahindra Rural Housing Finance Limited	India	51.18%	46.24%	99.60%	89.91%
Mahindra Asset Management Company Private Limited.....	India	51.39%	51.43%	100.00%	100.00%
Mahindra Trustee Company Private Limited	India	51.39%	51.43%	100.00%	100.00%
Mahindra Finance CSR Foundation (w.e.f. 02 April, 2019)	India	51.39%	—	100.00%	
MRHFL Employee Welfare Trust (ESOP).....	India	51.18%	46.24%	100.00%	100.00%
Mahindra Lifespace Developers Limited.....	India	51.48%	51.49%		
Mahindra Infrastructure Developers Limited	India	51.48%	51.49%	100.00%	100.00%

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2020	2019	2020	2019
Mahindra World City (Maharashtra) Limited	India	51.48%	51.49%	100.00%	100.00%
Mahindra Integrated Township Limited	India	38.09%	37.77%	74.00%	73.36%
Knowledge Township Limited	India	51.48%	51.49%	100.00%	100.00%
Mahindra Residential Developers Limited	India	38.09%	37.77%	100.00%	100.00%
Industrial Township (Maharashtra) Limited	India	51.48%	51.49%	100.00%	100.00%
Anthurium Developers Limited	India	51.48%	51.49%	100.00%	100.00%
Mahindra Water Utilities Limited	India	50.96%	50.97%	99.00%	99.00%
Rathna Bhoomi Enterprises Private Limited	India	51.48%	51.49%	100.00%	100.00%
Deep Mangal Developers Private Limited	India	51.48%	51.49%	100.00%	100.00%
Moonshine Construction Private Limited	India	51.48%	51.49%	100.00%	100.00%
Mahindra Consulting Engineers Limited	India	88.35%	88.35%		
Mahindra Bloomdale Developers Limited	India	51.48%	51.49%	100.00%	100.00%
Mahindra Holidays & Resorts India Limited	India	67.63%	67.64%		
Mahindra Hotels and Residences India Limited	India	67.63%	67.64%	100.00%	100.00%
Gables Promoters Private Limited	India	67.63%	67.64%	100.00%	100.00%
Heritage Bird (M) Sdn. Bhd.	Malaysia	67.63%	67.64%	100.00%	100.00%
Infinity Hospitality Group Company Limited	Thailand	50.02%	50.04%	100.00%	100.00%
MH Boutique Hospitality Limited @	Thailand	33.14%	33.14%	49.00%	49.00%
MHR Holdings (Mauritius) Limited	Mauritius	67.63%	67.64%	100.00%	100.00%
Covington S.a.r.l.	Luxembourg	67.63%	67.64%	100.00%	100.00%
HCR Management Oy	Finland	67.63%	67.64%	100.00%	100.00%
Holiday Club Resorts Oy	Finland	67.63%	64.43%	100.00%	96.47%
Kiinteistö Oy Himos Gardens	Finland	67.63%	65.25%	100.00%	100.00%
Suomen Vapaa-aikakiinteistöt Oy LKV	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Vanha Ykköstii	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Katinnurkka	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Tenetinlahti	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Mällönsiemi	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 1	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 2	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Tiurunniemi	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Rauhan Liikekiinteistöt 1	Finland	67.63%	65.25%	100.00%	100.00%
Supermarket Capri Oy	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Kylpyläntorni 1	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 2	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 3	Finland	67.63%	65.25%	100.00%	100.00%
Kiinteistö Oy Kuusamon Pulkajärvi 1	Finland	67.63%	65.25%	100.00%	100.00%
Ownership Services Sweden Ab	Sweden	67.63%	65.25%	100.00%	100.00%
Are Villas 1 AB (ceased w.e.f. 04 March 2020)	Sweden	—	65.25%	—	100.00%
Are Villas 2 AB (ceased w.e.f. 04 March 2020)	Sweden	—	65.25%	—	100.00%

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2020	2019	2020	2019
Are Villa 3 AB.....	Sweden	67.63%	65.25%	100.00%	100.00%
Holiday Club Sweden Ab Åre.....	Sweden	67.63%	65.25%	100.00%	100.00%
Holiday Club Sport and Spahotels AB.....	Sweden	34.49%	33.28%	51.00%	51.00%
Holiday Club Resorts Rus LLC.....	Russia	67.63%	65.25%	100.00%	100.00%
Holiday Club Canarias Investments S.L.U.....	Spain	67.63%	65.25%	100.00%	100.00%
Holiday Club Canarias Sales & Marketing S.L.U.....	Spain	67.63%	65.25%	100.00%	100.00%
Holiday Club Canarias Resort Management S.L.U.	Spain	67.63%	65.25%	100.00%	100.00%
Holiday Club Canarias Vacation Club SLU (formerly known as Passsport Sante SL)	Spain	67.63%	65.25%	100.00%	100.00%
Arabian Dreams Hotel Apartments LLC @.....	U.A.E	33.14%	33.14%	49.00%	49.00%
Mahindra Two Wheelers Limited	India	100.00%	92.88%		
Mahindra Two Wheelers Europe Holdings S.a.r.l.....	Luxembourg	100.00%	100.00%		
Peugeot Motocycles S.A.S.	France	100.00%	51.00%		
Peugeot Motocycles Deutschland GmbH.....	Germany	100.00%	51.00%	100.00%	100.00%
Peugeot Motocycles Italia S.p.A. (under liquidation).....	Italy	100.00%	51.00%	100.00%	100.00%
PMTC Engineering SPA.....	Italy	100.00%	51.00%	100.00%	100.00%
Mahindra Tractor Assembly, Inc.....	U.S.A.	100.00%	100.00%		
Mahindra Agri Solutions Limited	India	98.60%	98.40%		
Mahindra Susten Bangladesh Private Limited.....	Bangladesh	100.00%	100.00%		
Mahindra Summit Agriscience Limited (upto 11 April 2019) ^.....	India		98.40%		100.00%
Mahindra Automotive Mauritius Limited.....	Mauritius	100.00%	100.00%		
Automobili Pininfarina GmbH	Germany	100.00%	100.00%		
Automobili Pininfarina Americas Inc	U.S.A.	100.00%	100.00%		
MSPE Urja S.R.L.	Italy	100.00%	100.00%		
Mahindra EPC Irrigation Limited.....	India	54.51%	54.58%		
Mahindra HZPC Private Limited	India	59.11%	58.99%	59.95%	59.95%
Mahindra Greenyard Private Limited.....	India	59.16%	59.04%	60.00%	60.00%
OFD Holding B.V.	Netherlands	81.93%	81.77%	83.09%	83.09%
Origin Direct Asia Ltd.....	Hong Kong	49.16%	49.06%	60.00%	60.00%
Origin Fruit Direct B.V.	Netherlands	81.93%	81.77%	100.00%	100.00%
Origin Fruit Services South America SpA.....	Chile	81.93%	81.77%	100.00%	100.00%
Origin Direct Asia (Shanghai) Trading Co. Ltd.....	China	81.93%	81.77%	100.00%	100.00%
Bristlecone Limited	Cayman Islands	75.14%	75.17%		
Bristlecone Consulting Limited.....	Canada	75.14%	75.17%	100.00%	100.00%
Bristlecone (Malaysia) Sdn. Bhd.....	Malaysia	75.14%	75.17%	100.00%	100.00%
Bristlecone International AG	Switzerland	75.14%	75.17%	100.00%	100.00%
Bristlecone UK Limited	U.K.	75.14%	75.17%	100.00%	100.00%
Bristlecone Inc.	U.S.A.	75.14%	75.17%	100.00%	100.00%
Bristlecone Middle East DMCC	U.A.E.	75.14%	75.17%	100.00%	100.00%
Bristlecone India Limited.....	India	75.14%	75.17%	100.00%	100.00%
Bristlecone GmbH	Germany	75.14%	75.17%	100.00%	100.00%

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2020	2019	2020	2019
Bristlecone (Singapore) Pte. Limited	Singapore	75.14%	75.17%	100.00%	100.00%
Mahindra Intertrade Limited	India	100.00%	100.00%		
Mahindra Steel Service Centre Limited.....	India	61.00%	61.00%		
Mahindra Electrical Steel Private Limited.....	India	100.00%	100.00%		
Mahindra Auto Steel Private Limited	India	51.00%	51.00%		
Mahindra MiddleEast Electrical Steel Service Centre (FZC).....	U.A.E.	90.00%	90.00%		
Mahindra MSTC Recycling Private Limited	India	50.00%	50.00%		
PT Mahindra Accelo Steel Indonesia.....	Indonesia	99.96%	99.96%		
Mahindra Holdings Limited	India	100.00%	100.00%		
Mahindra Overseas Investment Company (Mauritius) Limited.....	Mauritius	100.00%	100.00%		
Mahindra Racing UK Limited.....	U.K.	100.00%	100.00%		
Mahindra Susten Private Limited	India	100.00%	100.00%		
Mahindra Renewables Private Limited	India	100.00%	100.00%		
Cleansolar Renewable Energy Private Limited (upto 27 March 2020) ..	India	—	100.00%		
Mahindra Teqo Private Limited (formerly known as MachinePulse Tech Private Limited).....	India	100.00%	100.00%		
Divine Solren Private Limited	India	100.00%	100.00%		
Neo Solren Private Limited	India	100.00%	100.00%		
Marvel Solren Private Limited (upto 14 August 2019) ^.....	India	—	100.00%		
Astra Solren Private Limited	India	100.00%	100.00%		
Mega Suryaurja Private Limited	India	100.00%	100.00%		
Mahindra Engineering and Chemical Products Limited.....	India	100.00%	100.00%		
Retail Initiative Holdings Limited.....	India	100.00%	100.00%		
Mahindra Retail Limited	India	100.00%	100.00%		
Mahindra Defence Systems Limited.....	India	100.00%	100.00%		
Mahindra First Choice Wheels Limited	India	51.00%	51.00%		
Fifth Gear Ventures Limited (w.e.f. 17 January 2020).....	India	51.00%		100.00%	
Mahindra First Choice Services Limited	India	100.00%	100.00%		
Mahindra Namaste Limited	India	88.35%	88.35%	100.00%	100.00%
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%		
Mahindra 'Electoral Trust' Company.....	India	100.00%	100.00%		
Mahindra eMarket Limited.....	India	83.47%	83.47%	100.00%	100.00%
Orizonte Business Solutions Limited (merged with Smartshift Logistics Solutions Private Limited).....	India		92.24%		98.66%
Mahindra Construction Company Limited.....	India	65.38%	65.39%	91.66%	91.66%
Officemartindia.com Limited	India	50.00%	50.00%		
Mahindra & Mahindra Contech Limited @.....	India	46.66%	46.66%		
Mumbai Mantra Media Limited	India	100.00%	100.00%		
Mahindra Airways Limited.....	India	100.00%	100.00%		
Mahindra Marine Private Limited	India	81.58%	81.58%		
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	51.39%	51.43%	100.00%	100.00%
Mahindra Holidays & Resorts India Limited ESOP Trust.....	India	67.63%	67.64%	100.00%	100.00%

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2020	2019	2020	2019
Mahindra & Mahindra Benefit Trust.....	India	100.00%	100.00%		
Mahindra & Mahindra ESOP Trust	India	100.00%	100.00%		
Sunrise Initiatives Trust.....	India	100.00%	100.00%		
Mahindra First Choice Wheels Limited ESOP Trust.....	India	51.00%	51.00%	100.00%	100.00%
Mahindra Consulting Engineers Limited ESOP Trust	India	88.35%	88.35%	100.00%	100.00%
Mahindra Waste To Energy Solutions Limited	India	84.57%	100.00%		
Mahindra Telecom Energy Management Services Limited	India	100.00%	100.00%		
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.....	Netherlands	98.60%	98.40%	100.00%	100.00%
Mahindra Automotive North America Inc.....	U.S.A.	100.00%	100.00%		
Mahindra Vehicle Sales and Service Inc.....	U.S.A.	100.00%	100.00%		
Mahindra North American Technical Center, Inc.	U.S.A.	100.00%	100.00%		
Erkunt Traktor Sanayii A.S (Tractor).....	Turkey	100.00%	100.00%		
Erkunt Sanayi A.S. - (Foundry).....	Turkey	98.69%	98.69%		
Mahindra Logistics Limited.....	India	58.45%	58.52%		
Lords Freight (India) Private Limited.....	India	48.47%	48.53%	82.92%	82.92%
2 x 2 Logistics Private Limited	India	32.15%	32.19%	55.00%	55.00%
Mahindra Emirates Vehicle Armouring FZ-LLC.....	U.A.E.	88.00%	88.00%		
Mahindra Armored Vehicles Jordan, LLC.....	Jordan	88.00%	88.00%	100.00%	100.00%
New Democratic Electoral Trust @	India	27.24%	27.24%	46.64%	46.64%
Meru Travel Solutions Private Limited (w.e.f. 05 th December, 2019).....	India	85.88%			
Meru Mobility Tech Private Limited (w.e.f. 05 th December, 2019)	India	85.88%		100.00%	
V-Link Fleet Solutions Private Limited (w.e.f. 05 th December, 2019).....	India	85.88%		100.00%	
V-Link Automotive Services Private Limited (w.e.f. 05 th December, 2019) ...	India	85.88%		100.00%	
Mahindra Bangladesh Private Limited (w.e.f. 12 th September, 2019) ...	Bangladesh	100.00%			
MSPL International DMCC (w.e.f. 08 th October, 2019).....	Dubai	100.00%			

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

@ 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 JPY2,250 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.

^ During the year ended March 2020, the Controlling status was changed from subsidiary to joint venture.

35. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.):
 (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	
			2020	2019	2020	2019	2020	2019
1	Mahindra & Mahindra Financial Services Limited.....	India	48.61%	48.57%	425.75	734.06	5,523.97	5,298.03
2	Ssangyong Motor Company.....	South Korea	25.35%	25.35%	(770.27)	(92.67)	330.65	1,102.69
3	Individually Immaterial Non Controlling Interest				(103.52)	60.00	1,837.12	1,959.85
	Total				(448.04)	701.39	7,691.74	8,360.57

Mahindra & Mahindra Financial Services Limited's Principal Activity - Financing of Automotive vehicles.

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	
	2020	2019	2020	2019
Current Assets	30,052.11	29,954.30	2,586.08	4,812.76
Non Current Assets	44,019.11	37,123.69	8,489.46	10,133.64
Current Liabilities.....	21,160.32	22,212.24	6,151.25	7,182.06
Non Current Liabilities	41,547.04	33,957.72	3,619.94	3,414.46
Equity Interest Attributable to the owners.....	5,839.89	5,610.00	973.70	3,247.18
Non Controlling Interest	5,523.97	5,298.03	330.65	1,102.69
Revenue	10,245.14	8,921.73	20,037.68	24,184.44
Expenses.....	9,338.74	7,389.95	23,076.23	24,529.88
Profit/(Loss) for the year	906.40	1,531.78	(3,038.55)	(345.44)
Profit/(Loss) attributable to the owners of the company	480.65	797.72	(2,268.28)	(252.77)
Profit/(Loss) attributable to the Non-Controlling Interest	425.75	734.06	(770.27)	(92.67)
Dividends paid to non controlling interest	194.15	119.33	—	—
Opening Cash & Cash Equivalents.....	501.68	271.90	2,142.88	1,134.69
Closing Cash & Cash Equivalents.....	676.79	501.68	262.91	2,142.88
Net Cash inflow/(outflow).....	175.11	229.78	(1,879.97)	1,008.19

36. Investment in Joint Arrangements and Associates

Interests in Joint Ventures :

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	
		As at 31 st March,	
		2020	2019
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%
Mahindra World City Developers Limited #	India	89.00%	89.00%
Mahindra Industrial Park Chennai Limited #	India	60.00%	60.00%
Mahindra Homes Private Limited #.....	India	71.61%	74.98%
Mahindra Inframan Water Utilities Private Limited	India	50.00%	50.00%
Mahindra Sanyo Special Steel Private Limited	India	22.81%	22.81%
Mahindra Aerospace Private Limited #.....	India	89.78%	88.87%
Mahindra Tsubaki Conveyor Systems Private Limited	India	49.00%	49.00%
Mahindra Telephonics Integrated Systems Limited #.....	India	51.00%	51.00%
Brightsolar Renewable Energy Private Limited #.....	India	51.00%	51.00%
Jinan Qingqi Peugeot Motorcycles Co Ltd.....	China	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%
SY Auto Capital Co., LTD #	South Korea	51.00%	51.00%
Mahindra Industrial Park Private Limited **.....	India	100.00%	100.00%
Classic Legend Private Limited #	India	60.00%	60.00%
Mahindra Happinest Developers Limited #.....	India	51.00%	51.00%
M.I.T.R.A Agro Equipments Private Limited	India	40.60%	27.06%
Zoomcar Inc.....	India	16.83%	17.03%
Transtech Logistics Private Limited.....	India	39.79%	39.79%
Mahindra Top Greenhouse Private Limited #	India	60.00%	60.00%
Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited).....	India	44.29%	25.05%
Carnot Technologies Private Limited	India	23.66%	23.66%
Sampo Rosenlew Oy.....	Finland	48.98%	48.98%
Mahindra Ideal Lanka (Private) Limited	India	35.00%	35.00%
Tropiikin Rantasauna Oy	Finland	50.00%	48.23%
New Delhi Centre for Sight Limited (w.e.f. 14 th May, 2019).....	India	30.83%	
Marvel Solren Private Limited ^ (w.e.f. 14 th August, 2019) #	India	51.00%	
Mahindra Summit Agriscience Limited ^ (w.e.f. 12 th April, 2019) #	India	60.00%	
Aquasail Distribution Company Private Limited (w.e.f. 10 th October, 2019)	India	17.65%	
Ideal Finance Limited (w.e.f. 28 th February, 2020)	Sri Lanka	38.20%	

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 agreements that give the substantive rights to other investors.

** As per agreement with other shareholders, the economic interest of Mahindra Lifespace Developers Limited is 50%.

^ During the year ended March 2020, the Controlling status was changed from subsidiary to joint venture.

36. Investment in Joint Arrangements and Associates (contd.)
Interests in Associates :

The Group's interests in associates are :

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at 31 st March,	
		2020	2019
Swaraj Engines Limited	India	34.76%	33.30%
Tech Mahindra Limited.....	India	28.89%	28.90%
Mahindra Finance USA LLC.....	USA	49.00%	49.00%
Mahindra CIE Automotive Limited #	India	11.44%	11.44%
CIE Automotive S.A. #	Spain	7.44%	7.44%
PSL Media & Communications Limited	India	40.00%	40.00%
The East India Company Group Limited BVI #.....	Singapore	18.62%	18.62%
Kiinteistö Oy Seniori-Saimaa.....	Finland	31.00%	29.50%
Shiga Mitsubishi Co, Ltd.....	Japan	22.40%	22.40%
Kagawa Mitsubishi Co, Ltd.	Japan	33.33%	33.33%
Okanetsu Kogyo Co, Ltd.	Japan	33.77%	33.77%
Kita-Iwate Ryono Co, Ltd.	Japan	25.00%	25.00%
Aizu Ryono Co, Ltd.	Japan	21.25%	21.25%
Jyoban Ryono Co, Ltd.....	Japan	20.00%	20.00%
Fukuryo Kiki Hanbai Co, Ltd.....	Japan	20.00%	20.00%
Ibaraki Ryono Co, Ltd.....	Japan	21.64%	21.64%
Kotobuki Noki Co, Ltd.....	Japan	33.33%	33.33%
Honda Seisakusho Co, Ltd.....	Japan	25.00%	25.00%
Yamaichi Honten KK Co, Ltd.	Japan	42.90%	42.86%
Hokkaido Mitsubishi Noki Partnership (upto 25 th August 2019).....	Japan	—	30.35%
Tohoku Mitsubishi Noki Partnership (upto 05 th November 2019)	Japan	—	28.28%
Tobu Mitsubishi Noki Partnership (upto 05 th November 2019)	Japan	—	42.92%
Chubu Mitsubishi Noki Partnership (upto 10 th October 2019).....	Japan	—	55.59%
Seibu Mitsubishi Noki Partnership (upto 30 th September 2019).....	Japan	—	34.95%
Kyushu Mitsubishi Noki Partnership (upto 31 th August 2019)	Japan	—	24.84%
PF Holdings B.V.	Netherland	40.00%	40.00%
Merakisan Private Limited	India	31.94%	33.17%
Brainbees Solutions Private Limited #.....	India	16.33%	20.20%
Medwell Ventures Private Limited	India	31.45%	30.60%
HDG-Asia Ltd.....	Netherland	50.00%	50.00%
Scot Networks Inc (under liquidation).....	USA	45.71%	45.71%
Resson Aerospace Corporation #.....	Canada	10.60%	10.60%
Kumsan Dokum Mazelmeri A.S.....	Turkey	25.10%	25.10%
Mahindra Knowledge Park Mohali Limited	India	46.15%	46.15%

The financial statements of the Associates are drawn up to 31st March, 2020, other than for CIE Automotive S.A, Mahindra CIE Automotive Limited & The East India Company Group Ltd BVI where it is upto 31st December, 2019.

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.

36. Investment in Joint Arrangements and Associates (contd.)

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

Particulars	Tech Mahindra Limited - Consolidated	
	2020	2019
Current assets		
Cash and cash equivalents	3,016.70	2,042.70
Other assets	20,155.57	19,523.07
Total current assets	23,172.27	21,565.77
Total Non-current assets	14,181.24	11,881.08
Current liabilities		
Financial liabilities	7,641.80	7,158.00
Other Liabilities	4,514.30	4,403.60
Total current liabilities	12,156.10	11,561.60
Total Non-current liabilities	2,991.00	1,123.20
Non-controlling interest	393.30	477.70
Revenue from Operations	36,867.68	34,742.13
Interest Income	243.40	207.70
Depreciation and amortisation	1,445.80	1,129.20
Interest Cost	191.90	133.20
Income tax expense	1,160.40	1,254.40
Profit/(Loss) for the year	3,897.38	4,288.83
Other Comprehensive Income for the year	(105.70)	242.60
Total Other Comprehensive Income for the year	3,791.68	4,531.43

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:

Particulars	Tech Mahindra Limited - Consolidated	
	2020	2019
Closing Net assets	21,813.07	20,284.35
Group's share in %	28.89%	28.90%
Group share (Rs.)	6,301.80	5,862.18
Goodwill	549.31	496.31
Other Adjustments	—	516.71
Carrying amount	6,851.11	6,875.20
Market Value	14,236.29	19,898.00

37. Related party disclosures

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

(i) Associates :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Tech Mahindra Limited	20.	Merakisan Private Limited
2.	Mahindra CIE Automotive Limited	21.	Shiga Mitsubishi Nokihanbai co., Ltd.
3.	CIE Automotive, S.A.	22.	Kagawa Mitsubishi Nokihanbai co., Ltd.
4.	Swaraj Engines Limited	23.	Okanetsu Kogyo co., Ltd.
5.	Mahindra Finance USA, LLC	24.	Kitaiwate Ryono co., Ltd.
6.	PF Holdings B.V.	25.	Aizu Ryono co., Ltd.
7.	Pininfarina S.p.A.	26.	Joban Ryono co., Ltd.
8.	Pininfarina Engineering S.R.L	27.	FukuryoKiki Hanbai co., Ltd.
9.	Satyam Venture Engineering Services Private Limited	28.	Ibaragi Ryono co., Ltd.
10.	Tech Mahindra Foundation	29.	Kotobuki Noki co., Ltd
11.	Tech Mahindra (Shanghai) Co. Limited	30.	Honda Seisakusho co., Ltd.
12.	Brainbees Solutions Private Limited	31.	Yamaichi Honten co., Ltd.
13.	HDG-Asia Ltd	32.	Hokkaido Mitsubishi Noki Partnership (upto 25 th August, 2019)
14.	PSL Media & Communications Limited	33.	Tohoku Mitsubishi Noki Partnership (upto 05 th November, 2019)
15.	Kumsan Dokum Mazelmeri A.S.	34.	Tobu Mitsubishi Noki Partnership (upto 05 th November, 2019)
16.	Scoot Networks INC (under liquidation)	35.	Chubu Mitsubishi Noki Partnership (upto 10 th October, 2019)
17.	Medwell Ventures Private Limited	36.	Seibu Mitsubishi Noki Partnership (upto 30 th September, 2019)
18.	Resson Aerospace Corporation	37.	Mahindra Knowledge Park Mohali Limited
19.	The East India Company Group Ltd BVI		

(ii) Joint Ventures :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Classic Legends Private Limited	16.	Mahindra Industrial Park Private Limited
2.	Mahindra Aerospace Private Limited	17.	Mahindra Industrial Park Chennai Ltd
3.	Mahindra Sanyo Special Steel Private Limited	18.	Mahindra Telephonics Integrated Systems Limited
4.	Mahindra World City (Jaipur) Limited	19.	Mahindra Happinest Developers Limited
5.	Mahindra World City Developers Limited	20.	Brightsolar Renewable Energy Private Limited
6.	Gippsaero Pty. Limited	21.	Mahindra Inframan Water Utilities Pvt Ltd
7.	Mahindra Aerostructures Private Limited	22.	Mahindra-BT Investment Company (Mauritius) Limited
8.	Mahindra Tsubaki Conveyor Systems Private Limited	23.	Zoomcar Inc
9.	Mahindra Ideal Lanka (Private) Limited	24.	Jinan Qingqi Peugeot Motorcycles Co Ltd
10.	Sampo-Rosenlew Oy	25.	SY Auto Capital Co., LTD
11.	M.I.T.R.A. Agro Equipments Private Limited	26.	Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited)
12.	Mahindra Top Greenhouses Private Limited	27.	Aquasail Distribution Company Private Limited (w.e.f. 10 th October, 2019)
13.	Mahindra Homes Pvt Ltd	28.	Mahindra Summit Agriscience Limited (w.e.f. 12 th April 2019)
14.	Zoomcar India Private Limited	29.	New Delhi Centre for Sight Limited (w.e.f. 14 th May, 2019)
15.	Transtech Logistics Private Limited	30.	Marvel Solren Private Limited (w.e.f. 14 th August, 2019)

(iii) Key Management Personnel (KMP) :

Sr. No.	Name of KMP	Designation
1.	Mr. Anand G. Mahindra	Executive Chairman
2.	Dr. Pawan Goenka	Managing Director
3.	Mr. Nadir B. Godrej	Independent Director
4.	Mr. R. K. Kulkarni (Ceased to be Independent director w.e.f. 8 th August, 2019)	Independent Director
5.	Mr. M. M. Murugappan	Independent Director
6.	Dr. Vishakha N. Desai	Independent Director
7.	Mr. Vikram Singh Mehta	Independent Director
8.	Mr. Anupam Puri (Ceased to be Independent director w.e.f. 8 th August, 2019)	Independent Director
9.	Mr. T. N. Manoharan	Independent Director
10.	Mr. Haigreave Khaitan (appointed as Independent director w.e.f. 8 th August, 2019)	Independent Director
11.	Mrs. Shikha Sharma (appointed as Independent director w.e.f. 8 th August, 2019)	Independent Director
12.	Mr. Vijay Kumar Sharma	Nominee Director

37. Related Party Disclosures (contd.)

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

(iv) Close member of KMP and entities controlled/jointly controlled by KMP :

Sr. No.	Close member of KMP
1.	Mrs. Anuradha Mahindra
2.	Mrs. Radhika Nath
3.	Mrs. Mamta Goenka
4.	Mr. Suresh Ram Kishore Goenka
5.	Mrs. Shakuntala Kulkarni (upto 08 th August, 2019)
6.	Mr. M.M. Venkatachalam
7.	Mrs. Aruna Bajaj (upto 08 th August, 2019)
8.	Dr. T. N. Gajendran
9.	Mrs. Swati Desai

Sr. No.	Entities controlled/jointly controlled by KMP
1.	The Indian & Eastern Engineer Company Private Limited
2.	EPIC Television Network Private Limited
3.	Empire Products Limited

(v) Entity belonging to Promoter/Promoter Group holding 10% or more in the company

Sr. No.	Name of the Company
1.	Prudential Management & Services Private Limited

(vi) Welfare Funds:

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

(b) The related party transactions are as under :

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds	
1.	Purchases :								
		Goods.....	2020	2,198.60	168.72	—	—	—	—
			2019	2,987.94	158.01	—	—	—	—
	Property, plant & equipment and Intangible assets.....	2020	144.47	0.05	—	—	—	—	
		2019	98.12	0.15	—	—	—	—	
	Services.....	2020	451.36	8.45	—	—	—	—	
2019		469.13	4.83	—	—	—	—		
2.	Sales :								
		Goods.....	2020	152.84	386.66	—	0.10	—	—
		2019	633.59	11.98	—	—	—	—	
	Property, Plant and equipment	2020	0.05	—	—	—	—	—	
2019		—	0.08	—	—	—	—		

37. Related Party Disclosures (contd.)

(b) The related party transactions are as under: (contd.)

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
	Services.....	2020	63.29	49.16	—	0.02	—	0.01
		2019	67.00	34.50	—	0.02	—	—
3.	Investments :							
	Purchases/Subscribed/ Conversion	2020	13.18	235.74	0.16	—	—	—
		2019	30.15	249.19	—	—	—	—
	Proceeds from buyback of shares.....	2020	446.85	—	—	—	—	—
		2019	—	—	—	—	—	—
4.	Management contracts including Deputation of personnel :							
	From Parties.....	2020	0.04	—	—	—	—	—
		2019	—	—	—	—	—	—
	To Parties	2020	5.27	3.63	—	—	—	—
		2019	4.81	2.21	—	—	—	—
5.	Write off/provision of Receivables/Advances.....	2020	32.35	—	—	—	—	—
		2019	83.54	—	—	—	—	—
6.	Managerial remuneration	2020	—	—	18.75	—	—	—
		2019	—	—	18.35	—	—	—
7.	Stock options given by the Company	2020	—	—	—	—	—	—
		2019	—	—	2.51	—	—	—
8.	Commission and other benefits to Non-executive/independent directors (including nominee directors)*	2020	—	—	3.52	—	—	—
		2019	—	—	3.29	—	—	—
9.	Finance :							
	Inter Corporate deposits given	2020	—	83.51	—	—	—	—
		2019	—	56.07	—	—	—	—
	Inter Corporate Deposits refunded by parties	2020	—	17.00	—	—	—	—
		2019	—	114.07	—	—	—	—
	Debenture/Preference shares issued by parties	2020	—	26.38	—	—	—	—
		2019	—	—	—	—	—	—
	Debenture issued to parties...	2020	150.00	—	—	—	—	—
		2019	—	7.71	—	—	—	—

37. Related Party Disclosures (contd.)

(b) The related party transactions are as under: (contd.)

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
	Inter Corporate deposits taken	2020	21.00	17.55	—	—	—	—
		2019	520.00	—	—	—	—	—
	Inter Corporate deposits refunded	2020	510.00	—	—	—	—	—
		2019	135.00	—	—	—	—	—
	Interest income	2020	0.11	4.82	0.49	—	—	—
		2019	0.34	29.26	0.49	—	—	—
	Interest expense	2020	26.18	0.64	—	—	—	—
		2019	30.69	—	—	—	—	—
	Dividend received	2020	676.86	18.90	—	—	—	—
		2019	427.14	17.46	—	—	—	—
	Dividend received in kind	2020	—	—	—	—	—	—
		2019	239.99	—	—	—	—	—
	Dividend distributed	2020	—	—	2.59	0.69	120.29	1.09
		2019	—	—	2.25	0.60	106.14	3.05
	Share application money given	2020	—	15.60	—	—	—	—
		2019	—	—	—	—	—	—
10.	Guarantees & Collaterals Given (Transactions during the year)	2020	—	41.41	—	—	—	—
		2019	2.45	—	—	—	—	—
11.	Guarantees and Collaterals Taken (Transactions during the Year)	2020	0.26	—	—	—	—	—
		2019	0.24	—	—	—	—	—
12.	Other Transactions :							
		Other Income	2020	13.70	4.69	—	0.42	—
		2019	11.61	3.71	—	0.42	—	—
	Other Expenses	2020	2.09	178.86	—	0.14	—	—
		2019	5.85	152.05	—	0.19	—	—
	Reimbursements received from parties	2020	8.27	16.10	—	0.01	—	76.96
		2019	8.33	15.31	—	—	—	1.60
	Reimbursements made to parties	2020	0.12	5.47	—	—	—	—
		2019	6.68	1.59	—	—	—	—

37. Related Party Disclosures (contd.)

(b) The related party transactions are as under: (contd.)

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
13.	Outstandings :							
	Trade and Other payable.....	2020	286.79	82.85	4.19	—	—	—
		2019	571.88	7.57	4.46	—	—	—
	Trade and Other receivables..	2020	123.37	244.65	10.73	2.01	—	41.88
		2019	71.92	22.45	10.69	1.90	—	17.00
	Debenture/Bonds/Preference shares issued by parties.....	2020	—	98.14	—	—	—	—
		2019	—	392.87	—	—	—	—
	Debenture/Bonds issued to parties	2020	150.00	7.71	—	—	—	—
		2019	—	7.71	—	—	—	—
	Inter Corporate Deposits given	2020	—	66.51	—	—	—	—
		2019	30.69	—	—	—	—	—
	Inter Corporate Deposits taken.....	2020	21.00	17.55	—	—	—	—
		2019	510.00	—	—	—	—	—
14.	Provision on doubtful loans and advances.....	2020	34.17	—	—	—	—	—
		2019	—	—	—	—	—	—
15.	Security Deposit paid.....	2020	0.02	1.07	—	—	—	—
		2019	0.02	—	—	—	—	—
16.	Advances given	2020	0.77	—	—	—	—	—
		2019	2.84	—	—	—	—	—
17.	Guarantees given outstanding...	2020	381.84	41.41	—	—	—	—
		2019	440.41	—	—	—	—	—

* includes sitting fees and commission paid / payable to Khaitan & Co., in which Mr. Haigreve Khatain is a partner.

38. Segment Information

Operating Segments

The reportable segments of the Group are Automotive, Farm Equipment, Financial Services, Real Estate, Hospitality 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, mobility solutions, construction equipments and related services.

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

Financial Services: This segment comprises of offering financial products ranging from retail and other loans, SME finance, housing finance, mutual funds and life and non-life insurance broking services.

Real Estate: This segment comprises of projects, project management & development and operating of commercial complexes.

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

Others: This segment mainly comprises of IT Services, after-market, defence, steel trading and processing, logistics, solar, powerol, agri business, two-wheelers, etc.

The Chief Operating Decision Maker (“CODM”) evaluates the companies 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.

38. Segment Information (contd.)

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.

Information regarding the Group's reportable segments is presented below:

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Revenue									
External Revenue	48,490.60	20,861.98	11,803.40	627.89	2,373.37	11,021.85	95,179.09	—	95,179.09
	59,051.11	22,078.19	10,313.75	605.10	2,237.83	10,434.70	1,04,720.68	—	1,04,720.68
Inter Segment Revenue	151.09	251.21	24.22	11.24	0.38	1,799.10	2,237.24	(2,237.24)	—
	121.47	325.03	31.33	14.58	2.76	2,310.70	2,805.87	(2,805.87)	—
Total Revenue	48,641.69	21,113.19	11,827.62	639.13	2,373.75	12,820.95	97,416.33	(2,237.24)	95,179.09
	59,172.58	22,403.22	10,345.08	619.68	2,240.59	12,745.40	1,07,526.55	(2,805.87)	1,04,720.68
Result									
Segment result before exceptional items	(915.36)	2,276.63	1,449.75	(49.96)	128.02	43.70	2,932.78	2.74	2,935.52
	2,141.06	2,381.57	2,703.04	36.81	96.84	(24.61)	7,334.71	(57.57)	7,277.14
Add/(less): Exceptional items allocated to Segments	(802.53)	(341.67)	—	—	—	(741.46)	(1,885.66)	—	(1,885.66)
	(32.71)	—	—	—	—	(27.63)	(60.34)	—	(60.34)
Segment result after exceptional items	(1,717.89)	1,934.96	1,449.75	(49.96)	128.02	(697.76)	1,047.12	2.74	1,049.86
	2,108.35	2,381.57	2,703.04	36.81	96.84	(52.24)	7,274.37	(57.57)	7,216.80
Share of profit/(loss) of equity accounted investees (net)									1,042.58
									1,366.52
Reconciliation to Profit/(Loss) before tax									
1. Unallocable corporate expenses, net of income									(100.98)
									213.87
2. Interest expenses not allocable to segments									(715.33)
									(635.19)
3. Interest income not allocable to segments									466.71
									424.18
4. Exceptional Items unallocable to Segments									(88.23)
									284.66
Profit before tax									1,654.61
									8,870.84
Out of total external revenue above:-								2020	2019
– From contract with customers (as defined under Ind AS 115)								82,759.45	93,666.33
– From financial services								11,525.88	9,962.80
– Others								893.76	1,091.55
Total								95,179.09	1,04,720.68
Other information:									
Depreciation and Amortisation expense	3,616.25	489.80	146.87	4.19	247.12	409.93	4,914.16	—	4,914.16
	3,102.12	435.50	75.53	3.84	82.78	253.04	3,952.81	—	3,952.81
Impairment expense	802.53	341.67	—	—	—	741.46	1,885.66	—	1,885.66
	32.71	—	—	—	—	27.63	60.34	—	60.34
Additions to non-current assets	5,416.66	647.88	118.60	3.66	133.09	542.46	6,862.35	—	6,862.35
	4,812.14	734.51	135.62	6.13	182.21	1,421.17	7,291.78	—	7,291.78

Notes:-

- Additions to non-current assets comprises of capital expenditure on property, plant and equipment, intangible assets including those under development and capital advances.
- 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.

38. Segment Information (contd.)
Segment assets and liabilities

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Segment Assets	32,889.77	11,974.12	76,814.81	1,798.86	6,667.00	11,922.53	1,42,067.09	—	1,42,067.09
	37,023.23	13,196.49	71,554.25	2,089.39	5,099.58	12,144.39	1,41,107.33	—	1,41,107.33
Segment Liabilities	14,785.63	6,139.32	68,660.35	486.08	7,703.46	3,724.29	1,01,499.13	—	1,01,499.13
	20,468.72	5,534.49	61,872.15	710.07	5,882.15	3,903.36	98,370.94	—	98,370.94
<i>Reconciliation of segment assets to total assets:</i>									
Segment Assets									1,42,067.09
Unallocable Assets									1,41,107.33
									24,939.57
									22,284.24
Total Assets									1,67,006.66
									1,63,391.57
Unallocable Assets primarily comprise of equity accounted investment in associates and joint ventures, other investments, income tax assets, deferred tax assets.									
<i>Reconciliation of segment liabilities to total liabilities:</i>									
Segment Liabilities									1,01,499.13
Unallocable Liabilities									98,370.94
									17,846.48
									16,676.65
Total Liabilities									1,19,345.61
									1,15,047.59

Unallocable Liabilities primarily comprise of borrowings (excluding related to Financial Services Segment) 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	For the year Ended 31 st March,						As at 31 st March,	
	2020			2019			2020	2019
	Revenue from contract with customers	Other revenue	Total external revenue	Revenue from contract with customers	Other revenue	Total external revenue	Non-Current assets	Non-Current assets
India	50,160.36	12,023.39	62,183.75	57,228.69	10,548.18	67,776.87	28,557.85	25,913.99
Overseas.....	32,599.09	396.25	32,995.34	36,437.64	506.17	36,943.81	12,508.93	12,449.26
	82,759.45	12,419.64	95,179.09	93,666.33	11,054.35	1,04,720.68	41,066.78	38,363.25

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 Intangibles Assets, Intangibles under development, Income Tax Assets (Net) and Other Loan Assets (Non-financial).

Information about major customers

During the year ended 31st March 2020 and 2019 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.

39. Employee 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 recommendations of the Compensation Committee.

Options granted under Mahindra & Mahindra Limited Employees Stock Option Scheme - 2000 ("2000 Scheme") vest in 4 equal instalments 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 or
- iii) 3 instalments bifurcated as 33.33% on the expiry of 12 months, 33.33% on the expiry of 24 months and 33.34% on the expiry of 36 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

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2019.....	63,51,833	4.18
Options granted during the year.....	20,54,575	5.00
Options forfeited/lapsed during the year.....	3,19,189	6.19
Options exercised during the year.....	14,52,547	3.62
Options outstanding on 31 st March, 2020.....	66,34,672	4.46
Options vested but not exercised on 31 st March, 2020.....	24,39,947	4.20

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

Date of exercise	Weighted average share price (Rs.)
24 th April 2019 to 13 th March, 2020.....	543.59

Information in respect of options outstanding as at 31st March, 2020

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50.....	27,36,792	4.48 years
Rs. 5.00.....	38,87,880	6.43 years
Rs. 331.00.....	10,000	0.98 years

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

Grant Date	No of years vesting	Fair value per options
7 th November, 2019.....	5 years	Rs. 531.26
7 th November, 2019.....	3 years	Rs. 538.85

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	
	7 th Nov, 2019 (5 years vesting)	7 th Nov, 2019 (3 years vesting)
Risk free interest rate (%).....	6.29%	6.11%
Expected life (in years).....	5.51 years	4.51 years
Expected volatility (%).....	26.27%	26.00%
Expected dividend yield (%).....	1.47%	1.47%
Exercise Price (Rs.).....	5.00	5.00
Stock Price (Rs.).....	579.80	579.80

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. 2,405.43 crores** before tax (2019 : Rs. 2,440.05 crores before tax).
 - (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 355.65 crores** before tax (2019 : Rs. 402.88 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 taxability 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. 1,922.76 crores** (2019 : Rs. 1,762.97 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. 370.50 crores** (2019 : Rs. 351.80 crores).
- (c) In respect of (a) & (b) above, it is not practicable for the Group 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, 2020 is **Rs. 2,932.26 crores** (2019 : Rs. 2,699.71 crores) and other commitment as at 31st March, 2020 is **Rs. 661.73 crores** (2019: Rs. 982.71 crores).

41. Research and Development expenditure :

In recognised Research and Development units :

Debited to the Statement of Profit and Loss, including certain expenditure based on allocations made by the Group, aggregate **Rs. 1,594.54 crores** (2019 : Rs. 1,440.30 crores).

42 Adoption of Ind AS 116: - Leases

Effective 1 April 2019, the Group has adopted Ind AS 116 - Leases using a modified retrospective approach. Accordingly, on initial application of Ind AS 116, in respect of leases previously classified as operating leases, lease liability is measured at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and the right-of-use asset has been measured at the amount equal to lease liability, adjusted for any prepaid or accrued lease payments recognised in the balance sheet immediately before the date of initial application. However, few of the subsidiaries have measured the right-of-use asset at the present value of lease payments, discounted using incremental borrowing rate at the date of initial application, as if the standard is applicable since the commencement date of the lease. The difference between right-of-use asset and lease liability on the transition date is recognised in the retained earnings, net of deferred tax.

Effect of initial application of Ind AS 116 on transition date is disclosed below

(i) Lease liabilities recognised on the date of initial application:

	<i>Rupees crores</i>
Operating lease commitments, as per Ind AS 17, as on 31 st March, 2019	3,643.54
Weighted average incremental borrowing rate (p.a) as on 01 st April, 2019	1.00%-11.34%
Present value of lease commitments, using incremental borrowing rate.....	2,781.77
<i>Adjustments for: -</i>	
Practical expedient for leases with remaining lease term less than 12 months	(182.71)
Practical expedient for leases with low value	(15.32)
Variable lease payments recognised as an expense.....	17.26
Lease Liability relating to operating lease commitments as on initial application date	2,601.00
Reclassification of finance lease as per Ind AS 17	178.16
Lease liabilities recognised on initial application date	2,779.16

42 Adoption of Ind AS 116: - Leases (contd.):

(ii) Right-of-use asset recognised on the date of initial application:

	Rupees crores
Lease Liability relating to operating lease commitments as on initial application date.....	2,601.00
Adjustments for certain subsidiaries recognising right-of-use asset at the commencement of lease.....	(175.30)
Right-of-use assets relating to operating lease commitment as on initial application date.....	2,425.70
<i>Adjustments for</i>	
Reclassification of prepaid/accrued lease payments	196.49
Reclassification of finance lease recognised as per Ind AS 17	480.67
Right-of-use asset recognised in the balance sheet on initial application date.....	3,102.86

(iii) Transition impact recognised in retained earnings:

	Rupees crores
<i>Right-of-use asset recognised on the initial application date</i>	2,425.70
Lease Liability recognised in the balance sheet on initial application date	2,601.00
Deferred Tax Asset recognised	37.76
Amount recognised in retained earnings.....	137.54

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
PARENT								
Mahindra and Mahindra Limited	86.24%	34,467.84	1047.35%	1,330.55	10.77%	(32.10)	-758.79%	1,298.45
SUBSIDIARIES								
Indian								
Mahindra Automobile Distributor Private Limited	0.04%	14.32	4.17%	5.30	0.00%	—	-3.10%	5.30
Mahindra Trucks and Buses Limited	0.36%	145.28	25.24%	32.07	-2.12%	6.32	-22.43%	38.39
Mahindra Heavy Engines Limited	1.09%	434.60	30.80%	39.13	0.11%	(0.33)	-22.67%	38.80
Mahindra Electric Mobility Limited	0.67%	268.21	-43.47%	(55.23)	-0.07%	0.22	32.15%	(55.01)
Mahindra Vehicle Manufacturers Limited	10.70%	4,276.74	-329.17%	(418.18)	2.21%	(6.59)	248.23%	(424.77)
NBS International Limited	-0.04%	(15.81)	-6.36%	(8.08)	0.07%	(0.22)	4.85%	(8.30)
Gromax Agri Equipment Limited	0.06%	23.82	-1.72%	(2.19)	-0.01%	0.02	1.27%	(2.17)
Mahindra Agri Solutions Limited	0.20%	80.24	-15.10%	(19.18)	0.04%	(0.12)	11.28%	(19.30)
Mahindra Greenyard Private Limited	-0.01%	(2.77)	-2.86%	(3.63)	0.01%	(0.02)	2.13%	(3.65)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra HZPC Private Limited	0.00%	0.18	-4.86%	(6.17)	0.00%	—	3.61%	(6.17)
Mahindra EPC Irrigation Limited (Consolidated)	0.43%	170.23	18.14%	23.04	0.00%	—	-13.46%	23.04
Kota Farm Services Limited	0.00%	(0.30)	0.00%	—	0.00%	—	0.00%	—
Bristlecone India Limited	0.38%	152.02	18.14%	23.04	0.16%	(0.48)	-13.18%	22.56
Mahindra & Mahindra Financial Services Limited	28.43%	11,363.86	713.48%	906.40	0.89%	(2.66)	-528.13%	903.74
Mahindra Insurance Brokers Limited.	1.06%	422.68	42.00%	53.36	0.74%	(2.22)	-29.89%	51.14
Mahindra Rural Housing Finance Limited	3.12%	1,248.14	116.94%	148.56	0.39%	(1.15)	-86.14%	147.41
Mahindra Asset Management Company Private Limited	0.17%	68.02	-29.83%	(37.90)	0.06%	(0.18)	22.25%	(38.08)
Mahindra Trustee Company Private Limited	0.00%	0.20	-0.02%	(0.02)	0.00%	—	0.01%	(0.02)
Mahindra and Mahindra Financial Services Limited ESOP Trust	0.10%	38.05	2.45%	3.11	0.00%	—	-1.82%	3.11
Mahindra Intertrade Limited	1.49%	595.84	28.69%	36.45	-0.15%	0.45	-21.56%	36.90
Mahindra Steel Service Centre Limited	0.26%	102.99	-4.10%	(5.21)	-0.08%	0.25	2.90%	(4.96)
Mahindra Electrical Steel Limited	-0.01%	(4.66)	-0.94%	(1.19)	0.00%	—	0.70%	(1.19)
Mahindra Auto Steel Private Limited	0.24%	96.42	4.10%	5.21	-0.01%	0.03	-3.06%	5.24
Mahindra Consulting Engineers Limited	0.04%	17.62	0.84%	1.07	0.03%	(0.09)	-0.57%	0.98
Mahindra Lifespace Developers Limited	3.74%	1,496.28	-177.90%	(226.00)	-0.29%	0.86	131.57%	(225.14)
Mahindra Infrastructure Developers Limited	0.05%	20.43	16.27%	20.67	0.00%	—	-12.08%	20.67
Mahindra World City (Maharashtra) Limited	-0.02%	(9.01)	-0.54%	(0.69)	0.00%	—	0.40%	(0.69)
Knowledge Township Limited	0.06%	23.64	-0.03%	(0.04)	0.00%	—	0.02%	(0.04)
Mahindra Bloomdale Developers Limited	0.05%	20.55	2.69%	3.42	0.01%	(0.02)	-1.99%	3.40

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Industrial Township (Maharashtra) Limited	0.01%	2.69	-1.68%	(2.13)	0.00%	—	1.24%	(2.13)
Anthurium Developers Limited	0.00%	0.29	0.03%	0.04	0.00%	—	-0.02%	0.04
Mahindra Integrated Township Limited	0.17%	68.07	-7.48%	(9.50)	0.02%	(0.07)	5.59%	(9.57)
Mahindra Residential Developers Limited	0.23%	91.39	4.75%	6.03	0.00%	—	-3.52%	6.03
Mahindra Water Utilities Limited	0.10%	40.55	5.65%	7.18	0.01%	(0.02)	-4.18%	7.16
Rathna Bhoomi Enterprises Private Limited	0.00%	(0.04)	0.00%	—	0.00%	—	0.00%	—
Deepmangal Developers Private Limited	0.00%	(0.37)	-0.06%	(0.07)	0.00%	—	0.04%	(0.07)
Moonshine Construction Private Limited	0.00%	(0.31)	-0.01%	(0.01)	0.00%	—	0.01%	(0.01)
Mahindra Holidays & Resorts India Limited	-1.40%	(561.45)	-85.18%	(108.21)	0.18%	(0.55)	63.56%	(108.76)
Mahindra Hotels and Residences India Limited	0.00%	(0.14)	-0.02%	(0.02)	0.00%	—	0.01%	(0.02)
Gables Promoters Private Limited	0.15%	58.66	-1.16%	(1.48)	0.00%	—	0.86%	(1.48)
Mahindra Holidays and Resots India Limited ESOP Trust	0.02%	8.27	0.00%	—	0.00%	—	0.00%	—
Mahindra Holdings Limited	5.68%	2,272.08	-173.24%	(220.09)	0.00%	—	128.62%	(220.09)
Mahindra Namaste Limited	0.00%	0.95	0.34%	0.43	0.00%	—	-0.25%	0.43
Mahindra Integrated Business Solutions Private Limited	0.03%	10.32	1.53%	1.94	0.03%	(0.08)	-1.09%	1.86
Mahindra Susten Private Limited	2.48%	990.83	32.53%	41.33	-0.13%	0.38	-24.37%	41.71
Mahindra Teqo Private Limited (formerly known as MachinePulse Tech Private Limited)	0.00%	1.85	1.35%	1.71	0.00%	—	-1.00%	1.71
Mahindra Renewables Private Limited	0.87%	347.25	-12.83%	(16.30)	0.00%	—	9.53%	(16.30)
Mega Suryaurja Private Limited	0.00%	0.03	-0.02%	(0.02)	0.00%	—	0.01%	(0.02)
Divine Solren Private Limited	0.23%	93.02	5.70%	7.24	0.00%	—	-4.23%	7.24
Neo Solren Private Limited	0.18%	71.84	-0.89%	(1.13)	0.00%	—	0.66%	(1.13)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Astra Solren Private Limited	0.18%	70.44	2.94%	3.74	0.00%	—	-2.19%	3.74
Mahindra Engineering and Chemical Products Limited	2.22%	886.40	1.19%	1.51	0.00%	—	-0.88%	1.51
Retail Initiative Holdings Limited	0.89%	357.20	-0.04%	(0.05)	0.00%	—	0.03%	(0.05)
Mahindra Retail Limited	0.92%	368.73	-16.86%	(21.42)	0.00%	—	12.52%	(21.42)
Mahindra Two Wheelers Limited	0.02%	8.46	0.56%	0.71	0.00%	(0.01)	-0.41%	0.70
Mahindra Defence Systems Limited	0.72%	286.52	19.08%	24.24	-0.09%	0.26	-14.32%	24.50
Mahindra First Choice Wheels Ltd (Consolidated)	0.25%	99.91	-5.83%	(7.41)	0.05%	(0.15)	4.42%	(7.56)
Mahindra First Choice Services Limited	-0.13%	(53.35)	-24.48%	(31.10)	0.11%	(0.33)	18.37%	(31.43)
Auto Digitech Private Limited	-0.04%	(16.79)	-2.59%	(3.29)	0.00%	—	1.92%	(3.29)
Mahindra 'Electoral Trust' Company	0.00%	0.02	-0.01%	(0.01)	0.00%	—	0.01%	(0.01)
Mahindra eMarket Limited	0.01%	5.58	3.25%	4.13	0.00%	—	-2.41%	4.13
M&M Benefit Trust	2.98%	1,189.47	821.75%	1,043.95	0.00%	—	-610.07%	1,043.95
Mahindra & Mahindra ESOP Trust	1.41%	561.93	29.57%	37.57	0.00%	—	-21.96%	37.57
Sunrise Initiatives Trust (Consolidated)	0.07%	29.71	-5.28%	(6.71)	-0.01%	0.04	3.90%	(6.67)
Mahindra Construction Company Limited	-0.06%	(22.47)	0.02%	0.02	0.00%	—	-0.01%	0.02
Officemartindia.com Limited	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra & Mahindra Contech Limited	0.04%	14.50	0.86%	1.09	-0.07%	0.21	-0.76%	1.30
Trringo.com Limited	0.01%	2.56	0.09%	0.12	0.00%	—	-0.07%	0.12
Mahindra Airways Limited	0.00%	(0.30)	-0.65%	(0.83)	0.00%	—	0.49%	(0.83)
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%	3.28	0.00%	—	0.00%	—	0.00%	—
Mahindra MSTC Recycling Private Limited	0.06%	22.39	-4.24%	(5.39)	-0.01%	0.04	3.13%	(5.35)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Logistics Limited (Consolidated)	1.52%	607.67	44.14%	56.07	-0.11%	0.32	-32.95%	56.39
Mahindra Waste To Energy Solutions Limited	0.04%	16.75	-2.16%	(2.74)	0.00%	0.01	1.60%	(2.73)
Mahindra Telecom Energy Management Services Limited	0.00%	0.03	-0.01%	(0.01)	0.00%	—	0.01%	(0.01)
MRHFL Employee Welfare trust (ESOP)	0.00%	0.29	0.23%	0.29	0.00%	—	-0.17%	0.29
Mahindra Finance CSR foundation (w.e.f. 02 nd April, 2019)	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Meru Travel Solutions Private Limited (Consolidated) (w.e.f. 05 th December, 2019)	0.35%	139.72	-7.16%	(9.09)	0.00%	—	5.31%	(9.09)
Foreign								
Mahindra Automotive Australia Pty. Limited ^	0.00%	0.25	-2.13%	(2.71)	0.02%	(0.05)	1.61%	(2.76)
Mahindra Europe S.r.l. €	0.03%	10.99	-0.27%	(0.34)	-0.24%	0.73	-0.23%	0.39
Mahindra & Mahindra South Africa (Proprietary) Limited Z	0.08%	31.46	-9.45%	(12.01)	1.31%	(3.90)	9.30%	(15.91)
Mahindra Tractor Assembly, Inc. \$	-0.17%	(69.47)	-164.96%	(209.57)	7.42%	(22.12)	135.40%	(231.69)
Ssangyong Motor Company »	3.26%	1,304.36	-2391.81%	(3,038.56)	2.34%	(6.97)	1779.76%	(3,045.53)
Ssangyong European Parts Center B.V. €	-0.05%	(18.54)	-0.50%	(0.64)	0.41%	(1.22)	1.09%	(1.86)
Ssangyong Motor (Shanghai) Company Limited >	0.00%	0.60	-0.61%	(0.77)	0.00%	0.01	0.44%	(0.76)
Mahindra USA Inc. \$	-1.83%	(729.61)	-380.57%	(483.48)	17.79%	(53.04)	313.53%	(536.52)
Bristlecone Limited \$	0.03%	10.94	-4.79%	(6.08)	3.36%	(10.01)	9.40%	(16.09)
Bristlecone Inc. \$	0.06%	23.04	8.52%	10.83	-1.72%	5.12	-9.32%	15.95
Bristlecone Consulting Limited @	0.01%	3.71	0.84%	1.07	-0.05%	0.16	-0.72%	1.23
Bristlecone International AG <	0.04%	15.39	1.79%	2.28	-0.57%	1.71	-2.33%	3.99
Bristlecone UK Limited £	0.01%	4.84	0.00%	—	-0.05%	0.14	-0.08%	0.14
Bristlecone (Malaysia) Sdn. Bhd. **	0.01%	3.07	0.15%	0.19	-0.03%	0.09	-0.16%	0.28
Bristlecone Singapore Pte. Limited ≤	0.01%	3.37	1.70%	2.16	-0.03%	0.10	-1.32%	2.26

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Bristlecone GmbH €	0.10%	40.40	0.92%	1.17	-0.89%	2.66	-2.24%	3.83
Mahindra Middleeast Electrical Steel Service Centre (FZC) ●	0.07%	26.19	-4.75%	(6.03)	-0.78%	2.34	2.16%	(3.69)
Heritage Bird (M) Sdn Bhd **	0.00%	(0.19)	0.26%	0.33	0.00%	(0.01)	-0.19%	0.32
MH Boutique Hospitality Limited #	-0.01%	(3.45)	-0.18%	(0.23)	0.17%	(0.52)	0.44%	(0.75)
Infinity Hospitality Group Company Limited #	0.02%	8.08	-1.57%	(1.99)	-0.17%	0.51	0.86%	(1.48)
MHR Holdings (Mauritius) Limited €	-0.13%	(52.35)	-5.03%	(6.39)	5.01%	(14.93)	12.46%	(21.32)
Covington S.à r.l €	0.20%	81.03	0.63%	0.80	7.83%	(23.36)	13.18%	(22.56)
Arabian Dreams Hotel Apartments LLC ●	0.01%	5.08	3.77%	4.79	-0.09%	0.26	-2.95%	5.05
Holiday Club Resort Oy (Consolidated) €	0.95%	377.94	14.15%	17.97	-14.88%	44.38	-36.44%	62.35
HCR Management Oy €	0.04%	17.59	0.30%	0.38	-0.03%	0.09	-0.27%	0.47
Mahindra Overseas Investment Company (Mauritius) Limited. \$	-0.24%	(96.38)	-1302.28%	(1,654.42)	97.84%	(291.73)	1137.30%	(1,946.15)
Mahindra Emirates Vehicle Armouring FZ-LLC (Consolidated) ●	0.06%	24.93	0.46%	0.59	-0.69%	2.07	-1.55%	2.66
Mahindra Racing UK Limited £	-0.01%	(5.64)	-10.82%	(13.74)	0.07%	(0.20)	8.15%	(13.94)
Mahindra Two Wheelers Europe Holdings S.a r.l €	0.95%	379.40	-171.97%	(218.47)	3.17%	(9.46)	133.20%	(227.93)
Peugeot Motocycles S.A.S. (Consolidated) €	-0.53%	(211.63)	-172.44%	(219.07)	8.33%	(24.85)	142.54%	(243.92)
Mitsubishi Mahindra Agricultural Machinery Co. Ltd (Consolidated) ¥	0.50%	201.40	-352.08%	(447.28)	-6.66%	19.85	249.78%	(427.43)
Mahindra West Africa Ltd ◇	0.00%	1.50	0.08%	0.10	-0.01%	0.02	-0.07%	0.12
Mahindra Mexico S. de. R. L ©	-0.14%	(56.69)	-40.16%	(51.02)	-2.66%	7.92	25.19%	(43.10)
Bristlecone Middle East DMCC ●	0.01%	2.08	3.16%	4.02	-0.03%	0.08	-2.40%	4.10
Mahindra do Brasil Industrial Ltda B	-0.13%	(53.18)	-50.35%	(63.96)	-3.34%	9.97	31.55%	(53.99)
OFD Holding BV (Consolidated) €	0.13%	51.52	1.50%	1.91	-1.31%	3.91	-3.40%	5.82
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Consolidated) ₺	0.04%	15.57	-51.46%	(65.37)	1.62%	(4.82)	41.02%	(70.19)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Automotive North America Inc. (Consolidated) \$	-0.15%	(58.80)	-373.21%	(474.13)	2.37%	(7.08)	281.21%	(481.21)
Erkunt Sanayi A.S. ₺	0.79%	316.97	11.17%	14.19	11.04%	(32.93)	10.95%	(18.74)
Erkunt Traktor Sanayii A.S ₺	0.48%	190.29	-54.55%	(69.30)	3.16%	(9.41)	46.00%	(78.71)
Mahindra Fresh Fruits Distribution Holding €	-0.01%	(5.42)	-0.09%	(0.11)	0.78%	(2.32)	1.42%	(2.43)
Automobili Pininfarina GmbH (Consolidated) €	1.39%	553.58	-96.73%	(122.89)	-7.62%	22.72	58.54%	(100.17)
Mahindra Susten Bangladesh Private Limited ©©	0.00%	0.12	-0.09%	(0.12)	0.00%	0.01	0.06%	(0.11)
SsangYong Australia Pty Limited ^	-0.07%	(26.14)	-25.50%	(32.39)	-0.33%	0.98	18.36%	(31.41)
Mahindra Automotive Mauritius Limited \$	1.89%	753.69	-0.29%	(0.37)	-2.62%	7.82	-4.35%	7.45
PT Mahindra Accelo Steel Indonesia <<	0.03%	12.17	-0.57%	(0.72)	0.23%	(0.69)	0.82%	(1.41)
MSPE Urja S.R.L. €	0.01%	2.33	-2.14%	(2.72)	-0.07%	0.20	1.47%	(2.52)
Graphic Research Design S.r.l. (formerly known as Mahindra Graphic Research Design S.r.l.) (under the process of liquidation)	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra Bangladesh Private Limited ©© (w.e.f. 12 th September, 2019)	0.01%	3.48	-0.18%	(0.23)	0.01%	(0.03)	0.15%	(0.26)
MSPL International DMCC • (w.e.f. 08 th October, 2019)	-0.03%	(11.54)	-8.61%	(10.94)	0.23%	(0.70)	6.80%	(11.64)
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.21%	82.00	19.43%	24.69	0.05%	(0.15)	-14.34%	24.54
Tech Mahindra Limited	15.77%	6,301.80	917.14%	1,165.13	11.39%	(33.95)	-661.04%	1,131.18
Mahindra CIE Automotive Limited	1.33%	530.11	31.86%	40.47	0.46%	(1.38)	-22.84%	39.09
PSL Media & Communications Limited	0.00%	0.96	0.00%	—	0.00%	—	0.00%	—
Brainbees Solutions Private Limited	1.10%	438.97	-25.77%	(32.74)	0.00%	—	19.13%	(32.74)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Medwell Ventures Private Limited	0.05%	21.09	-9.35%	(11.88)	0.00%	—	6.94%	(11.88)
Merakisan Private Limited	0.00%	(1.73)	-1.01%	(1.28)	0.00%	—	0.75%	(1.28)
Mahindra Knowledge Park Mohali Limited	0.00%	(0.56)	0.00%	—	0.00%	—	0.00%	—
Foreign								
Mahindra Finance USA LLC \$	1.24%	493.71	36.03%	45.77	-13.10%	39.07	-49.58%	84.84
CIE Automotive S.A. €	1.30%	520.50	132.49%	168.32	5.96%	(17.77)	-87.98%	150.55
PF Holdings B.V. €	0.31%	125.89	-66.90%	(84.99)	-3.23%	9.64	44.03%	(75.35)
Scout Network Inc. (Under liquidation) \$	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Resson Aerospace Corporation @	0.02%	6.07	-2.27%	(2.89)	-0.07%	0.20	1.57%	(2.69)
The East India Company Group Ltd BVI £	-0.03%	(10.13)	-4.71%	(5.98)	3.40%	(10.14)	9.42%	(16.12)
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra World City (Jaipur) Limited	0.56%	225.15	15.99%	20.31	0.00%	—	-11.87%	20.31
Mahindra World City Developers Limited	0.31%	125.11	-6.34%	(8.05)	0.00%	—	4.70%	(8.05)
Mahindra Homes Private Limited	0.53%	213.33	-74.53%	(94.68)	0.00%	—	55.33%	(94.68)
Mahindra Inframan Water Utilities Pvt. Limited	0.00%	(0.01)	0.00%	—	0.00%	—	0.00%	—
Mahindra Sanyo Special Steel Pvt. Ltd	0.10%	41.20	-15.22%	(19.34)	0.04%	(0.11)	11.37%	(19.45)
Mahindra Aerospace Private Limited	0.31%	122.39	-87.88%	(111.64)	-0.70%	2.10	64.01%	(109.54)
Brightsolar Renewable Energy Private Limited	0.04%	15.56	-0.46%	(0.58)	0.00%	—	0.34%	(0.58)
Mahindra Tsubaki Conveyor Systems Private Limited	0.08%	30.35	0.45%	0.57	0.00%	—	-0.33%	0.57
Mahindra Telephonics Integrated Systems Limited	0.02%	6.82	-3.00%	(3.81)	0.00%	—	2.23%	(3.81)
Classic Legends Private Limited	0.25%	99.70	-2.92%	(3.71)	0.00%	—	2.17%	(3.71)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Happinest Developers Limited	-0.03%	(11.96)	-1.91%	(2.43)	0.00%	—	1.42%	(2.43)
M.I.T.R.A Agro Equipments Private Limited	0.02%	6.03	1.09%	1.39	0.00%	—	-0.81%	1.39
Carnot Technologies Private Limited	0.00%	1.32	0.11%	0.14	0.00%	—	-0.08%	0.14
Smartshift Logistics Solution Private Limited (formerly known as Resfeber Labs Private Limited)	0.09%	34.33	-33.90%	(43.07)	0.00%	—	25.17%	(43.07)
Mahindra Industrial Park Private Limited	-0.02%	(9.71)	-3.45%	(4.38)	0.00%	—	2.56%	(4.38)
Mahindra Industrial Park Chennai Limited	0.26%	103.90	0.54%	0.69	0.00%	—	-0.40%	0.69
Mahindra Summit Agriscience Limited (w.e.f. 12 th April, 2019)	0.15%	61.85	-10.89%	(13.84)	0.00%	—	8.09%	(13.84)
Marvel Solren Private Limited (w.e.f. 14 th August, 2019)	0.02%	8.21	-0.78%	(0.99)	0.00%	—	0.58%	(0.99)
Aquasail Distribution Company Private Limited (w.e.f. 10 th October, 2019)	0.00%	1.23	0.00%	—	0.00%	—	0.00%	—
New Delhi Centre for Sight Limited (w.e.f. 14 th May, 2019)	0.21%	82.41	2.60%	3.30	0.00%	—	-1.93%	3.30
Foreign								
Mahindra-BT Investment Company (Mauritius) Limited \$	0.22%	89.48	1.17%	1.49	-1.04%	3.10	-2.68%	4.59
SY Auto Capital Co., LTD »	0.29%	115.41	12.04%	15.30	-0.18%	0.53	-9.25%	15.83
Sampo Rosenlew Oy €	-0.01%	(2.38)	-20.84%	(26.48)	-0.07%	0.22	15.35%	(26.26)
Zoomcar Inc \$	-0.05%	(19.09)	-35.10%	(44.59)	-1.14%	3.39	24.08%	(41.20)
Mahindra Ideal Lanka (Private) Limited BB	0.01%	5.83	-0.80%	(1.02)	0.00%	—	0.60%	(1.02)
Ideal Finance Limited BB (w.e.f. 28 th February, 2020)	0.09%	35.59	0.28%	0.35	0.00%	—	-0.20%	0.35
Non controlling Interest	-19.24%	(7,691.74)	352.68%	448.04	8.35%	(24.90)	-247.28%	423.14
Consolidation adjustments and Inter Company Eliminations	-72.30%	(28,898.08)	2536.77%	3,222.72	-52.48%	156.47	-1974.75%	3,379.19
Total	100.00%	39,969.31	100.00%	127.04	100.00%	(298.16)	100.00%	(171.12)

• Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 20.54 as on 31st March, 2020

^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs. 46.63 as on 31st March, 2020

43. Statement of Net Assets and profit and loss and Other Comprehensive Income attributable to Owners and Non-controlling Interest (contd.):

B Converted into Indian Rupees at the exchange rate, 1 BRL = Rs. 14.47 as on 31st March, 2020
 @ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs. 53.47 as on 31st March, 2020
 < Converted into Indian Rupees at the exchange rate, 1 CHF = Rs. 78.56 as on 31st March, 2020
 > Converted into Indian Rupees at the exchange rate, 1 CNY = Rs. 10.64 as on 31st March, 2020
 € Converted into Indian Rupees at the exchange rate, 1 EUR = Rs. 83.13 as on 31st March, 2020
 £ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 93.13 as on 31st March, 2020
 ¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.6963 as on 31st March, 2020
 » Converted into Indian Rupees at the exchange rate, 1 KRW= Rs. 0.0618 as on 31st March, 2020
 © Converted into Indian Rupees at the exchange rate, 1 MXN= Rs. 3.16 as on 31st March, 2020
 ** Converted into Indian Rupees at the exchange rate, 1MYR = Rs. 17.50 as on 31st March, 2020
 ◇ Converted into Indian Rupees at the exchange rate, 1 NGN= Rs. 0.1949 as on 31st March, 2020
 ⱪ Converted into Indian Rupees at the exchange rate, 1 RUB= Rs. 0.9587 as on 31st March, 2020
 ≥ Converted into Indian Rupees at the exchange rate, 1 SEK= Rs. 7.51 as on 31st March, 2020
 ≤ Converted into Indian Rupees at the exchange rate, 1 SGD= Rs. 52.97 as on 31st March, 2020
 # Converted into Indian Rupees at the exchange rate, 1THB = Rs. 2.31 as on 31st March, 2020
 ₺ Converted into Indian Rupees at the exchange rate, 1TRY = Rs. 11.39 as on 31st March, 2020
 \$ Converted into Indian Rupees at the exchange rate, 1USD = Rs. 75.34 as on 31st March, 2020
 Z Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 4.20 as on 31st March, 2020
 ©© Converted into Indian Rupees at the exchange rate, 1 BDT= Rs. 0.8879 as on 31st March, 2020
 << Converted into Indian Rupees at the exchange rate, 1 IDR = Rs. 0.0046 as on 31st March, 2020
 BB Converted into Indian Rupees at the exchange rate, 1 LKR = Rs. 0.3999 as on 31st March, 2020

44. Previous year's figures have been regrouped/reclassified where necessary.

In terms of our report attached.

For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No : 101248W/W-100022
Jamil Khatri
 Partner
 Membership No : 102527
 Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

} Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary
 Mumbai, 12th June, 2020

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 as included in the Consolidated Financial Statements

		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	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
1	Mahindra Vehicle Manufacturers Limited	25/05/2007	INR	1.00	4,064.72	211.93	6,831.85	2,555.20	2,259.51	7,659.16	(351.10)	67.19	(418.29)	—	100.00%	
2	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40	(199.80)	593.73	159.13	—	1,007.59	39.13	—	39.13	—	100.00%	
3	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	323.19	(54.97)	570.04	301.82	—	278.90	(55.23)	—	(55.23)	—	99.43%	
4	Mahindra Trucks and Buses Limited	01/10/2005	INR	1.00	93.35	51.93	200.09	54.81	72.05	223.62	44.98	12.91	32.07	22.68	100.00%	
5	Mahindra Automobile Distributor Private Limited	05/08/2005	INR	1.00	1.00	13.32	20.54	6.22	13.66	29.07	7.19	1.89	5.30	5.30	100.00%	
6	NBS International Limited	05/02/2001	INR	1.00	24.55	(40.20)	24.03	39.68	—	193.11	(7.86)	—	(7.86)	—	100.00%	
7	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	46.63	21.33	(21.09)	53.89	53.65	—	73.02	(2.63)	—	(2.63)	—	100.00%	
8	Ssangyong Motor Company #	09/02/2011	KRW	0.06	4,631.18	(2,124.34)	12,467.12	9,960.28	64.89	22,596.12	(2,108.21)	—	(2,108.21)	—	74.65%	
9	Ssangyong Motor (Shanghai) Company Limited #	09/02/2011	CNY	10.64	31.92	(31.39)	3.98	3.45	—	2.68	(1.42)	—	(1.42)	—	74.65%	100.00%
10	Ssangyong European Parts Center B.V. #	09/02/2011	EUR	83.13	5.82	(25.90)	73.04	93.12	—	126.02	1.29	0.25	1.04	—	74.65%	100.00%
11	SY Auto Capital Co., LTD #	28/10/2015	KRW	0.06	123.63	100.04	547.75	324.08	—	127.73	42.17	9.83	32.34	—	51.00%	51.00%
12	SsangYong Australia Pty Limited #	31/07/2018	AUD	46.63	23.32	(43.85)	141.98	162.51	—	173.38	(29.74)	—	(29.74)	—	74.65%	100.00%
13	Mahindra Europe S.r.l.	31/05/2005	EUR	83.13	11.81	(0.82)	178.25	167.26	—	144.76	0.09	0.45	(0.36)	—	100.00%	
14	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	4.20	21.84	0.96	244.08	221.28	1.27	692.56	(8.03)	2.62	(10.65)	—	100.00%	
15	Mahindra North American Technical Center, Inc.	18/12/2013	USD	75.34	182.89	(164.93)	378.85	360.89	—	356.83	(47.01)	(10.56)	(36.45)	—	100.00%	
16	Mahindra Automotive North America Inc.	25/04/2017	USD	75.34	706.31	(97.99)	785.25	176.93	650.72	122.86	(78.41)	(12.12)	(66.29)	—	100.00%	
17	Mahindra Vehicle Sales and Service Inc.	06/06/2017	USD	75.34	462.11	(415.68)	142.43	96.00	—	290.61	(305.49)	(57.86)	(247.63)	—	100.00%	
18	Automobili Pininfarina GmbH	07/05/2018	EUR	83.13	537.58	(66.98)	949.11	478.51	—	40.43	(168.06)	(38.49)	(129.57)	—	100.00%	
19	Automobili Pininfarina Americas Inc.	15/01/2019	USD	75.34	0.20	(0.16)	0.17	0.13	—	—	(0.16)	—	(0.16)	—	100.00%	
20	Mahindra West Africa Limited	20/05/2016	NGN	0.19	1.18	0.32	2.27	0.77	—	5.26	0.24	0.11	0.13	—	100.00%	
21	Gromax Agri Equipment Limited	18/12/1999	INR	1.00	54.30	(30.48)	107.89	84.07	—	139.74	(2.19)	—	(2.19)	—	60.00%	
22	Auto Digitech Private Limited	09/10/2009	INR	1.00	0.01	(5.88)	2.94	8.81	—	0.23	(3.29)	—	(3.29)	—	100.00%	

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013] (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	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
23	Trringo.com Limited	23/05/2016	INR	1.00	27.46	(24.90)	3.40	0.84	—	1.34	0.12	—	0.12	—	100.00%	—
24	Mahindra USA Inc.	08/06/1994	USD	75.34	858.88	(1,300.27)	2,421.53	2,862.92	15.10	2,576.78	(504.29)	2.78	(507.07)	—	100.00%	—
25	Mahindra Mexico S. de. R. L.	08/08/2016	MXN	3.16	12.24	(68.97)	36.35	93.08	—	30.43	(41.59)	3.10	(44.69)	—	100.00%	—
26	Mahindra do Brasil Industrial Ltda.	14/10/2016	BRL	14.47	34.78	(88.66)	57.52	111.40	0.35	71.55	(43.62)	7.19	(50.81)	—	100.00%	—
27	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi #	30/03/2017	TRY	11.39	324.13	(267.62)	255.14	198.64	—	221.18	(75.00)	—	(75.00)	—	88.86%	—
28	Hisarlar ithalat ihracat Pazarlama Anonim Şirketi # \$	30/03/2017	TRY	11.39	25.86	(8.03)	22.75	4.93	—	144.45	(0.70)	—	(0.70)	—	88.86%	100.00%
29	Erkunt Traktor Sanayii A.S. #	01/12/2017	TRY	11.39	227.80	(93.06)	363.43	228.69	68.41	321.94	(50.85)	(10.79)	(40.06)	—	100.00%	—
30	Erkunt Sanayi A.S. #	01/12/2017	TRY	11.39	28.53	166.92	295.72	100.27	6.62	532.77	35.49	5.95	29.54	—	98.69%	—
31	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	123.07	11,240.79	74,071.21	62,707.35	5,910.97	10,245.14	1,343.76	437.36	906.40	—	51.39%	80.00%
32	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	10.31	412.37	544.22	121.54	47.39	336.88	73.90	20.54	53.36	—	41.11%	—
33	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	121.44	1,126.70	8,237.71	6,989.57	115.09	1,527.61	205.60	57.04	148.56	—	51.18%	99.60%
34	Mahindra Asset Management Company Private Limited	20/06/2013	INR	1.00	210.00	(142.11)	88.18	20.29	71.49	16.96	(37.90)	—	(37.90)	—	51.39%	100.00%
35	Mahindra Trustee Company Private Limited	25/04/2013	INR	1.00	0.50	(0.30)	0.22	0.02	0.12	0.22	(0.02)	—	(0.02)	—	51.39%	100.00%
36	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	51.36	1,444.92	1,999.90	503.62	467.02	520.69	(229.82)	(3.82)	(226.00)	—	51.48%	—
37	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	2.43	20.94	0.51	0.10	21.01	20.96	0.29	20.67	—	51.48%	100.00%
38	Mahindra World City (Maharashtra) Limited	21/09/2005	INR	1.00	1.17	(10.18)	12.08	21.09	11.91	—	(0.69)	—	(0.69)	—	51.48%	100.00%
39	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.00	18.07	221.42	153.35	66.29	3.26	(13.35)	(3.85)	(9.50)	—	38.09%	74.00%
40	Knowledge Township Limited	16/08/2007	INR	1.00	21.00	2.64	63.78	40.14	—	0.02	(0.05)	(0.01)	(0.04)	—	51.48%	100.00%
41	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	91.14	113.69	22.30	—	56.76	8.42	2.39	6.03	—	38.09%	100.00%
42	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(2.31)	2.72	0.03	—	—	(2.13)	—	(2.13)	—	51.48%	100.00%
43	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.24	0.31	0.02	—	0.06	0.06	0.02	0.04	—	51.48%	100.00%

Rupees crores

Part 'A' Subsidiaries [as per section 2(87) of the Companies Act, 2013] (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	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
44	Mahindra Industrial Park Private Limited	29/03/2013	INR	1.00	0.05	(9.76)	199.09	208.80	—	0.18	(11.62)	(2.87)	(8.75)	—	100.00%	100.00%
45	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	40.45	44.22	3.67	0.03	22.88	9.70	2.52	7.18	—	50.96%	99.00%
46	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	120.57	487.14	346.57	115.00	43.58	(13.01)	(4.44)	(8.57)	—	89.00%	89.00%
47	Mahindra World City (Jaipur) Limited	26/08/2005	INR	1.00	150.00	154.25	714.30	410.05	—	109.58	32.85	5.40	27.45	—	74.00%	74.00%
48	Mahindra Bloomdale Developers Limited	03/06/2008	INR	1.00	0.05	(3.53)	162.20	165.68	—	99.28	6.17	2.76	3.41	—	51.48%	100.00%
49	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	3.16	321.17	148.01	—	40.50	2.23	0.85	1.38	—	60.00%	60.00%
50	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.95	425.71	1,036.28	609.62	—	425.67	(166.95)	22.41	(189.36)	—	71.61%	71.61%
51	Mahindra Happinest Developers Limited	06/09/2017	INR	1.00	0.10	(23.55)	289.93	313.38	—	1.40	(21.32)	(11.61)	(9.71)	—	51.00%	51.00%
52	Mahindra Knowledge Park Mohali Limited	07/05/2018	INR	1.00	* 0.00	(1.22)	* 0.00	1.22	—	—	* (0.00)	—	* (0.00)	—	46.15%	46.15%
53	Deep Mangal Developers Private Limited	28/11/2017	INR	1.00	0.01	(0.38)	2.64	3.01	* 0.00	—	(0.07)	—	(0.07)	—	51.48%	100.00%
54	Moonshine Construction Private Limited	28/11/2017	INR	1.00	* 0.00	(0.31)	0.01	0.32	* 0.00	* 0.00	(0.01)	—	(0.01)	—	51.48%	100.00%
55	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.89	15.73	27.53	9.91	—	21.01	1.54	0.46	1.08	—	88.35%	88.35%
56	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	132.92	43.23	6,419.32	6,243.16	492.17	1,037.11	123.95	232.16	(108.21)	—	67.63%	67.63%
57	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.19)	0.01	0.15	—	—	(0.02)	—	(0.02)	—	67.63%	100.00%
58	Gables Promoters Private Limited	24/08/2012	INR	1.00	65.00	17.14	162.92	80.78	—	18.28	(1.48)	—	(1.48)	—	67.63%	100.00%
59	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	17.50	0.53	(0.72)	7.24	7.43	—	1.26	0.50	0.16	0.34	—	67.63%	100.00%
60	Infinity Hospitality Group Company Limited	05/11/2012	THB	2.31	34.65	(26.57)	46.75	38.67	—	7.08	(2.01)	—	(2.01)	—	50.02%	100.00%
61	MH Boutique Hospitality Limited	02/11/2012	THB	2.31	2.31	(3.83)	8.79	10.31	8.77	—	(0.23)	—	(0.23)	—	33.14%	49.00%
62	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	83.13	1.21	(35.11)	567.11	601.01	192.72	9.27	(6.75)	—	(6.75)	—	67.63%	100.00%
63	Covington S.a.r.l.	17/07/2014	EUR	83.13	0.11	195.23	596.43	401.09	564.06	11.10	0.90	0.05	0.85	—	67.63%	100.00%
64	HCR Management Oy	02/09/2015	EUR	83.13	0.02	18.84	18.87	0.01	17.41	0.42	0.40	—	0.40	—	67.63%	100.00%
65	Holiday Club Resorts Oy	02/09/2015	EUR	83.13	99.42	383.68	967.00	483.90	105.75	1,089.63	1.72	0.07	1.65	—	67.63%	100.00%
66	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	83.13	0.02	9.03	9.05	—	—	0.09	0.07	0.01	0.06	—	67.63%	100.00%
67	Suomen Vapaa-aikakiinteistö Oy LKV	02/09/2015	EUR	83.13	0.02	0.11	0.14	0.01	—	* 0.00	(0.01)	—	(0.01)	—	67.63%	100.00%

Rupees crores

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013] (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	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
68	Kiinteistö Oy Vanha Ykköstii	02/09/2015	EUR	83.13	0.02	0.51	0.53	—	—	—	0.04	—	0.04	—	67.63%	100.00%
69	Kiinteistö Oy Katinnurkka	02/09/2015	EUR	83.13	0.02	2.64	2.66	—	—	—	0.06	—	0.06	—	67.63%	100.00%
70	Kiinteistö Oy Tenetinihti	02/09/2015	EUR	83.13	0.02	0.96	0.98	—	—	—	0.03	—	0.03	—	67.63%	100.00%
71	Kiinteistö Oy Mällösnieni	02/09/2015	EUR	83.13	0.07	2.43	2.54	0.03	—	0.15	(0.01)	—	(0.01)	—	67.63%	100.00%
72	Kiinteistö Oy Rauhan Ranta 1	02/09/2015	EUR	83.13	0.02	1.14	1.16	—	—	—	0.08	—	0.08	—	67.63%	100.00%
73	Kiinteistö Oy Rauhan Ranta 2	02/09/2015	EUR	83.13	0.02	1.96	1.98	—	—	—	0.24	—	0.24	—	67.63%	100.00%
74	Kiinteistö Oy Tiurunniemi	02/09/2015	EUR	83.13	0.02	3.33	3.35	—	—	—	0.31	—	0.31	—	67.63%	100.00%
75	Kiinteistö Oy Rauhan Liikekiinteistö 1	02/09/2015	EUR	83.13	0.02	15.17	72.84	57.65	—	7.06	0.38	—	0.38	—	67.63%	100.00%
76	Supermarket Capri Oy	02/09/2015	EUR	83.13	0.83	0.68	1.80	0.29	0.01	3.88	0.10	—	0.10	—	67.63%	100.00%
77	Kiinteistö Oy Kylpyläntorni 1	02/09/2015	EUR	83.13	0.02	2.07	2.10	—	—	—	(0.01)	—	(0.01)	—	67.63%	100.00%
78	Kiinteistö Oy Spa Lofts 2	02/09/2015	EUR	83.13	0.02	1.23	1.25	—	—	—	0.02	—	0.02	—	67.63%	100.00%
79	Kiinteistö Oy Spa Lofts 3	02/09/2015	EUR	83.13	0.02	1.22	1.24	—	—	—	0.03	—	0.03	—	67.63%	100.00%
80	Kiinteistö Oy Kuusamon Pulkajärvi 1	02/09/2015	EUR	83.13	0.02	2.32	2.82	0.47	—	0.10	0.02	0.01	0.02	—	67.63%	100.00%
81	Ownership Services Sweden Ab	02/09/2015	SEK	7.51	0.08	1.41	6.30	4.82	—	—	(0.01)	—	(0.01)	—	67.63%	100.00%
82	Holiday Club Sweden Ab Åre	01/12/2015	SEK	7.51	0.08	95.05	149.04	53.91	6.96	0.03	*(0.00)	—	*(0.00)	—	67.63%	100.00%
83	Holiday Club Sport and Spahotels AB	02/09/2015	SEK	7.51	0.75	1.37	38.80	36.68	—	107.65	(1.32)	—	(1.32)	—	34.49%	51.00%
84	Holiday Club Resort Rus LLC #	02/09/2015	RUB	0.96	* 0.00	*(0.00)	* 0.00	* 0.00	—	* 0.00	*(0.00)	*(0.00)	*(0.00)	—	67.63%	100.00%
85	Holiday Club Canarias Investments S.L.U.	02/09/2015	EUR	83.13	0.03	(0.01)	10.21	10.19	10.17	—	(0.02)	*(0.00)	(0.01)	—	67.63%	100.00%
86	Holiday Club Canarias Sales & Marketing S.L.U.	02/09/2015	EUR	83.13	0.03	2.51	128.93	126.39	—	47.60	(2.37)	(1.42)	(0.95)	—	67.63%	100.00%
87	Holiday Club Canarias Resort Management S.L.	02/09/2015	EUR	83.13	0.03	33.44	95.02	61.55	—	43.89	4.49	0.72	3.76	—	67.63%	100.00%
88	Are Villa 3 AB	26/01/2018	SEK	7.51	0.04	3.42	3.50	0.04	—	—	*(0.00)	—	*(0.00)	—	67.63%	100.00%
89	Holiday Club Canarias Vacation Club SLU (formerly known as Passeport Sante SL)	18/12/2018	EUR	83.13	0.02	4.28	14.08	9.78	5.20	30.06	5.72	1.43	4.29	—	67.63%	100.00%
90	Mahindra Two Wheelers Limited	29/09/2008	INR	1.00	6.00	2.46	18.17	9.71	3.42	25.89	1.35	0.64	0.71	—	100.00%	100.00%
91	Classic Legends Private Limited	18/10/2016	INR	1.00	172.21	(9.23)	245.32	82.34	33.42	411.41	(7.79)	(1.73)	(6.06)	—	60.00%	100.00%
92	BSA Company Limited	21/10/2016	GBP	93.12	1.00	(0.74)	0.51	0.24	—	0.40	(0.21)	—	(0.21)	—	60.00%	100.00%
93	Mahindra Two Wheelers Europe Holdings S.a.r.l. \$	02/12/2014	EUR	83.13	788.90	(354.85)	434.22	0.17	432.28	—	(230.62)	—	(230.62)	—	100.00%	100.00%
94	Peugeot Motorcycles S.A.S. #	19/01/2015	EUR	83.13	41.51	(240.67)	493.68	692.85	—	816.52	(248.58)	(4.15)	(244.44)	—	100.00%	100.00%

Rupees crores

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013] (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	Gross Turnover	Profit/ (Loss) before Tax	Profit/ (Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
95	Peugeot Motocycles Deutschland GmbH #	19/01/2015	EUR	83.13	0.22	5.20	17.10	11.69	—	141.27	0.66	0.38	—	100.00%	100.00%
96	Peugeot Motocycles Italia S.p.A. # ^	19/01/2015	EUR	83.13	2.19	(13.50)	24.89	36.19	—	33.31	(11.75)	(11.75)	—	100.00%	100.00%
97	PMTC Engineering SpA	23/01/2012	EUR	83.13	10.40	0.08	12.06	1.58	—	4.96	(3.00)	(3.00)	—	100.00%	100.00%
98	Mahindra Tractor Assembly Inc.	25/01/2013	USD	75.34	705.12	(774.59)	66.63	136.10	—	52.32	(221.55)	(221.56)	—	100.00%	100.00%
99	Mahindra Agri Solutions Limited	16/08/2000	INR	1.00	81.27	(1.05)	309.09	228.87	116.11	292.42	(16.07)	(19.19)	—	98.60%	62.79%
100	Mahindra Summit Agriscience Limited	09/10/2018	INR	1.00	128.11	(25.02)	190.14	87.05	—	114.34	(23.07)	(23.07)	—	60.00%	60.00%
101	Merakisan Private Limited	25/07/2019	INR	1.00	1.57	(6.98)	3.46	8.87	—	12.18	(4.01)	(4.01)	—	31.94%	31.94%
102	Mahindra EPC Irrigation Limited	08/09/2011	INR	1.00	27.78	142.89	263.93	93.26	1.80	285.28	32.40	23.29	3.33	54.51%	54.51%
103	Mahindra Top Greenhouses Private Limited	16/11/2018	INR	1.00	3.00	(0.66)	3.32	0.98	—	3.94	(0.41)	(0.41)	—	60.00%	100.00%
104	Mahindra HZPC Private Limited	25/04/2013	INR	1.00	41.89	(41.70)	41.93	41.74	—	24.57	(6.17)	(6.17)	—	59.11%	59.95%
105	Mahindra Greenyard Private Limited	09/07/2014	INR	1.00	10.43	(13.20)	9.79	12.56	—	79.60	(3.63)	(3.63)	—	59.16%	60.00%
106	Mahindra Fresh Fruits Distribution Holding Company # \$	17/11/2017	EUR	83.13	0.08	(0.50)	36.41	36.83	34.59	0.59	(0.12)	(0.12)	—	98.60%	100.00%
107	OFD Holding BV # \$	22/02/2017	EUR	83.13	0.26	41.20	48.21	6.75	46.36	—	0.55	0.40	—	81.93%	83.09%
108	Origin Direct Asia Ltd. #	22/02/2017	USD	75.34	0.01	(3.71)	6.61	10.31	—	55.28	(1.33)	(1.36)	—	49.16%	60.00%
109	Origin Fruit Direct B.V. #	22/02/2017	EUR	83.13	0.11	46.25	148.15	101.79	—	431.79	6.12	4.68	—	81.93%	100.00%
110	Origin Fruit Services South America SpA # \$	22/02/2017	CLP	0.09	0.01	(0.90)	4.65	5.54	—	4.73	0.10	0.10	—	81.93%	100.00%
111	Origin Direct Asia (Shanghai) Trading Co. Ltd. #	22/02/2017	CNY	10.64	0.99	(11.34)	2.19	12.55	—	12.69	(1.23)	(1.23)	—	81.93%	100.00%
112	Bristlecone Limited	17/05/2004	USD	75.34	0.19	120.21	218.90	98.50	215.16	5.67	(5.05)	(6.47)	—	75.14%	100.00%
113	Bristlecone India Limited	25/09/1995	INR	1.00	19.05	132.97	220.98	68.96	69.88	341.68	33.64	23.04	—	75.14%	100.00%
114	Bristlecone Consulting Limited	01/06/2010	CAD	53.07	* 0.00	3.72	4.20	0.48	—	4.80	1.46	1.07	—	75.14%	100.00%
115	Bristlecone (Malaysia) Sdn. Bhd.	30/05/2007	MYR	17.50	0.88	2.20	4.12	1.04	—	2.74	0.21	0.20	—	75.14%	100.00%
116	Bristlecone International AG	21/06/2011	CHF	78.56	0.79	14.96	18.59	2.84	—	16.27	2.74	2.50	—	75.14%	100.00%
117	Bristlecone UK Limited	31/05/1999	GBP	93.12	21.88	(17.04)	5.11	0.27	—	0.59	—	—	—	75.14%	100.00%
118	Bristlecone Inc.	17/05/2004	USD	75.34	191.03	(124.43)	165.78	99.18	—	455.02	17.60	11.52	—	75.14%	100.00%
119	Bristlecone Middle East DMCC	18/07/2016	AED	20.54	0.10	1.98	18.89	16.81	—	12.11	4.28	4.28	—	75.14%	100.00%

Rupees crores

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013) (contd.)

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120	Bristlecone GmbH	09/12/2003	EUR	83.13	0.42	40.03	46.13	5.68	—	35.78	1.66	0.43	1.23	—	75.14%	100.00%
121	Bristlecone (Singapore) Pte. Limited	21/02/2003	SGD	52.97	8.85	(5.46)	16.87	13.48	—	14.86	2.18	—	2.18	—	75.14%	100.00%
122	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	75.34	89.50	60.67	150.30	0.13	—	3.16	2.77	0.02	2.75	—	57.00%	—
123	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	579.21	826.97	231.16	140.07	1,062.26	46.23	9.78	36.45	14.28	100.00%	—
124	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	86.45	221.99	119.00	—	211.76	(11.55)	(6.34)	(5.21)	—	61.00%	—
125	Mahindra Electrical Steel Private Limited **	11/07/2009	INR	1.00	0.50	(5.16)	7.24	11.90	—	0.01	(1.23)	(0.04)	(1.19)	—	100.00%	—
126	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	27.92	127.83	31.41	4.00	89.65	6.97	1.76	5.21	0.96	51.00%	—
127	Mahindra Middleeast Electrical Steel Service Centre (FZC)	08/08/2004	AED	20.54	4.15	22.04	45.47	19.28	—	30.95	(6.42)	—	(6.42)	—	90.00%	—
128	PT Mahindra Accelo Steel Indonesia **	19/12/2018	IDR	0.005	13.09	(0.92)	12.44	0.27	—	0.22	(0.67)	—	(0.67)	—	99.96%	—
129	Mahindra Holdings Limited	02/11/2007	INR	1.00	2,461.50	(181.66)	2,281.69	1.85	2,280.12	1.14	(220.63)	—	(220.63)	—	100.00%	—
130	Mahindra Overseas Investment Company (Mauritius) Limited	24/12/2004	USD	75.34	2,204.29	(1,846.82)	2,380.16	2,022.69	2,186.66	99.02	(1,499.44)	204.39	(1,703.83)	—	100.00%	—
131	Mahindra Automotive Mauritius Limited	06/11/2018	EUR	83.13	799.50	(0.77)	798.82	0.09	790.36	—	(0.39)	—	(0.39)	—	100.00%	—
132	Mahindra Racing UK Limited	04/03/2011	GBP	93.12	0.19	(5.82)	61.52	67.15	—	164.28	(14.20)	—	(14.20)	—	100.00%	—
133	Mahindra Susten Private Limited	04/03/2011	INR	1.00	195.46	793.45	1,947.37	958.46	377.67	2,163.80	62.17	20.34	41.83	—	100.00%	—
134	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	321.52	25.83	1,790.89	1,443.54	79.46	109.34	(7.28)	8.90	(16.18)	—	100.00%	—
135	Mahindra Tego Private Limited (formerly known as MachinePulse Tech Private Limited)	05/01/2016	INR	1.00	0.10	1.69	22.23	20.44	—	44.35	2.27	0.63	1.64	—	100.00%	—
136	Divine Solren Private Limited	08/05/2015	INR	1.00	12.08	80.94	353.92	260.90	—	52.78	9.64	2.40	7.24	—	100.00%	—
137	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	62.52	328.13	256.29	—	42.90	(0.01)	1.12	(1.13)	—	100.00%	—
138	Marvel Solren Private Limited	10/10/2015	INR	1.00	12.62	3.35	92.98	77.01	—	11.65	(1.57)	—	(1.57)	—	51.00%	—
139	Astra Solren Private Limited	14/10/2015	INR	1.00	8.89	61.55	432.02	361.58	—	65.19	5.76	2.02	3.74	—	100.00%	—
140	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	11.01	80.93	60.40	—	10.71	(1.11)	(0.31)	(0.80)	—	51.00%	—
141	Mega Suryaurja Private Limited **	16/02/2017	INR	1.00	0.15	(0.13)	0.04	0.02	—	—	(0.03)	—	(0.03)	—	100.00%	—
142	Mahindra Susten Bangladesh Private Limited **	16/04/2018	BDT	0.89	0.36	(0.19)	0.26	0.09	—	—	(0.12)	—	(0.12)	—	100.00%	—
143	MSPE Urja S.R.L. **	29/03/2019	EUR	83.13	5.20	(2.87)	3.49	1.16	—	0.02	(2.87)	—	(2.87)	—	100.00%	—
144	Mahindra Engineering and Chemical Products Limited	30/04/1964	INR	1.00	116.45	769.96	889.02	2.61	855.33	2.91	1.92	0.42	1.50	—	100.00%	—

Rupees crores

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013] (contd.)

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145	Retail Initiative Holdings Limited	01/07/2009	INR	1.00	20.55	(157.76)	357.38	494.59	357.37	—	(0.05)	—	(0.05)	—	100.00%	—
146	Mahindra Retail Limited	01/07/2009	INR	1.00	951.46	(582.70)	422.08	53.32	355.48	143.50	(21.48)	—	(21.48)	—	100.00%	—
147	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	16.72	270.00	426.53	139.81	55.67	318.83	37.32	18.36	18.96	—	100.00%	—
148	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(37.40)	25.46	12.08	—	7.32	(7.48)	—	(7.48)	—	51.00%	—
149	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	20.54	20.54	4.24	82.36	57.57	0.05	64.54	0.47	—	0.47	—	88.00%	—
150	Mahindra Armored Vehicles Jordan, LLC.	31/03/2019	JOD	106.40	0.05	0.15	18.84	18.64	—	17.46	0.15	—	0.15	—	88.00%	100.00%
151	Mahindra First Choice Wheels Limited	24/03/2008	INR	1.00	78.88	21.41	256.55	156.26	30.58	375.81	(7.04)	(0.03)	(7.01)	—	51.00%	—
152	Mahindra First Choice Services Limited	15/11/1999	INR	1.00	330.00	(383.36)	37.42	90.78	—	109.79	(31.10)	—	(31.10)	—	100.00%	—
153	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(8.06)	1.13	0.18	—	1.81	0.43	—	0.43	—	88.35%	100.00%
154	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	1.50	8.82	32.98	22.66	0.51	121.02	2.66	0.72	1.94	—	100.00%	—
155	Mahindra 'Electoral Trust' Company	30/12/2013	INR	1.00	0.05	(0.03)	0.03	0.01	—	—	(0.01)	—	(0.01)	—	100.00%	—
156	Mahindra eMarket Limited	11/08/2014	INR	1.00	0.80	5.73	14.02	7.49	—	40.17	5.52	1.39	4.13	—	83.47%	100.00%
157	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	37.20	(14.81)	29.14	6.75	—	5.83	(5.29)	0.10	(5.39)	—	50.00%	—
158	Mahindra Airways Limited	27/07/2016	INR	1.00	2.85	(3.15)	6.77	7.07	1.35	3.75	(0.83)	—	(0.83)	—	100.00%	—
159	Mahindra Logistics Limited	12/12/2007	INR	1.00	71.54	473.77	1,329.95	784.64	21.41	3,260.90	80.69	25.55	55.14	10.73	58.45%	—
160	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	9.01	0.09	37.86	28.76	—	47.42	(1.68)	(0.47)	(1.21)	—	32.15%	55.00%
161	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	7.26	69.71	60.08	—	204.68	2.17	0.64	1.53	—	48.47%	82.92%
162	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	751.13	(473.64)	282.68	5.19	280.00	0.16	(318.77)	0.60	(319.37)	—	89.78%	—
163	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	428.86	(262.49)	187.27	20.91	—	92.12	(8.62)	—	(8.62)	—	89.78%	100.00%
164	Mahindra Aerospace Australia Pty Limited	08/04/2010	AUD	46.63	556.00	(555.08)	1.03	0.11	—	0.04	(268.48)	—	(268.48)	—	89.78%	100.00%
165	GA8 Airvan Pty Limited \$	27/06/2010	AUD	46.63	0.04	(0.04)	—	—	—	—	(0.00)	—	(0.00)	—	89.78%	100.00%
166	GA200 Pty Limited \$	27/06/2010	AUD	46.63	0.04	(0.04)	—	—	—	—	(0.00)	—	(0.00)	—	89.78%	100.00%
167	Nomad TC Pty Limited \$	27/06/2010	AUD	46.63	0.10	(0.10)	—	—	—	—	(0.00)	—	(0.00)	—	89.78%	100.00%
168	Airvan 10 Pty Limited \$	10/12/2015	AUD	46.63	0.04	(0.04)	—	—	—	—	(0.00)	—	(0.00)	—	89.78%	100.00%
169	Gippsaero Pty Limited	27/06/2010	AUD	46.63	487.27	(515.73)	35.51	63.96	—	52.61	(106.90)	—	(106.90)	—	89.78%	100.00%
170	Airvan Flight Services Pty Limited \$	27/06/2010	AUD	46.63	0.04	(0.04)	—	—	—	—	(0.00)	—	(0.00)	—	89.78%	100.00%

Rupees crores

Part 'A' Subsidiaries (as per section 2(87) of the Companies Act, 2013] (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	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend	Proportion of ownership interest @	Proportion of voting power where different
171	Mahindra Waste To Energy Solutions Limited	25/06/2017	INR	1.00	21.89	(5.14)	24.46	7.72	—	3.20	(2.74)	—	(2.74)	—	84.57%	
172	Mahindra Telecom Energy Management Services Limited **	25/06/2017	INR	1.00	0.05	(0.02)	0.04	0.01	—	—	(0.01)	—	(0.01)	—	100.00%	
173	Mahindra Construction Company Limited	28/11/2017	INR	1.00	2.40	(24.87)	0.60	23.07	—	0.04	0.03	0.01	0.02	—	65.38%	91.66%
174	Mahindra Finance CSR foundation	02/04/2019	INR	1.00	* 0.00	* (0.00)	* 0.00	* 0.00	—	0.12	* (0.00)	—	* (0.00)	—	51.39%	100.00%
175	Mahindra Bangladesh Private Limited	12/09/2019	BDT	0.89	3.73	(0.24)	3.63	0.14	—	0.25	(0.21)	0.03	(0.24)	—	100.00%	
176	MSPL International DMCC ** \$\$	08/10/2019	AED	20.54	0.10	(11.65)	1.14	12.68	—	—	(11.65)	—	(11.65)	—	100.00%	
177	Meru Travel Solutions Private Limited	05/12/2019	INR	1.00	87.06	23.83	111.33	0.44	111.31	—	(10.29)	—	(10.29)	—	36.63%	
178	Meru Mobility Tech Private Limited	05/12/2019	INR	1.00	0.15	24.71	116.43	91.57	35.75	115.96	(10.64)	—	(10.64)	—	36.63%	100.00%
179	V-Link Automotive Services Private Limited	05/12/2019	INR	1.00	0.01	29.02	31.90	2.87	—	6.68	0.90	0.05	0.85	—	36.63%	100.00%
180	V-Link Fleet Solutions Private Limited	05/12/2019	INR	1.00	0.01	(12.09)	7.91	19.99	—	21.69	(2.81)	—	(2.81)	—	36.63%	100.00%
181	Fifth Gear Ventures Limited	17/01/2020	INR	1.00	0.09	(1.63)	5.77	7.31	—	8.10	(1.38)	1.50	(2.88)	—	51.00%	100.00%
182	Graphic Research Design S.r.l. (formerly known as Mahindra Graphic Research Design S.r.l.) ##	20/02/2008	EUR	83.13	—	—	—	—	—	—	—	—	—	—	100.00%	

Notes to Part A: -

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

\$\$ incorporated in current financial year and will prepare its first statutory accounts in next financial year

denotes companies where reporting period is different from 01st April, 2019 to 31st March, 2020. The financial year for all other subsidiaries is 01st April, 2019 to 31st March, 2020

The process of liquidation of the company was initiated w.e.f. 30th Sept, 2019 and all its activities ceased to exist from 13th March, 2020. The name of the company was removed by the Chamber of Commerce, Turin from the Register of Companies on 1st April, 2020. The last Audited Accounts of the company submitted by the Liquidator to the Tax Agency, Chamber of Commerce and to the Company were for the period - 1st April, 2019 to 11th March, 2020 in accordance with the requirements of the local regulations.

^ The company is under liquidation from 16th December, 2019 when the liquidator was appointed. As the company is in liquidation and has ceased to do any trade, there is no need to complete the statutory audit or file any other financial closures, under the applicable laws and regulations of the country of its incorporation. Accordingly, unaudited financial statements has been reported for the year ending 31st December, 2019.

\$ Based on unaudited financial statements as audit is not required as per their local laws

@ 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 :

- (1) Orizonte Business Solutions Limited
- (2) Are Villas 1 Ab
- (3) Are Villas 2 Ab
- (4) Cleansolar Renewable Energy Private Limited
- (5) Mahindra International UK Limited
- (6) Mahindra Defence Naval Systems Limited

Part "B" Details of Associates/Joint Ventures [as per Section 2(6) of the Companies Act, 2013]

Rupees crores

Name of Associates/Joint Ventures	Audited Balance Sheet Date	Date of Acquisition	No. of Equity shares held ††	Proportion of ownership interest	Cost of Investments	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
Swaraj Engines Limited	31/03/2020	11/08/2008	42,16,792	34.76%	26.28	81.99	24.69	46.35
Tech Mahindra Limited	31/03/2020	31/08/2012	25,15,48,691	28.89%	985.57	6,301.80	1,165.13	2,867.85
Mahindra & Mahindra Contech Limited	31/03/2020	01/04/2010	70,000	46.66%	1.73	6.77	0.51	0.58
Officemartindia.com Limited	31/03/2020	31/03/2002	7,49,997	50.00%	0.22	(0.12)	*	*
Kota Farm Services Limited	31/03/2020	15/04/2011	3,10,000	47.81%	0.27	(0.14)	*	*
P.F. holding BV \$		27/05/2016	1,83,36,050	40.00%	137.82	125.89	(84.99)	(127.48)
Sampo Rosenlew Oy	31/03/2020	01/07/2016	1,872	48.98%	110.49	(2.38)	(26.48)	(27.59)
Carnot Technologies Private Limited	31/03/2020	9/03/2018	7,370	23.66%	6.07	1.32	0.14	0.47
Mitsubishi Mahindra Agricultural Machinery co., Ltd. \$		01/10/2015	4	33.33%	191.59	67.13	(149.08)	(298.20)
M.I.T.R.A Agro Equipments Private Limited	31/03/2020	15/02/2018	1,02,662	40.60%	15.99	6.03	1.33	1.94
Zoomcar Inc \$		16/02/2018	1,19,13,048	16.81%	—	(19.09)	(44.59)	(220.65)
Smartshift Logistics Solutions Private Limited (earlier known as Resfeber Labs Private Limited)	31/03/2020	28/03/2018	10,62,702	44.29%	173.44	34.33	(43.07)	(54.18)
Mahindra Ideal Lanka Private Limited	31/03/2020	31/05/2018	1,75,000	35.00%	6.79	5.84	(1.02)	(1.89)
Mahindra Sanyo Special Steel Private Limited	31/03/2020	21/06/2018	34,75,264	22.81%	145.13	41.20	(19.34)	(65.45)

Notes to Part B: -

No associates/ Joint ventures are yet to commence operations.

* denotes amount less than Rs. 50,000.

†† including participating preference shares.

\$ Based on unaudited financial statements since audit is not required as per their local laws.

§ 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.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 12th June, 2020

Nadir B. Godrej
M. M. Murugappan
Dr. Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma
Haigreve Khaitan
Shikha Sharma
CP Gurnani

} Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director and CEO
Dr. Anish Shah Deputy Managing Director and Group CFO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Narayan Shankar Company Secretary

Mumbai, 12th June, 2020

Mahindra
Rise.

Registered Office

Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder
Mumbai 400 001

www.mahindra.com

SECRETARIAL AUDIT REPORT

For the financial year ended 31 March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mahindra Vehicle Manufacturers Limited
Mahindra Towers, P. K. Kurne Chowk
Worli
Mumbai 400 018

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra Vehicle Manufacturers Limited. (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company)**

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of foreign direct investment, overseas direct investment and external commercial borrowings; **(Not applicable to the Company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company)**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company)**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company)**.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company)**



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(vi) According to the information provided by the company, no other law was specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with the Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



I further report that during the audit period the Board of Directors of the Company approved the merger by absorption of the Company with its holding company Mahindra and Mahindra Limited with effect from 1 April 2019 ("Appointed date"), subject to the approval of the National Company Law Tribunal and other Statutory Authorities.

Place: Pune
Date: 4 May, 2020



Signature:

A handwritten signature in blue ink, appearing to read "Sachin Bhagwat", written over a horizontal line.

Sachin Bhagwat

ACS: 10189

CP: 6029

UDIN: A010189B000197024