Mahindra

Mahindra & Mahindra Ltd.
Mahindra Towers,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018 India

Tel: +91 22 24901441
Fax: +91 22 24975081

REF:NS:SEC:
5th July, 2017

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.

Dear Sirs,

Sub: Compliance under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the PDF copy being disseminated to the Shareholders with respect to the following:

1. Notice of the 71st Annual General Meeting of the Company to be held on Friday, the 4th August, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020;

2. Annual Report for the Financial Year ended 31st March, 2017; and

3. Attendance Slip and Proxy Form.

Kindly take the same on record and acknowledge receipt.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: as above

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Notice

THE SEVENTY FIRST ANNUAL GENERAL MEETING OF MAHINDRA & MAHINDRA LIMITED will be held on Friday, the 4th day of August, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) of the Company for the Financial Year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.

2. To declare a dividend on Ordinary (Equity) Shares.

3. To appoint a Director in place of Dr. Pawan Goenka (DIN: 00254502), who retires by rotation and, being eligible, offers himself for re-appointment.

4. **Appointment of Statutory Auditors**

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

   "RESOLVED that pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee and the Board of Directors, Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), be appointed as Statutory Auditors of the Company, in place of retiring Auditors Messrs Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number 117364W), to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Seventy-Sixth AGM to be held in the year 2022 (subject to ratification of their appointment by the Members at every intervening AGM held after this AGM as may be required under the Act), at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit.

   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."

SPECIAL BUSINESS

5. **Ratification of Remuneration to Cost Auditors**

   To consider and, if thought fit, to pass the following 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 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, 2018, amounting to Rs.7,50,000 (Rupees Seven Lakhs and Fifty Thousand only) (excluding all taxes and reimbursement of out of pocket expenses) be ratified and confirmed.

   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. **Appointment of Mr. T.N. Manoharan as an Independent Director**

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

   "RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, Mr. T.N. Manoharan (DIN: 01186248), who was appointed as an Additional Director of the Company with effect from 11th November, 2016 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and who qualifies for being appointed as an Independent Director 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, being so eligible, be appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years commencing from 11th November, 2016 to 10th November, 2021."

7. **Appointment of Mr. Anand G. Mahindra as Executive Chairman**

To consider and, if thought fit to pass the following 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 subject to the approval of the Central Government, if necessary, 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. Anand G. Mahindra (DIN: 00004695) as Executive Chairman for a period of 5 (five) years with effect from 12th November, 2016 upto and including 11th November, 2021 on a salary of Rs.14,06,046 per month in the scale of Rs.14,00,000 to Rs.25,00,000 per month.

FURTHER RESOLVED that the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 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. Anand G. Mahindra, Executive Chairman (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 for a period not exceeding 3 (three) years from the date of appointment or such other period as may be statutorily permitted 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 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."

8. **Appointment of Dr. Pawan Goenka as Managing Director**

To consider and, if thought fit to pass the following 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 subject to the approval of the Central Government, if necessary, 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. Pawan Goenka (DIN: 00254502) as Managing Director of the Company for a period of 4 (four) years with effect 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.

FURTHER RESOLVED that the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 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, Managing Director (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 for a period not exceeding 3 (three) years from the date of appointment or such other period as may be statutorily permitted 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 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. **Borrowing by way of Securities**

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

"RESOLVED that pursuant to the provisions of sections 42 and 71 of the Companies Act, 2013 (the Act) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, as may be applicable, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India (SEBI) or any other law for the time being in force [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] and in terms of the Articles of Association of the Company, approval of the Members of the Company be accorded to authorise the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) to borrow from time to time, by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures (NCDs) and/or Commercial Paper (CP) to be issued under Private Placement basis, in Domestic and/or International market, in one or more series/tranches aggregating upto an amount not exceeding Rs.5,000 crores (Rupees Five Thousand Crores only), issuable/redeemable at discount/par/premium, under one or more shelf disclosure documents, during the period of 1 (one) year from the date of this Annual General Meeting, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs and/or CP be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto; provided that the said borrowing shall be within the overall borrowing limits of the Company.

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."

Notes:

A. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information with respect to Item Nos. 3 and 4 is also annexed hereto.

B. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**

C. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.

D. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.

E. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Computershare Private Limited (Karvy) having their office at Karvy Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.

F. The Register of Members and Transfer Books of the Company will be closed from Saturday, 15th July, 2017 to Friday, 4th August, 2017 (both days inclusive).

G. The dividend, if declared at the Annual General Meeting, would be paid/dispatched after 4th August, 2017 to those persons or their mandates:

(a) whose names appear as Beneficial Owners as at the end of the business hours on Friday, 14th July, 2017 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 after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before Friday, 14th July, 2017.

H. Under the Companies Act, 2013 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.83,60,400 being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2009 was transferred in September, 2016 to IEPF.

Last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year 2009-10 and thereafter is as under:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
31st March, 2010	28th July, 2010	26th August, 2017
31st March, 2011	8th August, 2011	6th September, 2018
31st March, 2012	8th August, 2012	6th September, 2019
31st March, 2013	13th August, 2013	11th September, 2020
31st March, 2014	8th August, 2014	7th September, 2021
31st March, 2015	7th August, 2015	8th September, 2022
31st March 2016	10th August, 2016	8th September, 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim to Karvy well in advance of the above due dates. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 10th August, 2016 (date of last Annual General Meeting) on the website of the Company (www.mahindra.com) as also on the website of the Ministry of Corporate Affairs.

Further, pursuant to the provisions of section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 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 Ministry of Corporate Affairs.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The shareholders whose dividend/shares is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

I. 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 Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Karvy at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

J. The Securities and Exchange Board of India 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 through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company

will not entertain any direct request from Members holding shares in electronic mode for deletion of/ change in such bank details. 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. Members who wish to change such bank account details are therefore requested to advise their Depository Participants about such change, with complete details of bank account.

K. 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). Members wishing to avail of this facility are requested to intimate the Company's Registrar and Transfer Agents/Depository Participants in the prescribed form and with the prescribed details. Members located in places where ECS/NECS facility is not available may submit their bank details to the Registrar and Transfer Agents. This will enable the Company to incorporate this information on the dividend warrants and thus prevent fraudulent encashment.

L. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2016-17 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with Karvy (in case of Shares held in physical form).

M. Members are requested to:

(a) intimate to the Company's Registrar and Transfer Agents, Karvy, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;

(b) 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;

(c) quote their folio numbers/Client ID/DP ID in all correspondence; and

(d) consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

N. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

O. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.

P. Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS10189) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

Q. **PROCEDURE FOR REMOTE E-VOTING**

I. In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy on all resolutions set forth in this Notice, through remote e-voting.

II. 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. In case a Member receives an e-mail from Karvy [for members whose e-mails 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.

(ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 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 Karvy for e-voting, you can use 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) Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/demat accounts.

(ix) 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.

(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., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name_EVEN**".

B. In case a member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company/ Depository Participant(s)]:

(i) EVEN, User ID and Initial Password is provided in the Attendance Slip.

(ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

III. 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 (Karvy Website) or contact at investors@mahindra.com, or Mr. Prem Kumar M., Manager, Karvy at Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@karvy.com or on phone No.: 040-67161500 or call Karvy'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, 31st July, 2017 (9:00 a.m. IST) and ends on Thursday, 3rd August, 2017 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28th July, 2017, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. 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.

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, 28th July, 2017, 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, 28th July, 2017, 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 Number.

      Example for NSDL:

      MYEPWD <SPACE> IN12345612345678

      Example for CDSL:

      MYEPWD <SPACE> 1402345612345678

      Example for Physical:

      MYEPWD <SPACE> XXXX1234567890 (XXXX being EVEN Number)

   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 Karvy's toll free number 1800-3454-001.

   iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose e-mail IDs are available.

IV. **Voting at AGM:** The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however these Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM.

V. PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN/ATTENDANCE REGISTRATION:

Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration/entry at the venue of the AGM, the Company has provided a Web Check-in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

a. Log on to https://karisma.karvy.com and click on "Web Check-in for General Meetings (AGM/EGM/CCM)".

b. Select the name of the Company: Mahindra and Mahindra Limited.

c. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN & "CAPTCHA" as directed by the system and click on the submission button.

d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.

e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.

f. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.

g. After registration, a copy will be returned to the Member.

h. The Web Check-in (Online Registration facility) is available for AGM during remote e-voting period only i.e. 31st July, 2017 (9:00 a.m. IST) to 3rd August, 2017 (5:00 p.m. IST).

The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

VI. 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 www.mahindra.com and the website of Karvy: 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.

VII. The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is that it is 'next to Bombay Hospital'.

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 : www.mahindra.com
Tel. : +91 22 22895500
Fax : +91 22 22875485

Mumbai, 30th May, 2017

Additional Information with respect to Item Nos. 3 and 4

ITEM NO. 3:

Dr. Pawan Goenka, Managing Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment. Since his appointment as a Managing Director of the Company is also placed for approval of the Members of the Company, please refer Explanatory Statement to Item No. 8 for details.

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. 3 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

ITEM NO. 4:

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Messrs Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number 117364W), the present Auditors of the Company would be completing their term as Auditors. They hold office upto the conclusion of 71st Annual General Meeting of the Company. Accordingly, the Board of Directors has recommended the appointment of Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), as Statutory Auditors, in place of retiring Auditors Messrs Deloitte Haskins & Sells, Chartered Accountants, to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the Seventy-Sixth Annual General Meeting, at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit. In terms of the requirements of the present proviso to section 139(1), the appointment of the new Auditors shall be subject to ratification by the Members at every intervening AGM held after this AGM.

Brief Profile of Auditor and Partner is as under:

B S R & Co. was constituted on 27th March, 1990 having Firm Registration No. 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP (the Firm) on 14th October 2013 with Firm Registration No. 101248W/W-100022. The registered office of the Firm is at 5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra - 400 011.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. The other entities which are part of the B S R & Affiliates include B S R & Associates LLP, B S R & Company, B S R and Co, B S R and Associates, B S R and Company, B S R R & Co, B S S R & Co and B B S R & Co.

B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida and Kochi.

Mr. Jamil Khatri, Head of Audit, India will be the signing partner for the audit of the Company. Mr. Khatri is an Indian Chartered Accountant & a US Certified Public Accountant. He has been with the firm for more than 22 years and has advised leading Indian companies as they went global and transitioned to international reporting, compliance and governance norms. Mr. Khatri has also assisted several of these companies as they listed their equity securities in the US capital markets.

Mr. Khatri has deep experience in auditing, accounting, listing and governance matters. His experience includes IFRS and internal controls, which he has practiced for more than 20 years. He has been closely involved with shaping B S R's point of view on Indian Accounting Standards and the Companies Act, 2013. He is also involved with B S R's interactions with the regulators such as the SEBI, MCA, CBDT and ICAI as they seek to address the transition challenges.

B S R & Co. LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with section 139 read with section 141 of the Act.

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. 4 of the Notice.

The Board commends 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 30th May, 2017, 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, 2018, at a remuneration of Rs.7,50,000 (Rupees Seven Lakhs Fifty Thousand only) (excluding all taxes 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 a 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, 2018.

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 commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6:

The Board of Directors of the Company, pursuant to the recommendations of the Governance, Nomination and Remuneration Committee, has appointed Mr. T. N. Manoharan (DIN: 01186248) on 11th November, 2016, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 for a term of 5 (five) consecutive years commencing from 11th November, 2016 to 10th November, 2021.

He holds office upto the date of this Annual General Meeting pursuant to section 161 of the Companies Act, 2013 and Article 107 of the Articles of Association of the Company.

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

Mr. T. N. Manoharan has completed 61 years of age. Mr. T. N. Manoharan, born in a freedom fighter's family with agricultural background, is a post graduate in commerce, a Law graduate from Madras University and a Fellow Chartered Accountant in Practice. He has authored books for professionals and students on Indian tax law. He was the President of the Institute of Chartered Accountants of India (ICAI) during 2006-07.

He was on the Board of the Insurance Regulatory and Development Authority and on the various Committees constituted by Reserve Bank of India, Securities and Exchange Board of India, Comptroller & Auditor General of India and Central Board of Direct Taxes. He was the Chairman of the Committee on Education and Centre for Excellence of South Asian Federation of Accountants and National Committee on Accounting Standards constituted by the Confederation of Indian Industry. Mr. Manoharan also served as a member of the International Accounting Education Standards Board. Mr. Manoharan was also nominated by the Government of India as part of the Six-Member Board for revival of erstwhile Satyam Computer Services Limited (Satyam).

Mr. Manoharan was a Member of the Advisory Board on Banks, Commercial and Financial Frauds constituted by the Central Vigilance Commission during 2012-14, the Appellate Authority, constituted by the Government of India governing the accountancy profession in India during 2011-14. He was a Dean's distinguished visitor to Southern Queensland University in Australia.

Mr. Manoharan has been conferred the "Life Time Achievement" award in 2005 and "For the Sake of Honour" award in 2007 by the Rotary International. He was conferred "Super Achiever Award" by Lions International in 2006. He received the "Business Leadership Award" from the Hon'ble Finance Minister under the aegis of NDTV Profit in October, 2009 and the CNN IBN Indian of the Year 2009 award from the Hon'ble Prime Minister of India in December, 2009 as part of the Satyam Revival Team. He is the recipient of the civilian honour "Padma Shri" award from the Hon'ble President of India in 2010.

Mr. Manoharan is the Non-Executive Chairman of Canara Bank and a Director on the Boards of Mahindra & Mahindra Limited and Tech Mahindra Limited. He is also a Member of the Governing Council for the Skill Development in BFSI sector.

Mr. Manoharan is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Audit Committee	Member
		Risk Management Committee	Member
		Strategic Investment Committee	Member
2.	Tech Mahindra Limited	Audit Committee	Chairman
		Risk Management Committee	Chairman
3.	Canara Bank	Board Committee	Chairman
		Special Committee- Frauds	Chairman
		Risk Management Committee	Chairman
		Remuneration Committee	Chairman
		Nomination Committee	Chairman
		Committee of Board	Member
		Audit Committee	Member
		Sub Committee-Human Resources	Member
		Sub Committee- Business Plan Strategy	Member

Mr. Manoharan does not hold any Ordinary (Equity) Share in the Company.

Mr. Manoharan is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received a declaration from Mr. Manoharan stating that he meets with the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Mr. Manoharan had attended all 4 (four) Board Meetings in the Financial Year 2016-2017, post his appointment as a Director of the Company. Mr. Manoharan would be entitled to sitting fees for attending the Meetings of the Board of Directors or Committees thereof. In addition, he would be entitled to commission as determined each year by the Board of Directors on the basis of recommendation of the Governance, Nomination and Remuneration Committee within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The sitting fees paid to Mr. Manoharan during the Financial Year 2016-17 is Rs.5.50 lakhs. No commission was paid to him in Financial Year 2016-2017. For Financial Year 2016-2017, Commission payable to Mr. Manoharan will be Rs.7.73 lakhs.

Copy of the draft letter of appointment of Mr. Manoharan is available for inspection at the Registered office of the Company and will also be available for inspection at the Annual General Meeting of the Company.

The Board is of the view that Mr. Manoharan's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

The Articles of Association of the Company are available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai - 400 018 as well as during the AGM at the venue thereof.

Save and except Mr. Manoharan, 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 commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

ITEM NO. 7:

Mr. Anand G. Mahindra was re-appointed as the Managing Director, designated as Vice-Chairman and Managing Director, by the Shareholders of the Company at the 66th Annual General Meeting held on 8th August, 2012, for a period of 5 (five) years with effect from 4th April, 2012 to 3rd April, 2017 on a salary of Rs.8,29,200 per month in the scale of Rs.8,00,000 to Rs.25,00,000 per month.

The Board thereafter appointed Mr. Anand G. Mahindra as the Chairman, designated as Chairman and Managing Director upon Mr. Keshub Mahindra relinquishing his office as the Chairman and Director of the Company at the conclusion of the Annual General Meeting held on 8th August, 2012.

The Board of Directors of the Company at its Meeting held on 11th November, 2016 has pursuant to the recommendations of the Governance, Nomination and Remuneration Committee (the Committee) and subject

to the approval of the Members at the ensuing General Meeting of the Company, approved the appointment of Mr. Anand G. Mahindra (DIN: 00004695) as Executive Chairman for a period of 5 (five) years with effect from 12th November, 2016 upto and including 11th November, 2021 and approved his remuneration.

Profile:

Mr. Anand G. Mahindra has completed 62 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 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.

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 liberalized 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.

During his tenure, the Mahindra Group has grown inorganically, seizing opportunities across the globe. Recent acquisitions include Ssangyong Motors, Reva Electric Car Company, Satyam Computer Services, Aerostaff Australia, 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.

He is the Chairman of the India Advisory Council of the Lincoln Center, New York and serves as the Trustee on the board of the Natural History Museum of London.

Mr. Mahindra is Executive Chairman of Mahindra & Mahindra Limited, Chairman of Tech Mahindra Limited, Mahindra First Choice Wheels Limited and Director of Mahindra Holdings Limited, Prudential Management & Services Private Limited, The Mahindra United World College of India, Tech Mahindra Foundation, Araku Originals Limited, Naandi Community Water Services Private Limited and US-India Business Council.

Mr. Mahindra is a 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
	Stakeholders Relationship Committee	Member
	Research and Development Committee	Member
	Sale of Assets Committee	Member
	Corporate Social Responsibility Committee	Member

Mr. Mahindra holds 7,15,004 Ordinary (Equity) Shares in the Company.

Mr. Mahindra, being the promoter, is not entitled to any stock options of the Company. The value of perquisites availed by Mr. Mahindra in the Financial Year 2017 was Rs.5.18 lakhs.

In compliance with section 190 of the Companies Act, 2013, a Memorandum of terms of Service of Executive Chairman is available for inspection of the Members in physical or in electronic form at the Registered office of the Company, upto the date of this Annual

General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai - 400 018 as well as during the AGM at the venue thereof.

During the year 1st April, 2016 to 31st March, 2017, 6 (six) Board Meetings of the Company were held, all of which were attended by Mr. Mahindra.

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. Anand G. Mahindra 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, 2017:**

Particulars	Rs. in crores
Gross Turnover & Other Income	48,438.53
Net profit as per Statement of Profit & Loss (After Tax)	3,955.65
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	4,182.78
Net Worth	25,133.75

(v) **Foreign investments or collaborators, if any:**

Not Applicable.

II. **Information about the appointee:**

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

(ii) **Past remuneration during the financial year ended 31st March, 2017:** Rs.766.58 lakhs

(iii) **Recognition or awards:** Refer Corporate Governance Section of the Annual Report for the Financial Year 2016-2017

(iv) **Job Profile and his suitability:**

Mr. Anand G. Mahindra was first inducted on the Board of the Company on 23rd November, 1989. He took over as Managing Director of the Company in April, 1997. In August, 2012, he was appointed as Chairman and designated as Chairman & Managing Director of Mahindra & Mahindra Limited. In November, 2016, Mr. Mahindra was re-designated as Executive Chairman of Mahindra & Mahindra Limited. Taking into consideration his qualification and expertise, the Executive Chairman is best suited for the responsibilities currently assigned to him.

(v) **Remuneration proposed:**

Scale of Salary: Salary of Rs.14,06,046 per month in the scale of Rs.14,00,000 to Rs.25,00,000 per month.

Perquisites and Commission: As stated in Resolution No. 7.

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. Anand G. Mahindra, within the above mentioned scale of salary.

(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. Anand G. Mahindra, 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 Executive Chairman 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.3,955.65 crores during the year ended 31st March, 2017.

(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 the Executive Chairman have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid/payable to Executive Chairman and Managing Director (Whole-time Directors) for the year ended 31st March, 2017".

Mr. Anand G. Mahindra 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.

Brief resume of Mr. Anand G. Mahindra, nature of his expertise, name of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships among Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 besides above, 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. 7 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

ITEM NO. 8:

Dr. Pawan Goenka was appointed as an Additional Director of the Company with effect from 23rd September, 2013. Further, the Shareholders of the Company had at the 68th Annual General Meeting held on 8th August, 2014 appointed Dr. Pawan Goenka as a Wholetime 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.

The Board of Directors of the Company at its Meeting held on 11th November, 2016 has pursuant to the recommendations of the Governance, Nomination and Remuneration Committee and subject to the approval of the Members at the ensuing General Meeting of the Company, approved the elevation of Dr. Pawan Goenka (DIN: 00254502) as Managing Director for a period of 4 (four) years from 12th November, 2016 upto and including 11th November, 2020.

Profile:

Dr. Goenka has completed 62 years of age.

Dr. 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 Limited, 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, Executive Director and Group President (AFS) in April, 2015, and Managing Director of Mahindra & Mahindra Limited, in November, 2016. Dr. Goenka is also a member of the Group Executive Board at Mahindra Group.

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 and 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. He received the Qimpro Gold Standard 2014 (Business) Award for contribution as Role-Model Leader for World-Class Quality in Business. Dr. Goenka was conferred with the Doctor of Science (honoris causa) by I.I.T., Kanpur in 2015. Dr. Goenka has recently 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.

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 the Chairman of the Board of Governors of I.I.T., Madras.

Dr. Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, Mahindra Two Wheelers Limited, Mahindra & Mahindra South Africa (Pty.) Limited, Mahindra USA Inc., Ssangyong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Limited. He is the Managing Director of Mahindra & Mahindra Limited and also on the Boards of Mahindra First Choice Wheels Limited, Swaraj Engines Limited, New Democratic Electoral Trust, Association of Indian Automobile Manufacturers and Mahindra Yueda (Yancheng) Tractor Company Limited.

Dr. Goenka 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	Chairman
		Loans & Investment Committee	Member
		Stakeholders Relationship Committee	Member
		Corporate Social Responsibility 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.	Swaraj Engines Limited	Remuneration Committee	Member
5.	Ssangyong Motor Company	Management Committee	Chairman
		Outside Director Candidate Recommendation Committee	Member
6.	Mahindra Agri Solutions Limited	Nomination and Remuneration Committee	Member

Dr. Goenka does not hold any Ordinary (Equity) Shares in the Company.

In compliance with section 190 of the Companies Act, 2013, a Memorandum of terms of Service of Managing Director is available for inspection of the Members in physical or in electronic form at the Registered office of the Company, upto the date of this Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai - 400 018 as well as during the AGM at the venue thereof.

During the year 1st April, 2016 to 31st March, 2017, 6 (six) Board Meetings of the Company were held, all of which were attended by Dr. Goenka.

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. Goenka 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, 2017:**

Particulars	Rs. in crores
Gross Turnover & Other Income	48,438.53
Net profit as per Statement of Profit & Loss (After Tax)	3,955.65
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	4,182.78
Net Worth	25,133.75

(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, 2017:** Rs.739.36 lakhs

(iii) **Recognition or awards:** Refer profile Section as 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 and President (Automotive & Farm Equipment Sectors) with effect from April, 2010. At the 68th Annual General Meeting held on 8th August, 2014, Members appointed Dr. Pawan Goenka as a Wholetime 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.

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

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

(v) **Remuneration proposed:**

Scale of Salary: Salary of Rs.14,17,245 per month in the scale of Rs.14,00,000 to Rs.20,00,000 per month.

Perquisites and Commission: As stated in Resolution No. 8.

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. The number of Stock Options granted and outstanding as on 31st March, 2017, are 62,635, of which 20% have vested and are unexercised and the balance 80% would vest during his period of appointment.

Based on certain eligibility criteria including number of years' service, grade and performance rating, and the market price of equity shares of the Company as on 31st March, 2017 the expected perquisite value of options to be granted to Dr. Goenka during his period of appointment could be around Rs.15 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. Goenka and the market price of the shares on the date of exercise of options granted.

The value of perquisites availed by Dr Goenka in the Financial Year 2017 was Rs.28.68 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.

(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 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.3,955.65 crores during the year ended 31st March, 2017.

(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 the Managing Director have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid/payable to Executive Chairman and Managing Director (Whole-time Directors) for the year ended 31st March, 2017".

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.

Brief resume of Dr. Pawan Goenka, nature of his expertise, name of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships among directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 besides above, are 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. 8 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval of the Members.

ITEM NO. 9:

In terms of section 42 of the Companies Act, 2013 (the Act) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the Rules), a Company shall not make Private Placement of its Securities unless the proposed offer of Securities or invitation to subscribe to Securities has been previously approved by the Members of the Company by a Special Resolution. In case of an offer or invitation for offer of Non-Convertible Debentures, the Company can pass a Special Resolution once a year for all the offers or invitations to be made for such Debentures during the year.

In order to augment resources for, inter alia, the ongoing capital expenditure, long term working capital/short term working capital and for general corporate purposes, the Company may offer or invite subscription for securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures and/or Commercial Paper, in one or more series/tranches on private placement, in Domestic and/or International market, issuable/redeemable at discount/par/premium.

The Company seeks to pass an enabling resolution to borrow funds from time to time by offer of securities including but not limited to Non-Convertible Debentures and/or Commercial Paper for an amount not exceeding Rs.5,000 crores (Rupees Five Thousand Crores only), at a discount or at par or at a premium and at such interest as may be appropriate considering the prevailing money market conditions at the time of the borrowing but not exceeding 10% p.a.

The details of the Paid-up Capital and Free Reserves, Outstanding Borrowings and approvals sought, are as under:

(Rs. in crores)

Particulars	**As at 31st March, 2016**	**As at 31st March, 2017**
Paid-up Capital and Free Reserves	19,931	23,029
Outstanding Borrowings	2,917	2,816
Approvals sought for offer of securities including but not limited to Non-Convertible Debentures and/ or Commercial Paper at the Annual General Meetings	5,000*	5,000**

* Approval sought at the last Annual General Meeting held on 10th August, 2016, has a validity of one year and under which, the Company has till date issued 4,750 Unsecured Redeemable Non-Convertible Debentures of Rs.475 crores (Face value of Rs.10 lakhs each).

** Approval sought at the ensuing Annual General Meeting.

The approval sought for offer of securities including but not limited to Non-Convertible Debentures and/or Commercial Paper, shall be within the overall borrowing limits of the Company in terms of section 180 of the Companies Act, 2013.

The Articles of Association of the Company is available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai - 400 018 as well as during the AGM at the venue thereof.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 9 of the Notice.

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. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by 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 : www.mahindra.com
Tel. : +91 22 22895500
Fax : +91 22 22875485

Mumbai, 30th May, 2017

Route Map to the venue of the AGM



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Mahindra
Rise.

#FUTURISE

Mahindra & Mahindra Limited
Annual Report 2016-17

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This annual report can be found online at www.mahindra.com

Forward Looking Statements

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

Innovation and technology
are the catalysts for a better future.

Our aspiration to **Rise to the future**
embodies this belief. And we are intensifying
our efforts to create a promising tomorrow.

Our ambitions have also become bigger.
It's time to set our eyes on the global stage.

To think **bigger** than our size.
To take **bolder** bets.
To **challenge** the confines of today.

TO *FUTURISE*.

BOARD OF DIRECTORS



Left to Right Standing

Vikram Singh Mehta, Independent Director
M.M. Murugappan, Independent Director
Dr. Pawan Goenka, Managing Director
Deepak S. Parekh, Independent Director
Nadir B. Godrej, Independent Director
Anand G. Mahindra, Executive Chairman
T. N. Manoharan, Independent Director
Anupam Puri, Independent Director

Left to Right Seated

S.B. Mainak, Nominee Director
Dr. Vishakha N. Desai, Independent Director
R.K. Kulkarni, Independent Director

GROUP EXECUTIVE BOARD



Left to Right Standing

Ulhas Yargop, Group President (IT Sector) & Group CTO

Ruzbeh Irani, President (Group Communication & Ethics) Chief Brand Officer

Hemant Sikka, President - CPO, Powerol & Spares Business

Manoj Chugh, President - Enterprise Business, Tech Mahindra Ltd.

S. Durgashankar, President (Group M&A, Corporate Accounts & Group Secretarial)

Rajan Wadhera, President - Automotive Sector

Kavinder Singh, Managing Director (Mahindra Holidays and Resorts India Ltd.) & President (Leisure and Hospitality Sector)

C.P. Gurnani, Managing Director & CEO - Tech Mahindra Ltd.

Zhooben Bhiwandiwala, Managing Partner - Mahindra Partners & President (Group Legal)

S. Ramkrishna, President (Group Public Affairs)

Anand G. Mahindra, Executive Chairman, Mahindra & Mahindra Ltd.

Sangeeta Prasad, CEO - Integrated Cities & Industrial Clusters, Mahindra Lifespace Developers Ltd.

Rajeev Dubey, Group President (HR & Corporate Services) & CEO (After-Market Sector)

Rajesh Jejurikar, President - Farm Equipment Sector

Ashok Sharma, President - Agriculture Sector and MD & CEO - MASL

L. Ravichandran, President & Chief Operating Officer (Tech Mahindra Ltd.)

Johng-sik Choi, President & CEO - Ssangyong Motor Co.

Left to Right Seated

S.P. Shukla, Group President & CEO (Aerospace & Defence Sector)

Dr. Pawan Goenka, Managing Director, Mahindra & Mahindra Ltd.

Anita Arjundas, Managing Director & CEO (Mahindra Lifespace Developers Ltd.)

V.S. Parthasarathy, Group CFO & Group ClO

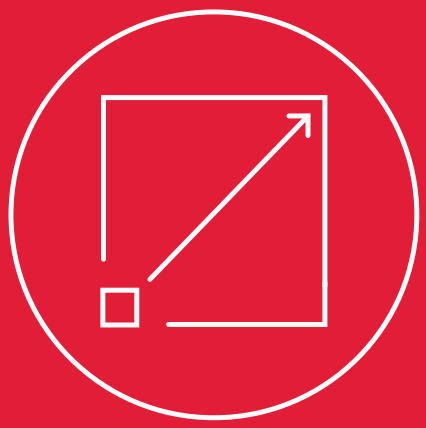
Dr. Anish Shah, Group President (Strategy)

Ramesh Iyer, Managing Director (Mahindra & Mahindra Financial Services Ltd.) & President (Financial Services Sector)

How we *FUTURISE*: 3D Framework

FUTURISE shapes our ambition to transform ourselves into a global innovation powerhouse driven by technology. But how do we create the future we want? At Mahindra, our approach to innovation is rooted in three guiding principles that bind us and form our core belief.

DO MORE WITH LESS



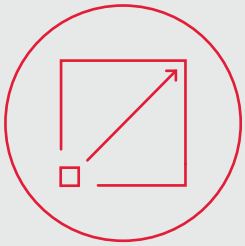
DO IT TOGETHER



DO IT FOR ALL



This 3D-framework empowers us with purpose and direction. It guides all our business investment actions and embodies our commitment to our people and the planet.



Do more with less

Look around you. Product life cycles are shrinking. Distances are reducing. And resources are depleting. Increasingly, the world is learning to achieve more with less. And businesses are no exception. We believe that the winners of the future are those who can derive more output from every unit of input.

At Mahindra, we've been doing this for decades. Whether with time, money or resources. We did it when we developed a world-class SUV from scratch, with meagre resources. We did it when we launched India's first smart truck that minimises fuel consumption and maximises performance. Our aim, for the future, will be to master the art of doing more with less.



Do it together

World-class innovations don't come from just the four walls of a company. Tomorrow belongs to those who can cut across sectors, competition and borders to develop innovations for the market. Success will not hinge on 'how well one performs' but on 'how well one collaborates.'

Our collaborative approach has seen us pool together the collective expertise of engineers, researchers and innovators around the world. We have partnered with a global giant to develop a blockchain technology solution to reinvent supply chain finance across India. We are also developing a driverless car for Indian roads through the country's biggest innovation challenge – inviting ideas from across the nation. Going forward, we will continue to seek synergies and foster powerful partnerships to multiply the power of ideas.



Do it for all

Technology is most powerful when it is put in the hands of more and more people. Tomorrow will only be better if it is more inclusive. Businesses that create accessible innovations will own the future.

Our diverse business portfolio, coupled with a desire to democratise innovation, has helped us penetrate every economic strata. From empowering the farmer with next-gen farm mechanisation to making sustainable living a reality for more people, we seek to improve the quality of life of every person on the planet. Because what use is technology if it is in the hands of only a chosen few?

Focus areas of *FUTURISE*

FUTURISE will help us create an impact where it is needed the most. Given the problems that the world is facing, we have identified four pervasive areas where we can put our talents to use:

Mobility | **Urbanisation** | **Farm Tech** | **IT**

These are not just our key businesses.

They are industries that shape every modern economy and are in the midst of an unprecedented global change.





Mobility

We are witnessing disruptive developments in alternative fuels, traditional automobile technology and IT. Shared mobility poses a challenge to ownership. What's more, every aspect of owning, maintaining and disposing a car will change in a manner that we'd be hard-pressed to predict today. So how do we compete in a dynamic environment such as this? Enter technology.

EV 2.0 – The Future of Mobility

EV 2.0 is a comprehensive technology and product roadmap, leading to the next generation of electric vehicles. With EV 2.0, Mahindra aims to make electric vehicle technology more accessible and mainstream by actively engaging with the larger EV ecosystem – both public sector and private – to drive faster adoption of EVs and cater to the smart cities of tomorrow.

Urbanisation

The world is urbanising at an astonishing rate. And with it come the problems of providing a rapidly growing population with basic amenities and smart solutions for a superior quality of life. From ensuring adequate housing, to meeting the energy and water needs of ever-expanding cities, challenges and opportunities occupy both sides of the coin.

Smart Cities – Building Cities of the Future

Digital disruptions are revolutionising the way cities are built and governed today. Through the collective expertise of our businesses, we are transforming cities into meta-performing, connected ecosystems, making life easy and efficient. Our intent is to create sustainable cities, built on strong infrastructure. Cities with intelligent living spaces, intuitive work areas, and inspirational culture hubs. Everything a smart city should be.



Farm Tech

Population explosion has put unprecedented pressure on driving up farm yields. Added to this is a shrinking resource base of land, water and labour. It leaves us with the serious challenge of feeding 8.5 billion mouths by 2030. *(Source: UN World Report, 2015)*. Thankfully, with exciting new developments in precision farming, big data analytics, agricultural robots and more – the future looks bright.

TRRINGO – Mechanised Farming For Every Farmer

India's first tractor and farm equipment rental business, Trringo aims to raise the level of mechanisation in farming by making technology more accessible to every farmer. It empowers them with the right equipment, or a well-maintained tractor and professional driver for all their agri needs – no matter how small the landholding. A potent example of how technology can transform lives.



IT

A few years ago, did we think we'd have over a billion smart phones today? In less than a decade, technology has had a dramatic impact on the world – and the next few years will only see its influence accelerate in every aspect of human life and economic activity. Right from household robots for chores, to artificial intelligence that can drastically reduce or even bring to zero the number of road accidents, to drones that can transport people, we will witness the power of IT permeate every aspect of our lives.

DiGiSENSE – Connected Vehicles For a Connected Tomorrow

DiGiSENSE is a game-changing connected vehicles technology platform that connects vehicles across Mahindra's mobility portfolio to the cloud. It opens up a whole new dimension to the experience of vehicle ownership. Designed to work across applications and platforms, DiGiSENSE empowers owners, fleet operators, drivers, dealers and service teams who can remotely access vital information about their vehicles in real time.

BUSINESS HIGHLIGHTS

Financial Year 2016-17 was a red-letter year for Mahindra as we achieved several milestones in the Farm and Auto businesses and made progress towards our road map of being a future-ready company.

Farm Equipment Sector



42.7%

highest ever market share

23%

growth

Business Highlights

It was a year of excellent performance for the Farm Equipment Sector which registered a growth of 23%, outpacing the industry growth rate of 18%. We also achieved our highest ever market share of 42.7%, strengthening our leadership position in the domestic market for 34 years.

This growth was largely driven by new product launches, including the Mahindra YUVO which proved to be a great success. The YUVO delivered on its promise of more, better and faster and continued to live up to the image of Mahindra tractors as technologically advanced.

Farming 3.0

With innovation and technology as its bedrock, our Farm Equipment Sector has always focussed on encouraging more accessible mechanisation across India's farmlands. Now, we are looking at farming from a holistic point of view to see how we can redefine its future in India and deliver farm tech prosperity. We want to catalyse the third revolution in this space and are calling it Farming 3.0.

Farming 3.0 is a comprehensive eco-system with offerings across the value chain for the farmer. It entails access to smart machinery, precision farming practices, digital platforms and ecosystem connect with the aim to help farmers improve their crop yields and double their farm income. These are the areas which we believe form the pivot around which agriculture will change in the next few years and we will not only participate in each of them but will also serve as a catalyst for others to participate.

Automotive Sector



50%+

market share in the LCV < 3.5T for the second consecutive year

Business Highlights

In Financial Year 2016-17, the business sustained its leadership position in the domestic Utility Vehicle (UV) segment with 29.2% market share. We strengthened the UV product portfolio with the launch of the Bolero Power Plus and variants for the KUV100 and TUV300.

We continue to maintain our leadership position in the LCV < 3.5T segment with a market share of 50%+ for the second consecutive year. Key drivers for this included the good performance of the Bolero range of Pik Ups and the Jeeto, along with our sustained efforts to enhance the ecosystem for small commercial vehicles.

We also gained market share in the Medium & Heavy Commercial Vehicles (MHCV) segment where our flagship brand, the Blazo continues to contribute major volumes to our portfolio.

Mobility Play

In line with our credo of Rise, we aspire to redefine mobility in India by creating an ecosystem around passenger vehicles and small commercial vehicles for enhancing value delivery to the customer.

With an aspiration to deliver clean and cost-effective mobility solutions to our customers, we have built a strong EV portfolio comprising personal and commercial vehicles.

Our recently launched DiGiSENSE platform is aligned with our focus on creating a connected platform for our wide range of vehicles and tractors.

For our Utility Vehicle customers, our core value proposition is to enable lifestyle enhancing experiences through our SUVs and other non-product experiences which are convenient and connected.

In the SCV space, our products and the affiliated ecosystem offer our consumers greater earning potential, in line with our customer value proposition of *Taqdeer Badal De*.

Growing Global Footprint



Rajesh Jejurikar, President - Farm Equipment Sector, signing the strategic deal with the Turkey-based Hisarlar Makina Sanayi ve Ticaret Anonim Sirketi

In Financial Year 2016-17, we expanded our global footprint with strategic M&As and an enhanced R&D network.

We made inroads into Taiwan where we launched the Scorpio Pick Up, while the KUV100 debuted in South Africa. For the first time, we crossed the 50,000 mark in exports, consistently maintaining a 15% CAGR growth rate for seven consecutive years. Also, both the Auto and Tractor businesses achieved highest ever export volumes.

Our global entities, Mitsubishi Mahindra Agricultural Machinery Co. Ltd. (MMAM) and Sampo Rosenlew, Finland have enabled us to develop global Centres of Excellence (CoE) for product development and supply, as well as address global opportunities in the rice value chain and farm machinery space, respectively.

Last year, we also acquired Hisarlar Makina Sanayi ve Ticaret Anonim Sirketi (Hisarlar), a Turkish company with market leadership in soil preparation equipment. This partnership will help us expand our footprint in Turkey and Europe and act as a global manufacturing base for various farm implements and tractor cabins.

We also established an on-ground presence in Brazil with the formation of Mahindra do Brasil Industrial Ltda and are focussing on creating our own sales and distribution channel in Mahindra Mexico.

We continued to expand our reach and strengthen our brand in the United States through Mahindra USA.

NEW PRODUCTS LAUNCHED IN 2016-17



All New Big Bolero Pik-up



e-Verito, India's first electric sedan



New Electric City Smart Car, e_2oPlus



eSupro, India's first electric cargo and passenger van



Jeeto CNG variant



Jivo launch*



XUV500 AT



Supro Minivan and Minitruck launch

*Launched in April 2017



Bolero Power Plus launch



Dual Tone KUV100 Anniversary Edition



Blazo range of trucks



New Age XUV500 AT launch in Australia



TUV300 100 hp



New Age XUV500 AT launch in New Zealand



Swaraj 742 FE launch



KUV100 launch in South Africa

AWARDS & ACCOLADES



Mahindra receives three prestigious national IP awards on World Intellectual Property Day from CII and the Indian Patents Office (IPO)



AFS bags the Golden Peacock Award 2016 for Sustainability



SmartShift bags two awards at the 10th Express, Logistics & Supply Chain Conclave



Mahindra Design Studio receives the International Architecture Award 2016 from the Chicago Athenaeum



Mahindra ranked No. 1 in "India's Best Companies To Work For 2016" study in the manufacturing category



Mahindra wins the Business Today 'Best Company To Work For' Award in the Engineering and Automotive Category



Mahindra Electric's technologies recognised at the CSIR Diamond Jubilee Technology Awards ceremony



Dr. Pawan Goenka becomes the first Indian to be awarded the highly acclaimed 2016 FISITA Medal



Mahindra Wins 'Innovator for the Year' Award at TIME India Awards 2017



Mahindra Truck and Bus Division wins CV & HCV of the Year at the Apollo CV Awards

RISE FOR GOOD

Rise for Good is the Mahindra Group's call to action to do good and drive positive change for all our stakeholders. At Mahindra, we aim to make every aspect of our business sustainable to ensure a better world for future generations. From our employees to the communities which we are a part of, we see an incredible opportunity to drive positive change for all our stakeholders, re-affirming our commitment to create a better world. In everything we do, we consciously aim to Rise for Good.

Community, Sustainability, People and **Governance** form the foundation of our Rise for Good activities.



Community

Our CSR efforts over the years have focussed on Education and Skilling, Health, Rural Development and the Environment. Project Nanhi Kali was initiated in 1996 and is jointly managed by the K. C. Mahindra Education Trust (KCMET) and the Naandi Foundation. The project helps underprivileged girls access quality education with academic, material and social support. Till date, it has supported over 3,10,000 girls across 13 states in India.

The Mahindra Pride Schools (MPS) provide livelihood training to youth from socially and economically disadvantaged sections of society (SC / ST / OBC). The 90-day intensive programme provides domain-specific training in 4 verticals - IT enabled Services (ITeS), Customer Relationship Management, Hospitality and Automotive (Service Advisor and Service Technician), as well as grooming and soft skills. From inception till date, over 20,351 students have been trained and 100% have been placed. Further, 24,990 students were trained through the Mahindra Pride Employability Enhancement Module which was rolled out in 600 classrooms in Polytechnics and Arts & Science Colleges across 3 states, namely Tamil Nadu, Kerala and Maharashtra.

Wardha district is situated at the heart of Maharashtra's drought-prone Vidharbha region. Mahindra has partnered with the Naandi Foundation to create a comprehensive agrarian solution that will deliver sustainable local nutritional security and assured prosperity to farmer families in this region. These joint efforts have provided a much-needed boost to pomegranate cultivation with 1,000 acres mobilised for growing the fruit through sustainable farming practices.

Mahindra also uses culture as a tool to connect with the communities it serves with several big ticket events adding colour to India's cultural calendar. These include the Mahindra Excellence in Theatre Awards (META) which celebrates the best of Indian theatre, the Mahindra Blues Festival which is the biggest Blues festival in India, the Mahindra Sanatkada Festival which aims to revive Lucknowi Tehzeeb and the Mahindra Kabira Festival which celebrates the Poet-Saint's philosophy of love and inclusivity.

Sustainability

For us, sustainability means not only the conservation of the environment, but also the well-being of our stakeholders, communities, and the world at large. It is an integral part of our business, and a defining driver on our road to long-term profitability. It entails financial growth, profit, responsibility towards communities and stakeholders, giving back to the society, good governance, ethical practices, and respecting the law of the land.

Mahindra has invested in the green economy through multiple businesses. Mahindra EPC manufactures micro-irrigation systems and Mahindra Electric makes electric vehicles, while the GenZe is an electric two-wheeler conceived in Silicon Valley for the world. Our auto sector builds vehicles powered by alternate fuels, while our farm sector promotes climate-smart agricultural practices. We also make a conscious effort to adopt green processes and create green facilities through local sourcing, optimising logistics, water conservation, recycling and urbanscaping.



People

Mahindra believes that its greatest assets are its people. Our finely honed talent management system focusses not only on developing technical skills but also seeks to foster an environment of innovation and self-belief to help our employees achieve their dreams.

The Mahindra Group believes that it is only when an inclusive eco-system encompassing a diverse workforce is created that we can drive positive change at the workplace. Aligned to this philosophy, the Group recently launched its first Women Leaders Program (WLP) under the aegis of the Group Diversity Council with the objective of developing women managers to create a pipeline of female leaders and change agents for the Mahindra Group.

The WLP focusses on advancement of women in the workforce and will look to encourage and support women employees in the middle management cadre. A professional development journey spanning 18 months, the WLP has been designed to help participants develop relevant competencies to advance into future leadership positions.

Governance

For the past 70 years, we have consciously adhered to the highest standards of governance which is the foundation on which we have built our federation. Since inception, we have set benchmarks and implemented systems and processes long before they were legally mandated.

The awards that we have won for excellence in Corporate Governance over the years are testimony to our long legacy of excellence.



CORPORATE INFORMATION

COMMITTEES OF THE BOARD

Audit Committee
Mr. Deepak S. Parekh – Chairman
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni
Mr. T. N. Manoharan

Stakeholders Relationship Committee
Mr. R. K. Kulkarni – 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. R. K. Kulkarni

Corporate Social Responsibility Committee
Dr. Vishakha N. Desai – Chairperson
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Mr. R. K. Kulkarni
Mr. Vikram Singh Mehta

Strategic Investment Committee
Mr. Anand G. Mahindra – Chairman
Mr. Deepak S. Parekh
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. Anupam Puri
Mr. T. N. Manoharan

Loans & Investment Committee
Mr. Anand G. Mahindra – Chairman
Dr. Pawan Goenka
Mr. R. K. Kulkarni
Mr. Vikram Singh Mehta

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. Deepak S. Parekh
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni
Mr. T. N. Manoharan

Chairman Emeritus
Mr. Keshub Mahindra

Board of Directors
Mr. Anand G. Mahindra
Executive Chairman

Dr. Pawan Goenka
Managing Director

Mr. Deepak S. Parekh
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni
Mr. Anupam Puri
Dr. Vishakha N. Desai
Mr. Vikram Singh Mehta
Mr. S. B. Mainak
(Nominee of Life Insurance Corporation of India)
Mr. T. N. Manoharan

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
Deloitte Haskins & Sells
Tower 3, 27th - 32nd Floor,
Indiabulls Finance Centre,
Elphinstone Mill Compound,
Senapati Bapat Marg,
Elphinstone (W), Mumbai - 400 013

Advocates
Khaitan & Co.,
One Indiabulls Centre,
13th Floor, 841, Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013

Registered Office
Gateway Building, Apollo Bunder,
Mumbai - 400 001

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, 2017.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Rs. in crores)

	2017	2016
Revenue from Operations	**47,096**	43,639
Other Income	**1,342**	850
Profit before Depreciation, Finance Costs, Exceptional items and Taxation	**6,112**	5,470
Less: Depreciation and Amortisation expense	**1,327**	1,068
Profit before Finance Costs, Exceptional items and Taxation	**4,785**	4,402
Less: Finance Costs	**146**	186
Profit before Exceptional items and Taxation	**4,639**	4,216
Add: Exceptional items	**548**	68
Profit before Taxation	**5,187**	4,284
Less: Tax Expense	**1,231**	1,079
Profit for the year	**3,956**	3,205
Balance of profit for earlier years	**17,904**	15,442
Less: Transfers from retained earnings	**14**	3
Add: Transfers to retained earnings	**—**	100
Profits available for appropriation	**21,846**	18,744
Add: Other Comprehensive Income/ (Loss)*	**(4)**	7
Less: Dividend paid on Equity Shares	**745**	745
Less: Income-tax on Dividend paid	**96**	102
Balance carried forward	**21,001**	17,904

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

The fiscal year gone by was marked by significant developments on both the global as well as domestic fronts. On the international front, Brexit and the US elections heralded a sea change, forebodingly laden with darker possibilities for the global and even the Indian economy. The political outlook for globalisation too changed in the wake of the above developments.

On the domestic side, a constitutional amendment paved the way for the long-awaited and transformational Goods and Services Tax (GST) while demonetisation of large denomination currency notes signalled a regime shift to punitively raise the costs of unaccounted transactions.

The currency swap move entailed short-term costs in the form of economic dislocations across Sectors, inconvenience and hardships, especially for those in the informal and cash-intensive sectors of the economy who lost out on income and employment. These costs have been real and significant but they may be minimised in recorded GDP because the national income accounts estimate informal activity on the basis of formal sector indicators. However, the costs are likely to be transitory as demonetisation has the potential to generate meaningful long-term benefits. Gross value added (GVA) growth estimate for 2016-17 has been pared down to 6.6% year on year as compared to the estimate of 7.6% when the year began.

However, even amidst this scenario, your Company recorded an increase of 7.92% in revenue from operations at Rs. 47,096 crores in the year under review as against Rs. 43,639 crores in the previous year.

The Profit for the year before Depreciation, Finance Costs, Exceptional items and Taxation recorded an increase of 11.74% at Rs. 6,112 crores as against Rs. 5,470 crores in the previous year. Profit after tax increased by 23.43% at Rs. 3,956 crores as against Rs. 3,205 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 and process efficiencies thereby enabling the Company to maintain profitable growth in the current economic scenario.

No material changes and commitments have occurred after the closure of the Financial Year 2016-17 till the date of this Report, which would affect the financial position of your Company.

Performance Review

Automotive Sector

Your Company's Automotive Sector recorded total sales of 5,06,624 vehicles (4,52,893 four-wheelers and 53,731 three-wheelers) as against a total of 4,94,096 vehicles (4,37,911 four-wheelers and 56,185 three-wheelers) in the previous year, registering a growth of 2.5% in vehicle sales.

On the domestic sales front, your Company sold a total of 4,69,384 vehicles as compared to 4,58,065 vehicles in the previous year resulting in a growth of 2.5%.

In the Passenger Vehicle segment, your Company's volumes remained almost flat at 2,36,130 vehicles [including 2,22,541 Utility Vehicles (UVs), 10,370 Vans and 3,219 Cars] as compared to the previous year's volume of 2,36,307 vehicles [including 2,22,324 UVs, 10,588 Vans and 3,395 Cars].

In the Commercial Vehicle (CV) segment, your Company sold 1,80,948 vehicles [including 30,043 vehicles < 2T GVW, 1,36,564 vehicles between 2-3.5T GVW, 7,626 Light Commercial Vehicles (LCVs) in the LCV > 3.5T segment and 6,715 Heavy Commercial Vehicles (HCVs)] registering a growth of 8.5% over the previous year's volume of 1,66,783 CV [including 27,834 vehicles < 2T GVW, 1,26,819 vehicles between 2-3.5T GVW, 6,425 LCVs in the LCV > 3.5T segment and 5,705 HCVs].

In the three-wheeler segment, your Company sold 52,306 three-wheelers, registering a de-growth of 4.9% over the previous year's volume of 54,975 three-wheelers.

For the year under review, the Indian automotive industry (except 2-Wheeler) grew 6.5%, with the Passenger Vehicle (PV) industry growth of 9.2% and record sales crossing the three million mark. The CV industry grew 4.2% with the LCV 2-3.5T (PU segment) posting the highest ever sales of 0.2 million and taking 29% share of the total CV industry. However, the Medium and Heavy Commercial Vehicles (MHCV) segment remained flat at a volume of 0.3 million. The 2-Wheeler (2W) industry grew 6.9%, with sales crossing a record 17 million mark.

Your Company's UV sales volume remained flat at 2,22,541 vehicles, resulting in an UV market share of 29.2% as against 37.9% in the previous year. Your Company's UV sales were adversely impacted in the first, third quarter and the early fourth quarter of the Financial Year 2017.

In the first quarter of the Financial Year 2017, rural demand continued to be subdued – a low sentiment continuing from the Financial Years 2015 and 2016 due to two years of deficit monsoon. In the third quarter of the Financial Year 2017, volumes were adversely impacted due to demonetisation. Though the industry at large was quick to recover in January, 2017 recovery was slightly slower in rural India as compared to urban India, having an adverse impact on your Company's volumes. Demand for your Company's products from urban markets was also under pressure due to continued shift in customer preference.

Scorpio continues to enhance its iconic status and the demand for Scorpio remained strong at 49,319 vehicles, a growth of 2.6% over the previous year.

Bolero has been a very successful brand for your Company over the last 10 years, and in September, 2016, your Company launched the new Bolero Power+ with the mHawk^{D70} engine. The all New Bolero Power+ is an evolution of the Bolero brand, with an enhanced value proposition, delivering more power, mileage and a peppier drive.

In the LCV<2T segment, riding on the success of Jeeto, your Company's volumes grew 7.9% and the market share strengthened to 25.7% as against 23.9% in the previous year. To further strengthen its presence in this segment, your Company launched the Supro Minitruck and Supro cargo van in February, 2017.

In the PIK-UP segment of commercial vehicles (LCV 2 to 3.5T), your Company maintained its leadership position with a market share of 65.8%. In April, 2016, your Company launched the Big Bolero PIK-UP with several best-in-class features.

In February, 2016, your Company launched the Blazo series of heavy commercial (HCV) trucks with Fuelsmart technology. The Blazo series of trucks are backed by a superior mileage guarantee and a 48 hours service guarantee. For the year under review, your Company extended the Blazo range of trucks from 25 to 49 Tons, and the trucks are well received by the customer. The total HCV sales for the year stood at 6,715 trucks, clocking a 17.7% growth. The market share of the HCV segment stood at 4.0% as compared to 3.4% in the previous year.

During the year under review, your Company posted the highest ever export volumes of 37,240 vehicles as against the previous year exports of 36,031 vehicles, a growth of 3.4%.

Your Company continued to grow in volumes and strengthen its presence in the neighbouring markets of Sri Lanka, Nepal and Bangladesh. With continued efforts of building its brand in key markets like South Africa and Chile, your Company reported a volume growth of 28.9% and 28.3% respectively. For the year under review, the KUV100 and TUV300 were launched in South Africa.

The spare parts sales for the year stood at Rs. 1,937.2 crores (including Exports of Rs. 115.6 crores) as compared to Rs. 1,765.3 crores (including Exports of Rs. 110.3 crores) in the previous year, registering a growth of 9.7%.

Farm Equipment Sector

Your Company recorded a total sales of 2,63,021 tractors as against 2,14,173 tractors sold in the previous year thus recording a growth of 22.8%.

For the year under review, the tractor industry in India recorded sales of 5,82,084 tractors recording a growth of 18%. A normal monsoon, good increase in minimum support prices and Government's focus on Agriculture and rural development, helped drive the positive sentiment in the Agriculture Sector and the rural economy at large. This positive sentiment and the pent-up demand due to two consecutive years of industry de-growth in the Financial Years 2015 and 2016, helped boost the demand for tractors in the Financial Year 2017.

Your Company sold 2,48,594 tractors in the domestic market in the year 2016-17, as compared to 2,02,628 tractors in the previous year, recording a growth of 22.7%. Your Company gained market share by 1.8%, taking the total market share to 42.7% which is the highest ever market share.

Your Company's market performance was supported by the good performance of YUVO, which has helped gain market share in the 30-50 HP segment. YUVO, an all-new tractor platform launched in April, 2016 has been highly successful in strengthening the technology leadership of Mahindra tractors.

After the successful launches of Arjun NOVO and YUVO in the previous two years, your Company launched its third new tractor platform JIVO in April, 2017. JIVO is a new age small tractor platform in the sub 25 HP category. With its narrow and compact design, high power and multi-application suitability, JIVO is an ideal choice for the growing segment of Horticulture and Row crop farming.

During the year under review, your Company exported 14,583 (including 156 Completely Knocked Down Units) tractors registering a growth of 26.3% over the previous year. This is the highest ever tractor exports by your Company.

Spare parts sales for the year stood at Rs. 530.7 crores (including exports of Rs. 43.8 crores) as compared to Rs. 476.5 crores (including exports of Rs. 34.8 crores) in the previous year, registering a growth of 11.4%.

Other Businesses

In the power generation space, under the Mahindra Powerol Brand, your Company continues to be amongst the leaders in the industry for over a decade. Your Company earned its highest ever revenues of Rs. 1,204.9 crores in the current Financial Year as against Rs. 1,109.9 crores in the previous year, recording a growth of 8.6%.

With a focus on changing customer needs, your Company has further expanded the business in Tele infra management and in the energy management solutions space.

Amidst growing concerns on environmental sustainability, your Company took a step towards moving to greener solutions, by venturing into a new business of 'Green Gensets' through battery based solutions.

Current Year's review

During the period 1st April, 2017 to 29th May, 2017, 63,251 vehicles were produced as against 60,164 vehicles and 60,052 vehicles were despatched as against 57,697 vehicles during the corresponding period in the last year. During the same period 49,425 tractors were produced and 49,154 tractors despatched as against 44,730 tractors produced and 44,778 tractors despatched during the corresponding period in the previous year.

The outlook for 2017-18 remains positive with a favourable domestic and global backdrop. On the domestic front, the economy is set to experience a growth recovery and the RBI expects Gross Value Added to grow at 7.3% Year on Year in Financial Year 2018 with some favourable tailwinds.

Monsoon is forecast to be normal for the second consecutive year which bodes well for demand recovery. Moreover, the ongoing remonetisation process and lagged effect of past rate cuts along with a further reduction in banks' lending rates will aid discretionary consumer spending and growth recovery.

Focused expenditure especially on the rural economy and affordable housing, implementation of Goods and Services Tax (GST) and steps to attract higher foreign direct investment (FDI) will also be supportive of growth. Importantly, notwithstanding initial challenges, GST implementation entails sustained positive gains for the economy in the long term.

On the global front too, demand backdrop is expected to be favourable with most forecasts pegging global output and trade higher in 2017 and 2018 as compared to the recent past.

Finance

Financial Year 2016-17 was a turbulent year for the world economy with events namely Brexit, US Presidential elections and Italian political reform referendum, which not only caused volatility during the year but also has the potential to have ramifications in the years to come. US economy continued showing signs of steady recovery and encouraging job growth which led the US Federal Reserve to hike interest rates two times in Financial Year 2016-17 by a cumulative 50 bps. Despite the political noise, the economic recovery in Eurozone was encouraging with growth picking up in the second half of 2016, which led the ECB to start tapering its quantitative easing program since December, 2016. Economic sentiment in Eurozone reached a nearly six-year high in February, 2017. Growth also remained solid in the United Kingdom, where spending proved resilient in the aftermath of Brexit.

Growth prospects for emerging market economies have also improved with reduced concerns on China's hard landing due to policy stimulus. Further, recessionary conditions also ebbed in Russia and Brazil due to firming up of commodity prices. Crude prices which touched a 13 year low in January, 2016, rebounded during Financial Year 2016-17 as oil producing nations agreed on output cuts. However, global trade remains subdued due to an increasing tendency towards protectionist policies and heightened political tensions. The latest World Economic Outlook by IMF predicts the Global economic activity to pick up with a long-awaited cyclical recovery in investment, manufacturing and trade projects.

On the domestic front in India also, the year was marked with two game changing events viz., Demonetization and passing of Goods and Services Tax (GST). Demonetisation, albeit its short term adverse impact on economy, has positively impacted the digital payments landscape in the country. GST holds the potential of providing impetus to growth and investments in the long term and is expected to benefit the GDP by more than 1%.

With positive macro-economic indicators, commitment to fiscal and monetary reforms and political stability, India continued to be a bright spot for global investors. Foreign Direct Investment (FDI) in Financial Year 2016-17 touched a record high of USD 60.1 billion. For the first time since the opening up of the economy in 1991, India's current account deficit is being funded by FDI, a sign of rising confidence among long term investors. The Indian Rupee displayed two-way movements up to mid-January, 2017, but since then has appreciated on resumption of portfolio inflows in both the debt and equity segments.

CPI inflation remained firmly anchored within RBI's target range which prompted them to reduce repo rates by a cumulative of 50 bps in Financial Year 2016-17. However, the persistence of core inflation, implementation of 7th pay commission and rise in global commodity prices led the RBI to undertake a calibrated shift in their policy stance from accommodative to neutral towards end of the Financial Year. Following the announcement of demonetisation in November, 2016, there was a huge surge in banking sector liquidity, impelling the Banks to reduce their lending rates and finally transmitting the policy rate cuts by the RBI over the last two years to the consumers.

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back up lines of credit. During the year, your Company repaid Rs. 1,083.62 crores of long term borrowings from internal accruals.

During the year, your Company raised Rs. 475 crores by way of private placement of 7.57% Listed, Senior, Unsecured, Redeemable Non-Convertible Debentures with a 10 years' maturity. In addition, Euro 50 million was raised by way of External Commercial Borrowings for 5 years. The above borrowings were raised to part finance its ongoing modernisation and expansion programmes. In addition, your Company also availed export finance of Rs. 605 crores, out of which Rs. 305 crores was under the interest equalization scheme of Government of India.

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 0.11 as at 31st March, 2017.

Your Company has been rated by CRISIL Limited ("CRISIL"), ICRA Limited ("ICRA"), India Ratings and Research Private Limited ("India Ratings") and Credit Analysis & Research Limited ("CARE") for its Banking facilities under Basel II norms. 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 and ICRA have re-affirmed their credit ratings of CRISIL AAA/ Stable and [ICRA]AAA (stable) respectively. Further, CARE has also re-affirmed the ratings of the Company's long-term Bank facilities at CARE AAA. India Ratings and Research (Ind-Ra, a Fitch Group Company) has also re-affirmed Long-Term Issuer Rating of 'IND AAA' with a Stable outlook to your Company. 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.

Investor Relations (IR)

Your Company continuously strives for excellence in its IR engagement with International and Domestic investors and has set up feedback mechanism to measure IR effectiveness. Structured conference calls and periodic investor/analyst interactions including one-on-one meetings, Telepresence meetings, participation in investor conferences, quarterly earnings calls and annual analyst meet with the Chairman, Managing Director and Business Heads were organised during the year.

Your Company interacted with around 750 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. As a key milestone in this continuing endeavour, your Company created a digital interactive annual review of the Company's performance on the Corporate website to provide an interactive experience beyond what is available in the Annual Report. Your Company also continues to organise con-call on Environment, Social and Corporate Governance (ESG) for analysts and investors.

Your Company is pleased to report that the Company's IR function was awarded 'Overall Best Company in India for Corporate Governance' and 'Best for Shareholders' Rights and Equitable Treatment in India' by 'Asia Money' based in Hong Kong.

Your Company ensures that critical information about the Company is available to all the investors by uploading all such information at the Company's website. Your Company has created a 'Group Investor Relations Council' to share best practices across all the listed group companies and learn from each other.

Dividend

Your Directors are pleased to recommend a dividend of Rs. 13 per Ordinary (Equity) Share of the face value of Rs. 5 each, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The equity dividend outgo for the Financial Year 2016-17, inclusive of tax on distributed profits (after reducing the tax on distributed profits of Rs. 44.17 crores on the dividends receivable from the subsidiaries during the current Financial Year) would absorb a sum of Rs. 927.62 crores [as against Rs. 841.68 crores comprising the dividend of Rs. 12 per Ordinary (Equity) Share of the face value of Rs. 5 each 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.

Dividend Distribution Policy

The Board of Directors at its Meeting held on 10th August, 2016 approved the Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy is attached as Annexure I and forms part of this Annual Report.

B. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with the Companies Act, 2013 and applicable 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: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-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 (TML), the Company's Flagship Company in the IT Sector, has reported a consolidated revenue of Rs. 29,141 crores in the current year as compared to Rs. 26,494 crores in the previous year, an increase of 10%. Its consolidated profit after tax is Rs. 2,813 crores as compared to Rs. 2,993 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. 7,146 crores during the current year as compared to Rs. 6,554 crores in the previous year, a growth of 9%. The consolidated profit after tax for the year is Rs. 512 crores as compared to Rs. 772 crores in the previous year.

*Mahindra Finance financials is as per Indian Generally Accepted Accounting Principles (IGAAP).

Mahindra Lifespace Developers Limited (MLDL), the subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 762 crores as compared to Rs. 593 crores in the previous year. The consolidated profit after tax for the year is Rs. 102 crores as compared to Rs. 92 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,282 crores as compared to Rs. 1,602 crores in the previous year, an increase of 42%. The consolidated profit after tax for the year is Rs. 149 crores as compared to Rs. 87 crores in the previous year, an increase of 71%.

Ssyangyong Motor Company (SYMC), the Korean subsidiary of the Company has reported consolidated revenues of Rs. 21,153 crores in the current fiscal year as compared to Rs. 20,079 crores in the previous year, a growth of 5%. The consolidated profit after tax for the year is Rs. 245 crores as compared to consolidated loss of Rs. (166) crores in the previous year.

The consolidated group profit before exceptional item and tax for the year is Rs. 5,004 crores as against Rs. 4,794 crores in the previous year – a growth of 4%. The consolidated profit after tax after non-controlling interest and exceptional items for the year is Rs. 3,698 crores as against Rs. 3,148 crores in the previous year.

During the year under review, Mahindra West Africa Ltd, Trringo.com Limited, Merakisan Private Limited, Mahindra Airways Limited, Mahindra Mexico S. de. R. L., Bristlecone Middle East DMCC, Mahindra do Brasil Industrial Ltda., Classic Legends Private Limited, BSA Company Limited, Mahindra MSTC Recycling Private Limited, Mahindra Suryaurja Private Limited, OFD Holding BV, Origin Direct Asia Ltd, Origin Fruit Direct B.V., Origin Fruit Services South America SpA, Origin Direct Asia (Shanghai) Trading Co. Ltd., Mahindra Homes Private Limited, Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi and Hisarlar İthalat İhracat Pazarlama Anonim Şirketi became subsidiaries of your Company.

During the year under review, Caribia Service Oy, Are Semesterby A AB, Are Semesterby B AB, Are Semesterby C AB, Are Semesterby D AB, Kiinteistö Oy Tunturinrivi, Saimaa Gardens Arena Oy, Merakisan Private Limited and Mahindra Internet Commerce Private Limited ceased to be subsidiaries of your Company.

Subsequent to the year end, Mahindra Automotive North America Inc. and Merakisan Private Limited became subsidiaries of your Company.

During the year under review, Mahindra Univeg Private Limited changed its name to Mahindra Greenyard Private Limited and Mahindra Reva Electric Vehicles Limited changed its name to Mahindra Electric Mobility Limited.

During the year under review, Sampo Rosenlew Oy and PF Holdings B.V. became Associates of your Company and Mahindra Sona Limited ceased to be a Joint Venture of your Company.

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: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

C. JOINT VENTURES, ACQUISITIONS AND OTHER MATTERS

Demerger of Two-Wheeler Business of Mahindra Two Wheelers Limited (MTWL) into your Company

Mahindra Two Wheelers Limited ("MTWL"), a step down subsidiary of your Company, is engaged in the businesses of manufacturing and selling of two wheelers ("Two Wheelers Business") and trading in spare parts and accessories ("Spares Business").

MTWL's past business strategy was focused on addressing the mass two wheeler market. Given the market response, MTWL has decided to make a strategy shift by focusing on the niche premium two wheeler segment. As your Company is present in many segments of the automotive industry, it is envisaged to demerge the Two Wheeler Business into your Company. The proposed demerger would enable the Two Wheeler Business to also benefit from your Company's R&D and sourcing capabilities. Besides, the proposed demerger of the Two Wheeler Business would enable MTWL to streamline its operations by focusing on the Spares Business.

To achieve the above, a Scheme of Arrangement between Mahindra Two Wheelers Limited and the Company and their respective Shareholders and Creditors ("Scheme") was announced by your Company whereby MTWL would demerge the Two Wheeler Business into your Company. The appointed date of the Scheme is 1st October, 2016. In accordance with the Scheme, your Company shall be allotting 4,63,287 Ordinary (Equity) Shares of Rs. 5 each to Aay Kay Global and 40,601 Ordinary (Equity) Shares of Rs. 5 each to Emerging India Fund, the shareholders of MTWL, in the share exchange ratio of 1 fully paid-up Ordinary (Equity) Share of Rs. 5 each of the Company for every 461 fully paid-up shares held in MTWL.

The Company had received the Observation Letters dated 8th March, 2017 from BSE Limited ('BSE') and dated 10th March, 2017 from the National Stock Exchange of India Limited ('NSE'), conveying no objection to the Scheme. Subsequent to the year end, pursuant to the directions of the National Company Law Tribunal, Mumbai Bench by its Order dated 5th April, 2017 a Meeting of the Equity Shareholders of the Company has been convened on 13th June, 2017, for seeking approval to the Scheme.

Acquisition of assets of Bramont Montadora Industrial e Comercial de Veiculos S.A.

As a part of its strategy to expand its operations in the Brazilian market, your Company had appointed Bramont Montadora Industrial e Comercial de Veiculos S.A. ("Bramont") as a distributor in Brazil since 2012. In October, 2016, your Company along with Mahindra Overseas Investment Company (Mauritius) Limited ("MOICML") acquired 100% of the equity ('Quota') capital of Mahindra do Brasil Industrial Ltda. Your Company invested approximately USD 7.5 million in the equity capital of Mahindra do Brasil Industrial Ltda., for acquisition of Bramont's assets. Given the importance of the Brazilian market, the acquisition of Bramont's assets would help your Company in having a direct presence through its own assembly facility and distribution network in the Brazilian market.

Acquisition of BSA brands for Two Wheeler

With a view to realign the Two Wheeler Business of your Company to focus on premium niche segments and to create an international motorcycle company and revive vintage motorcycle brands, your Company, through its subsidiary Classic Legends Private Limited (CLPL) has acquired 100% of the share capital of UK based BSA Company Limited (BSA) on 20th October, 2016 for a consideration of GBP 3.4 million.

BSA was incorporated in the UK in December, 1980 and has a presence in Japan, Singapore, Malaysia, USA, Mexico and Canada. The principal activity of BSA is licensing of its brands.

The BSA brand, which has a global appeal, will be primarily suited to international markets.

Acquisition of 75.1% stake in Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi, Turkey

In line with the vision of your Company's Farm Equipment Sector to pursue a globalisation strategy and expand your Company's product portfolio to include various new categories of farm machinery, your Company has entered into definitive agreements on 19th January, 2017, for acquiring 75.1% stake in Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi ("Hisarlar") for a consideration of Turkish Lira 71 million

(equivalent to approximately Euro 18 million) through a capital increase. This transaction was completed on 30th March, 2017. Hisarlar is a key player in tractor cabins, machinery components and agricultural machinery industry. It had revenues of Turkish Lira 215 million (approximately Euro 55 million) in 2016, with exports constituting approximately 40% of sales. Hisarlar has two production facilities in Western Turkey and employs approximately 820 people. Hisarlar is the market leader in Turkey in the soil preparation category of farm implements, supported by a distribution network of nearly 85 dealers across Turkey. This acquisition is an important milestone in your Company's globalisation journey.

Sale of 66,58,565 Equity Shares of Mahindra Holidays & Resorts India Limited in the Open Market through Stock Exchange

During this year, your Company, in order to increase the free float and to unlock part value out of its investments in Mahindra Holidays & Resorts India Limited ("MHRIL"), a listed subsidiary of your Company, sold around 7.5% of its holding in MHRIL, on the Stock Exchange, at an average gross price of Rs. 412.05 per share, resulting in a gain of Rs. 269 crores to your Company. Following this sale, the shareholding of your Company has come down from 75% to 67.5% of MHRIL's share capital.

Sale of 32,75,000 shares of Mahindra Sona Limited

As a part of the strategy of your Company to divest from non-core investments, your Company sold its entire holding of 32,75,000 Equity Shares (29.77%) in Mahindra Sona Limited ("Mahindra Sona") in favor of the other Promoter of Mahindra Sona, namely, M Sona Automotive Private Limited, for an overall consideration of Rs. 89.32 crores, resulting in a profit of Rs. 85.86 crores on sale of this investment in Financial Year 2017.

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 also 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. 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. 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.

Indian Accounting Standards (Ind AS) – IFRS Converged Standard

Your Company has adopted Indian Accounting Standards ("Ind AS") for the accounting period beginning on 1st April, 2016 pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

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 arms 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 at 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 Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

G. AUDITORS

Statutory Auditors and Auditors' Report

Messrs Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration No. 117364W) the retiring Auditors have completed the maximum tenure as Statutory Auditors of the Company as provided under the Companies Act, 2013 and relevant Rules thereunder.

The Board of Directors on the recommendation of the Audit Committee has approved and recommended to the Members, the appointment of Messrs B S R & Co. LLP, Chartered Accountants (Firm Registration Number 101248W/W-100022) who have given a written consent to act as Statutory Auditors of your Company and have also confirmed that the said appointment would be in conformity with the provisions of sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Members are requested to appoint Messrs B S R & Co. LLP as Statutory Auditors of the Company in place of the retiring Auditors Messrs Deloitte Haskins & Sells, Chartered Accountants at the ensuing Annual General Meeting for a period of 5 years from the conclusion of the ensuing Annual General Meeting till the conclusion of the 76th Annual General Meeting and fix their remuneration.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark.

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 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.

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 2016-17.

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 2017-18 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 arms 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.

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, details of which needs to be mentioned in this Report.

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. 56, 4, and 9 to the Financial Statements.

I. PUBLIC DEPOSITS AND LOANS/ADVANCES

Your Company had discontinued its Fixed Deposit Scheme for 36 months with effect from the close of office hours on 31st January, 2014 and has also 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 of such 126 deposits amounting to Rs. 83.60 lakhs had not been claimed as at the end of the Financial Year. Since then 32 of these deposits of the value of Rs. 15.85 lakhs has 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, etc., required to be disclosed in the Annual Accounts of the Company pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately.

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

(c) Mr. V S Parthasarathy – Group CFO & Group CIO

(d) Mr. Narayan Shankar – Company Secretary

During the year, the Board of Directors of the Company, at its Meeting held on 11th November, 2016 had pursuant to the recommendations of the Governance, Nomination and Remuneration Committee and subject to the approval of Members at the ensuing Annual General Meeting of the Company:

(a) Designated and appointed Mr. Anand G Mahindra as Executive Chairman of the Company for a period of five years with effect from 12th November, 2016 upto and including 11th November, 2021; and

(b) Appointed Dr. Pawan Goenka as Managing Director of the Company for a period of four years from 12th November, 2016 upto and including 11th November, 2020.

There has been no other change in the KMPs during the year under review.

Employees' Stock Option Scheme

During the year under review, on the recommendation of the Governance, Nomination and Remuneration Committee 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

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 Deloitte Haskins & Sells, 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/POLICY CELL/2/2015 dated 16th June, 2015 have been uploaded on the Company's website and can be accessed at the Web-link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

Particulars of Employees and related disclosures

The Company had 251 employees who were in receipt of remuneration of not less than Rs. 1,02,00,000 during the year ended 31st March, 2017 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 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any Shareholder on request. Such details are also available on your Company's website and can be accessed at the Web-link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-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 IV 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, which aims to create an engaged workforce and an innovative, productive and competitive shop-floor ecosystem, continues to grow in strength. The Transformational Work Culture Committee (TWCC) continually engages with long-term strategic initiatives which range from anticipated Labour Law reforms to 'Swachh Bharat Abhiyaan'. 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-Quiz for associates, e-portal on reward and recognition for associates, e-safety module, Code of Conduct for Associates, and cutting edge ER Practices in collaboration with Mahindra Leadership University (MLU).

In order to develop skills and foster togetherness at the workplace, your Company rolled out multiple training and engagement programs covering a wide range of topics, viz. positive attitude, stress management, creativity, team effectiveness, safety and environment, quality tools, TPM, skill building programs, customer focus, awareness on Promise 2019, Code of Conduct and a Union Leadership Development Program.

The Mahindra Skill Excellence initiative is a holistic approach to enhance the skill and capabilities of shop floor associates, and has received good participation across manufacturing facilities. As a result of this effort, an associate from your Company will represent India at the Worlds Skill Competition - Abu Dhabi in August, 2017. This will be the third year in a row, where your Company's associates will represent India at the World Skills Competition.

In an endeavor to generate ideas towards improving quality, reducing cost, ensuring safety and improving productivity, your Company's shop floor associates generated about 20 ideas per person.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups, health awareness activities and diet food which has become a way of life in the last three years. Software, which generates a complete report for each individual, has been a useful tool in identifying the 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' and 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 Mahindra

Automotive and Tractor manufacturing locations. Bonus settlements were amicably agreed upon at all locations. All this resulted in zero production loss in the Financial Year 2016-17 and helped create a peaceful, healthy and collaborative work environment.

Safety, Occupational Health and Environment

The Company revised its Safety, Occupational Health & Environmental (SOH&E) Policy which, inter alia, covers and focusses on strengthening SOH&E awareness amongst all employees and stakeholders of your Company. The revised SOH&E Policy ensures compliance regarding skills and competency development of employees, business associates, plant and equipment, by maintaining e-compliance systems on monthly basis.

The apex level SOH&E Policy has been further drilled down through separate SOH&E Policies for each of its Businesses and Plants. The revised SOH&E Policy is displayed at prominent locations at all Offices and Plants of your Company and communicated to all its stakeholders.

Objectives and targets from the new revised SOH&E Policy are supported by focused integrated management programs such as i4 safety, safety rounds, kaizens and mistake proofing projects. Your Company demonstrates a strong leadership commitment towards SHO&E, and as a part of the same, multiple measures and actions are implemented with thorough competency training programs like Working on height, Welding and Gas cutting, working on LPG/PNG/CNG and Forklift driving.

At each Plant location, annual events were organised and commemorated like National Safety Day/Week, World Environment Day, Road Safety Week and Fire Service Week. Safety Culture building was demonstrated through Behaviour Based Safety (BBS), Safety Crusade, Levers of Excellence and Waste to Wealth programs in the manufacturing domain. SOH&E awareness training programs were conducted for all stakeholders as per the training calendar through various e-learning modules. In the year under review, your Company initiated an Accelerated Learning Program (ALP) on Safety, for all group employees to further strengthen innovations in safety and best practices related to SOH&E.

Your Company carried out Statutory safety risk assessments, quantitative risk analysis, electrical safety audits of all facilities absorbing new amended legal requirements. For the year under review, your Company initiated a Fire load reduction program at the Plant level.

Your Company's Plants and locations continued their commitment to improve the wellbeing of employees and contract workmen by organising physical fitness activities like yoga, zumba, occupational health examination camps, medical check-ups, consultation and counselling. Further, all locations observed World Health Day, World Heart Day, World Kidney Day and World Diabetes Day along with Way2Wellness sessions covering topics like Healthy Heart, Diabetes, etc.

Various path breaking projects were implemented by your Company in the areas of Air Pollution Management, Water and Waste Water Management, Solid Waste Management and new techniques to propagate 'Go Green' philosophy were undertaken. These Projects cover elimination/ minimisation of environment impact, in line with current and future environmental challenges, prevention of injury, ill health and OHS Hazards, at the first place of their control.

Your Company extended the 'Go Green' initiatives to its supplier community through Green Supply Chain Management practices. Your Company also proactively shared good safety practices with business partners. 'Business Case for Safety' a book published in association with the National Safety Council and CII, was shared with all suppliers.

Through stakeholder engagement, your Company monitors sustainability development initiatives, which include climate change mitigation, sustainable source use, protection of bio-diversity and certified green building projects with platinum and gold rated facilities at identified locations and reported as per the Global Reporting Initiative (GRI) - G4 Guidelines.

World Environment Day, World Earth Day, World Water Day and Energy Conservation Week and Water Conservation Week are also observed on an annual basis.

Certifications/Recertifications

All Plants of your Company have been recertified under the standard ISO 14001: 2004 and OHSAS 18001: 2007. Further, all Plants are in the process of adopting the revised environmental standard ISO 14001: 2015.

All targets under SOH&E are reviewed on a periodic basis through operations reviews conducted by Senior Management. The focused initiatives and reviews have helped improve SOH&E performance of your Company by over 50% in the period 2016-17.

K. BOARD & COMMITTEES

Directors

Pursuant to the recommendation of Governance, Nomination and Remuneration Committee, the Board at its Meeting held on 11th November, 2016 designated and appointed Mr. Anand G Mahindra, who was holding the position of Chairman and Managing Director, as Executive Chairman of the Company for a period of five years with effect from 12th November, 2016 upto and including 11th November, 2021 and appointed Dr. Pawan Goenka who was holding the position of Executive Director and Group President (Auto & Farm Sector), as Managing Director of the Company for a period of four years from 12th November, 2016 upto and including 11th November, 2020, subject to approval of the Members of the Company at the ensuing Annual General Meeting ("AGM").

The Board of Directors at the same Meeting based on the recommendation of the Governance, Nomination and Remuneration Committee appointed Mr. T. N. Manoharan as an Additional Director (Independent and Non-Executive) of the Company for a period of 5 consecutive years commencing from 11th November, 2016 to 10th November, 2021 subject to the approval of the Members in the ensuing Annual General Meeting.

Dr. Pawan Goenka retires by rotation and, being eligible, offers himself for re-appointment at the 71st Annual General Meeting of the Company scheduled to be held on 4th August, 2017.

Mr. Deepak S. Parekh would cease to hold office as an Independent Director of the Company from 8th August, 2017, upon completion of his tenure as approved by the Shareholders at the 68th AGM of the Company.

Mr. Parekh was appointed as a Director on the Board of the Company with effect from 29th August, 1990. He has made significant contributions towards effective functioning of the Board and has been acting as the Chairman of the Audit Committee and Member of the Strategic Investment Committee and Risk Management Committee of the Company.

The Board has placed on record its sincere and deep appreciation of the invaluable counsel and contribution made by Mr. Parekh to the Company. The 27 years that Mr. Parekh was on the Board of the Company were very eventful and critical years in the Company's history.

Mr. Parekh's immense knowledge, financial acumen and expertise helped the Board and the Company negotiate in these challenging times while at the same time adhering strictly to sound financial discipline with the highest standards of Corporate Governance.

Quote from Chairman Emeritus

"An Audit Committee of the Board was established as early as 1987 long before it was mandated by law. Deepak Parekh was inducted as a Member of the Audit Committee in August, 1992 and elected Chairman in May, 2000.

With his vast knowledge and experience of the Corporate World, he set about establishing norms and practices of conducting business with the highest standards of ethical governance. He guided the affairs of the Company towards achieving high standards of ethics and total transparency in all issues.

His contribution to the affairs of the Company as well as on matters of strategy and governance has been immense and I would like to take this opportunity to put on record my deep appreciation of the guidance and friendship with which he conducted his Chairmanship. I wish him many years of happiness and good health and he will surely be missed."

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.

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.

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 Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Director. The Directors expressed their satisfaction with the evaluation process.

The details of programs for familiarisation of the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, number of programs and number of hours spent by each Independent Director in terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the Company's website and can be accessed at the Web-link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

In line with the principles of transparency and consistency, 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.

The Policies mentioned at (a) and (b) above are attached as Annexure V-A and V-B respectively and form part of this Report.

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, 2017, 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, 2017 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, 2017;

(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, 2017.

Board Meetings and Annual General Meeting

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year 1st April, 2016 to 31st March, 2017, six Board Meetings were held on: 30th May, 2016, 10th August, 2016, 11th November, 2016, 3rd December, 2016, 10th February, 2017 and 28th March, 2017. The 70th Annual General Meeting (AGM) of the Company was held on 10th August, 2016.

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 Directors 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 Committee comprises of five Directors viz. Mr. Deepak S. Parekh (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. M. M. Murugappan, Mr. R. K. Kulkarni and Mr. T. N.

Manoharan. 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. 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: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-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 in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

During the year under review, 4 complaints with allegations of sexual harassment were filed, of which 3 were disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and as of 31st March, 2017, 1 complaint is pending.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of your Company for the year 2016-17 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 therein of elements of risk, including 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 RELATED MATTERS

Corporate Social Responsibility (CSR)

Your Company's Corporate Social Responsibility efforts continue to be directed towards supporting the constituencies of girls, youth and farmers by innovatively supporting them through programs in the domains of education, health and environment, while harnessing the power of technology. It is only through these sustained and continued efforts that your Company can build and consolidate its CSR initiatives which contribute to nation building.

During the last Financial Year, your Company has been making an impact through its ongoing CSR programs, some of the notable ones include Project Nanhi Kali, which supports the education of underprivileged girls, Mahindra Pride Schools, which provide livelihood training to youth from socially and economically disadvantaged communities and a variety of other scholarship programs, which range from providing opportunities to youth from low income group families to undergo diploma courses at vocational education institutes, to allowing 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. Your Company has also helped set up a premier engineering institution 'Mahindra École Centrale' (MEC) in Hyderabad, in partnership with Ecole Centrale, Paris and the Jawaharlal Nehru Technological University, Hyderabad. In the area of public health, your Company sponsored Lifeline Express, through which medical care and treatment was provided to communities who do not have access to any medical facilities. Further, your Company supported critical patients suffering from cancer and other life threatening illnesses. Your Company also contributed to the environment by adding green cover through planting of over two million trees this year through Project Hariyali. Your Company continues 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, with a view to increasing crop productivity, through the Wardha Farmer Family Project, Krishi Mitra Project and Integrated Watershed Development Project. Your Company also partnered with the Maharashtra State Government to support the Village Social Transformation Mission of the Government. Your Company created a 'Zero Fatality Corridor' to ensure 'zero' deaths due to accidents on Mumbai Pune Expressway. In addition to the above CSR initiatives, your Company has a vibrant Employee Social Options platform through which the employees are provided opportunities to give back to the community.

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: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

CSR Committee

The CSR Committee comprises of Dr. Vishakha N. Desai (Chairperson), Mr. Anand G. Mahindra, Mr. R. K. Kulkarni, Dr. Pawan Goenka and Mr. Vikram Singh Mehta. The Committee, inter alia, monitors the CSR activities.

During the year under review, your Company spent Rs. 83.57 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. 83.30 crores. The detailed Annual Report on the CSR activities undertaken by your Company in Financial Year 2017, is annexed herewith marked as Annexure VI.

Sustainability Initiatives

During the year under review, the 9th Sustainability Report for the year 2015-16 was released. This year's Report was externally assured by KPMG and conforms to the fourth generation 'GRI G4-Core option'.

Your Company maintained the focus on the Environmental, Social and Governance (ESG) parameters, on its journey from "Conservation to Rejuvenation" in the year under review by building on the initiatives of the previous years as also initiating new ones. Your Company continued the bio-diversity assessments across selected locations to further the actions on the India Business and Bio-diversity Initiative (IBBI).

Mr. Anand G. Mahindra, Executive Chairman of your Company represented the Corporate World at the historic Paris Climate Change Agreement Signing ceremony in the United Nations headquarters, New York.

Your Company is the first Indian Company to announce its internal Carbon Price of US $10 per ton of carbon emitted. Carbon Pricing is an internationally recognised business tool that enables companies to create resources which are invested in low carbon technologies, which help reduce future emissions and lower operating costs. An international webinar featuring Dr. Pawan Goenka, Managing Director was held in the reporting year in collaboration with Yale University and World Bank led Carbon Pricing Leadership Coalition.

The Sustainability performance for your Company for the Financial Year 2016-17 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:

- Winning 'Leadership in Sustainability Strategy' at Parivartan Sustainability Leadership Awards 2016.
- Winning the second prize for the Sustainability Report at the Indian Chamber of Commerce Awards 2016.
- Winning 'Manufacturing Innovator for the year' at TIME India Awards 2017.
- Winning the prestigious CII – ITC Sustainability Award 2016 in CSR category as 'Commendation for significant achievement'.
- Winning CII National Award 2016 for 'Excellence in Water Management' (for Nashik Plant).
- Winning 'Global Sustainability Award 2016 – Platinum Rating' at World Renewable Energy Congress, 2016 organised by Energy and Environment Foundation (for Igatpuri Plant).
- Retaining the status of getting listed on the Dow Jones Sustainability Index – 2016 under the 'Emerging Market Index' for the consecutive third year with improvement in percentile scores.
- Retaining its position in the top 10 in the India 200 Carbon Disclosure Leadership Index 2016.

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 furnished in Annexure VII and is attached to this Report.

N. SECRETARIAL

Share Capital

The issued, subscribed and paid-up Share Capital of the Company stood at Rs. 310.55 crores as at 31st March, 2017 comprising of 62,10,92,384 Ordinary (Equity) Shares of Rs. 5 each fully paid-up. There was no change in Share Capital during the year under review.

Extract of 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, 2017 in Form No. MGT-9 is attached herewith as Annexure VIII and forms part of this Report.

GENERAL

The Executive Chairman of the Company did not receive any remuneration or commission from any of the subsidiary of your Company. The Managing Director of the Company did not receive any commission from any of its subsidiaries and has not exercised ESOPs of subsidiaries of the Company during the year, which were granted in the earlier year(s).

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 except as stated hereunder:

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 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.

The Honourable Supreme Court on 29th March, 2017, passed Orders that on and from 1st April, 2017, non BS-IV compliant vehicles would not be permitted to be sold in India by any manufacturer or dealer and prohibited vehicle registration authorities from registering such vehicles. The Financial Statements have recognised an impact of Rs. 171.01 crores arising from the above.

The said Order of the Honourable Supreme Court will not impact the going concern status of the Company.

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).

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 30th May, 2017

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 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: http://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, 2017, 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, 2017 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 transactions	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	9,913.91	April 2016 – March 2017	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 Services	207.49				
		Sale of Goods	647.40				
		Sale of Services	0.11				
		Interest Income	89.06				
		Investment in equity shares	735.70				
		Investment in preference shares	600.00				
		Dividend received	89.32				
		Reimbursement Received	10.78				
		Security Deposits Paid	0.01				
		Loan Repayment	1,200.00				
		Sale of Property, Plant and Equipment	0.03				
		Purchase of Property, Plant and Equipment	0.61				
		Share Application money paid	26.00				
		Total	**13,520.42**				

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 30th May, 2017

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2017

[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 400 001

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, 2017, 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, 2017 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, 2009 (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, 1998 (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 laws applicable specifically to the Company:

(a) The Motor Vehicles Act, 1988 and the Rules made thereunder;

(b) The Tractor Cess Rules, 1992;

(c) The Batteries (Management and Handling) Rules, 2001;

(d) The Petroleum Act, 1934 and the Rules made thereunder;

(e) The Ozone Depleting Substances (Regulation and Control) Rules, 2000 and The Ozone Depleting Substances (Regulation and Control) Amendment Rules, 2001;

(f) The Plastic Manufacture, Sale and Usage Rules, 1999;

(g) Food Safety and Standards Act, 2006;

(h) Insecticide Act, 1968 & Rules made thereunder;

(i) Agricultural Produce (Grading and Marking) Act, 1937;

(j) The Seeds Act, 1966;

(k) The Seeds Control Order, 1983;

(l) Mandi taxes of various States;

(m) The Essential Commodities Act, 1955.

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. and 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 :

(a) 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.

(b) 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.

(c) 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 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

Place: Pune
Date: 15th May, 2017

ANNEXURE IV

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 percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2016-17 are as under:

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2016-17 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	Remuneration of Director/KMP for the Financial Year 2016-17 (Rs. in crores) (Including perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2016-17 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2016-17 (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
1.	Mr. Anand G. Mahindra	Executive Chairman	7.67	7.67	16.38%	16.38%	108.27
2.	Dr. Pawan Goenka	Managing Director	7.39	7.39	15.86%	(36.24)%	104.43
3.	Mr. Deepak S. Parekh#	Independent Director	0.35	0.35	(4.14)%	(4.14)%	4.94
4.	Mr. Nadir B. Godrej#	Independent Director	0.35	0.35	(2.78)%	(2.78)%	4.94
5.	Mr. M. M. Murugappan#	Independent Director	0.38	0.38	1.33%	1.33%	5.37
6.	Mr. R. K. Kulkarni#	Independent Director	0.42*	0.42	1.21%	1.21%	5.92
7.	Mr. Anupam Puri#	Independent Director	0.26	0.26	0%	0%	3.67
8.	Mr. S. B. Mainak (Nominee of LIC)	Nominee Director	0.24**	0.24	9.09%	9.09%	3.39
9.	Dr. Vishakha N. Desai#	Independent Director	0.29	0.29	0%	0%	4.14
10.	Mr. Vikram Singh Mehta#	Independent Director	0.34	0.98	0%	192.84%	13.86
11.	Mr. T.N. Manoharan#	Independent Director	0.13	0.13	0%	0%	1.87
12.	Mr. V S Parthasarathy	Group CFO & Group CIO	3.52	4.28	19.74%	45.24%	—
13.	Mr. Narayan Shankar	Company Secretary	1.19	1.19	15.68%	15.68%	—

The remuneration of Independent Directors covers sitting fee and commission.

* Paid/Payable to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.

** Paid/Payable to LIC, except for sitting fees of Rs. 5.50 lakhs which is paid to Mr. Mainak directly.

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. 7.08 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 0.43% in the median remuneration of employees.

III. The number of permanent employees on the rolls of Company:

There were 20,366 permanent employees on the rolls of the Company as on 31st March, 2017.

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 decrease made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2016-17 was 1.46% whereas the decrease in the managerial remuneration for the Financial Year 2016-17 was 7.35%.

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, sitting fees and perquisites, if any. 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, 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 V-A

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT AND SUCCESSION PLANNING FOR ORDERLY SUCCESSION TO THE BOARD AND THE SENIOR MANAGEMENT

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company.

"Company" means Mahindra & Mahindra Limited.

"Committee(s)" means Committees of the Board for the time being in force.

"Employee" means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company.

"HR'' means the Human Resource Department of the Company.

"Key Managerial Personnel" (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 and includes:

(i) Managing Director (MD), or Chief Executive Officer (CEO); or Manager; or Whole Time Director (WTD)

(ii) Chief Financial Officer (CFO); and

(iii) Company Secretary (CS).

"Governance, Nomination and Remuneration Committee" (GNRC) means Governance, Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

"Senior Management" means personnel of the Company who are members of its Core Management Team excluding Board of Directors comprising of all members of management one level below the executive directors including the functional heads.

I. APPOINTMENT OF DIRECTORS

- The GNRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the GNRC shall take into account the following criteria regarding qualifications, positive attributes and independence of director:

1. All Board appointments will be based on merit, in the context of the skills, experience, independence and knowledge, for the Board as a whole to be effective.
2. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Independent Directors.

- Based on recommendation of the GNRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman & Managing Director will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder.

REMOVAL OF DIRECTORS

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non-adherence to the applicable policies of the company, the GNRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

SENIOR MANAGEMENT PERSONNEL

The GNRC shall identify persons who are qualified to become directors and who may be appointed in senior management team in accordance with the criteria laid down above.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Chairman & Managing Director based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

II. SUCCESSION PLANNING:

Purpose:

The Talent Management Policy sets out the approach to the development and management of talent in the Mahindra Group to ensure the implementation of the strategic business plans of the Group and the Group Aspiration of being among the Top 50 globally most-admired brands by 2021.

Board:

The successors for the Independent Directors shall be identified by the GNRC at least one quarter before expiry of the scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successors for the Executive Director(s) shall be identified by the GNRC from among the Senior Management or through external source as the Board may deem fit.

The GNRC will accord due consideration for the expertise and other criteria required for the successor.

The Board may also decide not to fill the vacancy caused at its discretion.

Senior Management Personnel:

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent. It will ensure replacements for key job incumbents in KMPs and senior management positions in the organization.

Significantly, we have a process of identifying Hi-pots and critical positions. Successors are mapped for these positions at the following levels:

1. Emergency successor
2. Ready now
3. Ready in 1 to 2 years
4. Ready in 2 to 5 years
5. Ready in more than 5 years

in order to ensure talent readiness as per a laddered approach.

Policy Statement:

The Talent Management framework of the Mahindra Group has been created to address three basic issues:

1) Given the strategic business plans, do we have the skills and competencies required to implement them? If not, how do we create them – by developing them internally or through lateral induction from outside?

2) For critical positions, what is the succession pipeline?

3) What are the individual development plans for individuals both in the succession pipeline as well as others?

The framework lays down an architecture and processes to address these questions using the 3E approach:

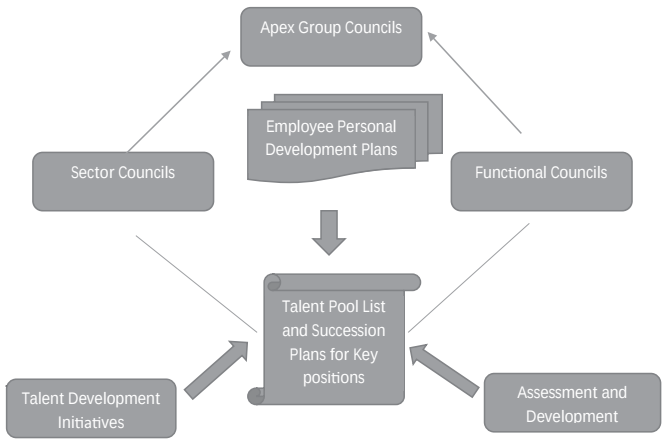
a) **Experience** i.e. both long and short-term assignments. This has 70% weightage.

b) **Exposure** i.e. coaching and mentoring – 20% weightage.

c) **Education** i.e. learning and development initiatives – 10% weightage.

The Talent Management process is applicable to all employees. Over the years, the Talent Management framework has become a well-structured and process-oriented system which is driven by an interactive and collaborative network of Talent Councils at the Group and Sector Levels. These Talent Councils, which consist mainly of Senior business leaders supported by HR, are a mix of Sector (Business) and Functional Councils coordinated by an Apex Talent Council, headed by the Group Chairman. The Apex Council reviews the work done by the Talent Councils and facilitates movement of talent across Sectors. The Sector/Functional Councils meet regularly throughout the year and the Apex Council interacts with each one of them separately once a year, and in addition conducts an integrated meeting where the Chairpersons of all the Councils are present.

The Talent Management process can be represented pictorially as under:



The talent pipeline is maintained and developed so as to ensure that there is a seamless flow of talent. An important part of this exercise is drawing up and implementing IDAPs (Individual Development Action Plans) for every Executive concerned using the 3E approach mentioned above.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 30th May, 2017

ANNEXURE V-B

POLICY FOR REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Purpose

This Policy sets out the approach to Compensation of Directors, Key Managerial Personnel and other employees in Mahindra and Mahindra Limited.

Policy Statement

We have a well-defined Compensation policy for Directors, Key Managerial Personnel and all employees, including the Chairman, Presidents and other Members of the Group Executive Board who are employees of the Company. The overall compensation philosophy which guides us is that in order to achieve global leadership and dominance in domestic markets, we need to attract and retain high performers by compensating them at levels that are broadly comparable with the median of the comparator basket while differentiating people on the basis of performance, potential and criticality for achieving competitive advantage in the business.

In order to effectively implement this, we have built our Compensation structure by a regular annual benchmarking over the years with relevant players across the industry we operate in.

NON-EXECUTIVE INCLUDING INDEPENDENT DIRECTORS:

The Governance, Nomination and Remuneration Committee (GNRC) shall decide the basis for determining the compensation, both Fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The GNRC shall take 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 their duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges and such other factors as the GNRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

Executive Directors:

The remuneration to Chairman & Managing Director and Executive Director(s) shall be recommended by GNRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of their appointment, the variable compensation will be determined annually by the GNRC based on their performance.

Key Managerial Personnel (KMPs)

The terms of remuneration of Chief Financial Officer (CFO) shall be determined by GNRC from time to time after seeking inputs from Audit Committee in this regard. The terms of remuneration of the Company Secretary shall be finalised/ revised either by any Director or Mr. Rajeev Dubey or Mr. V. S. Parthasarathy or Mr. S. Durgashankar or such other person as may be authorised by the Board from time to time. The remuneration shall be consistent with the competitive position of the salary for similar positions in the industry and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of section 203 of the Companies Act, 2013 the Board shall approve the remuneration at the time of their appointment.

The remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Employees

We follow a differential approach in choosing the comparator basket for benchmarking, depending upon the level in the organization:

a. For all employees from Operational to Executive Band, we benchmark with a set of comparators from the same industry.
b. For Strategic band and above, we have a position-based approach and the comparator basket includes benchmarks from across relevant industries.

We have a CTC (Cost to Company) concept which includes a fixed component (Guaranteed Pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as we believe employees at higher positions have a far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements:

- Performance
- Potential
- Criticality
- Longevity in grade

Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate.

The Company may also grant Stock Options to the Employees and Directors (other than Independent Directors and Promoter) in accordance with the ESOP Scheme of the Company and subject to the compliance of the applicable statutes and regulations.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 30th May, 2017

ANNEXURE VI

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

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 of your Company 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.

   During the year, your Company has spent Rs. 83.57 crores on CSR activities. The amount equal to 2% of the average net profit for the past three Financial Years is Rs.83.30 crores.

   Web link to the CSR Policy, including overview of projects or programs proposed to be undertaken – http://www.mahindra.com/resources/investor-reports/FY17/AnnualReports/Links-AnnualReport.zip

2. The Composition of the CSR Committee:

Dr. Vishakha N. Desai	-	Chairperson
Mr. Anand G. Mahindra	-	Member
Mr. R. K. Kulkarni	-	Member
Dr. Pawan Goenka	-	Member
Mr. Vikram Singh Mehta	-	Member

3. Average net profit of the Company for last three Financial Years: Rs. 4,165.21 crores.

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): Rs. 83.30 crores.

5. Details of CSR spent during the Financial Year:

   (a) Total amount to be spent for the Financial Year: Rs. 83.30 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 areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
1.	**NANHI KALI** – Provides educational support (material & academic) to underprivileged girls in India through an after school support program. 13,432 girls were supported by your Company, while the Mahindra Group as a whole supported 60,420 girls. The total number of girls supported at Project Nanhi Kali was 1,30,751 girls during the year.	Promoting Education	Others: Across 11 states – Andhra Pradesh, Delhi, Haryana, Karnataka, Maharashtra, Madhya Pradesh, Punjab, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal	5.69	5.69	5.69	Through implementing agency – **K. C. Mahindra Education Trust & Naandi Foundation**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
2.	**MAHINDRA SCHOLARSHIPS FOR UWC STUDENTS** – to enable deserving students to study at Mahindra United World College of India.	Promoting Education	Others: Pune, Maharashtra	6.00	6.00	6.00	Through implementing agency – **Mahindra United World College of India**
3.	**MAHINDRA EDUCATIONAL INSTITUTIONS (MEI)** – Providing infrastructural support to Mahindra Ecole Centrale, specifically towards construction of a hostel at Hyderabad	Promoting Education	Others: Hyderabad, Andhra Pradesh	15.00	15.00	15.00	Through implementing agency – **Mahindra Educational Institutions**
4.	**MAHINDRA PRIDE SCHOOL (MPS)** – A livelihood training school for youth from socially & economically disadvantaged backgrounds. The Mahindra Group supported 8 MPSs in Pune, Patna, Bengaluru, Chandigarh, Srinagar, Hyderabad & two in Chennai, through which 5,024 students were trained & placed. From inception till date over 20,351 students have been trained and 100% have been placed. Your Company supported the schools at Bengaluru, Srinagar and Chandigarh which cumulatively trained and placed 1,574 students in Financial Year 2017. This year, Mahindra Pride Employability Enhancement Module was also implemented in 600 classrooms of Polytechnics and Arts & Science Colleges across 3 states and a total of 24,990 students were trained by the end of the financial year through this module.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others: Chandigarh, J&K, Karnataka, Kerala, Maharashtra & Tamil Nadu	3.03	3.03	3.03	Through implementing agency – **K. C. Mahindra Education Trust & Naandi Foundation**
5.	**GYANDEEP** – The program provides scholarship, career guidance, civic education, social entrepreneurship, infrastructure development, tutorial support, etc. **Impact:** 16,936 Beneficiaries	Promoting Education	Others: Maharashtra, Rajasthan, Telangana, Uttarakhand, Chandigarh, Tamil Nadu & Uttarakhand	2.84	2.84	2.84	Through Implementing agencies – **Growth Centre, Children's Movement for Civic Education, Students in Free Enterprise, LCR Public School, Thakur Educational Trust, KCMET, Vidyadaan Sahayyak Mandal, LNJPNLET & Direct implementation**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
6.	**HUNNAR** – SKILL DEVELOPMENT FOR YOUTH INCREASING THEIR SCOPE FOR EMPLOYABILITY Skill Training covered auto sales & service, electrician training, tractor training, life skills, ITI upgradation and livelihood skills training. **Impact:** 8,362 Beneficiaries	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others: Maharashtra, Uttarakhand, Haryana, Uttar Pradesh, Madhya Pradesh, Tamil Nadu & Rajasthan	2.55	2.55	2.55	Through Implementing agencies – **LabourNet Services India Pvt Ltd., Icare, PIPAL Tree, KSWA & Direct implementation**
7.	**MAHINDRA SAARTHI ABHIYAAN** – Scholarship Program for Truck Drivers' Girl Children who have scored above average marks in 10th grade thereby encouraging them to take up higher education. **Impact:** 1,000 Scholarships	Promoting Education	Others: Across India	1.08	1.08	1.08	Direct implementation
8.	**RESEARCH PROJECTS OF THE INDIAN COUNCIL ON GLOBAL RELATION** – Public Policy research and knowledge generation on pressing national issues.	Promoting Education	Local: Mumbai, Maharashtra	2.00	2.00	2.00	Through implementing agency – **Indian Council on Global Relations**
9.	**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 the Corporate World **Impact:** 15,000 Beneficiaries	Promoting Education	Others: Maharashtra, Madhya Pradesh, Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Uttar Pradesh, Rajasthan, Orissa, Haryana, Kerala, Delhi, Uttrakhand, Jharkhand, Chandigarh, Goa, Tripura, Bihar, Himachal Pradesh, West Bengal, Assam and Chhattisgarh	0.88	0.88	0.88	Through implementing agency – **Society of Automotive Engineers India and Direct implementation**
10.	**MUMBAI PUBLIC SCHOOLS** – Supporting 28 English medium MCGM Schools	Promoting Education	Local: Mumbai, Maharashtra	0.55	0.55	0.55	Through implementing agency – **Naandi Foundation**
11.	**A WORLD IN MOTION (AWIM) – PROJECT BASED LEARNING OF MECHANICAL CONCEPTS** – Class V students are provided with a platform that allows hands on experience in all aspects of mechanical concepts for building vehicles for road and water. **Impact:** 26,413 students and teachers	Promoting Education	Others: Maharashtra, Chandigarh, Rajasthan, Gujarat, Madhya Pradesh, Punjab, Uttarakhand, Tamil Nadu & Telangana	0.43	0.43	0.43	Through implementing agency – **Society of Automotive Engineers India and Direct implementation**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
12.	**ARMY INSTITUTE OF MANAGEMENT, KOLKATA** – Supported construction of hostel for students of Army Institute of Management. The hostel building will be utilized by war veterans and widows of military personnel when the Army Institute of Management relocates to another location.	Promoting Education	Others: Kolkata, West Bengal	0.25	0.25	0.25	Direct Implementation
13.	**STREETSMART** – Generating awareness of responsible driving techniques and associated signages.	Promoting Education	Others: Maharashtra, Rajasthan, Uttarakhand & Gujarat	0.21	0.21	0.21	Direct implementation
14.	**STREETSMART** – Eye camps, health camps, health & wellness for traffic personnel & installing CCTV Cameras. **Impact:** 66,924 Beneficiaries	Promoting preventive healthcare	Others : Telangana, Chandigarh, Bihar, Maharashtra, Uttar Pradesh, Rajasthan, Tamil Nadu, Jharkhand & Uttrakhand	1.11	1.11	1.11	Through implementing agencies – **LEADS, Mitrashray, Vasan Eye Care & Direct**
15.	**RISE FOR SAFE ROADS** – Creating India's first Zero Fatality Corridor on Mumbai Pune Expressway over a period of 5 years.	Promoting Education	Others: Mumbai, Pune, Maharashtra	2.14	2.14	2.14	Through Implementing agency – **SaveLife Foundation**
16.	**SEVA MANDIR TRUST** – Quality education provided to 1,044 underprivileged children in the age group of 6-14 years, through 32 Shiksha Kendras.	Promoting Education	Others: Districts of Udaipur and Rajsamand in Rajasthan.	0.10	0.10	0.10	Through implementing agency – **Seva Mandir**
17.	**K C MAHINDRA SCHOLARSHIPS FOR POST GRADUATE STUDIES ABROAD** – providing scholarships to deserving and meritorious students who are pursuing their post graduate studies overseas.	Promoting Education	Local: Mumbai, Maharashtra	0.08	0.08	0.08	Through implementing agency – **K C Mahindra Education Trust**
18.	**SOCIAL AMBASSADOR PROGRAM** – A career guidance program benefitting 2,000 students, including those from low income schools.	Promoting Education	Local: Mumbai, Maharashtra	0.15	0.15	0.15	Direct Implementation
19.	**SAHYOG** – Through a skill based volunteering platform called Sahyog, Mahindra employees have helped 1,000 students.	Promoting Education	Local: Mumbai, Maharashtra	0.10	0.10	0.10	Direct Implementation

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
20.	**HUMARA STATION HUMARI SHAAN** – Beautification of railway stations.	Promoting Sanitation & Environmental Sustainabiliy	Local: Mumbai, Maharashtra	0.07	0.07	0.07	Through an implementing agency – **Mumbai First**
21.	**VILLAGE SOCIAL TRANSFORMATION MISSION** – supporting holistic development of 1,000 villages in Maharashtra to plug developmental gaps and collectively partake in nation building.	Rural Development	Others: Maharashtra	5.00	5.00	5.00	Through an implementing agency – **Village Social Transformation Foundation**
22.	**PROJECT HARIYALI** – Tree plantation to increase green cover & improve livelihood of farmers. In Financial Year 2017, the project planted 2.5 million trees overall. Since inception 13.39 million trees have been planted overall under the Project, out of which 8.6 million trees have been planted in Araku Valley tribal belt.	Ensuring Environmental Sustainability	Others: Araku, Andhra Pradesh, Maharashtra, Telangana, Tamil Nadu, Jharkhand, Uttarakhand, Uttar Pradesh, Rajasthan, Chandigarh	3.51	3.51	3.51	Through implementing agency – **Naandi Foundation, Nashik Muncipal Corporation & Direct Implementation through ESOPS (Employee Social Options Platform)**
23.	**EHS+** – Established an EHS+ center for training small and medium enterprises in the industrial sector, with an aim of promoting environmental sustainability. **Impact:** 676 were trained in F17 bringing the cumulative numbers trained to 1,555.	Ensuring Environmental Sustainability	Others: Pune, Maharashtra	1.62	1.62	1.62	Through implementing agency – **ISC**
24.	**WARDHA FARMER FAMILY PROJECT (WFFP)** – Enriching farmers lives through various agri productivity initiatives. Comprehensive agrarian solution mainly through pomegranate cultivation. Working in 79 villages in Wardha, benefitting 3,755 farmer families till date.	Rural Development	Others: Wardha, Maharashtra	7.15	7.15	7.15	Through implementing agency – **Naandi Foundation**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
25.	**INTEGRATED WATERSHED MANAGEMENT PROGRAM (IWMP)** – PPP with Govt. of MP for Watershed Development at Damoh & Bhopal increasing the Ground Water Table from 9mtrs to 6mtrs resulting in increased agricultural productivity and improved living standards. Working in 70 villages benefiting 11,219 families.	Rural Development	Others: Bhopal, Damoh & Hata, Madhya Pradesh	3.65	3.65	3.65	Through implementing agency – **NABARD** and Direct implementation
26.	**GRAM VIKAS** – Farm Extension Services, Integrated Village Development, Water Management through revival/reconstruction of water structures, Cattle Breed Improvement, Technology Incubator Project. **Impact:** 74,427 Beneficiaries	Rural Development	Others: Madhya Pradesh, Maharashtra & Tamil Nadu	3.46	3.46	3.46	Through implementing agencies – **JK Trust, ISAP, Loknayak Jayprakash Narayan Leprosy Eradication Trust, Dilasa Vikas Prathisthan, Indian Institute of Management, Vasai Janhit Trust** & Direct implementation
27.	**KRISHI MITR** – The program includes soil testing, advisory services, drip irrigation, community farming, seed culture farming, agri extension services, infrastructure development and capacity building resulting in improvement in agricultural productivity. **Impact:** 15,655 Beneficiaries	Rural Development	Others: Madhya Pradesh, Maharashtra & Rajasthan	3.44	3.44	3.44	Through implementing agencies – **Srijan, Swades Foundation, BAIF Research Foundation, Harapani Gordanjara Mahila Kala Vikas Mandal, Consortium of Indian Farmers Associations (CIFA)** & Direct implementation
28.	**SWACHH BHARAT** – Construction of Toilets, Awareness Drive on Cleanliness & Hygiene practices, Fish Market Clean up & associated infrastructure development. **Impact:** 535 Toilets constructed	Promoting preventive healthcare & sanitation	Others: Chandigarh, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand & West Bengal	3.40	3.40	3.40	Through implementing agencies – **Tiljala Society for Human, Educational Development** & Direct implementation

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
29.	**SURYODAY** – Electrification of village through solar & wind energy. **Impact:** 2,560 beneficiaries	Rural Development	Others: Maharashtra	0.26	0.26	0.26	Through implementing agencies – **Mrida Renergy & Development Pvt Ltd., Spitzen Energy**
30.	**SEHAT** – Health Awareness Camps, Cancer Care, Immunisation outreach, Medical camps, Mobile Dispensary, Nutritional support, Organ Donation Awareness, Pest Control, HIV AIDS Awareness and Rehabilitation, Mother & Child Care, Providing Safe Drinking Water **Impact:** 2,46,666 Beneficiaries	Promoting Preventive Healthcare	Others: Maharashtra, Chandigarh, Bihar, Rajasthan, Tamil Nadu, Uttarakhand & Telangana	1.96	2.23	2.23	Through implementing agencies – **KBH Bachooali Charitable Hospital, Suryodaya Ashram, CPAA, LEADS, Nagpur Rotary, SDPSS, I Gift Life** & Direct implementation
31.	**KARO TRUST** – providing financial and psychological support to patients suffering from critical & life threatening illnesses.	Promoting Preventive Healthcare	Local: Mumbai, Maharashtra	2.00	2.00	2.00	Through Implementing agency – **Mahindra Foundation in partnership with the KARO Trust**
32.	**PALCARE** – supporting the set up of a palliative care program for people with chronic illnesses such as cancer, alzheimer's, kidney failure, lung conditions and stroke.	Promoting Preventive Healthcare	Local: Mumbai, Maharashtra	0.25	0.25	0.25	Through Implementing agency – **Mahindra Foundation in partnership with the Jimmy S Bilimoria Foundation**
33.	**LIFELINE EXPRESS** – Hospital on wheels catering to medical needs of rural people who don't have access to quality medical facilities. Diagnostic, medical & surgical treatment for preventive and curative interventions e.g. cataract, cleft lip palate, breast, cervical, oral cancer screening and surgery, epilepsy counselling and medication, and dental & deafness correction. **Impact:** Benefitting 11,419 people through the Lifeline Express sponsored at Satna, Madhya Pradesh. Total beneficiaries till date – 83,405 people	Promoting Preventive Healthcare	Others: Satna, Madhya Pradesh	0.85	0.85	0.85	Through implementing agency – **Impact India** & Direct Implementation through **ESOPS (Employee Social Options Platform).**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
34.	**ADHATA TRUST** – Providing medical assistance, social support and recreational activities for senior citizens through six community centres.	Promoting the setting up of old age homes, day care centers and such facilities for senior citizens	Local: Mumbai, Maharashtra	0.80	0.80	0.80	Through implementing agency – **Aadhata Trust**
35.	**NAVDRUSHTI – EYE CARE AND VISION CORRECTIONS** – Awareness drives, eye testing, distribution of spectacles, and cataract surgeries for deprived sections of society. **Impact:** 9,029 Beneficiaries	Promoting Preventive Healthcare	Others: Maharashtra, Rajasthan, Telangana & Uttarakhand	0.33	0.33	0.33	Through implementing agencies – **Kandivali Hitwardhak Mandal; Vishwakalyan Arogya Kendra, Vision Spring, Swajan, Shankar Netralaya, Ganga Mata Eye Hospital.**
36.	**JEEVANDAN – BLOOD DONATION INCLUDING LIFE SUPPORT FOR THALASSAEMIA PATIENTS** – An ESOPs driven initiative that is held regularly across locations/ plants. This includes a robust Thalassaemia Program to provide an uninterrupted blood supply for Thalassaemia patients. **Impact:** 7,184 Beneficiaries	Promoting Preventive Healthcare	Others: Maharashtra, Bihar, Chandigarh, Odisha, Telangana, Uttar Pradesh, Uttarakhand & Rajasthan	0.19	0.19	0.19	Direct Implementation through Employee Social Options Platform (ESOPs) alongwith implementing agencies – **Think Foundation, Aarohi Blood Bank, Himabindu Blood Bank, Uttarakhand Blood Transfusion Council**
37.	**SAMANTAR** – Awareness on People with Disabilities, Clothes Donation Drive, Mobility Solutions, Self Defence Training, Women Drivers Training, etc. **Impact:** 864 Beneficiaries	Promoting Gender Equality, Homes / Hostels / Day Care for Women, Orphans, Senior Citizens	Others: Maharashtra, Karnataka & Rajasthan	0.05	0.05	0.05	Through implementing agencies – **Muskan Foundation, Goonj, Association of People with Disability (APD), Adhata Trust, Kripa Foundation, Swajan, AYJIHH; Vikalang Kalyankari Sanstha** & Direct implementation
38.	**MUMBAI CENTRE FOR INTERNATIONAL ARBITRATION –** Facilitates impartial administration of arbitration proceedings for commercial dispute resolution	Promoting Education	Local: Mumbai, Maharashtra	0.75	0.75	0.75	Through implementing agency – **Mumbai Centre for International Arbitration**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) or Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: directly or through implementing agency
1	2	3	4	5	6	7	8
39.	**CENTRE FOR RESEARCH IN RURAL AND INDUSTRIAL DEVELOPMENT** – Plays an active role in promoting social science research in India	Promoting Education	Others: Chandigarh	0.15	0.15	0.15	Through implementing agency – **Centre for Research in Rural and Industrial Development**
40.	**COUNCIL FOR FAIR BUSINESS PRACTICES (CFBP)** – Engaged in creating awareness on fair business practices	Promoting Education	Local: Mumbai, Maharashtra	0.05	0.05	0.05	Through implementing agency – **Council for Fair Business Practices**
41.	**SPORTS SCHOLARSHIP** – Promotion of sports through coaching and provision of sports kits for tribal youth.	Promotion of Rural Sports	Others: Chandigarh	0.09	0.09	0.09	Direct implementation
42.	**Other Projects** – Supported projects of reputed NGOs in the area of education, health and environment	Promotion of Education, Health care & ensuring Environment sustainability	Local: Mumbai, Maharashtra	0.08	0.08	0.08	Through implementing NGOs
	GRAND TOTAL			**83.30**	**83.57**	**83.57**	

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

VISHAKHA N. DESAI
Chairperson - CSR Committee

Mumbai, 30th May, 2017

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 2016-17

(A) Conservation of Energy

Your Company is committed to follow responsible business practices by contributing to environmental conservation and protection. Your Company considers energy conservation as one of the strong pillars of preserving natural resources and improving the bottom-line under 'Mission Sustainability'.

Your Company is the first Indian company to join the World Bank's 'Carbon Pricing Leadership Consortium' which was launched at COP21 in Paris. Subsequently, in October, 2016 your Company announced its internal Carbon Price of USD 10 per ton of carbon emitted. Carbon Pricing is an internationally recognised business tool that enables companies to invest in low carbon technologies, which help reduce future emissions and lower operating costs. Further, your Company is the first global signatory to EP100 (Energy Productivity 100%), a program promoted by the international non-profit organisation, 'The Climate Group'.

The carbon price of USD 10 per ton and participation in the EP100 program is aligned with the business commitment of reducing 25% carbon footprint of its operations by the year 2018-19.

Your Company ensures strict compliance with all the statutory requirements, and has taken various initiatives as listed below, for energy conservation and preserving natural resources:

- Reduction in carbon and water footprint.
- Conservation of natural resources like electricity and fuel.
- Use of renewable energy.
- Encouraging green building and green Company initiatives.
- Rain water harvesting, recycling and water conservation.
- Waste management and circular economy.
- Eco efficiency in supply chain.

(i) The steps taken/impact on conservation of energy:

- Replacement of conventional lighting with LED lighting.
- Adoption of IGBC Green building rating system.
- Waste heat recovery from paint shop ovens.
- Energy efficient air-conditioning systems.
- Installation of temperature controller on air conditioners.
- Use of energy efficient transformer.
- Installation of energy efficient pumps.
- Installation of timers for shop air ventilators.
- Installation of energy efficient air compressor.
- Replacement of conventional motors with energy efficient motors.
- Installation of natural draft cooling towers.
- Use of solar light pipe.

Your Company believes in employee engagement for bourgeoning results. Towards this goal, your Company has taken multiple initiatives. Select few are listed below:

- Energy Policy formulated and displayed across all locations.
- National Energy Conservation Week celebration at all Plants.
- Energy conservation oath taken by all employees at all locations.
- Online energy quiz competition engaging all employees.
- Residential electricity bill saving competition for employees.
- Energy conclave organised for officers.
- Green initiatives display and walks at Plants.
- E-mailers, wall papers, posters and slogans for awareness on energy conservation.
- Suggestion competition for employees on energy efficiency.
- Spreading the importance of energy conservation in nearby schools and colleges.

(ii) The steps taken by the Company towards utilising alternate sources of energy:

For the year under review, your Company increased utilisation of Solar power from 66KWp to 2.7MWp. Your Company also installed 2.1MW of wind power capacity. In addition, your Company also purchased Renewable Energy Certificates (REC) totaling to 5.5MWp of power consumption.

Power from renewable energy sources is 5.8% of total power consumption and this mitigates 10,639 tons of CO_2 per year.

(iii) The capital investment on energy conservation equipments:

For the year under review, the capital investment on energy conservation equipment was Rs. 10.7 crores. This investment was broadly done in the areas of heat recovery, LED lighting, energy efficient motors, pumps and many more energy conservation initiatives.

In addition to the above mentioned Rs. 10.7 crores, your Company invested Rs. 13.8 crores towards harnessing energy from renewable energy sources.

The above initiatives towards energy conservation will mitigate a total of 24,968 tons of CO_2 per year.

(B) Technology Absorption

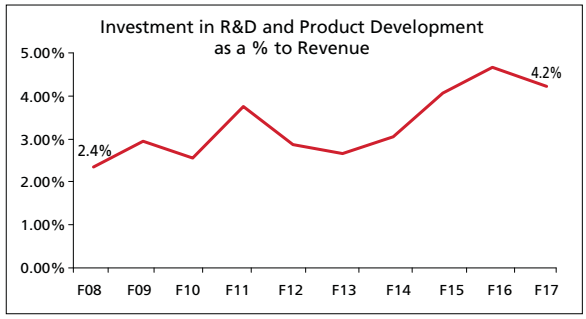
(i) The efforts made towards technology absorption:

Your Company is committed towards technology driven innovation and lays strong emphasis on inculcating an innovation driven culture within the organisation.

During the year under review, your Company continued to work on technology upgradation and capability development in the critical areas of Powertrain, Gasoline engines, Transmission, CAE, NVH, CFD, Simulations, Emission, Safety, Weight reduction, Alternate fuels, Automotive electronics and Connected Vehicles. Specifically, on the tractor front, efforts were undertaken towards the development of electronic systems with smart implements, precision farming and features to provide enhanced productivity and comfort to the farmers. These technology focus areas are important to stay competitive in the market today and in the times to come.

Your Company made sustained investment towards technology development and patent acquisitions. In 2016-17, your Company filed a total of 202 patents. Over the years, your Company strengthened its IPR portfolio and now holds a cumulative of 948 patents.

The graph below shows the investment in Research and Development and product development as a percentage of revenue for the Financial Year 2007-08 to Financial Year 2016-17.



(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 helps deliver competitive advantage to your Company through the launch of new products and variants, introduction of new features and improvement of product performance. Some examples of the results delivered in the year 2016-17 are:

- The New Bolero Power + with mHawk^{D70} engine delivers 13% more power and 5% more fuel efficiency over the existing Bolero. Technology features include a digital instrument cluster, a Driver Information System (DIS), a voice messaging system and the fuel-saving Micro Hybrid technology.
- The New Generation Scorpio with Intelli-Hybrid reduces fuel consumption by up to 7% using Motor assist, Electronic Start Stop and Brake Energy Regeneration.
- The New Age XUV500 includes a bundle of Industry-First technology features like Android Auto, Connected Apps, Ecosense and Emergency Call.
- The CNG variant of the popular mini-truck 'Jeeto'.
- The All New Big Bolero PIK-UP offers class-leading cargo body length, payload capacity, stylish looks and comfortable cabin.
- The Supro Minivan and Minitruck includes a class-leading warranty of 2 years/60,000 km (whichever is earlier).

- The new electric CitySmart car, the **'e2oPlus'**, with regenerative braking, hill assist and Smart phone app connectivity.
- The eSupro - India's 1st all electric cargo and passenger Van, with regenerative braking and boost mode.
- The all new tractor platform YUVO, with many industry first features like advanced hydraulics, more back-up torque, 12F+3R gears and adjustable seat.
- The JIVO 4WD tractor launched in April, 2017 with features like side shift gears, Automatic Depth and Draft Control (ADDC) and 2 speed PTO.
- Use of new materials with a focus on light weighting.
- The launch of DIGISENSE, a connected vehicle technology platform with multi product vehicle connectivity across a wide range of mobility products, tractors and businesses.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Sr. No.	Technology Imported	Year of Import	Status
1	Aero aqoustics development	2014	Technology Absorbed
2	Electrical and electronics architecture validation technology	2014	Technology Absorbed
3	Electrical and electronic technologies for infotainment validation	2014	Technology Absorbed
4	New 6 Speed Transmission technology	2014	In the process of Absorption
5	New Gasoline Engine Technology	2015	Technology Absorbed
6	ICV Transmission Technology	2015	In the process of Absorption
7	New Diesel Engine development	2015	Technology Absorbed
8	Design of automotive Interiors	2016	Technology Absorbed
9	Interior & Exterior Technology for BIW	2016	In the process of Absorption
10	Automated Manual Transmission Design & Development	2016	Technology Absorbed
11	BSR (Buzz, Squeak and Rattle) Development for Vehicles	2016	Technology Absorbed
12	Body Design For Crash & Safety Compliance	2016	Technology Absorbed
13	Android Auto Technology	2017	Technology Absorbed
14	Driveline NVH Simulation Technology Package	2017	Technology Absorbed
15	Powertrain NVH Global Benchmark Databank	2017	Technology Absorbed
16	14 V Belt Starter Generator Technology for Intelli Hybrid Development	2017	Technology Absorbed
17	New Solitre Monocoat paint technology	2017	Technology Absorbed

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. 2,075.78 crores (including Rs. 1,201.75 crores on Capital Expenditure) for Research & Development work during the year, which was approximately 4.29% 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 31st March, 2017**	For the Financial Year ended 31st March, 2016
Foreign Currency Earnings	**2,376.47**	2,427.92
Foreign Exchange Outgo (Including remittance of Dividend)	**789.04**	838.15

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 30th May, 2017

ANNEXURE VIII

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

As on the financial year ended on 31.03.2017

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & 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.	**Karvy Computershare Private Limited** Karvy 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@karvy.com Website: www.karvycomputershare.com (with effect from 13th June, 2016)

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	40.15%
2.	Manufacture of tractors used in agriculture and forestry	28211	27.25%
3.	Manufacture of Commercial vehicles such as vans, lorries, over the road tractors for semi-trailers, etc.	29102	22.81%
	TOTAL		90.21%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% 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 Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U52190MH2007PTC173762	Subsidiary	100.00%	2(87)(ii)
4	**Mahindra Overseas Investment Company (Mauritius) Ltd**	IFS Court Twenty Eight, Cybercity Ebene- Mauritius	Foreign Company	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	Foreign Company	Subsidiary	51.00%	2(87)(ii)
6	•Mahindra Graphic Research Design srl	Via Padova, 16 - 10092 Beinasco (TO) - Italia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
7	•Mahindra International UK Ltd.	125, Wood Street, London, EC2V 7AW	Foreign Company	Subsidiary	100.00%	2(87)(ii)
8	•Mahindra Europe s.r.l.	Mahindra Europe Srl Via Cancelliera, 35 – Ariccia – Roma 00072, Italy	Foreign Company	Subsidiary	100.00%	2(87)(ii)
9	•Mahindra-BT Investment Company (Mauritius) Limited	IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius	Foreign Company	Subsidiary	57.00%	2(87)(ii)
10	•Mahindra Racing UK Limited	Abacus House, 33, Gutter Lane, London-EC2V8AR.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
11	•Mahindra Yueda (Yancheng) Tractor Company Limited	9, Nenjiang Road, Yancheng Economic Development Zone, Jiangsu Province, China.	Foreign Company	Subsidiary	51.00%	2(87)(ii)
12	•Mahindra Racing Italy S.p.A.	Via dellaMercede, 11 00187 Roma	Foreign Company	Subsidiary	100.00%	2(87)(ii)
13	•Mahindra Tractor Assembly Inc.	2901 Bayview Drive, Fremont CA USA 94538	Foreign Company	Subsidiary	100.00%	2(87)(ii)
14	•OFD Holding BV (w.e.f. 22.02.2017)	Keilestraat 9C, Havennr. 294, 3029 BP Rotterdam, Netherland	Foreign Company	Subsidiary	60.00%	2(87)(ii)
15	••Origin Direct Asia Ltd (w.e.f. 22.02.2017)	7/F., Hong Kong Trade Centre, 161-167 Des Voeux Road Central, Hong Kong	Foreign Company	Subsidiary	100.00%	2(87)(ii)
16	••Origin Fruit Direct B.V. (w.e.f. 22.02.2017)	Keilestraat 9C, Havennr. 294, 3029 BP Rotterdam, Netherland	Foreign Company	Subsidiary	100.00%	2(87)(ii)
17	••Origin Fruit Services South America SpA (w.e.f. 22.02.2017)	Calle Huérfanos 1160 office 101 and 102, Santiago, Chile	Foreign Company	Subsidiary	100.00%	2(87)(ii)
18	••Origin Direct Asia (Shanghai) Trading Co. Ltd. (w.e.f. 22.02.2017)	Room 2050, 20/F, No.212 Jiang Ning Road, Jing An District, Shanghai, China	Foreign Company	Subsidiary	100.00%	2(87)(ii)
19	•Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (w.e.f. 30.03.2017)	Hisar Mh 1047. cadde No: 2 Tepebaşı, Eskişehir, Turkey	Foreign Company	Subsidiary	75.07%	2(87)(ii)
20	xHisarlar İthalat İhracat Pazarlama Anonim Şirketi (w.e.f. 30.03.2017)	Hisar Mh 1047. cadde No: 2 Tepebaşı, Eskişehir, Turkey	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
21	**Mahindra Vehicle Manufacturers Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U34100MH2007PLC171151	Subsidiary	100.00%	2(87)(ii)
22	Ω Mahindra Electric Mobility Limited (Formerly known as Mahindra Reva Electric Vehicles Limited)	66 - 69 & 72 - 76, Phase IV, Bommasandra Industrial Area, Jigani Link Road, Bangalore - 560099	U34101KA1996PLC020195	Subsidiary	98.88%	2(87)(ii)
23	Ω Mahindra Heavy Engines Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35914MH2007PLC169753	Subsidiary	100.00%	2(87)(ii)
24	Ω Mahindra Two Wheelers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35911MH2008PLC185462	Subsidiary	92.25%	2(87)(ii)
25	Ω Mahindra Intertrade Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U51900MH1978PLC020222	Subsidiary	100.00%	2(87)(ii)
26	£ Mahindra Auto Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2013PTC250979	Subsidiary	51.00%	2(87)(ii)
27	£ Mahindra Electrical Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2009PTC193205	Subsidiary	100.00%	2(87)(ii)
28	£ Mahindra Steel Service Centre Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH1993PLC070416	Subsidiary	61.00%	2(87)(ii)
29	£ Mahindra MiddleEast Electrical Steel Service Centre (FZC)	Sharjah Airport International Free Zone, P3 11/12 Post Box: 8114,Sharjah UAE.	Foreign Company	Subsidiary	90.00%	2(87)(ii)
30	£ Mahindra MSTC Recycling Private Limited (w.e.f. 16.12.2016)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400 018	U37100MH2016PTC288535	Subsidiary	50.00%	2(87)(i)
31	**Mahindra Two Wheelers Europe Holdings S.a.r.l.**	16, Avenue Pasteur, L-2310 Luxembourg, Grand Duchy of Luxembourg	Foreign Company	Subsidiary	100.00%	2(87)(ii)
32	! Peugeot Motocycles S.A.S.	Rue Du 17 Novembre F25350, Mandeure, France	Foreign Company	Subsidiary	51.00%	2(87)(ii)
33	!! Peugeot Motocycles Italia S.P.A	199 via Gallarate, 20154 Milano, Italia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
34	!! Peugeot Motocycles Deutschland GmbH	Kurhessen Strasse, 13. 64536, Morfelden-Walldorf Deutshland	Foreign Company	Subsidiary	100.00%	2(87)(ii)
35	**Mahindra USA, Inc.**	9020 Jackrabbit Road, Suite 600, Houston, Texas-77095, USA.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
36	σ Mahindra North American Technical Center, Inc	1055 West Square Lake Road, Troy, MI, 48098	Foreign Company	Subsidiary	100.00%	2(87)(ii)
37	σ Mahindra Mexico S. de. R. L. (w.e.f. 08.08.2016)	Autopista Aguascalientes - Zacatecas Km 7, Colonia Constitución, CP 20126	Foreign Company	Subsidiary	99.00%	2(87)(ii)
38	**Mahindra Gujarat Tractor Limited**	Vishwamitri, Near Railway Over Bridge, Vadodara 390 011	U34100GJ1978PLC003127	Subsidiary	60.00%	2(87)(ii)
39	**Mahindra Agri Solutions Limited** (Formerly known as Mahindra Shubhlabh Services Limited)	Mahindra Towers, Dr. G. M. Bhosle Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U01400MH2000PLC125781	Subsidiary	98.40%	2(87)(ii)
40	≡ Mahindra Greenyard Private Limited (Formerly known as Mahindra UNIVEG Private Limited)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U01403MH2014PTC255946	Subsidiary	60.00%	2(87)(ii)
41	≡ Mahindra HZPC Private Limited	Mahindra Towers, Near Doordarshan Kendra, Pandurang Budhkar Marg, Worli, Mumbai-400018	U01403MH2013PTC242474	Subsidiary	59.95%	2(87)(ii)
42	**Mahindra Consulting Engineers Limited**	Gateway Building, Apollo Bunder, Mumbai 400 001	U74210MH1993PLC074723	Subsidiary	59.01%	2(87)(ii)
43	~ Mahindra Namaste Limited (Formerly known as Mahindra Namaste Private Limited)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U93000MH2010PLC198303	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
44	**Mahindra Holdings Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65993MH2007PLC175649	Subsidiary	100.00%	2(87)(ii)
45	Ø Mahindra Telecommunications Investment Private Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U63040MH1993PTC070642	Subsidiary	100.00%	2(87)(ii)
46	Ø Mahindra Integrated Business Solutions Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U74999MH2011PTC212468	Subsidiary	100.00%	2(87)(ii)
47	Ø Gateway Housing Company Limited	Gateway Building, Apollo Bunder Mumbai MH 400001	U60231MH1996PLC100436	Subsidiary	100.00%	2(87)(ii)
48	Ø Mahindra Airways Limited (w.e.f. 27.07.2016)	Mahindra Towers, Pandurang Budhkar Marg, Nr.Doordarshan Kendra, Worli, Mumbai 400018	U62100MH2016PLC284135	Subsidiary	100.00%	2(87)(ii)
49	Ø Mahindra First Choice Wheels Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U64200MH1994PLC083996	Subsidiary	46.77%	2(87)(i)
50	Ø Mahindra First Choice Services Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35999MH2008PLC180385	Subsidiary	100.00%	2(87)(ii)
51	ØØ Auto Digitech Private Limited (Formerly known as Mahindra Punjab Tractors Private Limited)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U29253MH2009PTC196365	Subsidiary	100.00%	2(87)(ii)
52	Ø Mahindra Susten Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U74990MH2010PTC207854	Subsidiary	100.00%	2(87)(ii)
53	ØØØ MachinePulse Tech Private Limited	Mahindra Towers, Pandurang Budhkar Marg, nr. Doordarshan kendra, Worli, Mumbai-400018, Maharashtra	U72300MH2016PTC271679	Subsidiary	100.00%	2(87)(ii)
54	ØØØ Mahindra Renewables Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U40300MH2010PTC205946	Subsidiary	100.00%	2(87)(ii)
55	▲ Cleansolar Renewable Energy Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U40108MH2013PTC250684	Subsidiary	100.00%	2(87)(ii)
56	▲ Brightsolar Renewable Energy Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U40108MH2013PTC250683	Subsidiary	51.00%	2(87)(ii)
57	▲ Divine Solren Private Limited	Mahindra Towers, Dr. G.M Bhosale Marg, P. K. kurne Chowk, Worli, Mumbai-400018 Maharashtra	U74120MH2015PTC264259	Subsidiary	100.00%	2(87)(ii)
58	▲ Neo Solren Private limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan kendra, Worli, Mumbai-400018 Maharashtra	U74999MH2015PTC266154	Subsidiary	100.00%	2(87)(ii)
59	▲ Marvel Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, nr. Doordarshan kendra, Worli, Mumbai-400018 Maharashtra	U74120MH2015PTC269074	Subsidiary	100.00%	2(87)(ii)
60	▲ Astra Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, Near Doordarshan kendra, Worli, Mumbai-400018 Maharashtra	U74120MH2015PTC269256	Subsidiary	100.00%	2(87)(ii)
61	▲ Mahindra Suryaurja Private Limited (w.e.f. 16.02.2017)	Mahindra Towers, P. K. Kurne Chowk Worli Mumbai MH 400018	U40103MH2012PTC226016	Subsidiary	100.00%	2(87)(ii)
62	**Mahindra Holidays & Resorts India Limited**	No. 17/18, 2nd floor, Mahindra Towers, Pattulos Road, Chennai 600002.	L55101TN1996PLC036595	Subsidiary	67.50%	2(87)(ii)
63	@ Mahindra Hotels and Residences India Limited	No. 17 & 18, 2nd floor, Mahindra Towers, Pattulos Road, Chennai 600002.	U55101TN2007PLC063285	Subsidiary	100.00%	2(87)(ii)
64	@ Gables Promoters Private Limited	No - 504, Block A, 5th Floor, ELANTE Office Suites, Plot No. 178-178/A, Industrial Area, Phase 1, Chandigarh - 160 001	U45209CH2012PTC033473	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
65	@MH Boutique Hospitality Limited	No. 33/118-119 Wall Street Tower Building, 23rd Floor Surawongse Road, Suriyawongse Sub-District, Bangrak District, Bangkok, Thailand	Foreign Company	Subsidiary	49.00%	2(87)(i)
66	$Infinity Hospitality Group Company Limited	No. 20 Soi Sukhumvit 7 (Lerdsin 2), Sukhumvit Road, Khwaeng Khlongtoey Nua, Khet Wattana Bangkok.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
67	@ Heritage Bird (M) Sdn Bhd	802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26, 47301 Petaling Jaya, Selangor. Malaysia.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
68	@MHR Holdings (Mauritius) Limited	IFS Court, Twenty Eight Cyber City, Ebene, Mauritius	Foreign Company	Subsidiary	100.00%	2(87)(ii)
69	@@Covington S.a.r.l	9, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg	Foreign Company	Subsidiary	100.00%	2(87)(ii)
70	$$HCR Management Oy, Finland	c/o Holiday Club Resorts Oy Hitsaajankatu 22, 5 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
71	$$Holiday Club Resorts Oy	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	91.93%	2(87)(ii)
72	*Kiinteistö Oy Himos Gardens	c/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
73	*Kiinteistö Oy Himoksen Tähti 2	Lapinniemenranta 12 33180 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
74	*Kiinteistö Oy Vanha Ykköstii	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
75	*Kiinteistö Oy Katinnurkka	c/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
76	*Kiinteistö Oy Tenetinlahti	c/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
77	*Kiinteistö Oy Mällösniemi	c/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
78	*Kiinteistö Oy Rauhan Ranta 1	c/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
79	*Kiinteistö Oy Rauhan Ranta 2	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
80	*Kiinteistö Oy Tiurunniemi	c/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
81	*Kiinteistö Oy Rauhan Liikekiinteistöt 1	c/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
82	*Supermarket Capri Oy	c/o Kauppakeskus Capri Oy Vipelentie 3-5, 55320 Rauha	Foreign Company	Subsidiary	100.00%	2(87)(ii)
83	*Kiinteistö Oy Kylpyläntorni 1	c/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
84	*Kiinteistö Oy Spa Lofts 2	c/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
85	*Kiinteistö Oy Spa Lofts 3	c/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
86	*Kiinteistö Oy Kuusamon Pulkkajärvi 1	c/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
87	*Holiday Club Resorts Rus LLC	Bolshaya Konushennaya str, 8. 191186 St-Petersburg, Russia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
88	*Suomen Vapaa-aikakiinteistöt Oy	c/o Holiday Club Resorts Oy, Lapinniemenranta 12 33180 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
89	*Holiday Club Sweden Ab	Box 68, 83010 Åre State Jamtlands Lan, Åre Kummun	Foreign Company	Subsidiary	100.00%	2(87)(ii)
90	**Holiday Club Sport and Spa AB	Box 68, 830 14 Åre, State Jamtlands Lan, Åre Kummun	Foreign Company	Subsidiary	51.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
91	** Åre Villas AB 1	c/o Holiday Club Sweden AB, Box 68, 830 14 ÅRE,	Foreign Company	Subsidiary	100.00%	2(87)(ii)
92	** Åre Villas AB 2	c/o Holiday Club Sweden AB, Box 68, 830 14 ÅRE,	Foreign Company	Subsidiary	100.00%	2(87)(ii)
93	** Ownership Services Ab	c/o Holiday Club Sweden Ab, box 68, 83010 Åre	Foreign Company	Subsidiary	100.00%	2(87)(ii)
94	** Holiday Club Canarias Investments S.L.U	Avenida Ministra Anna Lindh n°1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
95	*** Holiday Club Canarias Sales & Marketing S.L.U	Avenida Ministra Anna Lindh n°1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
96	*** Holiday Club Canarias Resort Management S.L.U	Avenida Ministra Anna Lindh n°1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
97	**Mahindra & Mahindra Financial Services Limited**	Gateway Building, Apollo Bunder, Mumbai 400 001	L65921MH1991PLC059642	Subsidiary	51.20%	2(87)(ii)
98	¥ Mahindra Insurance Brokers Limited	Mahindra Towers, Worli, Mumbai-400018	U65990MH1987PLC042609	Subsidiary	85.00%	2(87)(ii)
99	¥ Mahindra Rural Housing Finance Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65922MH2007PLC169791	Subsidiary	87.50%	2(87)(ii)
100	¥ Mahindra Asset Management Company Private Limited	4th Floor, A-Wing, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Mumbai-400018	U65900MH2013PTC244758	Subsidiary	100.00%	2(87)(ii)
101	¥ Mahindra Trustee Company Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U67100MH2013PTC245464	Subsidiary	100.00%	2(87)(ii)
102	**Bristlecone Ltd.**	M&C Corporate Services Ltd., P.O. Box 309GT, Ugland House, South Church St., George Town, Grand Cayman, Cayman Islands.	Foreign Company	Subsidiary	75.35%	2(87)(ii)
103	± Bristlecone International AG	Rheinweg 7, 8200 Schaffhausen	Foreign Company	Subsidiary	100.00%	2(87)(ii)
104	± Bristlecone Consulting Limited	1500 Royal Centre 1055 West Georgia Street Vancouver, BC V6E 4N7.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
105	± Bristlecone Inc.	10 Almaden Blvd, Suite 600 San Jose, CA 95113	Foreign Company	Subsidiary	100.00%	2(87)(ii)
106	± Bristlecone UK Limited	125 Wood Street, London, EC2V 7AN	Foreign Company	Subsidiary	100.00%	2(87)(ii)
107	± Bristlecone (Malaysia) Sdn. Bhd.	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur	Foreign Company	Subsidiary	100.00%	2(87)(ii)
108	± Bristlecone Middle East DMCC (w.e.f. 18.07.2016)	Unit No: 3O-01-3572 DMCC Business Centre Level No 1, Jewellery & Gemplex 3 Dubai, United Arab Emirates	Foreign Company	Subsidiary	100.00%	2(87)(ii)
109	± Bristlecone India Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U30007MH1991PLC064368	Subsidiary	100.00%	2(87)(ii)
110	≤ Bristlecone (Singapore) Pte. Ltd.	3, Anson Road, # 27-01 Springleaf Tower, Singapore 079909.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
111	≤ Bristlecone GmbH	Schiff-Martini & Cie. GmbH, De-Saint-Exupéry-Straße 8, 60549 Frankfurt am Main, Germany	Foreign Company	Subsidiary	100.00%	2(87)(ii)
112	**Mahindra Trucks and Buses Limited**	Gateway Building, Apollo Bunder, Mumbai 400 001	U63040MH1994PLC079098	Subsidiary	100.00%	2(87)(ii)
113	◊ Mahindra Automobile Distributor Private Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U34100MH2005PTC153702	Subsidiary	95.00%	2(87)(ii)
114	**Mahindra Lifespace Developers Limited**	5th Floor, Mahindra Towers, Worli, Mumbai-400018	L45200MH1999PLC118949	Subsidiary	50.78%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
115	^Mahindra World City Developers Limited	Ground Floor "Mahindra Towers" 17/18, Pattullous Road, Chennai- 600002.	U92490TN1997PLC037551	Subsidiary	89.00%	2(87)(ii)
116	+Mahindra Industrial Park Chennai Limited	Mahindra Towers, Ground Floor, No. 17/18 Patullos Road, Chennai 600002	U45209TN2014PLC098543	Subsidiary	60.00%	2(87)(ii)
117	^Mahindra World City (Jaipur) Limited	4th Floor, 411, Neelkanth Towers, Bhawani Singh Road, C Scheme, Jaipur, Rajasthan-302001	U45209RJ2005PLC021207	Subsidiary	74.00%	2(87)(ii)
118	^Mahindra Integrated Township Limited	Administrative Block, Central Avenue, Mahindra World City, Natham Sub (PO), Chengelpet, Kancheepuram, Tamil Nadu - 603002	U74140TN1996PLC068288	Subsidiary	99.14%	2(87)(ii)
119	∞Mahindra Residential Developers Limited	Mahindra World City Administrative Block, Chegalpattu, Tamil Nadu - 603002	U45200TN2008PLC066292	Subsidiary	100.00%	2(87)(ii)
120	^Mahindra World City (Maharashtra) Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U45309MH2005PLC156225	Subsidiary	100.00%	2(87)(ii)
121	^Knowledge Township Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U72900MH2007PLC173137	Subsidiary	100.00%	2(87)(ii)
122	^Mahindra Bebanco Developers Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U45203MH2008PLC183107	Subsidiary	70.00%	2(87)(ii)
123	^Industrial Township (Maharashtra) Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U45203MH2008PLC184190	Subsidiary	100.00%	2(87)(ii)
124	^Mahindra Infrastructure Developers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45201MH2001PLC131942	Subsidiary	100.00%	2(87)(ii)
125	^^Mahindra Water Utilities Limited	Gateway Bldg., Apollo Bunder, Mumbai, Maharashtra.	U45205MH1999PLC121235	Subsidiary	99.00%	2(87)(ii)
126	^Raigad Industrial & Business Park Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U70102MH2009PLC193399	Subsidiary	100.00%	2(87)(ii)
127	^Anthurium Developers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U70109MH2010PLC203619	Subsidiary	100.00%	2(87)(ii)
128	^Industrial Cluster Private Limited	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U70102MH2013PTC241512	Subsidiary	100.00%	2(87)(ii)
129	^Mahindra Homes Private Limited (w.e.f. 30.03.2017)	Mahindra Towers, 5th floor, Worli, Mumbai-400018	U70102MH2010PTC203618	Subsidiary	74.98%	2(87)(ii)
130	**Mahindra Logistics Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U63000MH2007PLC173466	Subsidiary	74.12%	2(87)(ii)
131	¥¥Lords Freight (India) Private Limited	Unit no 511, 5th Floor, Crescent Business Park, Samitha Complex, Safedpul, Sakinaka, Andheri (East), Mumbai-400072, India.	U63030MH2011PTC216628	Subsidiary	60.00%	2(87)(ii)
132	¥¥2 x 2 Logistics Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U63000MH2012PTC237062	Subsidiary	55.00%	2(87)(ii)
133	**Mahindra eMarket Limited** (Formerly known as Mriyalguda Farm Solution Limited)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U72900MH2000PLC129103	Subsidiary	69.00%	2(87)(ii)
134	**Mahindra Automotive Australia Pty. Ltd.**	4/20, Buttonwood Place, Willawong, QLD 4110, Australia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
135	**Ssangyong Motor Company**	455-12, Dongsak-ro, Pyeongtack-si, South Korea.	Foreign Company	Subsidiary	72.46%	2(87)(ii)
136	=Ssangyong European Parts Center B.V	IABC 5253-5254, 4814 RD, Breda, Netherlands	Foreign Company	Subsidiary	100.00%	2(87)(ii)
137	=Ssangyong Motor (Shanghai) Co., Ltd	Beijing City, Chaoyang District, 32 Liangmaqiao Lu, 7layer 707-708, China	Foreign Company	Subsidiary	100.00%	2(87)(ii)
138	=SY Auto Capital Co., LTD	124, Teheran-ro, Gangnam-gu, Seoul, South Korea	Foreign Company	Subsidiary	51.00%	2(87)(ii)
139	**EPC Industrié Limited**	H – 109 , MIDC , Ambad , Nashik-422010, Maharashtra	L25200MH1981PLC025731	Subsidiary	54.73%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
140	**Mahindra Sanyo Special Steel Private Limited**	74, Ganesh Apartment, opp: Sitaldevi Temple, L.J. Road, MAHIM (West), Mumbai -400016.	U27310MH2011PTC223696	Subsidiary	51.00%	2(87)(ii)
141	**Mahindra Defence Systems Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U75220MH2012PLC233889	Subsidiary	100.00%	2(87)(ii)
142	⌂Defence Land Systems India Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U29268MH2009PLC190702	Subsidiary	100.00%	2(87)(ii)
143	⌂Mahindra Telephonics Integrated Systems Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U75302MH2013PLC242268	Subsidiary	51.00%	2(87)(ii)
144	⌂Mahindra Defence Naval Systems Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U75144MH2012PTC231267	Subsidiary	100.00%	2(87)(ii)
145	**Mahindra 'Electoral Trust' Company**	Mahindra Towers, P. K. Kurne Chowk, Worli,Mumbai-400018	U93000MH2013NPL251507	Subsidiary	100.00%	2(87)(ii)
146	**Orizonte Business Solutions Limited** (Formerly known as Mega One Stop Farm Services Limited)	Mahindra Towers, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli,Mumbai-400018	U60231MH2000PLC128757	Subsidiary	98.14%	2(87)(ii)
147	**Mahindra and Mahindra South Africa (Proprietary) Limited**	PO Box 69079, Highveld Park 0169, Eco Fusion no 6, Block C, First floor, 324 Witch Hazel Street, Highveld X59, Pretoria, South Africa.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
148	⊥Mahindra West Africa Ltd (w.e.f. 20.05.2016)	Coscharis Plaza, 3rd Floor, 68A, Adeola Odeku Road, Victoria Island, Lagos, Nigeria	Foreign Company	Subsidiary	100.00%	2(87)(ii)
149	**NBS International Limited**	10 Stone Bldg., Shop No. 1, Opp. Chowpatty Sea Face, Mumbai- 400007	U18101MH1995PLC095482	Subsidiary	100.00%	2(87)(ii)
150	**Mahindra Aerospace Private Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U63033MH2008PTC179520	Subsidiary	66.67%	2(87)(ii)
151	++Mahindra Aerostructures Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35122MH2011PTC212744	Subsidiary	100.00%	2(87)(ii)
152	++Mahindra Aerospace Australia Pty. Limited	C/-0, Pitcher Partners, level 19, 15 William Street, Melbourne VIC 3000	Foreign Company	Subsidiary	100.00%	2(87)(ii)
153	▪Aerostaff Australia Pty. Ltd	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
154	▪Gipp Aero Investments Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
155	▶Gippsaero Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
156	▶Airvan10 Pty Ltd	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	Foreign Company	Subsidiary	100.00%	2(87)(ii)
157	▶GA8 Airvan Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
158	▶GA200 Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
159	▶Airvan Flight Services Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
160	▶Nomad TC Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
161	**Trringo.com Limited** (w.e.f. 23.05.2016)	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai 400018	U01409MH2016PLC281449	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% Holding β	Applicable Section
162	**Mahindra do Brasil Industrial Ltda.** (w.e.f. 28.09.2016)	R DESEMBARGADOR DO VALE, 800, A PARTE PERDIZES, SAO PAULO- 05.010-040	Foreign Company	Subsidiary	100.00%	2(87)(ii)
163	**Classic Legends Private Limited** (w.e.f. 18.10.2016)	702 Natraj, M V Road Junction, Western Express Highway, Andheri East, Mumbai 400069	U34101MH2015PTC265665	Subsidiary	60.00%	2(87)(ii)
164	∫BSA Company Limited (w.e.f. 21.10.2016)	Speedwell House, West Quay Road, Southampton, Hampshire, SO151GY	Foreign Company	Subsidiary	100.00%	2(87)(ii)
165	**Swaraj Engines Limited**	Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab-140603	L50210PB1985PLC006473	Associate	33.22%	2(6)
166	**Kota Farm Services Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U02005MH2001PLC131699	Associate	45.00%	2(6)
167	**Tech Mahindra Limited**	Gateway Building, Apollo Bunder, Mumbai 400 001	L64200MH1986PLC041370	Associate	26.31%	2(6)
168	**Mitsubishi Mahindra Agricultural Machinery Co., Ltd.**	667-1 Iya-machi, Higashiizumo-cho, Matsue-city, Shimane-prefecture, Japan	Foreign Company	Associate	33.33%	2(6)
169	**Mahindra Construction Company Limited**	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45200MH1992PLC068846	Associate	37.49%	2(6)
170	**Officemartindia.com Limited.**	Gateway Building, Apollo Bunder, Mumbai 400 001	U74999MH2000PLC126610	Associate	50.00%	2(6)
171	**Mahindra & Mahindra Contech Limited**	Gateway Building, Apollo Bunder, Mumbai 400 001	U74140MH1992PLC066606	Associate	23.33%	2(6)
172	**Sampo Rosenlew Oy** (w.e.f. 01.07.2016)	Konepajanranta 2, P.O.Box 50 FIN-28101 Pori, Finland	Foreign Company	Associate	35.00%	2(6)
173	**PF Holdings B.V.** (w.e.f. 27.05.2016)	Maanplein 7,Gebouw 4, (TP-4), 2516 CK, Den Haag, Netherlands	Foreign Company	Associate	40.00%	2(6)

β Percentage holding in Subsidiaries represents aggregate percentage of shares held by the Company and/or its subsidiaries.

\# a subsidiary of Mahindra Engineering and Chemical Products Limited.
a subsidiary of Retail Initiative Holdings Limited.
• a subsidiary of Mahindra Overseas Investment Company (Mauritius) Ltd.
•• a subsidiary of OFD Holding B. V.
x a subsidiary of Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi.
Ω 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 Motocycles S.A.S.
σ a subsidiary of Mahindra USA, Inc.
≡ a subsidiary of Mahindra Agri Solutions Limited.
~ a subsidiary of Mahindra Consulting Engineers Limited.
Ø a subsidiary of Mahindra Holdings Limited.
ØØ a subsidiary of Mahindra First Choice Services Limited.
øøø a subsidiary of Mahindra Susten Private Limited.
▲ a subsidiary of Mahindra Renewables Private 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.a.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 Bristlecone Ltd.
≤ a subsidiary of Bristlecone India 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 Infrastructure Developers Limited.
¥¥ a subsidiary of Mahindra Logistics Limited.
= a subsidiary of Ssangyong Motor Company.
⌂ 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 Gipp Aero Investments Pty. Limited.
∫ a subsidiary of Classic Legends 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 1st April, 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3972046	0	3972046	0.64	3942046	0	3942046	0.63	-0.01
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	71128386	0	71128386	11.45	71128386	0	71128386	11.45	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other									
i) M&M Benefit Trust – Bharat N Doshi, A. K. Nanda – Trustees	51835214	0	51835214	8.35	51835214	0	51835214	8.35	0.00
ii) Mahindra And Mahindra Employees Stock Option Trust	28458577	0	28458577	4.58	27481857	0	27481857	4.42	-0.16
iii) Employees Welfare Trust – Rajan Raghunath Surve, Vijay Bhalchandra Thakurdesai, Daxa Jawahar Baxi – Trustee	2030870	0	2030870	0.33	2030870	0	2030870	0.33	0.00
Sub-total (A) (1)	**157425093**	**0**	**157425093**	**25.35**	**156418373**	**0**	**156418373**	**25.18**	**-0.17**
(2) Foreign									
a) NRIs - Individuals	563922	0	563922	0.09	549422	0	549422	0.09	0.00
b) Others - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	**563922**	**0**	**563922**	**0.09**	**549422**	**0**	**549422**	**0.09**	**0.00**
Total Shareholding of Promoter (A) = (A) (1)+(A) (2)	**157989015**	**0**	**157989015**	**25.44**	**156967795**	**0**	**156967795**	**25.27**	**-0.17**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	18738982	1020	18740002	3.02	40907507	1020	40908527	6.59	3.57
b) Banks / FI	994491	44532	1039023	0.17	2204048	45564	2249612	0.36	0.19
c) Central Govt	415201	0	415201	0.07	501029	0	501029	0.08	0.01
d) State Govt(s)	0	442132	442132	0.07	0	442132	442132	0.07	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	91765099	5912	91771011	14.77	80714488	5912	80720400	13.00	-1.77
g) FIIs	132108961	7736	132116697	21.27	20970634	7736	20978370	3.38	-17.89
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
i) Foreign Portfolio-Corp	100010866	0	100010866	16.10	96277039	0	96277039	15.50	-0.60
ii) Foreign Portfolio investors	0	0	0	0	97075404	0	97075404	15.63	15.63
Sub-total (B)(1)-	**344033600**	**501332**	**344534932**	**55.47**	**338650149**	**502364**	**339152513**	**54.61**	**-0.86**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	31431408	68068	31499476	5.07	34610529	67732	34678261	5.58	0.51
ii) Overseas	1607720	240	1607960	0.26	1607720	240	1607960	0.26	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	31584253	4526639	36110892	5.81	32921273	4344421	37265694	6.00	0.19
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	8590479	182448	8772927	1.42	8231642	158716	8390358	1.36	-0.06
c) Others (specify)									
i) Non Resident Indians	1603548	337694	1941242	0.31	1905941	333874	2239815	0.36	0.05
ii) Foreign Nationals	544	0	544	0.00	551	0	551	0.00	0.00
iii) Trusts	2286196	0	2286196	0.37	4012663	0	4012663	0.65	0.28
iv) Clearing Members	1443265	0	1443265	0.23	3507359	0	3507359	0.56	0.33
v) Foreign Corporate Bodies	375352	0	375352	0.06	369582	0	369582	0.06	0.00
vi) NBFCs registered with RBI	0	0	0	0.00	19982	0	19982	0.00	0.00
Sub-total (B)(2)-	**78922765**	**5115089**	**84037854**	**13.53**	**87187242**	**4904983**	**92092225**	**14.83**	**1.30**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**422956365**	**5616421**	**428572786**	**69.00**	**425837391**	**5407347**	**431244738**	**69.44**	**0.44**
C. Shares held by Custodian for GDRs & ADRs	34529551	1032	34530583	5.56	32879851	0	32879851	5.29	-0.27
Grand Total (A+B+C)	**615474931**	**5617453**	**621092384**	**100.00**	**615685037**	**5407347**	**621092384**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2016]			Shareholding at the end of the year [As on 31st March, 2017]			% 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	442296	0.07	0.00	442296	0.07	0.00	0.00
2	Anand Gopal Mahindra	715004	0.12	0.00	715004	0.12	0.00	0.00
3	Anjali Mehra	141104	0.02	0.00	111104	0.02	0.00	0.00
4	Anuja P Sharma	34259	0.00	0.00	34259	0.00	0.00	0.00
5	Anuradha Mahindra	228545	0.04	0.00	228545	0.04	0.00	0.00
6	Gautam P Khandelwal	300	0.00	0.00	300	0.00	0.00	0.00
7	Leena S Labroo	706192	0.12	0.00	706192	0.12	0.00	0.00
8	Radhika Nath	46808	0.00	0.00	46808	0.00	0.00	0.00
9	Sanjay Labroo	72720	0.01	0.01	72720	0.01	0.01	0.00
10	Sudha K Mahindra	726016	0.12	0.00	726016	0.12	0.00	0.00
11	Uma R Malhotra	754802	0.12	0.00	754802	0.12	0.00	0.00
12	Deveshwar Jagat Sharma	12000	0.00	0.00	12000	0.00	0.00	0.00
13	Dhruv S Sharma	12000	0.00	0.00	12000	0.00	0.00	0.00
14	Yuthica Keshub Mahindra	563922	0.09	0.00	549422	0.09	0.00	0.00
15	Nisheeta Labroo	80000	0.02	0.00	80000	0.01	0.00	-0.01
16	Kema Services International Pvt Ltd	367416	0.06	0.00	367416	0.06	0.00	0.00
17	Prudential Management And Services Pvt. Ltd.	70760970	11.39	1.29	70760970	11.39	1.17	0.00
18	Mahindra and Mahindra Employees Stock Option Trust	28458577	4.58	0.00	27481857	4.42	0.00	-0.16
19	M&M Employees Welfare Fund No. 1 – Rajan Raghunath Surve, Vijay Bhalchandra Thakurdesai, Daxa Jawahar Baxi – Trustees	1263156	0.21	0.00	1263156	0.21	0.00	0.00
20	M&M Employees Welfare Fund No. 2 – Rajan Raghunath Surve, Vijay Bhalchandra Thakurdesai, Daxa Jawahar Baxi – Trustees	682914	0.11	0.00	682914	0.11	0.00	0.00
21	M&M Employees Welfare Fund No. 3 – Rajan Raghunath Surve, Vijay Bhalchandra Thakurdesai, Daxa Jawahar Baxi – Trustees	84800	0.01	0.00	84800	0.01	0.00	0.00
22	M&M Benefit Trust – Bharat N Doshi, A.K. Nanda – Trustees	51835214	8.35	0.00	51835214	8.35	0.00	0.00
	Total	**157989015**	**25.44**	**1.30**	**156967795**	**25.27**	**1.18**	**-0.17**

iii) Change in Promoters' Shareholding

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1st April, 2016]		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 01.04.2016	**157989015**	**25.44**			
1	Decrease - 21.04.2016 $			-38753	157950262	25.43
2	Decrease - 12.05.2016 $			-25077	157925185	25.43
3	Decrease - 23.05.2016 $			-23195	157901990	25.42
4	Decrease - 24.05.2016 $			-21051	157880939	25.42
5	Decrease - 06.06.2016 Market sale α			-2000	157878939	25.42
6	Decrease - 07.06.2016 Market Sale α			-4000	157874939	25.42
7	Decrease - 08.06.2016 Market Sale α			-1000	157873939	25.42
8	Decrease - 10.06.2016 Market Sale α			-3000	157870939	25.42
9	Decrease - 13.06.2016 $			-28004	157842935	25.41
10	Decrease - 22.06.2016 $			-15406	157827529	25.41
11	Decrease - 24.06.2016 Market Sale α			-1000	157826529	25.41
12	Decrease - 28.06.2016 Market Sale α			-2000	157824529	25.41
13	Decrease - 29.06.2016 Market Sale α			-4000	157820529	25.41
14	Decrease - 30.06.2016 Market Sale α			-2000	157818529	25.41
15	Decrease - 01.07.2016 Market Sale α			-5000	157813529	25.41
16	Decrease - 05.07.2016 Market Sale α			-1000	157812529	25.41
17	Decrease - 07.07.2016 Market Sale α			-3000	157809529	25.41
18	Decrease - 08.07.2016 Market Sale α			-2000	157807529	25.41
19	Decrease - 13.07.2016 $			-45905	157761624	25.40
20	Decrease - 21.07.2016 $			-42485	157719139	25.39
21	Decrease - 12.08.2016 $			-58326	157660813	25.38
22	Decrease - 24.08.2016 $			-58981	157601832	25.37
23	Decrease - 14.09.2016 $			-90247	157511585	25.36
24	Decrease - 23.09.2016 $			-10690	157500895	25.36
25	Decrease - 05.10.2016 Market Sale #			-10000	157490895	25.36
26	Decrease - 06.10.2016 Market Sale #			-4500	157486395	25.36
27	Decrease - 14.10.2016 $			-39427	157446968	25.35
28	Decrease - 24.10.2016 $			-13714	157433254	25.35
29	Decrease - 11.11.2016 $			-30581	157402673	25.34
30	Decrease - 22.11.2016 $			-7026	157395647	25.34
31	Decrease - 13.12.2016 $			-35752	157359895	25.34
32	Decrease - 20.12.2016 $			-37577	157322318	25.33
33	Decrease - 13.01.2017 $			-69771	157252547	25.32
34	Decrease - 23.01.2017 $			-15122	157237425	25.32
35	Decrease - 13.02.2017 $			-21300	157216125	25.31
36	Decrease - 22.02.2017 $			-6657	157209468	25.31
37	Decrease - 14.03.2017 $			-25838	157183630	25.31
38	Decrease - 27.03.2017 $			-215835	156967795	25.27
	At the End of the year – As on 31.03.2017				**156967795**	**25.27**

$ Transfer of Shares by Mahindra & Mahindra Employees' Stock Option Trust, pursuant to exercise of options by employees.

α Transfer by Anjali Mehra

Transfer by Yuthica Mahindra

iv) Shareholding Pattern 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 1st April, 2016]		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 – 01.04.2016		77253371	12.44			
08.04.2016	Decrease/Transfer			-177881	77075490	12.41
27.05.2016	Decrease/Transfer			-25000	77050490	12.41
03.06.2016	Decrease/Transfer			-741120	76309370	12.29
10.06.2016	Decrease/Transfer			-2555500	73753870	11.87
17.06.2016	Decrease/Transfer			-1492215	72261655	11.63
24.06.2016	Decrease/Transfer			-520025	71741630	11.55
30.06.2016	Decrease/Transfer			-60000	71681630	11.54
01.07.2016	Decrease/Transfer			-70000	71611630	11.53
08.07.2016	Decrease/Transfer			-592384	71019246	11.43
15.07.2016	Decrease/Transfer			-248269	70770977	11.39
22.07.2016	Decrease/Transfer			-461207	70309770	11.32
29.07.2016	Decrease/Transfer			-851587	69458183	11.18
03.08.2016	Decrease/Transfer			-625190	68832993	11.08
05.08.2016	Decrease/Transfer			-208248	68624745	11.05
12.08.2016	Decrease/Transfer			-1221554	67403191	10.85
19.08.2016	Decrease/Transfer			-501505	66901686	10.77
26.08.2016	Decrease/Transfer			-157530	66744156	10.75
09.09.2016	Decrease/Transfer			-259191	66484965	10.70
16.09.2016	Decrease/Transfer			-65701	66419264	10.69
23.09.2016	Decrease/Transfer			-784477	65634787	10.57
30.09.2016	Decrease/Transfer			-242389	65392398	10.53
07.10.2016	Decrease/Transfer			-663695	64728703	10.42
14.10.2016	Decrease/Transfer			-217409	64511294	10.39
21.10.2016	Decrease/Transfer			-203163	64308131	10.35
04.11.2016	Decrease/Transfer			-659729	63648402	10.25
11.11.2016	Decrease/Transfer			-119995	63528407	10.23
18.11.2016	Increase/Transfer			25000	63553407	10.23
25.11.2016	Increase/Transfer			45480	63598887	10.24
02.12.2016	Increase/Transfer			975	63599862	10.24
09.12.2016	Increase/Transfer			56818	63656680	10.25
16.12.2016	Increase/Transfer			268	63656948	10.25
23.12.2016	Increase/Transfer			31309	63688257	10.25
30.12.2016	Increase/Transfer			87240	63775497	10.27
27.01.2017	Increase/Transfer			5800	63781297	10.27
03.02.2017	Increase/Transfer			561261	64342558	10.36
10.02.2017	Increase/Transfer			2019556	66362114	10.68
17.02.2017	Increase/Transfer			1109934	67472048	10.86
24.02.2017	Increase/Transfer			156924	67628972	10.89
03.03.2017	Increase/Transfer			422167	68051139	10.96
At the end of the year – 31.03.2017					68051139	10.96

2. EUROPACIFIC GROWTH FUND						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		25190000	4.06			
15.07.2016	Decrease/Transfer			-230829	24959171	4.02
22.07.2016	Decrease/Transfer			-210488	24748683	3.98
29.07.2016	Decrease/Transfer			-81667	24667016	3.97
03.08.2016	Decrease/Transfer			-423542	24243474	3.90
12.08.2016	Decrease/Transfer			-448637	23794837	3.83
09.09.2016	Decrease/Transfer			-449	23794388	3.83
07.10.2016	Decrease/Transfer			-658900	23135488	3.72
24.03.2017	Decrease/Transfer			-3084388	20051100	3.23
At the end of the year – 31.03.2017					20051100	3.23

3. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		13386843	2.16			
08.04.2016	Decrease/Transfer			-101797	13285046	2.14
15.04.2016	Increase/Transfer			37605	13322651	2.15
22.04.2016	Decrease/Transfer			-56351	13266300	2.14
29.04.2016	Decrease/Transfer			-3119	13263181	2.14
06.05.2016	Increase/Transfer			124230	13387411	2.16
13.05.2016	Decrease/Transfer			-116121	13271290	2.14
20.05.2016	Decrease/Transfer			-17653	13253637	2.13
27.05.2016	Decrease/Transfer			-298173	12955464	2.09
03.06.2016	Increase/Transfer			107393	13062857	2.10
10.06.2016	Increase/Transfer			57641	13120498	2.11
17.06.2016	Decrease/Transfer			-400	13120098	2.11
24.06.2016	Increase/Transfer			202833	13322931	2.15
30.06.2016	Decrease/Transfer			-27643	13295288	2.14
08.07.2016	Increase/Transfer			184688	13479976	2.17
15.07.2016	Decrease/Transfer			-47011	13432965	2.16
22.07.2016	Increase/Transfer			94317	13527282	2.18
29.07.2016	Increase/Transfer			372494	13899776	2.24
03.08.2016	Increase/Transfer			225405	14125181	2.27
05.08.2016	Increase/Transfer			101329	14226510	2.29
12.08.2016	Increase/Transfer			281312	14507822	2.34
19.08.2016	Increase/Transfer			308605	14816427	2.39
26.08.2016	Decrease/Transfer			-102225	14714202	2.37
02.09.2016	Increase/Transfer			213789	14927991	2.40
09.09.2016	Increase/Transfer			236719	15164710	2.44
16.09.2016	Increase/Transfer			108001	15272711	2.46

3. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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
23.09.2016	Decrease/Transfer			-47327	15225384	2.45
30.09.2016	Increase/Transfer			294882	15520266	2.50
07.10.2016	Increase/Transfer			299738	15820004	2.55
14.10.2016	Increase/Transfer			38823	15858827	2.55
21.10.2016	Increase/Transfer			133513	15992340	2.57
28.10.2016	Decrease/Transfer			-64137	15928203	2.56
04.11.2016	Increase/Transfer			3209	15931412	2.57
11.11.2016	Decrease/Transfer			-115963	15815449	2.55
18.11.2016	Increase/Transfer			248814	16064263	2.59
25.11.2016	Increase/Transfer			46003	16110266	2.59
02.12.2016	Increase/Transfer			57324	16167590	2.60
09.12.2016	Increase/Transfer			30904	16198494	2.61
16.12.2016	Increase/Transfer			29562	16228056	2.61
23.12.2016	Increase/Transfer			7694	16235750	2.61
30.12.2016	Increase/Transfer			45126	16280876	2.62
06.01.2017	Increase/Transfer			80173	16361049	2.63
13.01.2017	Increase/Transfer			116457	16477506	2.65
20.01.2017	Decrease/Transfer			-9533	16467973	2.65
27.01.2017	Increase/Transfer			19838	16487811	2.65
03.02.2017	Increase/Transfer			64222	16552033	2.66
10.02.2017	Increase/Transfer			16127	16568160	2.67
17.02.2017	Decrease/Transfer			-220947	16347213	2.63
24.02.2017	Decrease/Transfer			-13196	16334017	2.63
03.03.2017	Decrease/Transfer			-135924	16198093	2.61
10.03.2017	Increase/Transfer			105418	16303511	2.62
17.03.2017	Increase/Transfer			1413	16304924	2.63
24.03.2017	Increase/Transfer			10074	16314998	2.63
31.03.2017	Decrease/Transfer			-179490	16135508	2.60
At the end of the year - 31.03.2017					16135508	2.60

4. GOVERNMENT OF SINGAPORE						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		13598413	2.19			
08.04.2016	Decrease / Transfer			-119849	13478564	2.17
22.04.2016	Decrease / Transfer			-49643	13428921	2.16
29.04.2016	Decrease / Transfer			-26203	13402718	2.16
06.05.2016	Decrease / Transfer			-157439	13245279	2.13
03.06.2016	Decrease / Transfer			-73632	13171647	2.12
10.06.2016	Increase / Transfer			133923	13305570	2.14
30.06.2016	Decrease / Transfer			-36524	13269046	2.14

4. GOVERNMENT OF SINGAPORE						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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
08.07.2016	Decrease/Transfer			-102313	13166733	2.12
22.07.2016	Decrease/Transfer			-8614	13158119	2.12
29.07.2016	Decrease/Transfer			-75298	13082821	2.11
03.08.2016	Decrease/Transfer			-120775	12962046	2.09
12.08.2016	Decrease/Transfer			-42383	12919663	2.08
19.08.2016	Decrease/Transfer			-637	12919026	2.08
02.09.2016	Decrease/Transfer			-39516	12879510	2.07
09.09.2016	Increase/Transfer			5872	12885382	2.07
23.09.2016	Decrease/Transfer			-70730	12814652	2.06
07.10.2016	Increase/Transfer			327793	13142445	2.12
04.11.2016	Decrease/Transfer			-13165	13129280	2.11
11.11.2016	Decrease/Transfer			-12637	13116643	2.11
25.11.2016	Increase/Transfer			129086	13245729	2.13
02.12.2016	Increase/Transfer			221586	13467315	2.17
09.12.2016	Increase/Transfer			376057	13843372	2.23
16.12.2016	Increase/Transfer			144759	13988131	2.25
30.12.2016	Increase/Transfer			39966	14028097	2.26
06.01.2017	Increase/Transfer			37217	14065314	2.26
03.02.2017	Decrease/Transfer			-78772	13986542	2.25
10.02.2017	Decrease/Transfer			-77572	13908970	2.24
03.03.2017	Decrease/Transfer			-29042	13879928	2.23
10.03.2017	Increase/Transfer			10907	13890835	2.24
31.03.2017	Decrease/Transfer			-120794	13770041	2.22
At the end of the year - 31.03.2017					13770041	2.22

5. FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC LEADERS FUND						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		8625443	1.39			
16.12.2016	Increase/Transfer			183407	8808850	1.42
23.12.2016	Increase/Transfer			1533680	10342530	1.67
30.12.2016	Increase/Transfer			773318	11115848	1.79
06.01.2017	Increase/Transfer			729403	11845251	1.91
31.03.2017	Increase/Transfer			345839	12191090	1.96
At the end of the year – 31.03.2017					12191090	1.96

6. DODGE AND COX INTERNATIONAL STOCK FUND						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		16522808	2.66			
22.04.2016	Decrease/Transfer			-478746	16044062	2.58
29.04.2016	Decrease/Transfer			-20654	16023408	2.58
06.05.2016	Decrease/Transfer			-352241	15671167	2.52
13.05.2016	Decrease/Transfer			-483491	15187676	2.45
20.05.2016	Decrease/Transfer			-684002	14503674	2.34
27.05.2016	Decrease/Transfer			-45960	14457714	2.33
10.06.2016	Decrease/Transfer			-420654	14037060	2.26
17.06.2016	Decrease/Transfer			-551057	13486003	2.17
24.06.2016	Decrease/Transfer			-292169	13193834	2.12
30.06.2016	Decrease/Transfer			-391245	12802589	2.06
01.07.2016	Decrease/Transfer			-360676	12441913	2.00
08.07.2016	Decrease/Transfer			-153805	12288108	1.98
15.07.2016	Decrease/Transfer			-222797	12065311	1.94
22.07.2016	Decrease/Transfer			-514303	11551008	1.86
29.07.2016	Decrease/Transfer			-1165924	10385084	1.67
03.08.2016	Decrease/Transfer			-501274	9883810	1.59
05.08.2016	Decrease/Transfer			-182997	9700813	1.56
12.08.2016	Decrease/Transfer			-867289	8833524	1.42
19.08.2016	Decrease/Transfer			-60565	8772959	1.41
02.09.2016	Decrease/Transfer			-944800	7828159	1.26
09.09.2016	Decrease/Transfer			-39600	7788559	1.25
07.10.2016	Decrease/Transfer			-155698	7632861	1.23
14.10.2016	Decrease/Transfer			-16906	7615955	1.23
21.10.2016	Decrease/Transfer			-44093	7571862	1.22
11.11.2016	Decrease/Transfer			-399891	7171971	1.15
At the end of the year – 31.03.2017					7171971	1.15

7. ARANDA INVESTMENTS (MAURITIUS) PTE LTD						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		6832016	1.10			
Movement during the year				0		
At the end of the year – 31.03.2017					6832016	1.10

8. GENERAL INSURANCE CORPORATION OF INDIA						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		6969794	1.12			
22.04.2016	Decrease/Transfer			-100000	6869794	1.11
29.04.2016	Decrease/Transfer			-9646	6860148	1.10
24.06.2016	Decrease/Transfer			-75000	6785148	1.09
30.06.2016	Decrease/Transfer			-25000	6760148	1.09
06.01.2017	Decrease/Transfer			-50000	6710148	1.08
13.01.2017	Decrease/Transfer			-40000	6670148	1.07
27.01.2017	Decrease/Transfer			-15000	6655148	1.07
03.02.2017	Decrease/Transfer			-4748	6650400	1.07
17.02.2017	Decrease/Transfer			-50000	6600400	1.06
24.02.2017	Decrease/Transfer			-11178	6589222	1.06
03.03.2017	Decrease/Transfer			-18822	6570400	1.06
10.03.2017	Decrease/Transfer			-70000	6500400	1.05
17.03.2017	Decrease/Transfer			-50000	6450400	1.04
At the end of the year – 31.03.2017					6450400	1.04

9. NEW PERSPECTIVE FUND						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		6050000	0.97			
04.11.2016	Increase/Transfer			52000	6102000	0.98
10.03.2017	Decrease/Transfer			-446154	5655846	0.91
17.03.2017	Decrease/Transfer			-751942	4903904	0.79
31.03.2017	Decrease/Transfer			-1506563	3397341	0.55
At the end of the year – 31.03.2017					3397341	0.55

10. NEW WORLD FUND INC						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		4960500	0.80			
04.11.2016	Increase/Transfer			52000	5012500	0.81
06.01.2017	Decrease/Transfer			-38596	4973904	0.80
13.01.2017	Decrease/Transfer			-327904	4646000	0.75
03.03.2017	Decrease/Transfer			-1770000	2876000	0.46
10.03.2017	Decrease/Transfer			-444518	2431482	0.39
17.03.2017	Decrease/Transfer			-71373	2360109	0.38
24.03.2017	Decrease/Transfer			-490759	1869350	0.30
31.03.2017	Decrease/Transfer			-808799	1060551	0.17
At the end of the year – 31.03.2017					1060551	0.17

11. HDFC STANDARD LIFE INSURANCE COMPANY LIMITED*						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 - 01.04.2016		2923546	0.47			
08.04.2016	Decrease/Transfer			-45950	2877596	0.46
15.04.2016	Increase/Transfer			15062	2892658	0.47
22.04.2016	Increase/Transfer			100208	2992866	0.48
29.04.2016	Decrease/Transfer			-1379	2991487	0.48
06.05.2016	Increase/Transfer			13213	3004700	0.48
13.05.2016	Increase/Transfer			1868	3006568	0.48
20.05.2016	Decrease/Transfer			-765	3005803	0.48
27.05.2016	Decrease/Transfer			-5531	3000272	0.48
03.06.2016	Decrease/Transfer			-4910	2995362	0.48
17.06.2016	Increase/Transfer			54180	3049542	0.49
24.06.2016	Increase/Transfer			23267	3072809	0.49
30.06.2016	Increase/Transfer			12265	3085074	0.50
01.07.2016	Increase/Transfer			1584	3086658	0.50
08.07.2016	Increase/Transfer			100104	3186762	0.51
15.07.2016	Increase/Transfer			153846	3340608	0.54
22.07.2016	Increase/Transfer			96005	3436613	0.55
29.07.2016	Increase/Transfer			25000	3461613	0.56
05.08.2016	Increase/Transfer			6596	3468209	0.56
12.08.2016	Increase/Transfer			316895	3785104	0.61
19.08.2016	Increase/Transfer			90000	3875104	0.62
26.08.2016	Increase/Transfer			85600	3960704	0.64
02.09.2016	Increase/Transfer			251647	4212351	0.68
09.09.2016	Increase/Transfer			246293	4458644	0.72
16.09.2016	Increase/Transfer			84050	4542694	0.73
23.09.2016	Increase/Transfer			89064	4631758	0.75
30.09.2016	Increase/Transfer			50140	4681898	0.75
07.10.2016	Increase/Transfer			123764	4805662	0.77
21.10.2016	Increase/Transfer			60956	4866618	0.78
28.10.2016	Increase/Transfer			64833	4931451	0.79
04.11.2016	Increase/Transfer			39930	4971381	0.80
11.11.2016	Increase/Transfer			25760	4997141	0.80
18.11.2016	Decrease/Transfer			-5843	4991298	0.80
25.11.2016	Decrease/Transfer			-30306	4960992	0.80
02.12.2016	Increase/Transfer			4162	4965154	0.80
09.12.2016	Decrease/Transfer			-15341	4949813	0.80
16.12.2016	Decrease/Transfer			-18864	4930949	0.79
23.12.2016	Decrease/Transfer			-5680	4925269	0.79
30.12.2016	Decrease/Transfer			-32836	4892433	0.79
06.01.2017	Increase/Transfer			9297	4901730	0.79
13.01.2017	Increase/Transfer			15019	4916749	0.79
20.01.2017	Increase/Transfer			79047	4995796	0.80
27.01.2017	Increase/Transfer			35048	5030844	0.81
03.02.2017	Increase/Transfer			30543	5061387	0.81
10.02.2017	Increase/Transfer			39230	5100617	0.82
17.02.2017	Increase/Transfer			2757	5103374	0.82
24.02.2017	Increase/Transfer			27824	5131198	0.83
03.03.2017	Increase/Transfer			174760	5305958	0.85
10.03.2017	Increase/Transfer			28594	5334552	0.86

11. HDFC STANDARD LIFE INSURANCE COMPANY LIMITED*						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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
17.03.2017	Increase/Transfer			58941	5393493	0.87
24.03.2017	Increase/Transfer			14841	5408334	0.87
31.03.2017	Increase/Transfer			11620	5419954	0.87
At the end of the year - 31.03.2017					5419954	0.87

12. VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND*						
	Increase or Decrease / Reasons	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016		4662234	0.75			
08.04.2016	Increase/Transfer			16240	4678474	0.75
22.04.2016	Increase/Transfer			7650	4686124	0.75
29.04.2016	Decrease/Transfer			-7849	4678275	0.75
06.05.2016	Decrease/Transfer			-5019	4673256	0.75
20.05.2016	Decrease/Transfer			-6033	4667223	0.75
27.05.2016	Decrease/Transfer			-24106	4643117	0.75
03.06.2016	Decrease/Transfer			-32989	4610128	0.74
10.06.2016	Increase/Transfer			10793	4620921	0.74
17.06.2016	Decrease/Transfer			-16974	4603947	0.74
24.06.2016	Increase/Transfer			117	4604064	0.74
22.07.2016	Increase/Transfer			10548	4614612	0.74
29.07.2016	Increase/Transfer			31494	4646106	0.75
03.08.2016	Increase/Transfer			14996	4661102	0.75
05.08.2016	Increase/Transfer			9987	4671089	0.75
12.08.2016	Increase/Transfer			26460	4697549	0.76
19.08.2016	Increase/Transfer			37632	4735181	0.76
09.09.2016	Increase/Transfer			16980	4752161	0.77
07.10.2016	Increase/Transfer			18112	4770273	0.77
14.10.2016	Increase/Transfer			12452	4782725	0.77
21.10.2016	Increase/Transfer			42450	4825175	0.78
28.10.2016	Increase/Transfer			16980	4842155	0.78
11.11.2016	Increase/Transfer			36790	4878945	0.79
25.11.2016	Increase/Transfer			44714	4923659	0.79
02.12.2016	Increase/Transfer			25470	4949129	0.80
06.01.2017	Increase/Transfer			13272	4962401	0.80
13.01.2017	Increase/Transfer			28203	4990604	0.80
20.01.2017	Increase/Transfer			13272	5003876	0.81
03.02.2017	Increase/Transfer			39816	5043692	0.81
17.02.2017	Increase/Transfer			11060	5054752	0.81
24.03.2017	Decrease/Transfer			-85467	4969285	0.80
31.03.2017	Increase/Transfer			23672	4992957	0.80
At the end of the year – 31.03.2017					4992957	0.80

* Not in the list of Top 10 Shareholders as on 01.04.2016. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31.03.2017.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016	715004	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 – 31.03.2017				715004	0.12
2	**Mr. Deepak Parekh**					
	At the beginning of the year – 01.04.2016	112180	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 – 31.03.2017				112180	0.02
3	**Mr. Nadir B Godrej**					
	At the beginning of the year – 01.04.2016	479732	0.08			
	Increase - 1.4.2016 - Market Purchase			2200	481932	0.08
	Increase - 6.4.2016 - Market Purchase			500	482432	0.08
	Increase - 07.4.2016 - Market Purchase			1000	483432	0.08
	Increase - 17.8.2016 - Market Purchase			1000	484432	0.08
	Increase - 19.8.2016 - Market Purchase			1000	485432	0.08
	Increase - 22.8.2016 - Market Purchase			2000	487432	0.08
	Increase - 23.8.2016 - Market Purchase			2000	489432	0.08
	Increase - 24.8.2016 - Market Purchase			1568	491000	0.08
	Increase - 25.8.2016 - Market Purchase			2000	493000	0.08
	Increase - 26.8.2016 - Market Purchase			2000	495000	0.08
	Increase - 29.8.2016 - Market Purchase			1000	496000	0.08
	Increase - 31.08.2016 - Market Purchase			2000	498000	0.08
	Increase - 09.09.2016 - Market Purchase			4000	502000	0.08
	Increase - 12.09.2016 - Market Purchase			4000	506000	0.08
	Increase - 26.09.2016 - Market Purchase			2000	508000	0.08
	Increase - 27.09.2016 - Market Purchase			2000	510000	0.08
	Increase - 28.09.2016 - Market Purchase			2000	512000	0.08
	Increase - 29.09.2016 - Market Purchase			3100	515100	0.08
	Increase - 30.09.2016 - Market Purchase			800	515900	0.08
	Increase - 05.10.2016 - Market Purchase			2000	517900	0.08
	Increase - 06.10.2016 - Market Purchase			3100	521000	0.08
	Increase - 07.10.2016 - Market Purchase			1000	522000	0.08
	Increase - 09.12.2016 - Market Purchase			3000	525000	0.09
	Increase - 12.12.2016 - Market Purchase			2500	527500	0.09
	Increase - 13.12.2016 - Market Purchase			1000	528500	0.09
	Increase - 23.12.2016 - Market Purchase			1000	529500	0.09
	Increase - 26.12.2016 - Market Purchase			1000	530500	0.09
	Increase - 27.12.2016 - Market Purchase			67	530567	0.09
	Increase - 28.12.2016 - Market Purchase			1000	531567	0.09
	Increase - 29.12.2016 - Market Purchase			2000	533567	0.09
	Increase - 30.12.2016 - Market Purchase			4000	537567	0.09
	Increase - 06.01.2017 - Market Purchase			619	538186	0.09

Sl. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1st April, 2016]		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
	Increase - 20.02.2017 - Market Purchase			1000	539186	0.09
	Increase - 21.02.2017 - Market Purchase			1000	540186	0.09
	Increase - 23.02.2017 - Market Purchase			1000	541186	0.09
	Increase - 27.02.2017 - Market Purchase			1000	542186	0.09
	Increase - 01.03.2017 - Market Purchase			117	542303	0.09
	At the end of the year – 31.03.2017				542303	0.09
4	**Mr. M. M. Murugappan**					
	At the beginning of the year – 01.04.2016	100000	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 – 31.03.2017				100000	0.02
5	**Mr. R. K. Kulkarni**					
	At the beginning of the year – 01.04.2016	83088	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 – 31.03.2017				83088	0.01
6	**Mr. Vikram Singh Mehta**					
	At the beginning of the year – 01.04.2016	0	0.00			
	Increase – 27.03.2017 – Exercise of ESOPs			10000		
	At the end of the year – 31.03.2017				10000	0.00

Note: Dr. Pawan Goenka, Mr. Anupam Puri, Dr. Vishakha Desai, Mr. S. B. Mainak and Mr. T. N. Manoharan did not hold any shares of the Company during the Financial Year 2016-17.

Sl No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1st April, 2016]		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 – 01.04.2016	60582	0.01			
	Increase - 21.04.2016 - Exercise of ESOPs			6307	66889	0.01
	Decrease - 02.06.2016 - Market Sale			-132	66757	0.01
	Decrease - 03.06.2016 - Market Sale			-9868	56889	0.01
	Decrease - 07.06.2016 Market Sale			-311	56578	0.01
	Decrease- 08.06.2016 Maket Sale			-4689	51889	0.01
	Decrease - 30.06.2016 Market Sale			-10000	41889	0.01
	Decrease - 06.09.2016 Market Sale			-7750	34139	0.01
	Decrease - 07.09.2016 Market Sale			-2250	31889	0.01
	At the end of the year – 31.03.2017				**31889**	**0.01**
2	**Mr. Narayan Shankar**					
	At the beginning of the year – 01.04.2016	10156	0.00			
	Decrease - 01.09.2016 - Market Sale			-2836	7320	0.00
	Decrease - 02.09.2016 - Market Sale			-4164	3156	0.00
	Decrease - 31.03.2017 - Market Sale*			-250	2906	0.00
	At the end of the year – 31.03.2017				2906	0.00

* Sold 250 shares on 31.03.2017 but not debited from demat account of Mr. Narayan Shankar on that date.

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	2,89,554.18	2,233.37	2,91,788.22
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	523.76	142.59	666.35
Total (i+ii+iii)	**0.67**	**2,90,077.94**	**2,375.96**	**2,92,454.57**
Change in Indebtedness during the financial year				
• Addition	—	2,17,825.17	80.54	2,17,905.71
• Reduction	—	2,25,006.98	2,351.73	2,27,358.71
Net Change	—	**(7,181.81)**	**(2,271.19)**	**(9,453.00)**
Indebtedness at the end of the financial year				
i) Principal Amount	0.67	280,732.27	83.60*	280,816.54
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	2,163.86	21.17**	2,185.02
Total (i+ii+iii)	**0.67**	**282,896.13**	**104.77**	**283,001.56**

* Indicates unclaimed principal amount

** Indicates unclaimed interest amount

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in lakhs)

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Mr. Anand Mahindra (Executive Chairman)	Dr. Pawan Goenka (Managing Director)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	335.56	308.26	643.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.18	28.68	33.86
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option – Amount indicates perquisite value of ESOP exercised during the year	0.00	0.00	0.00
3	Sweat Equity			
4	Commission – as % of profit	381.62	357.99	739.61
5	Others – please specify (contribution to funds)	44.22	44.43	88.65
	Total (A)	**766.58**	**739.36**	**1505.94**
	Ceiling as per the Act			Rs. 41,827.77
		(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)

Sl. No.	Particulars of Remuneration	Name of Directors									Total Amount
		Mr. Deepak S. Parekh	Mr. Nadir B. Godrej	Mr. M. M. Murugappan	Mr. R. K. Kulkarni*	Mr. Anupam Puri	Dr. Vishakha N. Desai	Mr. Vikram Singh Mehta	Mr. S. B. Mainak (Nominee of LIC)$	Mr T N Manoharan@	
1	Independent Directors										
	Fee for attending board/committee meetings	11.00	15.00	14.00	17.90	6.00	5.30	14.00	–	5.50	88.70
	Commission	24.00	20.00	24.00	24.00	20.00	24.00	20.00	–	7.73	163.73
	Others, please specify (Perquisite value of ESOP)	–	–	–	–	–	–	64.10	–	–	64.10
	Total (1)	35.00	35.00	38.00	41.90	26.00	29.30	98.10	–	13.23	316.53
2	Other Non-Executive Directors										
	Fee for attending board/committee meetings	–	–	–	–	–	–	–	6.00	–	6.00
	Commission	–	–	–	–	–	–	–	18.00$	–	18.00$
	Others, please specify (Perquisite value of ESOP)	–	–	–	–	–	–	–	–	–	–
	Total (2)	–	–	–	–	–	–	–	24.00	–	24.00
	Total (B)=(1+2)	35.00	35.00	38.00	41.90	26.00	29.30	98.10	24.00	13.23	340.53
	Total Managerial Remuneration#	–	–	–	–	–	–	–	–	–	1846.47
	Overall Ceiling as per the Act										Rs. 4,182.78
											(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

@ Appointed as an Additional and Independent Director with effect from 11th November 2016.

Total remuneration to Managing Director, Whole-Time Director and other Directors (being the total of A and B).

* The sitting fees and commission was paid/payable to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.

$ The commission is payable to LIC.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. in lakhs)

Sl. 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	108.31	323.03	431.34
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4.86	12.30	17.16
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option*	0.00	75.07	75.07
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)	6.03	17.14	23.17
	Total	**119.20**	**427.54**	**546.74**

* Amount indicates perquisite value of ESOP exercised during the year

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, 30th May, 2017

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 the nature of loans to subsidiaries:

Rupees in crores

Name of the Company	Balances as on 31st March 2017	Maximum outstanding during the year
Mahindra & Mahindra Financial Services Limited	250.00	500.00
Mahindra Gujarat Tractor Limited	0.00	1.00
Mahindra Agri Solutions Limited	0.00	0.68
Bristlecone Limited	71.98	96.73
Mahindra Overseas Investment Company (Mauritius) Limited	73.55	77.18
Mahindra Retail Private Limited	70.00	70.00
Mahindra Vehicle Manufacturers Limited	0.00	1200.00

Loans and advances in the nature of loans to Associates:

Rupees in crores

Name of the Company	Balances as on 31st March 2017	Maximum outstanding during the year
PF Holdings B.V.	0.00	24.24

Management Discussion and Analysis

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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 $ 19.0 billion.

The Automotive and Farm Equipment Sectors of M&M, continue to focus on creating products and technology led services, which enable its customers and stakeholders to Rise. By focussing on customer centricity, frugal innovation and enhancing people capabilities, the Company continues to consolidate its leadership position in the domestic market while pursuing global expansion.

For the year under review, improvement in overall economic sentiment, a normal monsoon after two years of deficit rainfall, Government's focus on development of Agriculture and Infrastructure sectors, helped drive the demand for the automotive as well as the tractor industry.

In the Financial Year 2016-17, your Company sold 5,06,624 vehicles (a growth of 2.5% in comparison to the previous year) and 2,63,021 tractors (a growth of 22.8% over the previous year).



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The Automotive and Farm Sectors, along with their subsidiary, associate companies and joint ventures, achieved global sales of 9,54,107 vehicles and tractors (6,63,332 vehicles and 2,90,775 tractors), a growth of 8.3% over the previous year.

INDUSTRY STRUCTURE, OVERVIEW AND TRENDS

The Indian automotive industry comprises of several Indian-origin and multinational players with varying degrees of presence in different segments.

After more than a decade of establishing manufacturing base in India, MNC OEMs have garnered 87.7% share of the domestic Passenger Vehicles (PV) market. However, in the Commercial Vehicle (CV) space, India Origin OEMs continue to hold a large share of 97.1% of the domestic market.

Many leading automotive MNCs now have well established India development and sourcing centres. These centres are being leveraged to design and develop emerging market products in India. In addition, a high degree of India sourcing delivers price competitiveness for these new products. Further, the MNCs have aggressively pursued channel expansion and today, have a good channel presence in urban centres and are in the process of expanding into rural parts. At the same time, MNCs are increasingly using India as an export base. Today, 22.0% of MNC production is exported from India.

The Indian OEMs, despite starting late (in late 1990's) have gained significant experience in product development and have bridged the product performance and quality gaps with MNC designed products.

Today, the industry is focussed on managing portfolio readiness for the new safety norms which come into force in the Financial Year 2019 and the BSVI emission norms from the Financial Year 2021.

Similarly, the domestic tractor market also has a mix of Indian origin and international manufacturers and is segmented by horsepower.

Global Automotive Industry

In the Calendar Year (CY) 2016, global automotive sales for Passenger and Commercial Vehicles stood at a record of 93.8 million, which was a growth of 4.7% over the previous year. This growth is marginally more than the five year CAGR of 3.7%. This growth was primarily driven by China, India and Europe, which collectively account for 55.2% of the global automotive market. The US market remained flat at 17.9 million mark, while the Japanese market de-grew 1.5%. Source: Organisation Internationale des Constructeurs d'Automobiles (OICA).

Performance of the auto industry in China and the US were a contrast to the economic sentiment in the respective countries. While the Chinese auto sales grew 13.7% amidst a slowing economy, the US auto sales were flat in a growing economy. Automotive sales in China stood at 28.0 million (~20% of global auto sales), which is 10.1 million more than USA. Auto sales in China, had crossed US sales first time in 2008 and have since grown at 12.9% CAGR.

Auto sales in Africa stood at 1.3 million, which is a de-growth of 15.2%. This is the second consecutive year of double digit de-growth and has taken the African auto industry to 2010 levels. This slowdown is a result of weak economic sentiment, high inflation and high interest rates.

The automotive markets in Brazil and Russia are almost at 50% of their all-time high in 2012. While the fall in Brazil market continued at a steep 20.2%, the Russian market de-grew just 2.5% and has shown signs of cautious stabilisation on back of some recovery in oil prices.

Indian Automotive Industry

In the Financial Year 2016-17, the auto industry continued the growth momentum from the Financial Year 2015-16, which was a turnaround year for the Indian Automotive industry. Passenger Vehicle (PV) and Two Wheeler (2W) segments reported the highest ever sales, with PV sales crossing the three million mark and the 2W sales crossing the 17 million mark. The CV industry grew 4.2% with the LCV 2-3.5T (PU segment) posting the highest ever sales of 0.2 million and taking 29% share of total CV industry. However, the MHCV segment remained flat at a volume of 0.3 million.



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The demand for automobiles was driven by the Indian economy continuing the growth path, bounce back in rural sentiment and coupled with moderate inflation. The easing of monetary policy by RBI helped the affordability of finance. New launches by OEMs created the necessary excitement in the market. Cost of ownership of an automobile is an important factor for demand and in the Financial Year 2017, this factor was also on the positive side due to benign price hikes and stable fuel prices.

The performance of the auto industry in the Financial Year 2016-17 needs to reviewed in three parts.

The first half of the year, was the period of double digit growth – influenced by a positive rural sentiment, a normal monsoon after two consecutive years of a below average rainfall and a healthy economic environment. The third quarter of the Financial Year 2017, was a speed breaker because of demonetisation, where the industry growth decelerated to a flat or negative growth in some cases. But the fourth quarter of the Financial Year 2017, was the recovery period, where the industry was quick to bounce back. However, the volume loss in the third quarter of the Financial Year 2017, adversely impacted the overall volumes for the second half and the full Financial Year 2017.

The table below summarises the industry growth trend on a half yearly basis over the last two years.

Segment	H1F16	H2F16	H1F17	Q3F17	Q4F17	H2F17
PV Total	6.2%	8.3%	12.3%	1.8%	11.1%	6.4%
LCV Total	-7.4%	7.8%	11.7%	0.2%	7.0%	3.8%
LCV 2-3.5T	-4.3%	10.8%	18.6%	7.5%	12.0%	9.8%
MHCV Total	33.7%	27.8%	-1.2%	-3.1%	4.1%	1.1%
2W Total	-0.4%	6.5%	17.5%	-4.6%	-2.3%	-3.4%
Industry Total	0.4%	7.3%	16.3%	-4.0%	-0.7%	-2.3%
Industry (Excl 2W)	3.9%	10.3%	11.4%	-1.4%	5.4%	2.0%

The Passenger Vehicle segment, has demonstrated a clear shift towards preference for UVs, with the UV segment growing 29.9% and UVs accounting for 25% of PV sales in Financial Year 2017, (which was 21% in the Financial Year 2016 and 14% in the Financial Year 2012). The launch of UVs with car like comfort, fuel economy and competitive prices have led to increased preference for UVs and blurring of boundaries between sedan cars and UVs. Further, the industry has seen multiple new UV launches in the price range of Rs. 6 to 9 lakhs which accounts for ~50% of total UV market.

The MHCV Goods segment posted a volume of 0.25 million vehicles, which is a de-growth of 1.2% over the previous year. Saturation in replacement demand and demonetisation had an adverse impact on the MHCV goods industry, however, pre-buying of BSIII vehicles has resulted in a flat industry. The industry is still ~ 15% lower than the all-time high volume of 0.3 million in 2011-12.

The Pik-UP segment (LCV 2 to 3.5T segment) posted a good 13.2% growth on back of good monsoon leading to demand coming in from the Agri economy and ease of finance availability. The LCV < 2T segment which was showing some signs of recovery after a gap of 3 years in first half of the Financial Year 2017, again reported a de-growth in the second half of the Financial Year 2017 due to demonetisation.

The growth in the two wheeler industry was at a sub potential level at 6.9%. The scooter segment continued to increase its share of total 2W sales. The share of scooters in total two wheelers has grown from 13% in the Financial Year 2012 to 32% in the Financial Year 2017.

The table below shows the size of various segments of the Indian auto industry for the period Financial Year 2015-16 and Financial Year 2016-17 and the growth rates, spanning Financial Year 2013-14 to Financial Year 2016-17.

Industry Segment	Domestic Sales		YoY Growth			
	F16	F17	F 14	F 15	F16	F17
Cars	20,25,097	21,02,996	-4.7%	5.1%	7.8%	3.8%
Utility Vehicles	5,86,576	7,61,997	-5.0%	5.0%	6.2%	29.9%
Vans	1,77,535	1,81,734	-19.6%	-10.2%	3.6%	2.4%
Passenger Vehicles	27,89,208	30,46,727	-6.1%	3.9%	7.2%	9.2%
MHCV	3,02,397	3,02,529	-25.4%	16.1%	29.9%	0.0%
MHCV Passenger	43,909	47,262	-17.5%	-4.8%	19.2%	7.6%
M+ICV Goods (7.5 to 16.2T)	88,591	89,357	-30.2%	-4.6%	26.0%	0.9%
HCV Goods (>16.2T)	1,69,897	1,65,910	-24.2%	42.6%	35.3%	-2.3%
LCV	3,83,307	4,11,703	-17.6%	-11.6%	0.3%	7.4%
LCV Passenger	48,936	50,864	-10.6%	4.7%	9.2%	3.9%
LCV Goods < 2T GVW	1,16,555	1,16,890	-32.5%	-21.3%	-11.3%	0.3%
LCV Goods 2 to 3.5T GVW	1,83,419	2,07,610	1.4%	-8.2%	3.5%	13.2%
LCV Goods > 3.5T GVW	34,397	36,339	-24.2%	-2.1%	19.5%	5.6%
Total CV	6,85,704	7,14,232	-20.2%	-2.8%	11.5%	4.2%
3W Passenger	4,40,978	4,02,034	-12.6%	12.1%	2.1%	-8.8%
3W Goods	97,230	1,09,624	-2.5%	6.3%	-3.4%	12.7%
3W	5,38,208	5,11,658	-10.8%	10.9%	1.0%	-4.9%
Scooters	50,31,678	56,04,601	23.2%	24.9%	11.8%	11.4%
Motorcycles	1,07,00,406	1,10,94,543	3.9%	2.3%	-0.2%	3.7%
Mopeds	7,23,767	8,90,367	-8.3%	3.6%	-3.3%	23.0%
2W	1,64,55,851	1,75,89,511	7.3%	7.9%	3.0%	6.9%
Total Domestic	2,04,68,971	2,18,62,128	3.5%	7.1%	3.8%	6.8%
Domestic (Excl. 2W)	40,13,120	42,72,617	-9.5%	3.7%	7.1%	6.5%

Indian Tractor Industry

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Tractor industry growth in the Financial Year 2017, was led by improvement in rural economy on back of normal monsoons – after two successive years of deficient rainfall, coupled with good increase in MSPs that lifted the farm sentiments during the year.

For the year under review, tractor industry in most states recorded good growth over previous year. States which gained the most are - Telangana 58.4%, Andhra Pradesh 46.1%, West Bengal 36.6%, Madhya Pradesh 29.9%, Maharashtra 24.4%, Uttar Pradesh 20.2%, Tamil Nadu 20.2%, Odisha 18.9%, Gujarat 18.4%, Jharkhand 16.4% and Haryana 13.8%. Other states which posted growth are Assam, Bihar, Chhattisgarh and Karnataka. All these states collectively accounted for about 86% of the total domestic sales. In Punjab and Rajasthan, the industry growth remained largely flat due to a mixed impact of de-growth in the first quarter of the Financial Year 2017 and the impact of demonetization in the third quarter of the Financial Year 2017. Uttar Pradesh retained its No. 1 position in tractor sales.

All segments of the tractor industry posted good growth. The 40 to 50 HP segment, which accounts for almost 50% of the industry, grew by 25.6%. Collectively, the industry under 30-50 HP, which accounts for more than 80% of the industry grew by 19%. The table below summarises the growth across various HP segments of the tractor industry.

HP Segment	Industry		
	F17	F16	Growth
Total	5,82,084	4,93,497	18.0%
<20	23,556	22,911	2.8%
20-30	30,558	30,225	1.1%
30-40	2,01,682	1,80,904	11.5%
40-50	2,84,706	2,26,627	25.6%
>50	41,582	32,830	26.7%



Your Company's Performance

AUTOMOTIVE SECTOR

During the year under review, your Company maintained its position as 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 11.0%.

For the year under review, your Company achieved overall volumes of 4,69,384 vehicles in the domestic market, a growth of 2.5% over the previous year.

The table below summarises the performance of your Company across various Industry Segments.

Segment	Industry		M&M		M&M Mkt. Share	
	F17	Growth	F17	Growth	CY	PY
Utility Vehicles	7,61,997	29.9%	2,22,541	0.1%	29.2%	37.9%
Cars	21,02,996	3.8%	3,219	-5.2%	0.2%	0.2%
Vans	1,81,734	2.4%	10,370	-2.1%	5.7%	6.0%
PV Total	30,46,727	9.2%	2,36,130	-0.1%	7.8%	8.5%
LCV Goods < 2T GVW	1,16,890	0.3%	30,043	7.9%	25.7%	23.9%
LCV Goods 2 to 3.5T GVW	2,07,610	13.2%	1,36,564	7.7%	65.8%	69.1%
LCV Goods < 3.5T	3,24,500	8.2%	1,66,607	7.7%	51.3%	51.6%
LCV Passenger	50,864	3.9%	4,640	22.8%	9.1%	7.7%
LCV Goods > 3.5T GVW	36,339	5.6%	2,986	12.8%	8.2%	7.7%
LCV > 3.5T	87,203	4.6%	7,626	18.7%	8.7%	7.7%
M+ICV Goods (7.5 to 16.2T)	89,357	0.9%	–	–	–	–
HCV Goods (>16.2T)	1,65,910	-2.3%	6,715	17.7%	4.0%	3.4%
MHCV Goods	2,55,267	-1.2%	6,715	17.7%	2.6%	2.2%
3W	5,11,658	-4.9%	52,306	-4.9%	10.2%	10.2%
MHCV Passenger	47,262	7.6%	–	–	–	–
AS (Dom) Total	42,72,617	6.5%	4,69,384	2.5%	11.0%	11.4%



Your Company maintained its leadership position in the domestic UV market with a market share of 29.2%. Your Company faced very challenging times in the Financial Year 2017, first due to unprecedented competition in the UV segment and because of demand slump due to demonetisation, especially from rural markets.

Competition in the UV segment was like never before, with over 11 new products being launched during the Financial Year 2016 and Financial Year 2017. With the customer preference shifting towards UVs and the attractiveness of new launches, a record 39% of UV sales for the year Financial Year 2017 were from new products launched in the period Financial Year 2016 and Financial Year 2017.

Further, the demand for your Company's UVs was adversely impacted in the third quarter of the Financial Year 2017, due to demonetisation – the impact of which was more severe in rural markets. Though the industry at large was quick to recover in January, 2017, the recovery was slightly slower in rural India as compared to urban India, having an adverse impact on demand for your Company's UVs in early part of the fourth quarter of the Financial Year 2017 as well.

Scorpio continues to build upon its iconic status and the demand for Scorpio remained strong at 49,319 vehicles, a growth of 2.6% over the previous year. Your Company launched Scorpio With Intelli-Hybrid (mild hybrid) Technology that reduces fuel consumption using Motor Assist, Electronic Start Stop and Brake Energy Regeneration.

Your Company strengthened the UV portfolio with the launch of the Bolero Power+, 100HP variant of the TUV300 and Automatic variant of the XUV500.

Bolero has been a very successful brand for your Company over the last 10 years, and in September, 2016, your Company launched the new Bolero Power+ with the mHawk^{D70} engine. The all New Bolero Power+ is an evolution of the Bolero brand, with an enhanced value proposition, delivering more power, more mileage and a peppier drive.



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In the market segment LCV goods < 3.5T, which accounts for almost 50% of total CV-goods industry, your Company has retained the No.1 position. Your Company's market share in this segment stands at 51.3%. This is the second consecutive year when your Company's market share of this segment is greater than 50%.

In the LCV<2T segment, the success of Jeeto which was launched in the Financial Year 2016 helped strengthen the market share to 25.7% which was 11.6% in the Financial Year 2015.

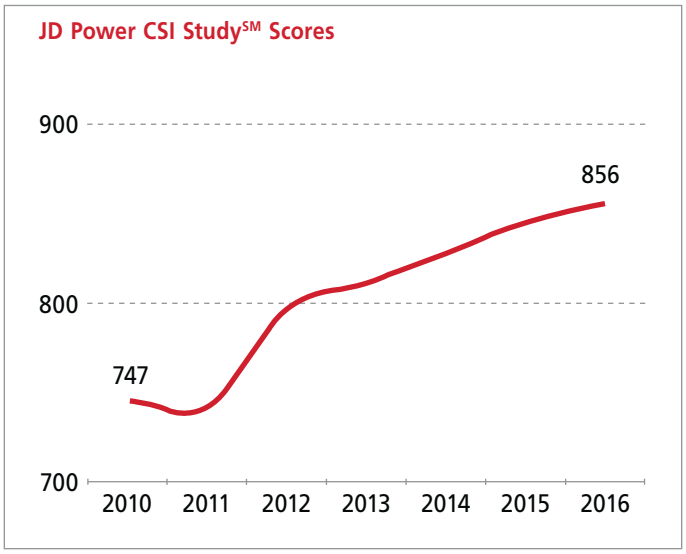
In the Pik-UP sub-segment (LCV goods 2 to 3.5T), your Company's market share stands at 65.8%. With the objective of sustaining leadership in this segment, your Company strengthened the product portfolio by launching new products and variants. In April, 2016, your Company launched the Big Bolero Pik-Up, which offers superior value proposition to its customers through class-leading cargo body length, payload capacity, better ergonomics and Driving Comfort. In February, 2017, your Company rolled out three new products on the 'Supro' platform - Supro Minitruck, Supro Minitruck CNG and Supro Cargo Van. In line with its Brand Promise of 'Supro' all three products deliver Superior power, Superior style, Superior Safety, Superior Comfort and Higher Earnings to its customers.

In the LCV > 3.5T segment, your Company sold a total of 7,626 trucks and buses which is a growth of 18.7% over the previous year.

In the MHCV segment, your Company sold a total of 6,715 trucks which is a growth of 17.7% over the previous year. In a year of flat industry, this growth was possible on back of improvement in product quality and service reach.

In February, 2016, your Company launched Blazo series of trucks, which were backed by a guarantee on Fuel Efficiency and Service. The Blazo series trucks are now available for a wide range of applications across the range of 25T to 49T. The performance of the Blazo series trucks has been appreciated by the customers and for the year under review, about 45% of MHCV sales are from Blazo series of trucks. The Blazo 37 truck, won the CV of the year award at the Apollo CV awards 2017.

Over the past few years, your Company has worked tirelessly to improve customer satisfaction at the dealerships as well as the product level. Efforts have been taken to strengthen your Company's network for sales and service, for reaching out to remote corners of India. The results of these efforts can be seen from the improvement in scores for Customer Satisfaction for Mahindra brand in the J.D. Power India Customer Service Index (CSI) Study^{SM}.



Overseas Operations – Automotive Sector

The Automotive Sector of your Company exported a total of 37,240 vehicles during the year 2016-17, a growth of 3.4% over the previous year. This is the highest ever vehicle exports by your Company.

Your Company continued to grow presence in the neighbouring markets of Sri Lanka, Nepal and Bangladesh, where volumes grew 8%. With continued efforts of building brand in key markets like South Africa and Chile, your Company reported a volume growth of 29% and 28% respectively. For the year under review, your Company launched the TUV300 and the KUV100 in South Africa. The XUV500 Diesel AT was launched in Australia and New Zealand.

FARM EQUIPMENT SECTOR

For the year under review, your Company continued its focus to deliver 'Farm Tech Prosperity' to the Indian farmer, through development and launch of technologically advanced tractors, agri machinery and farm solutions.

Tractors

The Financial Year 2016-17 saw the completion of 34 years of M&M leadership in the domestic tractor market. Your Company performed very well in the Financial Year 2017, attaining a market share of 42.7%, a gain of 1.8% over the previous year. This market share of 42.7% is the highest ever market share for your Company.

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For the period under review, your Company sold 2,63,021 tractors (domestic plus export), under the Mahindra and Swaraj brands, as against 2,14,173 tractors sold in the previous year, registering a growth of 22.8%. This growth was supported by normal monsoons, good increase in MSP and the Government's thrust on development of the agri sector, which collectively helped in elevating the positive sentiment in the agri sector and rural economy at large.

YUVO the technologically advanced tractor, launched in April, 2016, was a runaway success and has helped gain market share in the largest and fastest growing industry segments of 40-50 HP and the 30-40 HP. With its technologically advanced features and the promise of 'More – Faster – Better' YUVO has been highly successful in strengthening the technology leadership of Mahindra tractors.

To strengthen the portfolio in the lower HP segment, in April, 2017, your Company launched the Mahindra JIVO, in the sub 25 HP tractor segment. JIVO is a completely new small tractor platform which comes with new age, superior technology, compact design and high power. It is a best in class multi-application offering for our farmers in horticulture and row crop farming.

Global Footprint – Farm Equipment Sector

For the year under review, your Company exported 14,583 tractors (including 156 Completely Knocked Down Units), a growth of 26.3%. This is the highest ever export of tractors by your company.

Your Company strengthened its position in Africa, which is an important export market. Your Company also continued to perform well in the neighbouring markets of Sri Lanka, Nepal, Bangladesh and Myanmar. Your Company continued to strengthen its global footprint with a focus on the key markets of USA and Japan amongst other regions. Total tractor volumes outside India grew at 7.8% to 41,092 tractors.

Mahindra USA, a subsidiary of your Company, sold 20,898 tractors, and posted record sales and a market share gain of 0.7% in the relevant market segment. The XTV Utility Vehicles offered by Mahindra USA recorded a growth of 14% in volumes. Mahindra USA continues to expand its reach and strengthen the Mahindra brand in the North American market, by connecting with the consumer through various mediums.



Mitsubishi Mahindra Agricultural Machinery Co. Ltd. (MAM) an subsidiary of your Company in Japan, manufactures and sells Tractors, Power tillers, Planters, Combine harvesters, Binders, and Horticulture machinery. For the year under review, MAM tractor sales stood at 11,191 tractors.

Further strengthening on-ground presence in global markets, your Company, through the acquisition route, has set up a tractor CKD facility in Brazil under Mahindra do Brasil Industrial Ltda (MBIL). This on-ground presence will help your Company to build the Brazil market organically for full range of tractors and farm implements.

Farm Mechanisation

Farm mechanisation is an important enabler to address the concerns of farm productivity and labour shortage. Your Company has presence in the mechanisation space through Mahindra AppliTrac, which offers efficient and affordable mechanisation solutions across the spectrum of farming operations. These include rotary tillers, cultivators, harvesters, rice transplanters and balers.

For the year under review, Mahindra AppliTrac's growth remained largely flat, as rotary tillers, which is the fastest growing segment, was adversely impacted by demonetization in the third quarter of the Financial Year 2017, although for the full year, growth was recorded in Rotary tillers, Rice transplanters and other implements including balers.

ALLIED BUSINESSES

Mahindra Powerol

In the Financial Year 2016-17, Mahindra Powerol continued to be amongst industry leaders and posted a revenue growth of 8.6%.

With a focus on changing customer needs, your Company has further expanded the business in Tele infra management and in the energy management solutions space.

Amidst growing concerns on environmental sustainability, your Company took a step towards moving to greener solutions, by venturing into a new business of 'Green Gensets' through battery based solutions.

Construction Equipment – Mahindra EarthMaster

With an uptick in infrastructure spending the Indian Backhoe Loader (BHL) market grew by 33.6% over the previous year.

For the year under review, Mahindra EarthMaster sold 1,029 BHLs against 654 in the Financial Year 2016, a growth of 57.3%. With this growth, Mahindra EarthMaster is now the 4th largest BHL player in India.

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Mahindra EarthMaster, will continue to focus on improving sales channel performance and build consumer preference for the EarthMaster brand.

OPPORTUNITIES AND THREATS

Automotive Sector

Given the importance of the automobile industry to the economy, its potential for generating employment opportunities and its backward and forward linkages with several sectors, the Government is keen to support its development under the Make in India initiative.

Going forward, the Auto Industry is expected to show good growth across all segments on back of healthy economic outlook, finance penetration, investment in roads, infrastructure and new launches by OEMs.

Growing concerns over air pollution, 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 ownership patterns and will have a significant impact on the future of the automotive industry.

The Government has already announced the plan for migration to BSVI emission norms for all vehicles from April, 2020. Similarly, the Government has announced the plan for migration to new safety norms under Bharat New Vehicle Safety Assessment program (BNVSAP) by the Financial Year 2019 for new vehicles and the Financial Year 2020 for existing vehicles.

With an objective of improving air quality and reducing the fuel import bill, the Government is very aggressively pursuing the plan for electrification of the vehicle fleet. An ambitious target of having an all-electric vehicle fleet by 2030 has been set by the Government.

Increasing need for advanced technologies in the vehicles, competitive intensity and ever spiralling customer expectations

calls for increased R&D, closer working with suppliers, shorter product life cycles and rigorous monitoring of costs.

Farm Equipment Sector

Strong Government support for improvement in agriculture productivity, rural development and greater adoption of improved agricultural practices is expected to drive sustainable growth in agriculture sector. The Government has put in place, a program for doubling the farm income by 2022.

India, with its large base of small and marginal farmers, has several regions with low penetration of farm mechanisation. With increasing labour cost and scarcity, greater adoption of various forms of mechanization is the way forward. In this scenario, the market for tractors and other farm equipment is expected to grow in the long term.



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Going forward, the competitive intensity in the farm mechanization space is expected to increase, leading to new product launches and product offerings at high value points. The customer expectations of performance, quality and technology are also increasing with time. Staying ahead of competition by offering products with modern technology and features is likely to put pressure on costs.

Allied businesses

The rising demand for power 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

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.

Competitive Intensity

Keeping in mind the high growth potential of the Indian automotive market, all Original Equipment Manufacturers (OEMs) are actively investing in India specific new product development and product technology upgrades. Today, multinational OEMs are deeply entrenched in the Indian market with local development centres, a strong local supplier base and good channel penetration. As a result, their cost structures have become competitive and their response to market time has improved. They are launching India developed products at a very competitive price points. MNC OEMs are competing across all product sub-segments in Cars and UVs.

With growth in economy, improvement in infrastructure, implementation of GST and strengthening of the hub and spoke transportation model, the demand for commercial vehicles across product categories is expected to get a boost. The medium and heavy commercial vehicle segment features two dominant domestic players and in the recent past, it has also witnessed new entrants including MNC brands. However, the new entrants have seen limited success owing to the strong on ground presence of current market leaders and deep rooted brand bonding. The LCV < 3.5T commercial vehicle segment, where your Company is the market leader, is witnessing increased competition with the entry of MNC brands.

Your Company continues to invest in new product development as well as technology upgrades and will continue its focus on delivering customer centric products and build brand.

India is the world's largest tractor market by volume and the Tractor industry has presence of strong Domestic 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.

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 newly announced GST regime.

While the flagship products of your Company attract higher tax rates, your Company is continuously working on strengthening the portfolio of vehicles that attract lower tax rates.

Increased Preference for Petrol as a fuel

The Government of India announced policy for partial deregulation of diesel prices in January, 2013 and complete deregulation in October, 2014. As a result, the gap between Petrol and Diesel fuel prices has narrowed and the operating cost advantage that diesel vehicles had over petrol vehicles in the past couple of years is now reduced. This has resulted in preference for Petrol vehicles, especially in the passenger car and van segments.

To add to above, there has been an increased negative sentiment against diesel emissions and health effects despite the many advantages of diesel due to certain global developments. In India also, there were significant arguments that led to a negative public perception on diesel fuel, as well as the imposition of some incremental taxes for diesel passenger vehicles. This resulted in low consumer buying confidence for diesel vehicles across the country.

As a combination of the reduced operating benefit and the low consumer confidence on Diesel fuelled vehicles, the share of diesel vehicle sales in total passenger vehicles has dropped from 58% in the Financial Year 2013 to 40% in the Financial Year 2017.

Your Company is actively pursuing a strategy to introduce Petrol engines across the product range. The KUV100 which was launched in January, 2016 was launched with the mFalcon Petrol engine.



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New Regulation for Safety and Emission

Concerns over safety and environment protection are driving legislation and regulatory reforms. The Government of India has already announced the implementation timelines for the next level of safety and emission regulations for India. The Government has set the ambitious target of shifting to the BSVI emission norms from 1st April, 2020 on a pan India basis. The new safety regulations will be rolled out under the name of Bharat New Vehicle Safety Assessment program (BNVSAP). These will be applicable from the Financial Year 2019 for new vehicles and the Financial Year 2020 for existing vehicles.

Conforming to the next stage of regulations, both for safety and emission will call for use of advanced technologies and will have an impact on costs. Your Company is geared up and is confident of meeting these regulations.

New Products

To meet requirements of legislation, customer needs and be competitive at the marketplace, your Company is investing in an aggressive new product development and technology development programmes. The success of new product launches will have an important bearing on its future growth and profitability.

Environment and Alternate fuels

With greater awareness on air quality and the need to reduce dependence on fossil fuels, the Government is actively pursuing a program for having an all-electric fleet by 2030.

Your Company has been a pioneer for Electric Vehicles in India and is focussing on development of the Electric Vehicle (EV) market and upgrade EV technology capabilities. Your Company's Electric Vehicle portfolio comprises of the E20 electric car, e-Verito car and the Supro EV cargo and van. 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 create an EV ecosystem in India.

Monsoon

A normal monsoon is important for both agriculture as well as the rural economy. 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 have the potential of adversely impacting the business as observed in the Financial Year 2015 and Financial Year 2016.

Commodity Prices

For the period 2016-17, price increase in most of the commodities was moderate, except for sheet metal, where the price increase was steep. However, going forward, keeping the possibility of the commodity prices firming up, your Company continues to watch the market situation closely and continues to focus on cost re-engineering and value engineering to remain cost competitive.

Capacity

The Company has built adequate manufacturing capacity for the immediate future and is planning to invest in additional capacity in preparation for the mid to long term.

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 & FARM SECTORS

Both the Automotive and Farm Sectors strive to maintain their 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 its Sectors.

The mid-term outlook for the Indian auto industry is very positive. Society of Indian Automobile Manufacturers (SIAM) have forecasted the PV and CV industries to grow in double digits. The potential size of the Indian vehicle market (PV + CV) by the Financial Year 2019-20 to be as large as ~5.7 million vehicles (current size 3.8 million). This is a growth rate of ~15% CAGR.



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In the Financial Year 2018, automotive industry growth is likely to be driven by economic growth, increased investment in infrastructure, a normal monsoon and an overall improvement in consumer confidence. Seventh pay commission payouts and rabi crop incomes will also help drive demand for automobiles and tractors.

The cost of ownership of vehicles may see some increase, partly coming from increase in fuel prices and partly from price hikes resulting from the movement in commodity prices. Though in certain cases, GST implementation may result in lowering the prices of automobiles. The interest rates could soften marginally from current levels.

For the Financial Year 2018, SIAM forecasts a good growth for the Indian Auto Industry. The PV industry is expected to grow at 7-9%, LCV goods at 5-7%, CV total at 4-6%, double digit growth in 3W goods segment and the 2W industry is expected to grow at 9-11%.

On the export front for the auto business, recent product launches, complimented by brand building efforts will help push growth for your Company though challenges from regulatory and financial conditions, do exist in key markets of Sri Lanka and Nepal.

The tractor industry growth for the Financial Year 2018, is expected to be driven by a positive sentiment in rural India, emanating from a normal monsoon and good agri incomes. The Government programs for development of Agri Sector will also help keep the sentiment upbeat.

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, growing its presence in newly added territories of Brazil, Turkey and Europe and continue exploring to expand to newer geographies. Your Company will continue its efforts to grow and draw synergies from the recent alliances and acquisitions of MAM, SAMPO and Hisarlar.

STRATEGY

The Business landscape is changing very rapidly and so are the enablers for success. What have been the winning combination in the past is no more a winning formula today and in times to come.

In the past, winning 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 also increasingly assigning value to a Company that has a purpose.



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.

Your Company realises this, and hence has already started the shift from just offering products, to providing a solution and delivering an experience, with the product becoming an enabler. Rise, is the purpose of your Company.

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 and strengthen Research & Development and technology capabilities. In addition, your Company is pursuing expansion in overseas markets. Establishing the channel and building the brand in key focus markets remain the priorities for your Company.

With increasing concerns over global warming, the need for sustainable mobility and the Government's thrust on encouraging Electric Vehicles, your Company continues to focus and invest in development of alternate fuel technologies and solutions especially electric vehicles.

Farm Equipment Sector



The Farm Sector's strategy is aligned to delivering 'Farm Tech Prosperity' to the farmers.

The Farm Sector's strategy is aligned to delivering 'Farm Tech Prosperity' to the farmers. In its endeavour to grow and serve farmers better, the Company will continue to launch technologically superior tractors and farm machinery. Going forward, farm mechanization is a focus area for your Company.

Going further, with an objective to strengthen the global footprint and bring modern technologies in farm mechanization into India, your Company plans to leverage its partnerships with MAM – Japan and Sampo Rosenlew – Finland.

While the partnership with MAM will enable a presence across the Rice value chain, the partnership with Sampo will help establish a center of excellence for harvesters, which will jointly develop products to address global opportunities in the harvester space.

Taking one step further in the farm machinery space, your Company acquired a 75.1% equity stake in Turkey-based Hisarlar Makina Sanayi ve Ticaret Anonim irketi (Hisarlar). This acquisition will help your Company to expand business in Europe and Turkey. Hisarlar is a market leader in domestic soil preparation equipment market with 45% market share, and is the largest cabin manufacturer in Turkey.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS

The strategic purpose of Human Resources is to be a catalyst and change agent for creating the Human Capital transformation required to ensure sustained business outperformance, while simultaneously addressing the needs of its multiple stakeholders (starting 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. Your Company aims to support this aspiration by creating Mahindra Leaders who will lead Tomorrow's Company by focusing on a culture of outperformance, collaboration and partnership built on cutting-edge practices in Talent Management and Leadership Development. In order to ensure internalisation of this culture, the Mahindra Leadership Competency Framework has been integrated with the HR levers of Recruitment, Performance Management System, Talent Management, Reward & Recognition and Leadership Development.



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In this overall architecture, a key strategic initiative that needs mentioning is Employer Branding, coupled with the Employee Value Proposition of delivering a uniform One Mahindra experience to all employees. The template for creating Tomorrow's Leaders and harnessing the power of diversity (across its many dimensions including gender, age, nationality and culture) is also being put in place. Driving diversity and inclusivity in various lines of business and creating a pipeline of female leaders was identified as a key focus area in the Financial Year 2016-17 and accordingly the Group Diversity Council identified its key priorities for the year. Based on the recommendations of the Group Diversity Council, the Sector Level Councils implemented initiatives which were relevant for their businesses. To measure progress in managing diversity and fostering inclusion at business level, the Mahindra Way Framework was used for organization wide assessment of businesses on their diversity and inclusion initiatives. It provided customized focus and support to each business to take their Diversity and Inclusion agenda further. Two cohorts

of Women Leaders Program was launched under the aegis of Group Diversity Council with an objective to develop women managers in middle management to create a pipeline of female leaders and change agents for the Mahindra Group. Prevention of Sexual Harassment at Workplace related awareness and training of Internal Complaints Committee (ICC) members through classroom program and e-learning courses was also done. Mahindra World of Women (MWoW) which is a platform for peer learning and networking to derive inspiration from role models internally and externally, has been able to connect women across business and locations through virtual and offline mode.



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Focus continued on the Talent Management and Leadership Development processes which included Development Centres, Individual Development Planning, e-learning, up-skilling programs, Leadership Lifecycle programs and Action-Learning Projects. The Talent Management process is powered by a network of Sector Councils, with the Apex Talent Council playing a pivotal role in Succession Planning, Career Planning, Job Rotation, Hi-potential Identification and the talent pipeline development process. A robust Talent Scorecard process seeks to ensure succession planning and leadership development for both the immediate as well as the longer term, while the Performance Management System helps in the integration of the Balanced Score Card with business and individual goals through the annual goal setting process. This rigor in implementation has helped to create a shared understanding and to focus the efforts of employees in building a culture of outperformance. All the above processes of Talent Management, Learning Management System and Performance Management system have been digitized with the help of Success Factors and Sum Total. In order to ensure that the pulse of the workforce is captured, customized engagement constructs viz. a) MCARES for officers; and b) Workmen engagement construct for Workmen, have been designed in-house and administered. Based on the findings of the survey, various strategic interventions are rolled out and impact of these interventions is measured. The constructs are periodically revalidated and benchmarked with other constructs.

The Rise internalization programs not only cover Officers but also Workmen on the shop-floor, with whole-hearted participation by the latter in each manufacturing plant. Rise Awards were institutionalized for workmen across the Group, through competitions at the Plant, Sector and Group Level. To ensure that industrial relations is treated as a critical business process, the process of including it for assessment in The Mahindra Way model has started and several plants have been included in the next assessment cycle.

Social media is being effectively leveraged as a tool for employee collaboration and brand advocacy. In this regard, a Groupwide collaboration platform called Rise@Work was launched with over 18500 users across the Group. There are plans to enhance employee coverage and user engagement with the platform. An integrated social media architecture to build the employer brand has also been launched and branded as M-Advocates.



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HR processes that have been re-engineered to drive the Rise culture are working well. An in-house Multi-rater feedback instrument has been designed to provide feedback to senior leadership on the behaviours manifested under the 3 Rise pillars viz. Accepting No Limits, Alternative Thinking and Driving Positive Change and the 5 Leadership characteristics viz. Mindfulness, Manage fear and Leveraging failure, Whole Brain Thinking, Multiplier and Trust. A total of 337 employees have been covered so far and there are plans to expand the scope and coverage of the instrument. The manifestation of the 3 pillars of Rise coupled with the 5 characteristics of a Mahindra leader will go a long way in building admiration for the employer brand.

A formal Leadership Development process has been put in place with a three-tier approach which addresses entry, middle and senior management levels. The Mahindra Leadership University (MLU) is the Corporate University which supports the process of building capacity and capability in the leadership pipeline by leveraging a common virtual platform which delivers Learning and Development across the Group. MLU uses the principles of Instructional Design and the 3E approach (Experience, Exposure and Education) towards capability building and this has been integrated in all the programs. Experience is delivered by providing people with meaningful roles/projects, Exposure takes place through coaching and mentoring by leaders, and

Education by building mental acumen through development programs and classroom training.

MLU has been created to develop Global leaders in the Mahindra Group. It is a Strategic Initiative to support the Group in its journey of being one amongst the Top 50 most admired Global brands by 2021.

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The MLU has been established as a unique platform that links knowledge seekers and knowledge providers across the Mahindra Group to develop leaders in leadership and functional competencies; to develop leaders who would build a Company of tomorrow. To take this aspiration forward, the MLU Academies collaboratively work with Sectors to create and implement a futuristic learning agenda.

MLU converges upon building both Leadership and Domain capabilities through its various Academies, with each Academy headed by a Chairperson and supported by Business Leaders and Functional Leaders from Mahindra and by External Experts from Academia and the Industry.

All Academies consult Business Leaders in the Group to identify & prioritize capability development needs, create curriculum to build these capabilities, and offer it to businesses for delivery, and review the impact of the same.

The MLU seeks to make Mahindra a Continuous Learning Organization. One of the primary objectives of creating MLU is to create synergies in the learning and development efforts across the Group. Sectors are encouraged to leverage the efforts of Academies and to synergize with the academies and showcase learnings so as to derive benefit out of collaborative learning.

The MLU portal has been created as a one-stop for visibility of all offerings across the Group, both existing and new cutting-edge offerings. The portal is powered by a Group-wide Learning Management System (LMS) that has been implemented across the Company. The learnings can be leveraged amongst the Group to enable line of sight of learning modules and participate in those that create visibility and attractiveness to an employee from his/her capability perspective.

Working through its Academies, MLU conceptualized, designed and delivered 172 workshops (including 77 new offerings) during the past one year using the framework of a 'Laddered Approach' for the design and roll out of programs. This framework recognizes and addresses the need for varying inputs tailored to the different levels of leadership in the Mahindra system.

To cater to the unique requirements of the Services Businesses of the Mahindra Group, the Service Excellence Academy was launched in February 2017.

The Company encourages Leaders as Teachers and grooms young high-potentials in developing quality training material and content. Content developers from various academies have been trained in Instructional Design Methodology to ensure quality of the programs and to leverage in-house expertise. 94 new in-house faculty have been introduced in the Financial Year 2017, adding the Mahindra perspective to the offerings. 21 employee-initiated programs were also held, marking the shift toward employee-driven learning.

The Company has designed and rolled out the Future Leaders Program (FLP), a strategic Leadership development and Talent management journey for the Group. FLP is an 18-month journey through a 3-way collaboration between IMD, Lausanne, Yale School of Management and Mahindra Leadership University. FLP is the ultimate program in the Company's laddered approach to leadership development and will go a long way in strengthening the Company's leadership pipeline.

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The inaugural batch of FLP consisting of a cohort of 34 participants was launched on 21st July, 2016. The participants not only experience 3 intensive classroom modules across the globe at Switzerland, India and USA, but also make several discovery visits to leading global companies and interact with global leaders in these organisations. The first module of the program was conducted from 18th to 24th September, 2016 at IMD, Switzerland and the second module was conducted from 6th to 11th March in the MLU Learning Centre at Nashik, India.

Apart from this, participants are also engaged in project teams to address a Leadership Stretch Challenge (LSC) which can potentially shape the future of the Group. In addition, they have access to leadership coaches, and executive mentors, whom they leverage to make their learning journey as personal and as effective as possible. At the end of the program, participants will also be the alumni of these prestigious institutions – IMD, Lausanne and Yale School of Management.

Tie-ups with the Harvard Business School (HBS), the Ross School of Management – Michigan, the Yonsei Business School in Korea, and other leading management institutions in the country have helped enrich the Company's leadership offerings.

The journey of Reflective Conversations continues with the aim to make Mahindra a Reflective Organization thereby enabling the Company to grow towards the Group's aspiration. The proliferation, which began with Mr. Anand Mahindra and the Group Executive Board in July, 2013, has cascaded down to Department Heads and a few Managers, now covering around 1,500 people across multiple Businesses of the Group. To ensure cultural transformation and sustenance, the ecosystem for the practice of Reflective Conversations is being strengthened with more focus on building an internal trainer pool, focused reinforcement, role-modelling by leaders and partnership with stakeholders across Sectors to fully harness the power of Reflective Conversations in HR and Business levers for higher engagement, better connect with stakeholders and breakthrough Innovation.

To further facilitate practice and to build a culture of Reflective Conversations, the Company has launched a Coach Certification Program titled 'Mahindra Certified Reflective Coaches' (MCRC) to create Reflective Coaches to transform Mahindra Group into a Reflective Organization.

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This year Mahindra & Mahindra Limited emerged winner in the "Engineering & Automotive Sector" category at the annual Business Today's Best Companies to Work for Awards 2017 and was the recipient of the award for two consecutive years. A highly respected award in the industry, the Business Today Best Companies to Work For Survey is conducted in partnership with PeopleStrong and Naukri.com and is a web-based perception survey, open to all salaried employees in India. The final ranking was given out based on people practices and culture along the dimensions of career growth prospects, financial compensation, work-life balance, performance evaluation, etc. This achievement and recognition was mirrored by the rank given out by Great Places to Work last year, wherein the Company was adjudged the 19th best place to work in India and ranked number 1 in 'India's Best Companies to Work for' in the Manufacturing category. The leap that the Company has made year on year in the Great Workplaces rankings - from 38 in 2013 to 25 in 2015 and finally to 19 in 2016, only reaffirmed the belief that any recognition and strength of the employer brand in the external audiences is built through working consistently towards providing employees a great day to day experience at the workplace.

The Company was adjudged the 19th best place to work in India and ranked number 1 in 'India's Best Companies to Work for' in the Manufacturing category.

The Group Management Cadre (GMC) Program, which is the Group's prestigious strategic leadership development program for campus recruits sourced from top B-Schools of India, 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, 33 GMCs joined the Group across its various sectors and functions.

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 (as was evident from the Nielsen Campus Track Survey, 2016). The 9th Edition of the Event was rolled out between September and November, 2016, whereby Mahindra reached out to the brightest young minds across the top B-Schools on the country 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 heads. The Grand Finale of the event happened at Grand Hyatt on 7th November, 2016 in the presence of the Group Executive Board Members (including Mr. Anand G. Mahindra), who were also the jury for the event. The highlight of the event this year was the fact that for the first time, an international campus (Fudan University - China) was awarded joined runners-up with one of the premier Indian B-School.

The Transformational Work Culture initiative which aims to create an engaged workforce and an innovative,

productive and competitive shop-floor ecosystem, continues to grow in strength. The Transformational Work Culture Committee (TWCC) continually engages with long-term strategic initiatives which range from anticipated Labour Law reforms to 'Swachh Bharat Abhiyaan', Rise for Associates, Industrial Relations Skills for Frontline Officers, Cultural Diagnostics Projects, Transformational work culture Projects, e-Compliance, e-Quizz for associates, e-portal on reward and recognition for associates, e-safety module, Code of Conduct for Associates, and cutting edge ER Practices under MLU.

The Industrial Relations scenario continued to be largely positive across all Mahindra Automotive Manufacturing locations and during the year there have been no wage settlements. The wage settlement however, are due in the Financial Year 2017-18. Settlements for bonus have been a win-win and the Company continues to maintain a cordial, harmonious and collaborative work environment.

In order to foster holistic development of associates the focus on skill and will are of utmost importance. A series of various behavioural training program and awareness capsules were rolled out. These training programs covered a wide range of topics, including business acumen, ownership and achievement mindset, customer focus, awareness on Promise 2019 and Code of Conduct, including Union leadership development programs. Certain key programs to improve knowledge base resulting into productivity, quality improvement programs like karakuri principles, ergonomics, poka-yoke, creativity and disruptive innovation, were majorly on radar. System orientation program like Safety and Environment, quality tools and TPM were given major thrust across all plants.



Under the umbrella of NSDC, this year the Company partnered with CII for hosting competitions at National level to identify the best candidate for World Skills Competition to be held at Abu Dhabi in August, 2017.

The Mahindra Skill Excellence Initiative has been further strengthened and sustained to enhance the skill on shop-floor. The participation from associates across manufacturing facilities has increased in the last three years from 1,800 of last year to 2,400. This initiative has helped to motivate the employees across plants and give up-skilling a serious & methodical approach. The Initiative has brought laurels by winning awards in IndiaSkill competition, CII regional work Skill Competition and National level Indian Institute of Welding competition, the associates also got selected for Beijing Arc Cup Competition. Under the umbrella of NSDC, this year the Company partnered with CII for hosting competitions at National level to identify the best candidate for World Skills Competition to be held at Abu Dhabi in August, 2017. The associates are now participating for the 2nd time in Beijing for Arc Cup Competition. Besides, ideas were generated to resolve quality concerns, reduce cost, ensure safety and improve productivity. For the year under review, the shop floor associates generated about 19 ideas per person resulting into benefits in Quality, Productivity, Safety and Cost. M&M had a total of 20,366 employees on its rolls as on 31st March, 2017.

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals through monthly Plant Head communication, an effective concern resolution mechanism, and the firm belief that employees are the most valuable assets of the Company, are the cornerstone of the Company's employee relations approach. An 'open door policy' and constant dialogue to create win-win situations, have helped the Company to build trust and harmony. All this resulted in zero production loss in the Financial Year 2016-17 and helped create a peaceful, healthy and collaborative work environment.

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. 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. Your Company has a strong and independent internal audit function consisting of professionally qualified accountants and engineers. The Chief Internal Auditor reports directly to the Chairman of the Board. Significant observations made by the internal audit team and the follow up actions thereon are reported to the Audit Committee. 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.

Discussion on Financial Performance with respect to Operational Performance

Overview

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 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 Other Intangible Assets:

As at 31st March 2017, the Property, Plant and Equipment and other Intangible Assets stood at Rs. 9,673 crores as compared to Rs. 9,158 crores as at 31st March, 2016. During the year, the Company incurred capital expenditure of Rs. 2,202 crores (previous year Rs. 2,163 crores). The major items of capital expenditure were on new product development and capacity enhancement.

Borrowings:

(Rs. in crores)

	Financial Year 2016-17	Financial Year 2015-16	Inc./(Dec.)
Long Term Borrowings	2,234	1,495	739
Short Term Borrowings	503	348	155
Current Maturities of Long Term Borrowings	78	1,073	(995)
Unclaimed Matured deposits	1	1	–
Total	**2,816**	**2,917**	**(101)**

Borrowings (including current maturities of long term debt and unclaimed matured deposits) have decreased from Rs. 2,917 crores in the previous year to Rs. 2,816 crores in the current year. The decrease is primarily on account of repayment of loans during the current year.

Inventories:

	March 31, 2017	March 31, 2016
Raw materials and bought out components as a % of cost of materials consumed	3.9%	3.8%
Finished goods and Stock-in-trade as a % of sales of products	3.5%	3.9%

Raw materials and bought out components as a % of cost of materials consumed has marginally increased from 3.8% in the previous year to 3.9% in the current year mainly on account of build-up of BS IV related inventory on account of transition from BS III to BS IV. However, finished goods and Stock-in-trade as a % of sales of products has decreased from 3.9% in the previous year to 3.5% in the current year largely on account of higher sales traction during March, 2017 predominantly of BS III vehicles.

Trade Receivable:

Trade Receivable is Rs. 2,918 crores as at March 31, 2017, as compared with Rs. 2,512 crores as at March 31, 2016. Also, as a percentage of gross revenue from sales of products and services, trade receivable is higher at 6.3% for the year ended March 31, 2017, as compared to 5.8% for the previous year mainly on account of temporary higher credit extended which is attributable to the prevailing market conditions towards the end of the Financial Year.



RESULTS OF OPERATIONS

Income:

(Rs. in crores)

Particulars	Financial Year 2016-17		Financial Year 2015-16		Inc./(Dec.)
	Amount	%	Amount	%	%
Sales of Products	45,965	105.1	42,797	104.6	7.4
Sale of Services	462	1.1	354	0.9	30.5
Other Operating revenue	669	1.5	488	1.2	37.1
Gross Sales & Income from Operations	47,096	107.7	43,639	106.7	7.9
Less : Excise Duty on Sales	3,378	7.7	2,722	6.7	24.1
Net Sales & Income from Operations	43,718	100.0	40,917	100.0	6.8
Other Income	1,342	3.1	850	2.1	57.9

Net Sales, Income from Operations & Other Income:

The net sales and income from operations of the Company increased by 6.8% as compared to the previous year mainly driven by improved performance of the tractor business.

Other income during the Financial Year 2016-17 at Rs. 1,342 crores is higher than Rs. 850 crores earned in the previous year mainly on account of higher dividend income.

Particulars	Financial Year 2016-17		Financial Year-2015-16		Inc./(Dec.)
	Amount (Rs. crores)	% to Net Sales & Income from Operations	Amount (Rs. crores)	% to Net Sales & Income from Operations	%
Material Costs	31,803	72.7	29,516	72.1	7.7
Employee Benefits Expense	2,595	5.9	2,349	5.7	10.5
Finance Costs	146	0.3	186	0.5	(21.5)
Depreciation and Amortisation Expense	1,327	3.0	1,068	2.6	24.3
Other expenses	4,551	10.4	4,432	10.8	2.7
Total Expenses	**40,422**	**92.5**	**37,551**	**91.8**	**7.6**

Expenditure:

The total expenditure during the year as a percentage of net sales & Income from Operations is 92.5% as compared to 91.8% in the previous year.

Material Cost:

The material cost as a percentage of net sales & income from operations has increased from 72.1% in the previous year to 72.7% in the current year mainly on account of increase in commodity prices.

Personnel Cost:

The personnel cost as a percentage of net sales & income from operations has increased from 5.7% in the previous year to 5.9% in the current year mainly due to annual increments.

Other Expenses:

Other expenses as a percentage of net sales & income from operations shows a decrease over the previous year. The reduction is a reflection of the cost reduction initiatives undertaken by the Company.

Depreciation and Amortisation:

The increase in depreciation and amortisation is mainly due to full impact of capitalisation of assets during the previous year and the impact in the current year on account of capitalisation of assets during the year on account of capacity enhancements.

Finance Costs:

The interest expense for the year ended is lower mainly due to repayment of loans.

Exceptional Items:

Exceptional items in the current year comprises of profit on sale of certain long term investments and transfer of business partly offset by impairment of certain long term investments. Exceptional items in the previous year is on account of profit (net) earned on sale of certain long term investments.

Provision for taxation:

The provision for current tax and deferred tax for the year ended March 31, 2017 as a percentage to profit before tax (after exceptional items) is lower than the previous year mainly due to higher dividend income in the current year as compared to the previous year and the aforesaid exceptional items which does not have a significant tax impact.

Consolidated Financial Position of the M&M Group

As on 31st March, 2017 the Group for the purpose of consolidation comprised of the flagship holding company Mahindra & Mahindra Limited, 176 Subsidiaries, 18 Joint Ventures and 34 Associates.



The Group's net revenue and other income is Rs. 89,713 crores in the current year as compared to Rs. 80,983 crores in the previous year. The profit before exceptional items and tax for the current year is Rs. 5,004 crores as compared to Rs. 4,794 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. 3,698 crores as compared to Rs. 3,148 crores in the previous year.

Tech Mahindra Limited (TML), the Company's Flagship Company in the IT Sector, has reported a consolidated revenue of Rs. 29,141 crores in the current year as compared to Rs. 26,494 crores in the previous year, an increase of 10%. Its consolidated PAT is Rs. 2,813 crores as compared to Rs. 2,993 crores in the previous year, with a de-growth of 6%.

*The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a consolidated operating income of Rs. 7,146 crores during the current year as compared to Rs. 6,554 crores last year, clocking a growth of 9%. The consolidated profit after tax for the year is Rs. 512 crores as compared to Rs. 772 crores in the previous year. Mahindra Finance customer base has crossed 4.7 million customers. The Company currently has a network of 1,182 offices and Total Assets under Management of Rs. 46,776 crores as on 31st March, 2017 as against Rs. 40,933 crores as on 31st March, 2016, clocking a growth of 14%.

* Mahindra Finance financials is as per Indian Generally Accepted Accounting Principles (IGAAP).

Mahindra Lifespace Developers Limited (MLDL), the Group's subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 762 crores as compared to Rs. 593 crores in the previous year. The consolidated profit after tax after non-controlling interest for the year is Rs. 102 crores as compared to Rs. 92 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the Group's subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,282 crores as compared to Rs. 1,602 crores in the previous year. The consolidated profit after tax after non-controlling interest for the year is Rs. 149 cores as compared to Rs. 87 crores in the previous year clocking an increase of 71%.

Ssyangyong Motor Company (SYMC), the Korean Subsidiary of the Company has reported consolidated revenues of Rs. 21,153 crores in the current fiscal year as compared to Rs. 20,079 crores in the previous year, clocking a growth of 5%. The consolidated profit after tax for the year is Rs. 245 crores as compared to consolidated loss of Rs. 166 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	F-2017	F-2016
1.	Automotive	2,138	2,283
2.	Farm Equipment	2,609	1,982
3.	Financial Services	964	1,597
4.	Real Estate	72	105
5.	Hospitality	220	179
6.	Two Wheelers	(692)	(865)
7.	Others	(117)	33
8.	Eliminations	66	(26)
	Total	**5,260**	**5,288**

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.



Corporate Governance

Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has always practiced Corporate Governance of the highest standards and follows a culture that is built on core values and professionalism which over the past seventy years of the Company's existence has become a part of its culture and DNA.

Your Company places great emphasis on empowerment, integrity and safety of its employees, diversity, pollution-free environment, transparency in all its dealings and accountability towards all the Stakeholders. It is a firm conviction of the Company that good Corporate Governance practices are powerful enablers, which infuse trust and confidence and are able 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 ("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 are the Whole-time Directors of your Company. The remaining Non-Executive Directors, comprising of eight Independent Directors including a Woman Director and one Non-Independent Director as on 31st March, 2017 are highly renowned professionals drawn from diverse fields, possess the requisite qualifications and experience which enable them to contribute to the Company's growth and enhance the quality of Board's decision making process.

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.

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.

Professional fees for the year under review to Khaitan & Co., Advocates & Solicitors, in which Mr. R. K. Kulkarni, Non-Executive and Independent Director is a partner, amounted to Rs. 97.40 lakhs (including out of pocket expenses).

Pursuant to the recommendations of Governance, Nomination and Remuneration Committee, the Board at its Meeting held on 11th November, 2016, designated and appointed Mr. Anand G. Mahindra, who was holding the position of Chairman and Managing Director, as Executive Chairman of the Company for a period of five years with effect from 12th November, 2016 upto and including 11th November, 2021 and appointed Dr. Pawan Goenka who was holding the position of Executive Director and Group President (Auto & Farm Sector), as Managing Director of the Company for a period of four years from 12th November, 2016 upto and including 11th November, 2020, subject to approval of the Members of the Company at the ensuing Annual General Meeting ("AGM") of the Company.

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 eleven Directors as on 31st March, 2017. The name and categories of Directors, DIN, the number of Directorships and Committee positions held by them in the companies are given below. None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman 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.

Directors	Category	Directors' Identification Number (DIN)	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31st March, 2017		
			Directorships$	Committee Chairmanships+	Committee Memberships+
NON-EXECUTIVE					
Mr. Deepak S. Parekh	Independent	00009078	10	2	4
Mr. Nadir B. Godrej	Independent	00066195	10	1	3
Mr. M. M. Murugappan	Independent	00170478	10	4	4
Mr. R. K. Kulkarni	Independent	00059367	6	3	4
Mr. Anupam Puri	Independent	00209113	4	–	2
Dr. Vishakha N. Desai	Independent	05292671	1	–	1
Mr. Vikram Singh Mehta	Independent	00041197	8	–	2
Mr. S. B. Mainak (Nominee of LIC)	Non-Independent	02531129	4	1	1
Mr. T. N. Manoharan @	Independent	01186248	2	1	1
EXECUTIVE					
Mr. Anand G. Mahindra – Executive Chairman	Promoter	00004695	5	–	1
Dr. Pawan Goenka – Managing Director	Executive Director	00254502	7	–	1

* Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and Government Bodies.

$ 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) and Chairmanship(s) are counted separately.

@ Appointed as an Additional and Independent Director with effect from 11th November, 2016.

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. The Directors are also provided the facility of video conferencing to enable them to participate effectively in the Meeting(s), as and when required.

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, 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, remuneration of Key Managerial Personnel, major accounting provisions and write-offs, corporate restructuring, details of any joint ventures or collaboration agreement, 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 and information on recruitment of Senior Officers just below the Board level.

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 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, 2016 to 31st March, 2017, six Board Meetings were held on the following dates – 30th May, 2016, 10th August, 2016, 11th November, 2016, 3rd December, 2016, 10th February, 2017 and 28th March, 2017. 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 70th AGM of your Company was held on 10th August, 2016.

The attendance of the Directors at these Meetings was as under:

Directors	Number of Board Meetings attended	Attendance at the AGM
Mr. Anand G. Mahindra	6	Yes
Dr. Pawan Goenka	6	Yes
Mr. Deepak S. Parekh	5	Yes
Mr. Nadir B. Godrej	5	Yes
Mr. M. M. Murugappan	6	Yes
Mr. R. K. Kulkarni	6	Yes
Mr. Anupam Puri	4	Yes
Dr. Vishakha N. Desai	4	Yes
Mr. Vikram Singh Mehta	6	Yes
Mr. S. B. Mainak	6	Yes
Mr. T. N. Manoharan @	4	N.A.

@ Appointed as an Additional and Independent Director with effect from 11th November, 2016.

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 as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), 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

Pursuant to the recommendation of Governance, Nomination and Remuneration Committee, the Board at its Meeting held on 11th November, 2016 designated and appointed Mr. Anand G. Mahindra, who was holding the position of Chairman and Managing Director, as Executive Chairman of the Company for a period of five years with effect from 12th November, 2016 upto and including 11th November, 2021 and appointed Dr. Pawan Goenka who was holding the position of Executive Director and Group President (Auto & Farm Sector), as Managing Director of the Company for a period of four years from 12th November, 2016 upto and including 11th November, 2020, subject to approval of the Members of the Company at the ensuing AGM.

Dr. Pawan Goenka, Managing Director, is also liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company and has offered himself for re-appointment.

Pursuant to the recommendation of Governance, Nomination and Remuneration Committee, the Board at the same Meeting appointed Mr. T. N. Manoharan as an Additional Director, subject to approval of the Members of the Company at the ensuing AGM as a Non-Executive Independent Director for a period of five years with effect from 11th November, 2016.

The profiles of Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. T. N. Manoharan along with other details are as follows:

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 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.

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 liberalized 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.

During his tenure, the Mahindra Group has grown inorganically, seizing opportunities across the globe. Recent acquisitions include Ssangyong Motors, Reva Electric Car Company, Satyam Computer Services, Aerostaff Australia, 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.

He is the Chairman of the India Advisory Council of the Lincoln Center, New York and serves as the Trustee on the board of the Natural History Museum of London.

Mr. Mahindra is an Executive Chairman of Mahindra & Mahindra Limited, Chairman of Tech Mahindra Limited, Mahindra First Choice Wheels Limited and Director of Mahindra Holdings Limited, Prudential Management & Services Private Limited, The Mahindra United World College of India, Tech Mahindra Foundation, Araku Originals Limited, Naandi Community Water Services Private Limited and US-India Business Council.

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) (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), 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 the 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), Indian of the Year award by NDTV (2009).

Mr. Mahindra is a 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
		Stakeholders Relationship Committee	Member
		Research & Development Committee	Member
		Sale of Assets Committee	Member
		Corporate Social Responsibility Committee	Member

Mr. Mahindra holds 7,15,004 Ordinary (Equity) Shares in the Company.

Dr. Pawan Goenka
Managing Director

Dr. 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, Executive Director and Group President (AFS) in April 2015, and Managing Director of Mahindra & Mahindra Ltd., in November 2016. Dr. Goenka is also a member of the Group Executive Board at Mahindra Group.

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. He received the Qimpro Gold Standard 2014 (Business) Award for contribution as Role-Model Leader for World-Class Quality in Business. Dr. Goenka was conferred with the Doctor of Science (honoris causa) by I.I.T., Kanpur in 2015. Dr. Goenka has recently 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.

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 Industry (CII), and the Chairman of the Board of Governors of I.I.T., Madras.

Dr. Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, Mahindra Two Wheelers Limited, Mahindra & Mahindra South Africa (Pty.) Limited, Mahindra USA Inc., Ssangyong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Limited. He is the Managing Director of Mahindra & Mahindra Limited and also on the Boards of Mahindra First Choice Wheels Limited, Swaraj Engines Limited, New Democratic Electoral Trust, Association of Indian Automobile Manufacturers and Mahindra Yueda (Yancheng) Tractor Company Limited.

Dr. Goenka 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	Chairman
		Loans & Investment Committee	Member
		Stakeholders Relationship Committee	Member
		Corporate Social Responsibility 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.	Swaraj Engines Limited	Remuneration Committee	Member
5.	Ssangyong Motor Company	Management Committee	Chairman
		Outside Director Candidate Recommendation Committee	Member
6.	Mahindra Agri Solutions Limited	Nomination and Remuneration Committee	Member

Dr. Goenka does not hold any Ordinary (Equity) Shares in the Company.

Mr. T. N. MANOHARAN
Independent Director

Mr. T. N. Manoharan, born in a freedom fighter's family with an agricultural background, is a post graduate in commerce, a Law graduate from Madras University and a Fellow Chartered Accountant in Practice. He has authored books for professionals and students on Indian tax law. He was the President of the Institute of Chartered Accountants of India (ICAI) during 2006-07.

He was on the Board of the Insurance Regulatory and Development Authority and on the various Committees constituted by Reserve Bank of India, Securities and Exchange Board of India, Comptroller & Auditor General of India and Central Board of Direct Taxes. He was the Chairman of the Committee on Education and Centre for Excellence of South Asian Federation of Accountants and National Committee on Accounting Standards constituted by the Confederation of Indian Industry. Mr. Manoharan also served as a member of the International Accounting Education Standards Board. Mr. Manoharan was also nominated by the Government of India as part of the Six-Member Board for revival of erstwhile Satyam Computer Services Limited ("Satyam").

Mr. Manoharan was a Member of the Advisory Board on Banks, Commercial and Financial Frauds constituted by the Central Vigilance Commission during 2012-14, the Appellate Authority, constituted by the Government of India governing the accountancy profession in India during 2011-14. He was a Dean's distinguished visitor to Southern Queensland University in Australia.

Mr. Manoharan has been conferred the "Life Time Achievement" award in 2005 and "For the Sake of Honour" award in 2007 by the Rotary International. He was conferred "Super Achiever Award" by Lions International in 2006. He received the "Business Leadership Award" from the Hon'ble Finance Minister under the aegis of NDTV Profit in October, 2009 and the CNN IBN "Indian of the Year 2009" award from the Hon'ble Prime Minister of India in December, 2009 as part of the Satyam Revival Team. He is the recipient of the civilian honour "Padma Shri" award from the Hon'ble President of India in 2010.

Mr. Manoharan is the Non-Executive Chairman of Canara Bank and a Director on the Boards of Mahindra & Mahindra Limited and Tech Mahindra Limited. He is also a Member of the Governing Council for the Skill Development in BFSI sector.

Mr. Manoharan is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Audit Committee	Member
		Strategic Investment Committee	Member
		Risk Management Committee	Member
2.	Tech Mahindra Limited	Audit Committee	Chairman
		Risk Management Committee	Chairman
3.	Canara Bank	Board Committee	Chairman
		Special Committee-Frauds	Chairman
		Risk Management Committee	Chairman
		Remuneration Committee	Chairman
		Nomination Committee	Chairman
		Committee of Board	Member
		Audit Committee	Member
		Sub Committee-Human Resources	Member
		Sub Committee-Business Plan Strategy	Member

Mr. Manoharan 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 Senior Management and Employees of the Company. These Codes have been posted on the Company's website: http://www.mahindra.com. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Executive Chairman 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

As required under Regulation 17(8) of the Listing Regulations, the Executive Chairman, the Managing Director and Group CFO & Group CIO of the Company have jointly certified to the Board regarding the Financial Statements for the year ended 31st March, 2017.

H. Board Evaluation

During the year under review and based on the recommendation of Governance, Nomination and Remuneration Committee, the process of seeking responses from Board, Committees, Executive and Non-Executive Directors as well as questionnaires were further strengthened in alignment with the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India, vide its Circular dated 5th January, 2017.

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.

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 Executive Director and Non-Executive Directors. The Independent Directors also carried out performance evaluation of the Managing Director of the Company. The Directors expressed their satisfaction with the evaluation process.

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, 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, etc. Pursuant to Regulation 46 the details required are available on the website of your Company at the web link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip

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. The Policy was approved by the Board of your Company at its Meeting held on 31st October, 2014, based on the recommendations made by the Governance, Nomination and Remuneration Committee ("GNRC"). This Policy is furnished in Annexure V-B to the Board's Report.

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 may consider deem fit.

The elements of remuneration package of Executive Directors includes salary, benefits, stock options, provident fund, etc. 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, 2017

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, 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. 181.07 lakhs (provided for in the accounts for the year ended 31st March, 2016), distributed amongst the Directors as under:

(Rs. In Lakhs)

Directors	Commission for the year ended 31st March, 2016, paid during the year under review
Mr. Deepak S. Parekh	24.00
Mr. Nadir B. Godrej	20.00
Mr. M. M. Murugappan	24.00
Mr. Bharat Doshi@	7.07
Mr. R. K. Kulkarni*	24.00
Mr. Anupam Puri	20.00
Mr. Vikram Singh Mehta	20.00
Dr. Vishakha N. Desai	24.00
Mr. S. B. Mainak# (Nominee of LIC)	18.00

@ Ceased to be a Director with effect from the conclusion of the 69th AGM held on 7th August, 2015.

* The commission was paid to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.

\# The commission was paid to LIC.

A commission of Rs.181.73 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, 2017 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 31st March, 2017 (Rs. in Lakhs)	Commission for the year ended 31st March, 2017, 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 31st March, 2017
Mr. Deepak S. Parekh	11.00	24.00	1,12,180
Mr. Nadir B. Godrej	15.00	20.00	5,42,303
Mr. M. M. Murugappan	14.00	24.00	1,00,000
Mr. R. K. Kulkarni	17.90*	24.00*	83,088
Mr. Anupam Puri	6.00	20.00	Nil
Mr. Vikram Singh Mehta**	14.00	20.00	10,000
Dr. Vishakha N. Desai	5.30	24.00	Nil
Mr. S. B. Mainak (Nominee of LIC)	6.00	18.00#	Nil
Mr. T. N. Manoharan @	5.50	7.73	Nil

* Sitting fees/commission were paid/is payable to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.

** Details of value of perquisites are given separately in Annexure VIII to the Board's Report.

Commission is payable to LIC.

@ Appointed as an Additional and Independent Director with effect from 11th November, 2016.

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, 2017

The Board at its Meeting held on 11th November, 2016, designated and appointed Mr. Anand G. Mahindra, who was holding the position of Chairman and Managing Director, as Executive Chairman of the Company for a period of five years with effect from 12th November, 2016 upto and including 11th November, 2021 and appointed Dr. Pawan Goenka who was holding the position of Executive Director and Group President (Auto & Farm Sector), as Managing Director of the Company for a period of four years from 12th November, 2016 upto and including 11th November, 2020, including remuneration payable to them based on the recommendations of Governance, Nomination and Remuneration Committee and subject to approval of the Members of the Company at the ensuing AGM of the Company.

Following is the remuneration paid/payable to the Whole-time Directors during the year ended 31st March, 2017:

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)	335.56	381.62	44.22	5.18	766.58	Earlier - 4th April, 2012 to 3rd April, 2017 Existing - 12th November, 2016 to 11th November, 2021
Dr. Pawan Goenka (Managing Director)	308.26	357.99	44.43	28.68	739.36	Earlier - 23rd September, 2013 to 22nd September, 2018 Existing - 12th November, 2016 to 11th November, 2020

[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 to whom Stock Options have been granted	Designation	2000 Scheme							2010 Scheme	
		Options granted in December, 2001* (1)	Options granted in June, 2005** (2)	Options granted in October, 2005 (3)	Options granted in September, 2006 (4)	Options granted in July, 2007 (5)	Options granted in August, 2008 (6)	Options granted in September, 2012 (7)	Options granted in January, 2011 (8)	Options granted in August, 2015 (9)
Mr. Anand G. Mahindra	Executive Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Pawan Goenka	Managing Director	25,290	*7,500***	*15,000***	*11,345***	*12,543***	*37,336***	Nil	*71,080	62,635
Mr. Deepak S. Parekh	Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Nadir B. Godrej	Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. M. M. Murugappan	Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. R. K. Kulkarni	Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Anupam Puri	Independent Director	20,000	@ 5,000***	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Vishakha N. Desai	Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	10,000	N.A.	Nil
Mr. Vikram Singh Mehta	Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	*10,000	N.A.	Nil
Mr. S. B. Mainak	Nominee Director	N.A.	N.A.	N.A.	N.A.	N.A.	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.

@ unexercised options lapsed.

@@ Appointed with effect from 11th November, 2016

Options granted on		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

* All these Options have been exercised.

** The Options granted stands 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, stands 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.

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 the Senior Executives of the Company. The terms of reference of the Council comprises review of Risks and Risk Management Policy on 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. 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

A. Audit Committee

This Committee comprises of the following Directors viz. Mr. Deepak S. Parekh (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. M. M. Murugappan, Mr. R. K. Kulkarni and Mr. T. N. Manoharan. All the Members of the Committee are Independent Directors. During the year under review, Mr. T. N. Manoharan was appointed as Member of the Committee with effect from 11th November, 2016. 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, 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, etc.

The Committee is also empowered to, inter alia, recommend the remuneration payable to the Statutory 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, material individual transactions with related parties not in normal course of business or which are not on an arm's length basis, if any.

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 on quarterly basis the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. 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, the Group CFO & Group CIO, the President (Group M&A, Corporate Accounts & Group Secretarial), the Executive Vice President – F&A Group, CFO Office, the Statutory Auditors, the Chief Internal Auditor, the Controller of Accounts, the Managing Partner – Mahindra Partners & President (Group Legal) and the Company Secretary. The Cost Auditor also attends the Committee Meeting at which the Cost Audit Report(s) are considered.

The Chairman of the Audit Committee, Mr. Deepak S. Parekh was present at the 70th AGM of the Company held on 10th August, 2016 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

The Committee met six times during the year under review. The Committee Meetings were held on 28th May, 2016, 9th August, 2016, 10th November, 2016, 3rd December, 2016, 9th February, 2017 and 27th March, 2017. 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. Deepak S. Parekh (Chairman)	5
Mr. Nadir B. Godrej	5
Mr. M. M. Murugappan	6
Mr. R. K. Kulkarni	6
Mr. T. N. Manoharan@	3

@ Appointed as an Additional Director and Member of the Committee with effect from 11th November, 2016.

B. Governance, Nomination and Remuneration Committee

The Governance, Nomination and Remuneration 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 in line with the regulatory requirements mandated in the Act and Part D of Schedule II of the Listing Regulations.

The scope of the Committee also includes review of market practices and decide on remuneration packages to the Executive Chairman, the Managing Director, the Presidents, etc., lay down performance parameters for the Executive Chairman, the Managing Director, the Presidents, etc. and review the same.

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 also 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 and performance evaluation is carried out based on the responses received from the Directors. During the year, the questionnaires were further strengthened in alignment with the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India, vide its Circular dated 5th January, 2017.

The performance evaluation of Independent Directors were based on the criteria viz. 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.

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.

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. R. K. Kulkarni and Mr. Vikram Singh Mehta. Mr. Anand G. Mahindra and Mr. Rajeev Dubey, Group President (HR & Corporate Services) & CEO (After-Market Sector) are permanent invitees to the Committee.

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 70th AGM of the Company held on 10th August, 2016.

The Committee met five times during the year under review. The Committee Meetings were held on 30th May, 2016, 9th August, 2016, 10th November, 2016, 9th February, 2017 and 27th March, 2017. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. M. M. Murugappan (Chairman)	5
Mr. Nadir B. Godrej	5
Mr. R. K. Kulkarni	5
Mr. Vikram Singh Mehta	4

C. Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr. R. K. Kulkarni, Independent Director. Mr. Anand G. Mahindra, Dr. Vishakha N. Desai and Dr. Pawan Goenka are the other Members of the Committee. 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 (including for transfer to Investor Education & Protection Fund as per the provisions of the Act and Rules framed thereunder) and monitor redressal of the grievances of the security holders of the Company relating to transfers, non-receipt of Annual Report, non-receipt of dividends declared, etc. 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 covers 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 the 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 Chairman of the Committee, Mr. R. K. Kulkarni was present at the 70th AGM of the Company held on 10th August, 2016.

During the year, 17 complaints were received from the Shareholders, all of which have been attended/resolved to the satisfaction of the Shareholders. As of date, there are no complaints/pending share transfers pertaining to the year under review.

The Committee met four times during the year under review. The Committee Meetings were held on 30th May, 2016, 10th August, 2016, 10th February, 2017 and 27th March, 2017. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. R. K. Kulkarni (Chairman)	4
Mr. Anand G. Mahindra	4
Dr. Pawan Goenka	4
Dr. Vishakha N. Desai	3

D. Corporate Social Responsibility Committee

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.

The CSR Policy for your Company as duly amended is displayed on the Company's website: http://www.mahindra.com.

Dr. Vishakha N. Desai, Independent Director is the Chairperson of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka, Mr. R. K. Kulkarni and Mr. Vikram Singh Mehta are the other Members of the Committee. Out of the total number of Members of the Committee, three are Independent Directors. The Committee met three times during the year. The Committee Meetings were held on 30th May, 2016, 10th November, 2016 and 27th March, 2017. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Dr. Vishakha N. Desai (Chairperson)	2*
Mr. Anand G. Mahindra	3
Dr. Pawan Goenka	3
Mr. R. K. Kulkarni	3
Mr. Vikram Singh Mehta	3

* In addition, Dr. Vishakha N. Desai participated in one Committee Meeting through audio call. No sitting fee was paid to her for participation through audio call.

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. Deepak S. Parekh, Mr. Nadir B. Godrej, Mr. M. M. Murugappan and Mr. R. K. Kulkarni. Mr. T. N. Manoharan was appointed as Member of this Committee with effect from 30th May, 2017.

During the year under review, the Committee met twice on 28th May, 2016 and 10th November, 2016 which were attended by all of its Members.

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 three times during the year under review on 28th May, 2016, 10th November, 2016 and 28th March, 2017. These Meetings were attended by all of its Members.

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. Deepak S. Parekh,

Mr. Nadir B. Godrej, Mr. Vikram Singh Mehta and Mr. Anupam Puri are the other Members of the Committee. Mr. T. N. Manoharan was appointed as Member of this Committee with effect from 30th May, 2017.

The Committee met five times during the year under review on 28th May, 2016, 9th August, 2016, 10th November, 2016, 9th February, 2017 and 27th March, 2017. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	5
Mr. Deepak S. Parekh	5
Mr. Nadir B. Godrej	5
Mr. Vikram Singh Mehta	4
Mr. Anupam Puri	4

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. R. K. Kulkarni and Mr. Vikram Singh Mehta.

Apart from the Meetings, Circular Resolution(s) is/are passed by the Members after discussion over a conference call between the Directors. 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 eight times during the year under review on 13th April, 2016, 18th May, 2016, 10th August, 2016, 26th September, 2016, 15th October, 2016, 10th November, 2016, 16th January, 2017 and 19th January, 2017. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	6*
Dr. Pawan Goenka	6
Mr. R. K. Kulkarni	7
Mr. Vikram Singh Mehta	5*

* Participated in one Meeting through video-conference facility.

V. SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean 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.

Under this definition, the Company did not have any unlisted material subsidiary, incorporated in India during the year under review.

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.

The other requirement 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 also been posted on the website of the Company and can be accessed through the web link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-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: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip.

C. Disclosure of Transactions with Related Parties

During the Financial Year 2016-17, 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 Number 56 to Annual Accounts in the Annual Report.

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' 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 Employees and Connected Persons designated on the basis of their functional role in the Company 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. M&M Code of Conduct 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.

F. 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 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.

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 of the Company is available on the website of the Company and can be accessed at the web link: http://www.mahindra.com/resources/investor-reports/FY17/Annual Reports/Links-AnnualReport.zip.

VII. MEANS OF COMMUNICATION

Your Company, from time to time and as may be required, communicates with its 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.

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 were considered and approved.

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 BSE's online portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing

System (NEAPS), the online portal of National Stock Exchange of India Limited.

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 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.

VIII. GENERAL SHAREHOLDER INFORMATION

1. 71st Annual General Meeting

Date : 4th August, 2017

Time : 3:00 p.m.

Venue : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020.

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, 15th July, 2017 to Friday, 4th August, 2017, both days inclusive and the Dividend would be paid/despatched after 4th August, 2017.

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 of Rs. 500 crores are listed on the Debt Segment of BSE. During the year, your Company issued 4,750 Unsecured Redeemable Non-Convertible Debentures of Rs. 475 crores (Face value of Rs. 10 lakhs each) and are also 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 Society 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

5. Corporate Identity Number: L65990MH1945PLC004558

6. Registered Office Address

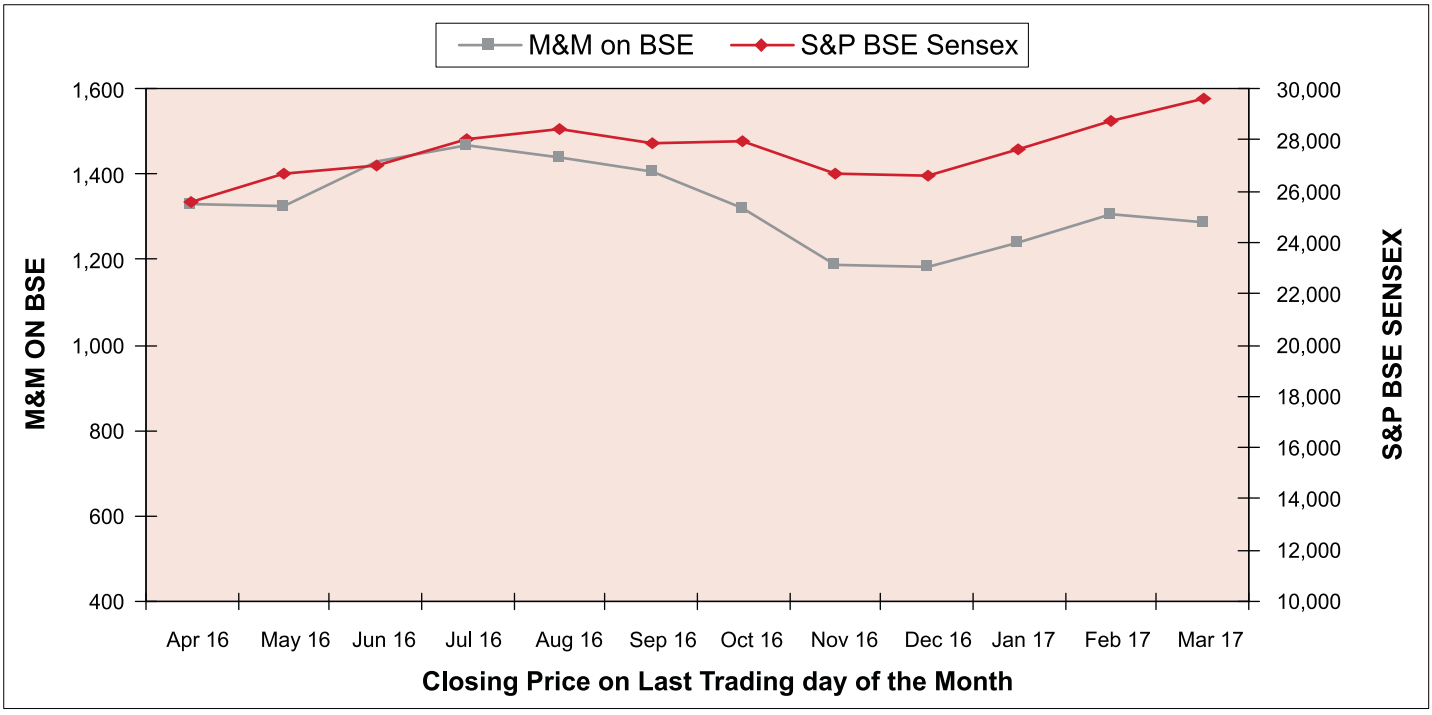
Mahindra & Mahindra Limited
Gateway Building,
Apollo Bunder,
Mumbai - 400 001.

7. Stock Price Data

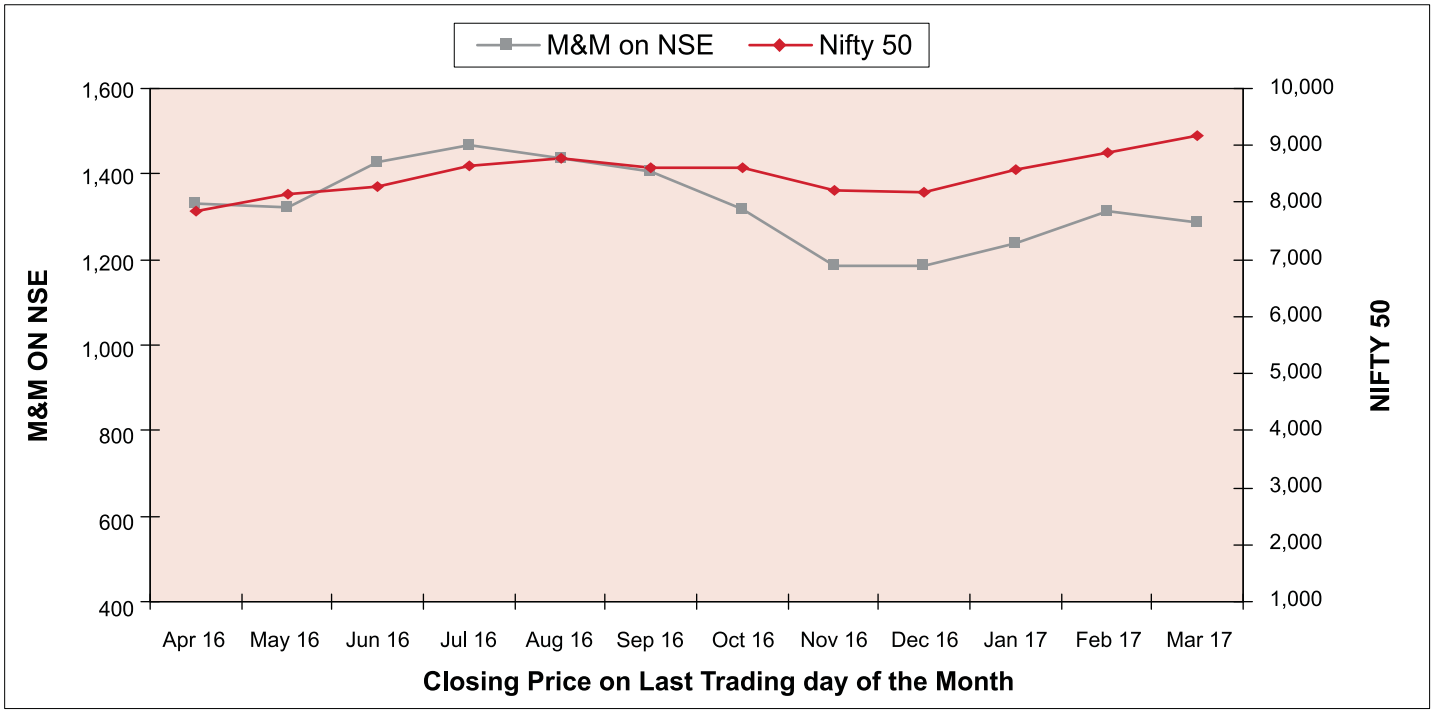
Month	Equity Shares				GDRs	
	BSE Limited		National Stock Exchange of India Limited		Luxembourg Stock Exchange	
	High	Low	High	Low	High	Low
	Rs.	Rs.	Rs.	Rs.	US$	US$
April, 2016	1,396.45	1,187.80	1,397.00	1,186.70	20.82	18.01
May, 2016	1,363.85	1,261.05	1,363.20	1,259.25	20.30	19.06
June, 2016	1,437.40	1,315.00	1,437.00	1,315.00	21.17	19.78
July, 2016	1,485.00	1,429.90	1,485.20	1,429.05	21.96	21.37
August, 2016	1,508.80	1,405.15	1,508.95	1,408.00	22.41	21.11
September, 2016	1,501.10	1,350.20	1,500.00	1,350.00	22.45	20.41
October, 2016	1,454.00	1,290.00	1,454.75	1,290.00	21.69	19.46
November, 2016	1,393.00	1,154.00	1,393.35	1,153.25	20.85	16.95
December, 2016	1,217.45	1,141.80	1,219.00	1,141.40	17.89	16.81
January, 2017	1,269.00	1,171.10	1,269.85	1,170.25	18.46	17.44
February, 2017	1,326.65	1,227.50	1,329.85	1,213.80	19.74	18.69
March, 2017	1,361.70	1,257.50	1,361.00	1,257.65	20.21	19.41

8. 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:



9. Registrar and Transfer Agents

Karvy Computershare Private Limited
Unit: Mahindra & Mahindra Limited
Karvy 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
E-mail : einward.ris@karvy.com
Website : www.karvycomputershare.com
Toll Free No. : 1800 3454 001

10. Share Transfer System

Trading in Ordinary (Equity) Shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form.

Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, Mr. V S Parthasarathy, Group CFO & Group CIO or Mr. Zhooben Bhiwandiwala, Managing Partner - Mahindra Partners & President (Group Legal) or Mr. S. Durgashankar, President (Group M&A, Corporate Accounts & Group Secretarial) or Mr. Narayan Shankar, Company Secretary of the Company have been severally authorised to approve the transfers of not more than 10,000 Ordinary (Equity) Shares per transfer, provided the transferee does not hold two lakh or more Ordinary (Equity) Shares in the Company. The Stakeholders Relationship Committee meets as and when required to, inter alia, consider the other transfer proposals, requests for issue of duplicate share certificates, attend to Shareholders' grievances, etc.

11. Distribution of Shareholding as on 31st March, 2017

Number of Shares held	Number of Shareholders	Number of Shares held	% of Shareholding
1 to 1,000	1,76,721	1,65,69,266	2.66
1,001 to 2,000	4,228	61,20,089	1.00
2,001 to 10,000	3,717	1,51,67,580	2.44
10,001 to 20,000	423	58,71,069	0.94
20,001 and above	805	57,73,64,380	92.96
Total	**1,85,894**	**62,10,92,384**	**100.00**

12. Dematerialisation of Shares and Liquidity

99.13% of the paid-up Ordinary (Equity) Share Capital of your Company is held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2017. 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, 2017 is around 74.73% and the stock is highly liquid.

13. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

3,28,79,851 GDRs were outstanding as on 31st March, 2017. 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, 2017.

During the year under review, your Company has appointed J. P. Morgan Chase Bank, N.A. as its overseas depository for managing the GDRs with effect from 3rd January, 2017 in place of The Bank of New York, Mellon.

14. Commodity price risk or Foreign Exchange Risk & hedging activities

The year under review saw firming up of commodity prices led by increase in crude oil, on the back of benign commodity prices in the previous year. The commodities like Steel saw sharp increases on account of rise in international prices, supported by antidumping and safeguard measures. The uptrend in commodities is expected to continue in the coming Financial Year.

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. Hedging of commodities as a part of "Commodity Risk Management" as well as Foreign Exchange and Commodity price risks 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 Nos. 41 & 42 to the Annual Accounts of the Annual Report.

15. Plant Locations

Your Company's manufacturing facilities are located at Kandivali, Nashik, Igatpuri, Nagpur, Zaheerabad, Jaipur, Rudrapur, Haridwar and Mohali.

16. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

Karvy Computershare Private Limited
Unit: Mahindra & Mahindra Limited
Karvy 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
E-mail : einward.ris@karvy.com
Website : www.karvycomputershare.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:

Karvy Computershare 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 e-mail ID for Investors for the purpose of registering complaints and the same has been displayed on the Company's website. Karvy Computershare 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 24975074
Fax No. : +91 22 24900833
E-mail : investors@mahindra.com

Your Company can also be visited at its website: http://www.mahindra.com

17. Address for correspondence with Debenture Trustee

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli,
Mumbai - 400 025
Tel. No. : +91 22 6226 0074/75
Fax No. : +91 22 4325 3000
E-mail : debenturetrustee@axistrustee.com

18. Disclosures with respect to demat suspense account/ unclaimed suspense account

The Company does not have any shares in the demat suspense account/unclaimed suspense account.

19. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

20. 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) in the respective places in this Report.

21. Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

22. 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.

IX. GENERAL BODY MEETINGS:

1. Details of General Meetings and Special Resolutions passed

Annual General Meetings ("AGM") held during the past 3 years and the Special Resolutions passed therein:

Year	Date	Time	Special Resolutions passed	
2014	8th August, 2014	3.30 p.m.	1.	Appointment of Dr. Pawan Goenka as an Executive Director and approval of the remuneration payable to him.
			2.	Create, offer, issue and allot Ordinary (Equity) Shares of Rs. 5 each of the Company to Mahindra & Mahindra Employees' Stock Option Trust.
			3.	Invite/accept/renew unsecured/secured Deposits from the public and/or Members of the Company.
			4.	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. 2,500 crores.

Year	Date	Time	Special Resolutions passed	
2015	7th August, 2015	3.00 p.m.	1.	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.
			2.	Approval for creation of mortgage, charge and hypothecation on all or any of the movable and/or immovable properties, both present and future, and/or the whole or substantially the whole of the undertaking(s) of the Company upto Rs. 5,000 crores, for securing loan(s), debentures, bonds or any other type of borrowing.
			3.	Approval and Adoption of new Articles of Association of the Company.
			4.	Payment of Commission to Non-Executive Directors of the Company.
2016	10th August, 2016	3.00 p.m.	1.	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.
			2.	Approval for change in the place of keeping the Registers and Index of Members, Debenture Holders and other security holders, if any, and copies of Annual Returns of the Company.

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 Annual General Meeting.

2. Resolution proposed through Postal Ballot and its procedure:

Subsequent to the year end, the Company pursuant to sections 230 to 232 read with section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Regulation 44 of Listing Regulations, provided the facility of Remote e-voting and Postal Ballot to its Shareholders as well as facility of voting through electronic voting system at the venue of the Meeting (Insta poll) for the Meeting to be held on Tuesday, 13th June, 2017 at 3.00 p.m., at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020, convened as per the directions of Mumbai Bench of National Company Law Tribunal, by its Order dated 5th April, 2017 to consider and approve, if thought fit, approving with or without modification(s), the arrangement proposed and embodied in the Scheme of Arrangement between the Company and Mahindra Two Wheelers Limited and their respective Shareholders and Creditors. The said Order also mentioned the appointment of Mr. Sachin Bhagwat as the Scrutinizer for the Meeting.

A Member desiring to exercise vote by postal ballot, may send duly completed form in the enclosed business reply envelope.

The Voting period will commence on and from Sunday, 14th May, 2017 at 9:00 A.M. and end on Monday, 12th June, 2017 at 5:00 P.M. The envelopes containing Postal Ballot Form should reach the Scrutinizer not later than 5:00 P.M. on 12th June, 2017 failing which, it will be strictly considered that no reply has been received from the Member. Postage on the Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot, if sent by Courier or by Registered Post or Speed Post, at the expense of the Member will also be accepted. Postal Ballot Form(s) may also be deposited personally at the Corporate Office of the Company.

The Postal Ballot Form received after this date and time will be strictly treated as if reply from the Member has not been received. The voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on close of business on Monday, the 8th day of May, 2017, being the cut-off date.

Mumbai, 30th May, 2017.

DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Mahindra & Mahindra Limited

I, Anand G. Mahindra, Executive Chairman 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, 2017.

Anand G. Mahindra
Executive Chairman

Mumbai, 30th May, 2017

CERTIFICATE

TO THE MEMBERS OF
MAHINDRA & MAHINDRA LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement dated 22nd August, 2016.

2. We, Deloitte Haskins and Sells, Chartered Accountants, the Statutory Auditors of Mahindra & Mahindra Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management.

   The 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 Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined books of accounts and other relevant records and documents maintained by Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), 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 and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.

9. 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

MUMBAI, 30th May, 2017

Business Responsibility Report

Business Responsibility Report

for the Financial Year 2016-17

[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 (CIN) of the Company** : L65990MH1945PLC004558
2. **Name of the Company** : Mahindra & Mahindra Limited
3. **Registered address** : Gateway Building, Apollo Bunder, Mumbai - 400 001
4. **Website** : http://www.mahindra.com
5. **E-mail id** : investors@mahindra.com
6. **Financial Year reported** : 01.04.2016 to 31.03.2017
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:**
   i. Number of International Locations: 0
   ii. Number of National Locations: 46
10. **Markets served by the Company – Local/State/National/ International:** All

Section B: Financial Details of the Company

1. **Paid up Capital (INR)** : 296.81 crores
2. **Total Turnover (INR)** : 48,438.53 crores
3. **Total profit after taxes (INR)** : 3,955.65 crores
4. **Total Spending on Corporate Social Responsibility (CSR) (INR) and as percentage of profit after taxes (%)** : 83.57 crores. 2.11%
5. **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 164 subsidiary companies as on 31st March, 2017.

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. Every year the Company releases a Sustainability Report as per the GRI framework which is externally assured. 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 of the entity. The scope of this report is defined each year. For the year 2016-17, 19 Subsidiaries have been included in the scope of Sustainability Report viz. Mahindra Vehicle Manufacturers Ltd. (MVML), Mahindra Electric Mobility Ltd. (MREVA), Mahindra Agri Solutions Ltd. (MASL), EPC Industrie Limited (EPC), Mahindra Two Wheelers Ltd. (MTWL), Mahindra Lifespace Developers Ltd. (MLDL),

Mahindra World City Developers Ltd. (MWCDL), Mahindra World City (Jaipur) Ltd. (MWCJL), Mahindra Holidays and Resorts India Ltd. (MHRIL),Mahindra & Mahindra Financial Services Ltd. (MMFSL), Mahindra Rural Housing Finance Limited (MRHFL), Mahindra Insurance Brokers Ltd. (MIBL), Mahindra Sanyo Special Steel Pvt. Ltd (MSSSPL), Mahindra First Choice Services Ltd. (MFCSL), Mahindra Intertrade Ltd. (MIL), Mahindra Steel Service Centre Limited (MSSCL), Mahindra Logistics Ltd. (MLL), Mahindra Heavy Engines Limited and 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 has been started and we have covered 573 suppliers till F17. A road map for covering additional 375 suppliers from F17 in the next 3 years' period has been put in place and actions are already underway to cover suppliers from Mahindra Trucks and Buses Division (MTBD), MTWL, Swaraj Division (SD) and Construction Equipment (CE) divisions. In F17, 145 suppliers were covered by conducting two online training sessions. Further, this year we supported Institute for Sustainable Communities (ISC) to launch EHS+ Center at 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.

For enhancing skills at the Supplier end, focused activities drive in the following areas was undertaken and organization work structure for the same has been put in place in the Purchasing group. The areas covered are supplier business capability building (93 suppliers), Mahindra supplier evaluation system (100 suppliers), Supply Risk Mitigation & Management (189 suppliers).

About 375 Suppliers have actively participated in Annual Supplier meets this year.

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 between 30-60% for Suppliers.

As regards SD (Swaraj Division), Training & Awareness and Assessment of 100 Suppliers which is 46% have been carried out in F16-17. Another 40 Suppliers will undergo training & awareness in F17-18

Similarly, 253 dealers out of 295 which is 86% have been brought under the Mahindra Dealers' Excellency Programme (MDEP).

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

a. Details of the Director/Directors 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)	N.A.
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.	**E-mail 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 operationalized 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: Wellbeing of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environmental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1.	Do you have a policy/policies for....	Y	Y Note 1	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	Y	N Note 2	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA Note 3	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y Note 5	Y	NA Note 3	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

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, Code of Conduct for All Employees, Business Responsibility Policy and Corporate Social Responsibility Policy are available on the following websites:
http://www.mahindra.com/Investors/Mahindra-and-Mahindra/Governance
http://www.mahindra.com/How-We-Help
http://www.mahindra.com/resources/pdf/about-us/Code-of-Conduct.pdf
http://www.mahindra.com/resources/investor-reports/FY16/Governance/MM%20Code%20of%20Conduct%20for%20Directors.pdf
http://www.mahindra.com/resources/pdf/csr/CSR-Policy-2016.pdf
http://www.mahindra.com/resources/investor-reports/FY18/Governance/MM%20Business%20Responsibility%20Policy.pdf

Note 5 – The Company has a "Whistleblower Policy" to address human rights 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 meet 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 meets at an interval of 6 months to assess the BR performance. 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 Sustainability Report as per the GRI framework is published annually. All Sustainability Reports from 2007-08 till 2015-16 are GRI compliant and for 2014-15 and 2015-16 are accessible on the Company website at the hyperlink http://www.mahindra.com/about-us/sustainability. The Sustainability Report for 2016-17 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.

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, 17 complaints were received from the shareholders, all of which were attended to/resolved till date. An individual who is a shareholder and former employee whose services with the Company were terminated in the year 1991 on proven misconduct was frequently writing to the Company, alleging mismanagement of the affairs of the Company, violations of various statutory provisions as also about his allegedly unjust termination from the services of the Company. The Company had replied to all his allegations. The Company had also filed a Criminal Contempt Petition No. 1 of 2015 against him in the High Court of Judicature of Bombay. The High Court had directed him to file reply to the Contempt Petition. In response, he filed an apologetic affidavit which was accepted by the Hon'ble Court, and no further proceedings are now pending in the said High Court on this matter. No further complaint/ communication has been received from him during the year ended 31st March, 2017.

   The company has different mechanisms for receiving and dealing with complaints from various stakeholders like Investors, Customers, Employees, and Suppliers 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.**

Product	Social & environmental benefits
1. Passenger Vehicles (UV/ MPV/ Cars)	**Scorpio** The New Generation Scorpio with all new front and rear styling makes it look leaner, more dynamic and aggressive. mHawk 4 cylinder Engine, Variable Geometry Turbocharger with Intercooler, 4 valves per cylinder, Common Rail Direct Injection Technology gives more power. The New Generation Scorpio has cushion suspension & anti-roll technology that makes driving comfortable. Intelli-Hybrid reduces fuel consumption using Motor Assist, Electronic Start Stop and Brake Energy Regeneration. Dual front airbags for safety.

Product	Social & environmental benefits
	XUV 5OO Euro VI The new XUV refresh has the following features like the micro hybrid technology, airbags, and powerful projector headlights along with light guides and ABS along with Electronic Brakeforce Distribution (EBD), Touchscreen display integrated infotainment system along with GPS, Bluetooth, USB, iPod connectivity, hands-free calling, configurable wallpaper and picture viewer. The emission norms have been achieved for Euro 6 for Europe & Chile export market. **Bolero Power +** The New Bolero Power+ with the reliable mHAWK engine gives more power to experience a drive without compromising on mileage. Delivering 52.5kW (70 bhp) @ 3600 rpm and delivering 195 NM @ 1400 - 2200 rpm. Being low on noise, vibration and harshness, the New Bolero Power+ delivers better power. The New Bolero Power+ ZLX is Bharat Standard IV compliant. Micro Hybrid System provides automatic fuel saving on every drive. It switches off the engine when it idles for a preset duration and switches the engine on, the instant your leg presses the clutch pedal. It improves fuel efficiency and reduces environmental emissions. **SUPRO CNG:** Engine Displacement 909cc, Fuel CNG, Engine Type 2 cyl sequential port injection with Power 18.8 kW, Torque 57 Nm @ 1800-2200 rpm, Mileage 22 km/kg.
2. Light Commercial Vehicles	**JEETO CNG** A mini-truck gives great mileage and big savings. 16 hp, 38 Nm. It also has best-in-class payload capacity of 700 kg to carry huge load; CNG tank capacity of 45 litres of water capacity; Semi forward design for more safety; Bigger windshield for better front view; Strong body and sturdy chassis; Bigger wheelbase for better stability and Good mileage of 33.2 km/kg. **SUPRO CNG Load carrier:** Engine Displacement 909cc, Fuel CNG, Engine Type 2 cyl sequential port injection with Power 18.8 kW, Torque 57 Nm @ 1800-2200 rpm, Mileage 22 km/kg.

Product	Social & environmental benefits
3. Tractors (Farm Division)	**Mahindra Yuvo: More, Faster, Better** In the 30-45 HP range, the new age Mahindra Yuvo with advanced technology opens doors to new possibilities. Launched with YUVO engine 3 and 4 cylinder Naturally aspirated and optimized rated speed of 2000 rpm., with increased back up torque, Lesser drop in RPM and a powerful engine to ensure tractor remains unstoppable even on hard soil. Full constant mesh transmission with 12 Forward and 3 Reverse gear box: It's the first in the 30-45 HP range, allowing to work with any tool with greater speed, with genuine side shift to shift gears with car-like ease. Best in class lift capacity of 1500 Kg. Improved clutch Suitable for agriculture, haulage, special applications, and multispeed Power Take off (PTO) option resulting into increased fuel efficiency & productivity, Improved clutch. Fatigue free driving for long hours with best operator comfort Car type hood opening with press of button for complete Serviceability under hood. Best in class looks with wrap around head lamps and smart looking diagnostics cluster as addition. Mahindra 585 DI Power plus: Power ki Pehchan Mahindra 585 DI Power plus: is a 50 HP tractor packed with immense power to handle the most difficult of tasks with considerable ease Launched with 50 HP Mahindra DI powerful 4 cylinder naturally aspirated engine, with rated speed of 2100 rpm, with 8 forward and 2 reverse (Partial constant mesh and full constant mesh options) gear system & lift capacity of 1640 Kg suitable to handle all kinds of agricultural and haulage applications suitable for host of agricultural implements like rotavator, potato planter, potato digger, reaper and leveller. Its ergonomically designed tractor suitable for longer work operation with comfortable seating, easy reach levers, LCD cluster panel for better visibility and large diameter steering wheel.

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, the resource use for entire portfolio is tracked and monitored. Since the products 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, GHG Emissions and Specific Water Consumption during production is appended below, which is as reported in the Group Sustainability Reports 2015-16 and 2016-17:

Resource Use	Divisions	Unit of Measurement	Current Year 2016-17	Previous Year 2015-16
Specific Energy Consumption	Automotive	GJ/Equivalent Vehicles	2.391	2.249
	Farm Division (Including Swaraj)	GJ/Equivalent Tractors	1.393	1.458
Green House Gas Emissions (Scope 1 & 2)	Automotive	tCO_2/Equivalent Vehicles	0.339	0.336
	Farm Division (Including Swaraj)	tCO_2/Equivalent Tractors	0.210	0.227
Specific Water Consumption	Automotive	KL/Equivalent Vehicles	1.978	2.313
	Farm Division (Including Swaraj)	KL/Equivalent Tractors	1.104	1.517

   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, optimizing logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimize 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 Green Supply Chain Management Policy, 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 System (MSES), Mass Manufacturing Approval (MMA) & Supply Risk Management (SRM). Continuous engagement with suppliers is ensured through supplier meets, business reviews, and training sessions. To motivate the suppliers to take the Sustainability agenda forward, good practices are recognized, by institutionalizing "Annual Sustainability Award".

As regards Swaraj Division, 30% suppliers related to machining & proprietary have been involved to make logistic sustainable & trying to use returnable bins in place of wooden & corrugated boxes as an alternate source with a plan to reduce Corrugated Box by 50% by F19 and eliminate wooden packing boxes by F19.

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 System (MSES), Technical Capability Building programs, Supply Risk Management (SRM), Safety Training & assessments and technical support for special processes during new product developments, Associate Value Specialist Program, 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 the 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, local (70%) & small suppliers (50%) covered for capability building which lead to:

- Better performance, less cost, on time delivery.
- Compliance of environment, health & safety.
- Readiness to participate in sustainable supply chain.
- Improvement in Water, Energy& CO_2 Footprint reduction Easy Monitoring.

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 endeavor 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. Our company is actively participating in the committee formed by 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 exported and certified as per European Emission Compliance (EEC) directive 2005/64/ EC. We have now conducted an experimental project to evaluate full LCA during 2017. For this study one UV pickup model Bolero Maxi Truck (BMT) assessment has been completed.

The CO_2 emissions are evaluated during the type approval test at the government approved test agencies and this data is used to assess the CO_2 impact of products as Company weighted average fuel consumption (CAFC) 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: 40188
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 19897
3. Please indicate the Number of permanent women employees: 642

4. Please indicate the Number of permanent employees with disabilities: 45
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) 92%
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 labor/forced labor/involuntary labor	Nil	Nil
2.	Sexual harassment	4	1
3.	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
   - Permanent Employees: 85%
   - Permanent Women Employees: 79%
   - Casual/Temporary/Contractual Employees: 64%
   - Employees with Disabilities: 73%

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 mechanization easily accessible, affordable and reachable to every Indian farmer. EPC - a Mahindra group company, popularly known as EPC Irrigation is a pioneer of micro-irrigation in India. EPC provides complete solution for agriculture with a focus on Micro-Irrigation, Pumps & inter-related requirements of fertigation & agronomic support.

   The Integrated Watershed Management (IWMP) project - a Public-Private-Partnership (PPP) with the Govt. of M.P. at Damoh is now fully implemented and handed over to the *'Grampanchayat'* and community. This project covers 9660 hectares and 4,000 households in 32 villages with a population of 20,000. Apart from increasing the farm productivity, the project has resulted in doubling the daily per capita income of the local stakeholders.

   On similar lines another project has been initiated at Bhopal. This project at Bhopal covers 12140 hectares and 7,066 households in 38 villages with a population of 30,000. The work done includes creation of more than 500 million litres of incremental rain water harvesting capacity through stop dam and farm ponds resulting in recharge of more than 110 bore wells and hand pumps. Additional Irrigation avenue was created for more than 290 hectares of land. 144 farmers opted for horticulture plantation (*wadi*) of about 0.5 to 1.00 acre area each.

   Additionally, the company has entered into a 'Agroforestry Livelihood Generation Programme' at Araku Valley. The Agroforestry project is regenerating the lost green cover through plantation of indigenous species and at the same time generating livelihood opportunities by planting fruit bearing trees for the tribal population staying in the valley to enable them to earn income from. The programme is in its phase 2 in which entire tree plantation is done by Mahindra and Mahindra Ltd.

   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.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management.**

   3 Complaints have been received through the Whistleblower Helpline. 1 was received by the Chairman of the Audit Committee.

   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.

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.

   The company has announced its internal Carbon Price of US $10 per ton of carbon emitted and became the first company in India to do so. The company is a global pioneer to sign a program EP-100 which commits to double the Energy Productivity by 2030 and also taken a target of 25% reduction in Carbon and Water footprint by 2019. The ESG performance is regularly presented at Dow Jones Sustainability Index (DJSI), Carbon Disclosure Project (CDP) and CII Sustainable Plus disclosures. The Company is also a signatory for India Business Biodiversity Initiative (IBBI). These strategies and initiatives are elaborated in the Company's GRI reports since 2007-08, and for 2014-15 and 2015-16 are accessible on the Company website at the hyperlink http://www.mahindra.com/about-us/sustainability.

   Sustainability Roadmap has been developed which includes targets related to energy, water consumption reduction, waste recycling and installation of renewable energy projects.

   An indicative list of various projects implemented in this regard is appended below and the complete details will be available in the Sustainability Report for the year 2016-17

   Energy Savings:
   - Installation of Heat Pump at Paint Shop
   - Variable Frequency Drives for blowers
   - Use of Energy efficient motors in place of conventional motors

   Water Savings:
   - Installation of Reverse Osmosis plant to treat water and reuse in process application
   - Use of low flow fixtures for optimum water flow
   - Recharging pits by Rain Water Harvesting for water conservation

   Waste Reduction:
   - Utilisation of waste Foundry sand to manufacture paver blocks for road repairing.
   - Recycling paint sludge by using as an input material for cement industry
   - Generation of bio gas from canteen food waste and used for cooking purpose

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 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. Same as stated under point 2 above.

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 member of 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. Federation of Indian Chambers of Commerce & Industry (FICCI), f. Indian Merchants' Chamber (IMC), 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 new Companies Act, 2013 Mahindra & Mahindra Ltd. has committed 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. Some

of the major initiatives the company has invested in the last financial year (F-17) are as follows:

a. **Project Nanhi Kali** – Provision of educational support to underprivileged girls from poor urban, remote rural and tribal communities across India.

b. **Mahindra Pride School (MPS)** – Livelihood training programme for youth from socially and economically disadvantaged groups.

c. **Mahindra scholarships at Mahindra United World College of India (MUWCI)** – to enable deserving and meritorious students to study at MUWCI.

d. **Lifeline Express** – supported a mobile hospital on a train, providing medical interventions and surgeries often in remote rural areas.

e. **Mahindra Hariyali** – Afforestation initiative to improve green cover & protect bio-diversity in the country and at the same time contribute to the livelihood of farmers.

f. **Integrated Watershed Management Project (IWMP)** – A public private partnership with the government of Madhya Pradesh for conservation of soil and water.

g. **Mahindra Saarthi Abhiyaan** – Scholarships to daughters of truck drivers which allows them to pursue higher education thus reducing drop outs amongst girls.

h. **Krishi Mitra & Wardha Farmer Family Project (WFFP)** – The project supports small and marginal farmers, targeting to improve their livelihood opportunities and prosperity by training them in effective farming practices including soil health, crop planning, creating model farms with bio-dynamic farming practices etc., with an aim of increasing crop productivity.

i. **BAJA** – Training under graduate engineering students in automotive engineering enabling them to get jobs in the automobile industry.

j. **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.

k. **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 rural Maharashtra and collectively partake in nation building.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

CSR initiatives 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?

Yes.

Project Hariyali plantation at Araku was audited in F17, by UNIQUE forestry and land use GmbH, Germany.

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. 83.57 Crores during the Financial Year 2016-17. Details of some of the major initiatives the company has invested in the last financial year (F17) 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 by the community. Below are three examples of the same:

(a) **PROJECT NANHI KALI** provided academic and material support to over 1,30,751 underprivileged girls across 11 states in F17. Of these 13,432 girls were supported

by M&M Ltd, while the Mahindra Group as a whole supported 60,420 girls. The balance girls are supported by other corporates & individuals. When the project is introduced in a new area, we ensure that a 'Village Education Committee' is set up and parents as well as village elders are sensitised on the importance of girls' education in particular, and other gender related issues. One of the metrics we monitor, is school attendance of girls, and we have found that in the areas where we have set up project Nanhi Kali, the school records reflect regular attendance of girls.

(b) **INTEGRATED WATERSHED MANAGEMENT PROJECT (IWMP)** – The Project is a Public Private Partnership initiative with the Madhya Pradesh Government in Damoh and Bhopal districts. The project spans 5 years, 70 Villages and benefits around 11,219 households. Through the project, we have successfully increased the ground water table through various 'watershed' measures. While the ground water level has increased by 30%, there is an increase in crop productivity by 28%. All the water conservation, management practices and livelihood initiatives have now been adopted by the villagers and the village level committees and SHGs are running them independently at Damoh and with some support from us at Bhopal.

(c) **MAHINDRA PRIDE SCHOOLS (MPS)** – is a livelihood training school for youth from socially & economically disadvantaged backgrounds. The Mahindra Group has set up 8 schools across the country, and 20351 students have undergone a 90-day training program at these schools. The USP of the project is 100% placement of the students in lucrative jobs. The alumni of MPS who are employed with different companies serve as role models to the community. More often than not, alumni have directly influenced the new incoming batches of students to enrol. 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 and motivate the current batch of students by sharing their success stories of how they overcame their challenges with the help of MPS.

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 organization. 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, 2017 is as follows:

	Automotive Division	Farm Division (Including Swaraj)	Total
Percentage of consumer cases pending as on 31st March 2017 of cumulative cases pending or filed since 1st April, 2009	**45.51%**	50%	46.47%**

** The divisor for the above calculation has been changed vis-à-vis the previous year. Had the divisor not been changed, the figures would have been as follows:

Auto Division: 20.93%, Farm Division 18.29% and Total 20.31%.

AD – Customer complaints

Receiving Period	Total Complaints Registered in this period	Open	Close	Open %	Close %
F17	**71070**	498	70572	**0.70%**	**99.30%**
F12-F17	**314716**	498	314218	0.16%	99.84%

FD – Customer complaints

Receiving Period	Total Complaints Registered in this period	Open	Close	Open %	Closed %
F17	**9790**	69	9721	0.70%	99.30%
F11-F17	**91964**	69	91895	0.08%	99.92%

SD – Customer complaints

Receiving Period	Total Complaints Registered in this period	Open	Close	Open %	Close %
F17	**138**	6	132	4%	96%
F11-F17	**821**	21	800	3%	97%

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 behavior 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 violation of provisions of the Competition/ MRTP Act. The Company is vigorously defending itself in these proceedings.

Description of the matters pending under the Competition Act, 2002:

1. Shamsher Kataria – Case No. 3/2011: Based on the information given by the Informant Shamsher Kataria against 3 car manufacturers, Honourable Competition Commission of India (CCI) had started investigation in respect of 17 car manufacturers about the non-availability of spare parts in the open market. One of the allegations is OEMs are restricting the availability of spare parts in the open market other than their own distribution network resulting in high prices of the said spare parts and the said spare parts not being available to the independent car repairers. The DG had initiated the investigation in which we had submitted the detailed information as sought by the DG. Thereafter the DG submitted a report and based on the said report, the Commission had issued notices to the 17 car manufacturers to file their respective responses on the said report. Accordingly, we had filed our reply to the said report along with all possible supporting documents. Thereafter, the matter was heard by the CCI and on August 25, 2014 CCI passed an order ("Order") against fourteen Automobile companies including Mahindra & Mahindra (M&M) Limited and has 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 Hon'ble Delhi High Court ("HC") has challenged the vires of certain sections of the Competition Act, 2002 based on which penalty has been calculated and also the Order has been passed by the CCI. The matter has now been released by the present bench and the Chief Justice has listed it on July 10, 2017 before the concerned roster. The Hon'ble Court has also extended the interim orders till further order.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, through

- J. D. Power survey for Automobiles
- Premonasia Survey for Tractors
- Brand Track Study
- CaPS Study
- CSat (Customer Satisfaction) commercial through TNS

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				As per previous GAAP and Old Schedule VI of the Companies Act, 1956		
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Property, Plant and Equipment and Other Intangible Assets	9673	9158	7766	7105	5821	5088	3904	3703	3214	2361
Investments	17902	13547	13139	11380	11834	10297	8913	6398	5786	4215
Foreign Currency Monetary Item Translation Difference Account Asset/(Liability)	—	—	—	—	—	—	—	(3)	18	—
Inventories	2716	2688	2438	2804	2420	2358	1694	1189	1061	1084
Trade Receivable/Debtors	2918	2512	2558	2510	2208	1929	1260	1258	1044	1005
Other Non Current/Current Assets	6130	7594	6181	7490	5171	4098	3753	3599	2959	1555
Misc. Expenditure not written off	—	—	—	—	—	—	—	—	13	14
Borrowings	2737	1844	2620	3745	3227	3174	2321	2880	4053	2587
Non Current/Current Liabilities and Provisions	10236	10773	9230	9863	8953	7964	6535	5197	4798	3240
Deferred Tax Liabilities/ (Assets) (Net)	695	460	222	890	615	527	355	240	(18)	57
Equity Capital	297	296	296	295	295	295	294	283	273	239
Other equity	25373	22127	19714	16496	14364	11810	10019	7544	4989	4111
Net Worth	25670	22423	20009	16791	14659	12105	10313	7827	5262	4350
Book Value Per Share (Rupees)	432.43	378.36	338.34	284.26	248.14	205.32	175.43	@138.10	192.12	180.87

@ Book Value Per Share is shown after giving effect to the sub division of each Ordinary (Equity) Share of the face value Rs. 10 each fully paid up into two Ordinary (Equity) Shares of Rs. 5 each fully paid up in March, 2010.

Book Value Per Share is calculated after reducing Misc. Expenditure not written off and Revaluation Reserve from Net Worth.

Summary of Operations

Rupees crores

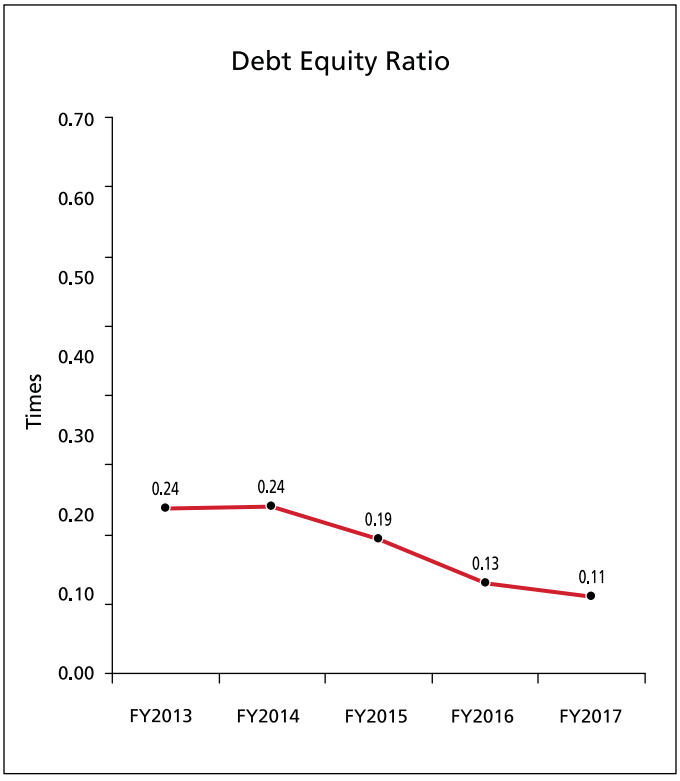
	As per Ind AS and Schedule III of the Companies Act, 2013		As per Previous GAAP and Schedule III of the Companies Act, 2013	As per previous GAAP and Revised Schedule VI of the Companies Act, 1956				As per previous GAAP and Old Schedule VI of the Companies Act, 1956		
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Income	48439	44489	41481	43838	43962	34820	25989	20724	15072	13301
Materials	31803	29516	27955	29432	30425	23500	16264	12333	9274	7726
Excise Duty (Net)	3311	2764	2188	2612	2972	2501	2095	1807	1587	1584
Employee Benefits Expense	2595	2349	2317	2164	1866	1701	1432	1198	1025	868
Finance Costs/Interest	146	186	214	259	191	163	72	157	134	87
Depreciation and Amortisation Expense	1327	1068	975	863	711	576	414	371	292	239
Other Expenses	4618	4390	3999	4191	3441	2881	2310	2102	1734	1563
Exceptional items	548	69	336	52	91	108	118	91	10	173
Profit before tax for the year	5188	4284	4169	4369	4447	3606	3520	2847	1036	1407
Tax for the year	1232	1080	848	611	1094	727	858	759	199	304
Adj. pertaining to Prev. Years	—	—	—	—	—	—	—	—	▲31	—
Balance profit	3956	3205	3321	3758	3353	2879	2662	2088	868	1103
Dividends	#+928	+841	+847	+963	+894	+869	+ 803	+624	+312	+321
Equity Dividend (%)	260	240	240	280	260	250	230	190	100	115
Earnings Per Share (Rupees)	66.70	53.05	56.23	63.67	56.85	48.97	46.21	37.97	15.92	23.12
Vehicles produced/ purchased (Units)	499117	496859	464799	506035	555510	474145	355500	284516	201993	196956
Vehicles sold (Units)	506624	494096	464850	507176	551469	469345	354073	282119	206688	195077
Tractors produced (Units)	272308	217383	224330	277425	219893	246475	216388	173276	119098	98917
Tractors sold (Units)	263021	214173	234766	268487	224844	236666	214325	175196	120202	99042

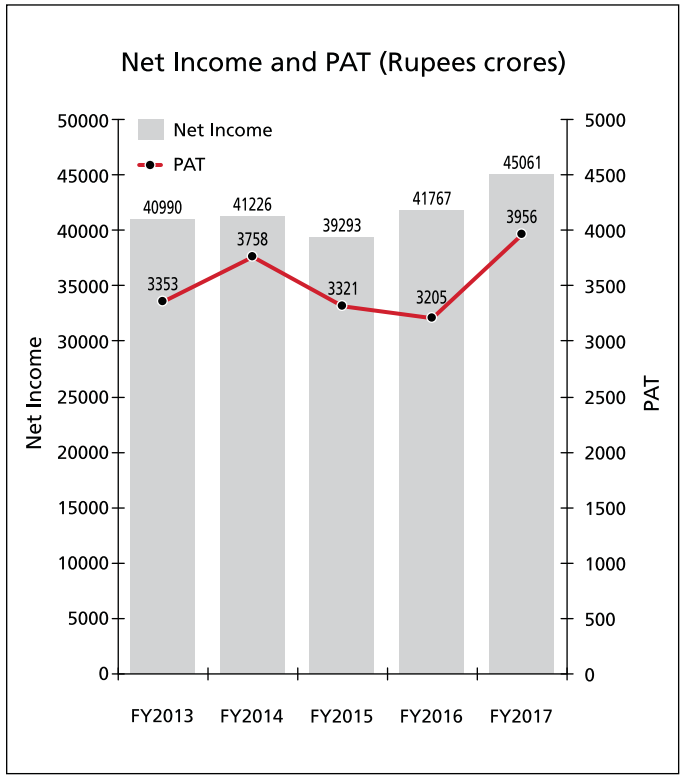
\# Proposed Dividend.

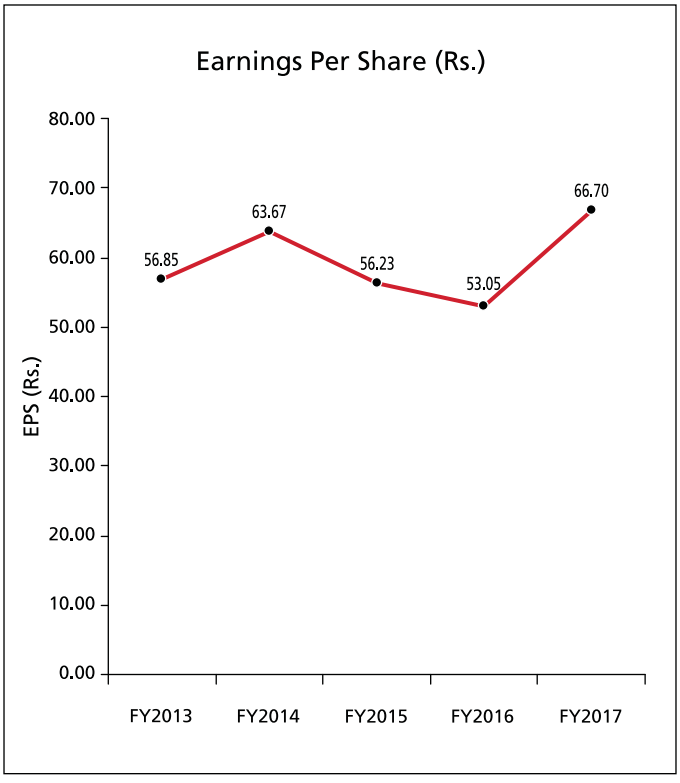
\+ Including Income-tax on Proposed Dividend/Dividends.

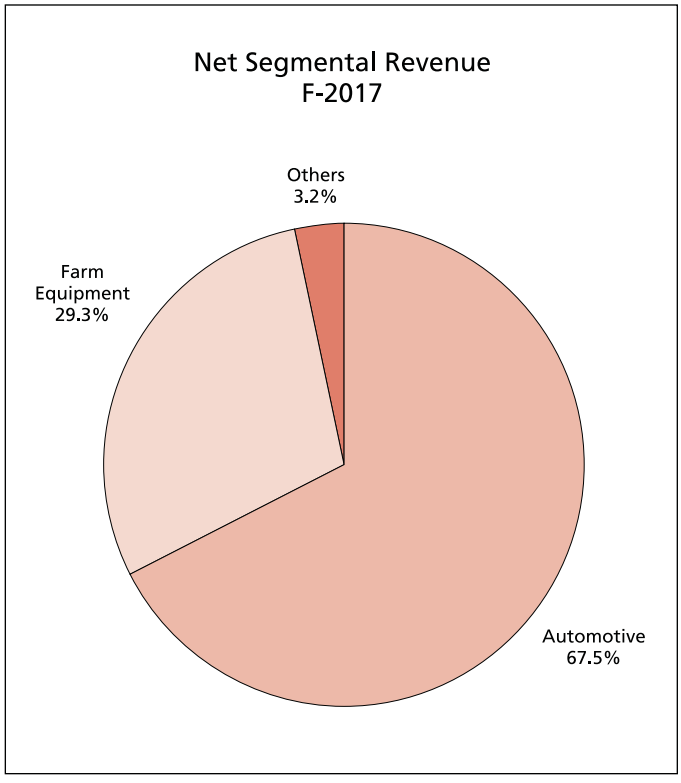
▲ Profit of Mahindra Holdings and Finance Limited for the period 1st February, 2008 to 31st March, 2008.

Financial Highlights









Standalone Accounts

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Mahindra & Mahindra Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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.

   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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 on its financial position in its standalone Ind AS 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.

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 Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the Management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Mahindra & Mahindra Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the 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.

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

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets have not been physically verified during the year by the Management but the Company has a system of verifying the fixed assets once in every three years. In our opinion the frequency of verification is at reasonable intervals.

(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. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.

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 Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the question of complying with Section 73 and 76 of the Companies Act, 2013 does not arise. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Companies Act, 2013. 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. The maintenance of cost records has been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of specified products of the Company. For such products, we have broadly reviewed the cost records maintained by the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) Details of dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates (Various years covering the period)	Amount (Rs. In crores)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2005-2013	100.74
		Commissioner of Income tax (Appeals)	2006-2015	0.07
Central Excise Act, 1944	Excise	High Court	2009-2010	1.80
		Appellate Authority-Tribunal Level	1988-2016	1,075.15
		Appellate Authority-Commissioner	1992-2015	672.72
Sales Tax and Value Added Tax Laws	Sales Tax	High Court	1994-2016	228.64
		Appellate Authority-Tribunal Level	1991-2011	27.38
		Appellate Authority-Commissioner	1992-2016	1,000.05
		Appellate Authority-Revisional Board	2006-2010	17.07
Finance Act, 1994	Service Tax	High Court	2005-2012	0.10
		Appellate Authority-Commissioner	2006-2016	4.51
		Appellate Authority-Tribunal Level	2002-2015	77.48
Customs Act, 1962	Custom Duty	High Court	1996-2001	1.49
		Appellate Authority-Tribunal Level	1990-1994	1.14
		Total		**3,208.34**

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government and dues to debenture holders.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the term loans raised have been applied by the Company during the year for the purposes for which they were raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. 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 Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

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

Rupees crores

	Note	2017	2016	2015
I. ASSETS				
NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	2	**6,400.84**	6,545.73	5,455.32
(b) Capital Work-in-Progress		**409.45**	231.53	753.48
(c) Other Intangible Assets	3	**1,233.80**	1,050.26	134.02
(d) Intangible Assets Under Development		**1,628.49**	1,330.62	1,423.09
(e) Financial Assets				
(i) Investments	4	**14,295.47**	11,161.42	11,368.09
(ii) Loans	5	**33.94**	1,223.55	23.14
(iii) Other Financial Assets	6	**245.10**	76.52	127.83
(f) Income Tax Assets (Net)		**489.17**	465.45	457.72
(g) Other Non-Current Assets	7	**2,146.06**	1,778.81	2,197.93
		26,882.32	23,863.89	21,940.62
CURRENT ASSETS				
(a) Inventories	8	**2,715.60**	2,687.93	2,437.57
(b) Financial Assets				
(i) Investments	9	**3,606.70**	2,385.98	1,770.76
(ii) Trade Receivables	10	**2,918.45**	2,511.64	2,558.03
(iii) Cash and Cash Equivalents	11	**545.61**	842.31	917.11
(iv) Bank Balances other than Cash and Cash Equivalents	11	**1,141.39**	1,444.72	1,147.66
(v) Loans	5	**505.88**	486.76	219.92
(vi) Other Financial Assets	6	**570.18**	547.97	498.68
(c) Other Current Assets	7	**452.18**	728.37	591.24
		12,455.99	11,635.68	10,140.97
TOTAL ASSETS		**39,338.31**	35,499.57	32,081.59
II. EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	12A	**296.81**	296.32	295.70
(b) Other Equity	12B	**25,372.75**	22,126.85	19,713.74
		25,669.56	22,423.17	20,009.44
LIABILITIES				
NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	13	**2,233.99**	1,495.42	2,514.13
(ii) Trade Payables	14	**1.79**	3.25	6.10
(iii) Other Financial Liabilities	15	**389.37**	422.62	403.72
(b) Provisions	16	**700.45**	656.24	595.24
(c) Deferred Tax Liabilities (Net)	17	**694.86**	460.08	222.07
(d) Other Non-Current Liabilities	18	**189.34**	194.47	211.44
		4,209.80	3,232.08	3,952.70
CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	19	**503.44**	348.13	106.25
(ii) Trade Payables	14	**7,156.26**	6,674.71	5,289.67
(iii) Other Financial Liabilities	15	**337.33**	1,295.57	1,354.46
(b) Other Current Liabilities	18	**802.54**	927.53	667.53
(c) Provisions	16	**440.00**	408.54	449.20
(d) Current Tax Liabilities (Net)		**219.38**	189.84	252.34
		9,458.95	9,844.32	8,119.45
TOTAL EQUITY AND LIABILITIES		**39,338.31**	35,499.57	32,081.59

The accompanying notes 1 to 59 are an integral part of the Financial Statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

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

Anand G. Mahindra — Executive Chairman
Dr. Pawan Goenka — Managing Director
V. S. Parthasarathy — Group Chief Financial Officer & Group CIO
Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Statement of Profit and Loss for the years ended 31st March, 2017 and 31st March, 2016

Rupees crores

	Note	2017	2016
INCOME			
Revenue from Operations	20	**47,096.04**	43,638.90
Other Income	21	**1,342.49**	849.93
Total Income		**48,438.53**	44,488.83
EXPENSES			
Cost of materials consumed	22	**20,913.11**	19,364.88
Purchases of Stock-in-trade		**10,893.63**	10,409.26
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	**(4.01)**	(257.97)
Excise Duty		**3,310.68**	2,763.83
Employee benefits expense	24	**2,595.37**	2,348.72
Finance costs	25	**145.58**	186.05
Depreciation and amortisation expense	26	**1,327.16**	1,068.10
Other expenses	27	**4,755.04**	4,469.50
		43,936.56	40,352.37
Less : Cost of manufactured products capitalised		**137.07**	79.26
Total Expenses		**43,799.49**	40,273.11
Profit before exceptional items and tax		**4,639.04**	4,215.72
Exceptional Items	28	**548.46**	68.74
Profit before tax		**5,187.50**	4,284.46
Tax Expense			
Current Tax	29	**998.26**	857.65
Deferred Tax	29	**233.59**	222.24
Profit for the year		**3,955.65**	3,204.57
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		**(5.19)**	10.60
(b) Equity instruments through other comprehensive income		**0.17**	(0.04)
(ii) Income tax relating to items that will not be reclassified to profit or loss	30	**1.80**	(3.67)
B. (i) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income		**(1.20)**	3.06
(b) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		**9.87**	31.91
(ii) Income tax relating to items that will be reclassified to profit or loss	30	**(3.00)**	(12.10)
Total other comprehensive income		**2.45**	29.76
Total comprehensive income for the year		**3,958.10**	3,234.33
Earnings per equity share :			
(Face Value Rs. 5/- per share) (Rupees)			
Basic	31	**66.70**	53.05
Diluted	31	**66.37**	52.80

The accompanying notes 1 to 59 are an integral part of the Financial Statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

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

Anand G. Mahindra — Executive Chairman
Dr. Pawan Goenka — Managing Director
V. S. Parthasarathy — Group Chief Financial Officer & Group CIO
Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

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

Rupees crores

	2017	2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax	**4,639.04**	4,215.72
Adjustments for :		
Depreciation and Amortisation expenses	**1,327.16**	1,068.10
(Gain)/Loss on foreign exchange fluctuations (Net)	**(20.10)**	124.36
Investment and Interest Income	**(979.09)**	(679.50)
Net (Gain)/Loss arising on financial assets measured at Fair Value through profit or loss	**(189.11)**	—
Finance costs	**145.58**	186.05
Share based payment expenses	**118.59**	84.12
(Gain)/Loss on sale of current investments (Net)	**(27.74)**	(49.31)
(Profit)/Loss on Property, Plant and Equipment sold/scrapped/written off (Net)	**(22.08)**	27.11
Impairment of Intangible Assets Under Development	**2.64**	9.44
	355.85	770.37
Operating Profit before Working Capital changes	**4,994.89**	4,986.09
Changes in :		
Trade and other receivables	**(742.08)**	99.00
Inventories	**(88.09)**	(250.37)
Trade and other payables	**798.89**	1,563.66
	(31.28)	1,412.29
Cash generated from operations	**4,963.61**	6,398.38
Income Taxes paid (Net of refunds)	**(992.43)**	(927.88)
NET CASH FROM OPERATING ACTIVITIES	**3,971.18**	5,470.50
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payments to acquire Property, Plant and Equipment and Other Intangible Assets	**(2,202.47)**	(2,162.99)
Proceeds from sale of Property, Plant and Equipment and Other Intangible Assets	**142.01**	11.40
Payments to acquire non current investments - Subsidiaries	**(3,274.93)**	(3,394.81)
Payments to acquire non current investments - Associates	**(213.07)**	—
Payments to acquire non current investments - JV's	**(213.05)**	(17.85)
Payments to acquire other non current investments	**(9.01)**	(1.50)
Payments to acquire current investments	**(114,423.57)**	(77,402.40)
Proceeds from sale of current investments	**113,327.10**	76,893.30
Share application money paid	**(79.59)**	—
Changes in earmarked balances and margin accounts with banks	**(0.36)**	(3.61)
Bank Deposits placed	**(2,110.74)**	(2,179.45)
Bank Deposits matured	**2,414.48**	1,876.00
Interest received	**300.73**	182.98
Dividends received	**599.36**	416.97
Inter corporate deposits given	**(645.00)**	(300.00)
Inter corporate deposits refunded	**628.68**	27.68
Loan given	**—**	(1,200.00)
Repayment of Loan given	**1,200.00**	14.95
Exceptional Items :		
Proceeds from sale of certain non current investments	**1,099.98**	3,701.40
Proceeds from disposal of net assets on account of transfer of business	**260.06**	—
NET CASH USED IN INVESTING ACTIVITIES	**(3,199.39)**	(3,537.93)

Cash Flow Statement (contd.)

Rupees crores

		2017	2016
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from borrowings	**2,099.84**	348.39
	Repayments of borrowings	**(2,182.57)**	(1,298.41)
	Dividends paid (including tax thereon)	**(839.12)**	(846.06)
	Interest, Commitment and Finance Charges paid	**(133.70)**	(211.12)
	NET CASH USED IN FINANCING ACTIVITIES	**(1,055.55)**	(2,007.20)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(283.76)**	(74.63)
	CASH AND CASH EQUIVALENTS:		
	Opening Balance	**842.31**	917.11
	Addition/(deletion) on account of transfer of business	**(21.33)**	—
	Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	**0.09**	(0.17)
	Closing Balance	**537.31**	842.31

Notes:

1. 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'.
2. Also refer Note 28.

The accompanying notes 1 to 59 are an integral part of the Financial Statements.

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

Deepak S. Parekh
Nadir B. Godrej
M. M. Murugappan
R. K. Kulkarni
Anupam Puri
Vishakha N. Desai
Vikram Singh Mehta
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Anand G. Mahindra — Executive Chairman
Dr. Pawan Goenka — Managing Director
V. S. Parthasarathy — Group Chief Financial Officer & Group CIO
Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

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

A) Equity Share Capital Rupees crores

	2017	2016
Issued and Subscribed :		
Balance as at the beginning of the year....	**296.32**	295.70
Add: Allotment of shares by ESOP Trust to Employees	**0.49**	0.62
Balance as at the end of the year.....	**296.81**	296.32

B) Other Equity Rupees crores

	Reserves and Surplus							Items of other comprehensive income			Total
	Capital Reserve	Securities Premium Account (refer note A)	General Reserve (refer note B)	Debenture Redemption Reserve	Investment Fluctuation Reserve	Employee Stock Options Outstanding	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	
As at 1st April, 2015	10.13	2,280.44	1,730.44	105.01	64.59	100.68	15,442.61	(1.37)	(0.26)	(18.53)	19,713.74
Profit/(Loss) for the year.....	—	—	—	—	—	—	3,204.57	—	—	—	3,204.57
Other Comprehensive Income/(Loss).....	—	—	—	—	—	—	6.93	2.00	(0.04)	20.87	29.76
Total Comprehensive Income for the year	—	—	—	—	—	—	3,211.50	2.00	(0.04)	20.87	3,234.33
Dividend paid on Equity Shares (including tax thereon).....	—	—	—	—	—	—	(846.95)	—	—	—	(846.95)
Transfers to retained earnings	—	—	—	(100.01)	—	—	100.01	—	—	—	—
Transfers from retained earnings	—	—	—	2.50	—	—	(2.50)	—	—	—	—
Exercise of employee stock options.....	—	52.09	—	—	—	(52.09)	—	—	—	—	—
Debenture issue expenses.....	—	(0.03)	—	—	—	—	—	—	—	—	(0.03)
Allotment of shares by ESOP Trust to Employees	—	1.52	(0.31)	—	—	—	—	—	—	—	1.21
On account of employee stock options lapsed/forfeited	—	—	0.23	—	—	(0.23)	—	—	—	—	—
Provision no longer required written back (Refer Note 34).....	—	—	—	—	61.48	—	—	—	—	—	61.48
Share based payment expense.....	—	—	—	—	—	89.14	—	—	—	—	89.14
Utilisation during the year (Refer Note 34)	—	—	—	—	(126.07)	—	—	—	—	—	(126.07)
As at 31st March, 2016.....	10.13	2,334.02	1,730.36	7.50	—	137.50	17,904.67	0.63	(0.30)	2.34	22,126.85

B) Other Equity (contd.)

Rupees crores

	Reserves and Surplus							Items of other comprehensive income			Total
	Capital Reserve	Securities Premium Account (refer note A)	General Reserve (refer note B)	Debenture Redemption Reserve	Investment Fluctuation Reserve	Employee Stock Options Outstanding	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	
As at 1st April, 2016	10.13	2,334.02	1,730.36	7.50	—	137.50	17,904.67	0.63	(0.30)	2.34	22,126.85
Profit/(Loss) for the period	—	—	—	—	—	—	3,955.65	—	—	—	3,955.65
Other Comprehensive Income/(Loss)	—	—	—	—	—	—	(3.39)	(0.78)	0.17	6.45	2.45
Total Comprehensive Income for the year	—	—	—	—	—	—	3,952.26	(0.78)	0.17	6.45	3,958.10
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	—	—	(841.12)	—	—	—	(841.12)
Transfers from retained earnings	—	—	—	14.38	—	—	(14.38)	—	—	—	—
Exercise of employee stock options	—	48.37	—	—	—	(48.37)	—	—	—	—	—
Allotment of shares by ESOP Trust to Employees	—	1.20	(0.25)	—	—	—	—	—	—	—	0.95
On account of employee stock options lapsed/forfeited	—	—	0.27	—	—	(0.27)	—	—	—	—	—
Share based payment expense	—	—	—	—	—	127.97	—	—	—	—	127.97
As at 31st March, 2017	10.13	2,383.59	1,730.38	21.88	—	216.83	21,001.43	(0.15)	(0.13)	8.79	25,372.75

Remeasurment loss (net) on defined benefit plans **Rs. 3.39 crores** (2016 : gain of Rs. 6.93 crores) is recognised during the year as part of retained earnings.

Notes:

A) The Company has reduced the Share Capital by **Rs. 13.49 crores** (2016 : Rs. 13.73 crores; 2015 : Rs. 14.04 crores) and Securities Premium Account by **Rs. 255.58 crores** (2016 : Rs. 256.78 crores; 2015 : Rs. 258.30 crores) for the **2,69,73,260** shares of Rs. 5 each (2016 : 2,74,61,619 shares of Rs. 5 each; 2015 : 2,80,82,384 shares of Rs. 5 each) held by M&M ESOP Trust pending transfer to the eligible employees.

B) The Share Capital of the Company has also been reduced and the General Reserve increased by **Rs. 0.25 crores** (2016 : Rs. 0.50 crores; 2015 : Rs. 0.81 crores) for the **5,08,597** bonus shares of Rs. 5 each (2016 : 9,96,958 bonus shares of Rs. 5 each; 2015 : 16,17,722 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the M&M ESOP Trust but not yet transferred by the Trust to the employees.

The above monies which are treated as advance received from the Trust, is included under Other Current Financial Liabilities and Other Long Term Financial Liabilities.

The accompanying notes 1 to 59 are an integral part of the Financial Statements.

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

Deepak S. Parekh
Nadir B. Godrej
M. M. Murugappan
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Vishakha N. Desai
Vikram Singh Mehta
S. B. Mainak
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Directors

Anand G. Mahindra — Executive Chairman

Dr. Pawan Goenka — Managing Director

V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Notes forming part of the Financial Statements

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

1. Significant Accounting Policies

(A) Statement of compliance and basis of preparation and presentation

These standalone or separate financial statements of Mahindra & Mahindra Limited ('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.

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

These are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from IGAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 39.

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

(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. The Chief Financial Officer and persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of Ind AS.

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

— Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

— Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

— Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(D) 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, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

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

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

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

Useful lives of property, plant and equipment

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

Provision for product warranties

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

Fair value of financial assets and liabilities and investments

The 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.

(E) First time adoption of Ind AS – mandatory exceptions and optional exemptions

Overall principle

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

i) *Past business combinations*

The Company has elected not to apply Ind AS 103 - Business Combinations retrospectively to past business combinations that occurred before the transition date.

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

The Company has not elected the exemption of considering the previous GAAP carrying value of all its property, plant and equipment and intangible assets recognised as at transition date as deemed cost. Consequently, cost in respect of property, plant and equipment and intangible assets has been retrospectively remeasured in accordance with Ind AS.

iii) *De-recognition of financial assets and financial liabilities*

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

iv) *Long term foreign currency monetary items*

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

v) *Government grants*

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

vi) *Share-based payments*

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

vii) *Leases*

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

(F) Property, plant and equipment

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

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

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

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

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

	Asset Class	Useful lives
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

(G) Intangible Assets

Intangible assets are initially recognised at cost.

Subsequent to initial recognition, intangible assets with indefinite useful lives are carried at cost less accumulated amortisation and accumulated impairment, if any. 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.

Other intangible assets

i) *Technical Knowhow*

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

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.

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.

(H) Impairment of Assets

At the end of each reporting period, the Company 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. In assessing the value in use, the etimated 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, 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.

(I) Inventories

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

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

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

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

(J) Foreign exchange transactions and translation

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

(K) 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.

(L) 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.

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 are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

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

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in 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 as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

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

Financial liabilities and equity instruments

Debt and equity instruments issued by the 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 contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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.

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 18.

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

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

The 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 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, 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.

(M) Revenue Recognition

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

Sale of goods

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

a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of services

Sale of services are recognised on rendering of such services.

Dividend and interest income

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

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

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

(N) 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.

(O) 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 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 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 Company.

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.

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.

Employee Stock Option Scheme

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.

(P) 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.

(Q) 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 recognized 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 recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither

the taxable profit nor the accounting profit. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the 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.

(R) 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.

(S) Leasing

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

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

The supply arrangement between the Company and it's subsidiary Mahindra Vehicle Manufacturers Limited is classified as an operating lease in terms of Appendix C of Ind AS 17 Leases. In accordance with the arrangement, the payments made by the Company to Mahindra Vehicle Manufacturers Limited are only towards the purchase of vehicles and spare parts and not towards any lease arrangement and accordingly does not require separation of lease payments. The Company has accordingly disclosed it as purchase of products.

The Company as lessor

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

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

The Company as lessee

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

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

2. Property, Plant and Equipment

Rupees crores

Particulars	Land - Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Aircraft	Vehicles	Total
(I) Cost								
Balance as at 1st April, 2016	**267.76**	**1,620.67**	**9,579.57**	**102.37**	**178.09**	**103.46**	**338.99**	**12,190.91**
Additions during the year	**—**	**46.40**	**703.40**	**9.27**	**12.54**	**—**	**78.39**	**850.00**
Deductions/Adjustments during the year	**6.08**	**12.11**	**139.78**	**1.97**	**3.04**	**—**	**42.08**	**205.06**
Other Adjustments during the year	**—**	**0.05**	**8.37**	**—**	**—**	**—**	**—**	**8.42**
Balance as at 31st March, 2017	**261.68**	**1,655.01**	**10,151.56**	**109.67**	**187.59**	**103.46**	**375.30**	**12,844.27**
Balance as at 1st April, 2015	267.22	1,486.59	8,100.94	98.85	176.11	103.46	302.33	10,535.50
Additions during the year	0.57	140.34	1,718.63	15.20	17.32	—	81.48	1,973.54
Deductions/Adjustments during the year	0.03	6.86	265.95	11.69	15.35	—	44.82	344.70
Other Adjustments during the year	—	0.60	25.95	0.01	0.01	—	—	26.57
Balance as at 31st March, 2016	267.76	1,620.67	9,579.57	102.37	178.09	103.46	338.99	12,190.91
(II) Accumulated depreciation								
Balance as at 1st April, 2016	**—**	**374.08**	**4,915.29**	**64.70**	**103.39**	**21.82**	**165.90**	**5,645.18**
Depreciation expense for the year	**—**	**45.58**	**812.49**	**12.69**	**16.88**	**4.81**	**59.28**	**951.73**
Deductions/Adjustments during the year	**—**	**0.85**	**119.70**	**1.38**	**1.87**	**—**	**29.68**	**153.48**
Balance as at 31st March, 2017	**—**	**418.81**	**5,608.08**	**76.01**	**118.40**	**26.63**	**195.50**	**6,443.43**
Balance as at 1st April, 2015	—	335.34	4,421.29	60.90	100.06	17.01	145.58	5,080.18
Depreciation expense for the year	—	42.80	736.03	13.91	16.83	4.81	56.81	871.19
Deductions/Adjustments during the year	—	4.06	242.03	10.11	13.50	—	36.49	306.19
Balance as at 31st March, 2016	—	374.08	4,915.29	64.70	103.39	21.82	165.90	5,645.18
Net Carrying amount (I-II)								
Balance as at 31st March, 2017	**261.68**	**1,236.20**	**4,543.48**	**33.66**	**69.19**	**76.83**	**179.80**	**6,400.84**
Balance as at 31st March, 2016	267.76	1,246.59	4,664.28	37.67	74.70	81.64	173.09	6,545.73
Balance as at 1st April, 2015	267.22	1,151.25	3,679.65	37.95	76.05	86.45	156.75	5,455.32

Notes:

a. Other adjustments during the year comprise of borrowing costs capitalised.

b. Deductions/Adjustments during the year includes transfers on account of transfer of business. (Refer Note 28)

c. Buildings include **Rs. * crores** (2016 : Rs. * crores; 2015 : Rs. * crores) being the value of shares in co-operative housing societies.

* denotes amounts less than Rs. 50,000.

3. Other Intangible Assets

Rupees crores

Particulars	Development Expenditure (Internally Generated)	Brand Licence	Computer Software	Others	Total
(I) Cost					
Balance as at 1st April, 2016	**1,498.69**	**—**	**66.06**	**42.93**	**1,607.68**
Additions during the year	**398.88**	**129.16**	**28.20**	**—**	**556.24**
Deductions/Adjustments during the year	**57.33**	**—**	**15.33**	**3.59**	**76.25**
Other adjustments during the year	**5.63**	**—**	**—**	**—**	**5.63**
Balance as at 31st March, 2017	**1,845.87**	**129.16**	**78.93**	**39.34**	**2,093.30**
Balance as at 1st April, 2015	646.29	—	73.53	42.80	762.62
Additions during the year	1,090.62	—	14.02	0.13	1,104.77
Deductions/Adjustments during the year	246.60	—	21.49	—	268.09
Other adjustments during the year	8.38	—	—	—	8.38
Balance as at 31st March, 2016	1,498.69	—	66.06	42.93	1,607.68
(II) Accumulated amortisation					
Balance as at 1st April, 2016	**467.74**	**—**	**49.65**	**40.03**	**557.42**
Amortisation expense for the year	**351.27**	**3.59**	**20.57**	**—**	**375.43**
Deductions/Adjustments during the year	**57.33**	**—**	**15.33**	**0.69**	**73.35**
Balance as at 31st March, 2017	**761.68**	**3.59**	**54.89**	**39.34**	**859.50**
Balance as at 1st April, 2015	536.79	—	54.13	37.68	628.60
Amortisation expense for the year	177.55	—	17.01	2.35	196.91
Deductions/Adjustments during the year	246.60	—	21.49	—	268.09
Balance as at 31st March, 2016	467.74	—	49.65	40.03	557.42
Net Carrying amount (I-II)					
Balance as at 31st March, 2017	**1,084.19**	**125.57**	**24.04**	**—**	**1,233.80**
Balance as at 31st March, 2016	1,030.95	—	16.41	2.90	1,050.26
Balance as at 1st April, 2015	109.50	—	19.40	5.12	134.02

Note:

a. Other adjustments during the year comprise of borrowing costs capitalised.

b. Deductions/adjustments during the year includes transfers on account of transfer of business. (Refer Note 28)

c. Intangible - Others include congeries of rights, non compete fees, trade mark etc.

4. Non Current Investments

Particulars	Face Value Per Unit (Rupees)	2017 Number	2017 Rupees crores	2016 Number	2016 Rupees crores	2015 Number	2015 Rupees crores
Investments in Equity Instruments							
Unquoted (all fully paid unless otherwise specified)							
(A) At Cost							
(i) In Subsidiary Companies							
Equity shares							
Mahindra Engineering and Chemical Products Limited	10	**8,74,50,924**	**759.89**	6,52,98,462	604.82	4,84,98,462	436.82
Mahindra Intertrade Limited [including 1,50,00,000 shares partly paid-up Rs. 3 per share]	10	**—**	**—**	—	—	2,71,00,006	16.60
Mahindra USA Inc.	US $ 0.25	**5,60,00,000**	**66.37**	5,60,00,000	66.37	5,60,00,000	66.37
Mahindra Gujarat Tractor Limited	10	**59,73,218**	**4.29**	16,83,218	—	16,83,218	—
Mahindra Agri Solutions Limited	10	**6,81,63,987**	**278.15**	1,34,14,514	18.09	1,22,12,400	12.37
Mahindra First Choice Wheels Limited	10	**—**	**—**	3,35,96,424	45.83	3,35,96,424	45.83
Bristlecone Limited	US $ 0.001	**42,22,250**	**19.26**	42,22,250	19.26	42,22,250	19.26
Mahindra and Mahindra South Africa (Proprietary) Limited	ZAR 1	**5,20,00,000**	**28.54**	5,20,00,000	28.54	5,20,00,000	28.54
Mahindra Overseas Investment Company (Mauritius) Limited	US $ 1	**13,04,39,209**	**699.45**	11,54,87,709	598.72	10,15,39,039	505.75
Mahindra Automobile Distributor Private Limited	10	**—**	**—**	7,40,000	0.31	7,40,000	0.31
Mahindra Trucks and Buses Limited	0.20	**3,97,29,80,600**	**130.62**	1,14,79,25,600	74.12	1,14,79,25,600	74.12
Mahindra Vehicle Manufacturers Limited	10	**3,89,79,46,331**	**3,897.95**	3,16,22,50,000	3,162.25	96,22,50,000	962.25
Mahindra Heavy Engines Limited	10	**—**	**—**	—	—	50,80,00,000	439.28
Mahindra First Choice Services Limited	10	**—**	**—**	23,43,00,000	234.30	19,19,00,000	191.90
Mahindra Holdings Limited	10	**1,10,78,16,535**	**1,107.82**	17,91,86,535	179.19	9,65,86,534	96.59
Mahindra Consulting Engineers Limited	10	**11,51,000**	**1.25**	11,51,000	1.25	11,51,000	1.25
NBS International Limited	10	**95,50,490**	**10.29**	95,50,490	10.29	50,490	0.79
Mahindra Two Wheelers Limited	10	**—**	**—**	—	—	1,86,20,97,350	1,862.10
Mahindra Automotive Australia Pty. Limited	AUD 1	**45,75,000**	**21.16**	45,75,000	21.16	45,75,000	21.16
Defence Land Systems India Limited	10	**—**	**—**	11,10,00,000	111.00	11,10,00,000	111.00
Mahindra Electric Mobility Limited (formerly known as Mahindra Reva Electric Vehicles Limited)	10	**—**	**—**	—	—	2,70,20,466	54.04
Mahindra Defence Systems Limited	10	**1,49,33,248**	**249.75**	84,62,005	98.75	71,69,294	74.65
Mahindra 'Electoral Trust' Company	10	**50,000**	**0.05**	50,000	0.05	50,000	0.05
Mahindra HZPC Private Limited	10	**—**	**—**	47,30,000	4.73	47,30,000	4.73
Mahindra eMarket Limited	10	**3,59,865**	**0.02**	3,59,865	0.02	3,59,865	0.02

4. Non Current Investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2017 Number	2017 Rupees crores	2016 Number	2016 Rupees crores	2015 Number	2015 Rupees crores
Swaraj Automotives Limited	10	—	—	—	—	17,06,925	18.28
Trringo.com Limited	10	95,00,000	9.50	—	—	—	—
Mahindra Two Wheelers Europe Holdings S.a.r.l.	EUR 1	1,49,00,000	182.48	—	—	—	—
Classic Legends Private Limited	10	60,00,000	6.71	—	—	—	—
Mahindra do Brasil Industrial Ltda.	BRL 1	2,39,73,450 quotas	50.56	—	—	—	—
Orizonte Business Solutions Limited	10	1,47,80,000	14.00	57,80,000	5.00	3,51,000	—
Mahindra & Mahindra Contech Limited	10	35,000	0.04	35,000	0.04	35,000	0.04
Kota Farm Services Limited	10	2,73,420	—	2,73,420	—	2,73,420	—
Mahindra Construction Company Limited	10	9,00,000	—	9,00,000	—	9,00,000	—
Officemartindia.com Limited	10	7,49,997	—	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	—	—
			7,729.74		5,475.68		5,044.10
Preference shares (classified as equity instruments)							
Series 'A' Preference Shares : Bristlecone Limited	US $ 0.001	77,75,147	31.72	77,75,147	31.72	77,75,147	31.72
Series 'B' Preference Shares : Bristlecone Limited	US $ 0.001	69,20,000	15.13	69,20,000	15.13	69,20,000	15.13
			46.85		46.85		46.85
			7,776.59		5,522.53		5,090.95
(ii) In Trust Securities							
M&M Benefit Trust			1,459.77		1,459.77		1,459.77
Sunrise Initiatives Trust			52.30		44.30		44.30
Mahindra World Motor Driving School Trust			0.01		0.01		0.01
M&M Fractional Entitlement Trust			0.01		0.01		0.01
			1,512.09		1,504.09		1,504.09
(iii) In Associate Companies							
Equity Shares							
PSL Media & Communications Limited	5	19,750	0.01	19,750	0.01	19,750	0.01
Sampo Rosenlew Oy	NA	1,050	110.49	—	—	—	—
PF Holdings B.V.	EUR 1	1,67,36,050	173.95	—	—	—	—
			284.45		0.01		0.01

4. Non Current Investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2017 Number	2017 Rupees crores	2016 Number	2016 Rupees crores	2015 Number	2015 Rupees crores
(iv) In Joint Venture Companies							
Equity Shares							
Mahindra Sona Limited	10	—	—	32,75,000	1.64	13,10,000	1.64
Mahindra Sanyo Special Steel Private Limited	10	**61,11,665**	**255.23**	55,35,365	232.18	51,00,000	214.33
Mahindra Logistics Limited	10	**5,14,78,330**	**51.48**	5,14,78,330	51.48	5,14,78,330	51.48
Mahindra Aerospace Private Limited	10	**15,35,34,824**	**289.94**	15,35,34,824	289.94	15,35,34,824	289.94
			596.65		575.24		557.39
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	50,00,000	5.00
0.1% Cumulative Compulsorily Convertible Preference Shares: Mahindra Aerospace Private Limited	10	**19,00,00,000**	**190.00**	—	—	—	—
			195.00		5.00		5.00
			791.65		580.24		562.39
(B) Carried at Fair Value Through Other Comprehensive Income							
(i) In Other Companies							
Equity shares			**0.31**		0.30		0.30
Preferred stock (classified as equity instruments)			**4.23**		4.23		4.23
			4.54		4.53		4.53
Quoted (all fully paid)							
(A) At Cost							
(i) In Subsidiary Companies							
Equity shares							
Mahindra Lifespace Developers Limited	10	**2,08,46,126**	**276.94**	2,08,46,126	276.94	2,08,46,126	276.94
Mahindra & Mahindra Financial Services Limited	2	**29,12,07,660**	**150.91**	29,12,07,660	150.91	29,12,07,660	150.91
Mahindra Holidays & Resorts India Limited	10	**5,99,27,077**	**24.72**	6,65,85,642	27.46	6,65,85,642	27.46
Ssangyong Motor Company (Listed on a Stock Exchange outside India)	KRW 5000	**9,99,64,502**	**2,133.94**	9,99,64,502	2,133.94	9,99,64,502	2,133.94
EPC Industrie Limited	10	**1,51,44,433**	**77.75**	1,51,44,433	77.75	1,51,44,433	77.75
			2,664.26		2,667.00		2,667.00
(ii) In Associate Companies							
Equity shares							
Swaraj Engines Limited	10	**41,26,417**	**1.63**	41,26,417	1.63	41,26,417	1.63
Mahindra CIE Automotive Limited	10	—	—	—	—	6,52,71,407	531.48
Tech Mahindra Limited	5	**25,62,48,704**	**1,003.98**	25,62,48,704	1,003.98	25,62,48,704	1,003.98
			1,005.61		1,005.61		1,537.09

4. Non Current Investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2017 Number	2017 Rupees crores	2016 Number	2016 Rupees crores	2015 Number	2015 Rupees crores
(B) Designated and carried at fair value through other comprehensive income							
(i) In Other Companies							
Equity shares			**2.14**		1.98		2.03
Investments in Equity Instruments (Total)			**14,041.33**		11,285.99		11,368.09
Investments in Debt instruments:							
Unquoted							
(A) At Amortised Cost							
(i) In Subsidiary Companies							
10.00% Non-Cumulative Redeemable Participating Preference Shares : Mahindra Construction Company Limited	100	**5,40,000**	**—**	5,40,000	—	5,40,000	—
(ii) Others			*****		*		*
(B) Carried at fair value through profit or loss							
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**		—		—
			600.00		*		*
Investments in Debt Instruments (Total)			**600.00**		*		*
Other Non Current Investments							
Unquoted							
Carried at fair value through profit or loss							
Investment in Alternate Investment Fund			**2.21**		1.50		—
Other Non Current Investments (Total)			**2.21**		1.50		—
Total Non Current Investments (Gross)			**14,643.54**		11,287.49		11,368.09
Less: Aggregate amount of impairment in value of investments			**(348.07)**		(126.07)		—
Total Non Current Investments (Net)			**14,295.47**		11,161.42		11,368.09
Other Disclosures							
(i) Aggregate amount of quoted investments (Gross)			**3,672.01**		3,674.59		4,206.12
Market Value of quoted investments [includes **Rs. 4,609.37 crores** (2016: Rs. 4,801.44 crores; 2015 : Rs. 5,111.76 crores) in respect of investment listed on a Stock Exchange outside India]			**29,769.04**		28,035.30		33,312.06
(ii) Aggregate amount of unquoted investments (Gross)			**10,971.53**		7,612.90		7,161.97

Notes :

* denotes amounts less than Rs. 50,000

5. Loans

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
a) Security Deposits						
Unsecured, considered good	**3.41**	**4.06**	6.42	—	5.39	—
Total (a)	**3.41**	**4.06**	6.42	—	5.39	—
b) Loans to related parties (refer Note 56)						
Unsecured, considered good	**475.54**	**17.05**	478.33	1,212.32	198.31	20.93
Doubtful	**5.27**	**10.00**	9.44	10.00	9.90	10.00
	480.81	**27.05**	487.77	1,222.32	208.21	30.93
Less: Allowance for Bad & Doubtful Loans	**5.27**	**10.00**	9.44	10.00	9.90	10.00
Total (b)	**475.54**	**17.05**	478.33	1,212.32	198.31	20.93
c) Other Loans						
Unsecured, considered good	**26.93**	**12.83**	2.01	11.23	16.22	2.21
Doubtful	**7.32**	**—**	14.49	—	13.73	—
	34.25	**12.83**	16.50	11.23	29.95	2.21
Less: Allowance for Bad & Doubtful Loans	**7.32**	**—**	14.49	—	13.73	—
Total (c)	**26.93**	**12.83**	2.01	11.23	16.22	2.21
Total Loans	**505.88**	**33.94**	486.76	1,223.55	219.92	23.14

(a) Non-Current Loans to Related Parties includes :
  (i) Loan to Subsidiary company **Rs. Nil crores** (2016 : Rs. 1200.00 crores; 2015 : Rs. Nil crores).
  (ii) Loan to a Director of **Rs. 5.19 crores** (2016 : Rs. 4.68 crores; 2015 : Rs. 1.09 crores).

(b) Current Loans to Related Parties includes Fixed/Call deposits with/loan to limited companies **Rs. 470.81 crores** (2016: Rs. 485.04 crores; 2015 : Rs. 201.36 crores) including **Rs. 466.21 crores** (2016: Rs. 480.45 crores; 2015 : Rs. 196.77 crores) to subsidiary companies.

(c) Other Current and Non Current Loans mainly includes loans to employees and loans given to other companies.

(d) 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.

6. Other Financial Assets

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
Financial assets at amortised cost :						
Security Deposit	**21.27**	**33.13**	14.62	37.06	19.19	36.82
Bank Deposit	**—**	**9.95**	—	10.00	—	—
Interest accrued	**116.37**	**—**	136.92	—	108.00	—
Other financial assets	**417.54**	**79.59**	384.01	29.46	371.49	91.01
Derivative financial instruments designated and effective as hedging instruments carried at fair value	**15.00**	**122.43**	12.42	—	—	—
Total Other Financial Assets	**570.18**	**245.10**	547.97	76.52	498.68	127.83

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

Derivative financial instruments designated and effective as hedging instruments carried at fair value includes foreign currency forwards, commodity derivatives in the nature of forward contracts, interest rate swaps and derivatives on Interest over Subsidiaries and Associates.

7. Other Assets (Non Financial)

Rupees crores

Particulars	2017		2016		2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Capital Advance	—	**522.81**	—	400.34	—	587.85
Advances other than capital advance						
Security Deposits	—	**4.41**	—	4.31	—	4.54
Other Advances	**452.18**	**1,618.84**	728.37	1,374.16	591.24	1,605.54
Total Other Assets (Non Financial)	**452.18**	**2,146.06**	728.37	1,778.81	591.24	2,197.93

Other advances include Advances to suppliers, prepaid expenses, drawback receivables, incentive receivable, other recoverable expenses, Balances with government authorities (other than income taxes) etc.

8. Inventories

Rupees crores

Particulars	2017	2016	2015
Raw Materials and Bought-out Components [includes in transit **Rs. 93.38 crores** (2016: Rs. 93.45 crores; 2015 : Rs. 83.16 crores)]	**809.83**	738.57	748.06
Work-in-Progress	**87.62**	95.53	90.93
Finished Products Produced	**1,206.85**	1,108.81	976.26
Stock-in-Trade [includes in transit **Rs. 40.44 crores** (2016: Rs. 60.58 crores; 2015 : Rs. 37.49 crores)]	**409.39**	543.47	417.11
Manufactured Components	**99.07**	110.54	116.08
Stores and Spares	**59.44**	53.21	49.83
Tools	**43.40**	37.80	39.30
Total Inventories	**2,715.60**	2,687.93	2,437.57

(a) The amount of inventories recognised as an expense **Rs. 39,002.59 crores** (2016 : Rs. 36,168.51 crores) include **Rs. 57.51 crores** (2016 : Rs. 36.72 crores) in respect of write-down of inventory to net realisable value, and has been reduced by **Rs. 25.65 crores** (2016: Rs. 27.88 crores) in respect of the reversal of such write downs. Reversal in provision is due to sale and/or consumption of Inventory 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, which are secured by hypothecation of inventories.

(c) Mode of valuation of inventories is stated in Note 1(I).

9. Current Investments

Rupees crores

Particulars	2017	2016	2015
Quoted :			
Carried at fair value through other comprehensive income			
Investments in Equity Instruments	**0.01**	0.01	0.01
Investments in Government Securities	**1.93**	1.94	9.93
Investments in Debentures/Bonds	**20.25**	42.73	48.16
	22.19	44.68	58.10
Unquoted:			
Carried at fair value through profit or loss			
Investments in Mutual Funds	**2,275.73**	1,722.02	1,437.56

9. Current Investments (contd)

Rupees crores

Particulars	2017	2016	2015
Carried at fair value through other comprehensive income			
Investments in Certificate of Deposits	**698.21**	619.28	275.10
Investments in Commercial Papers	**199.74**	—	—
Investments in Non Convertible Debentures	**210.83**	—	—
	1,108.78	619.28	275.10
Carried at Amortised cost			
Investments in Corporate Fixed Deposit	**200.00**	—	—
Total Current Investments	**3606.70**	2385.98	1770.76
Other Disclosures			
(i) Aggregate amount of quoted investments (Gross)	**22.19**	44.68	58.10
Market Value of quoted investments	**22.19**	44.68	58.10
(ii) Aggregate amount of unquoted investments (Gross)	**3,584.51**	2,341.30	1,712.66

10. Trade Receivables

Rupees crores

Particulars	2017	2016	2015
Unsecured, considered good	**2,918.45**	2,511.64	2,558.03
Doubtful	**43.79**	58.47	46.14
	2,962.24	2,570.11	2,604.17
Less : Allowance for expected credit loss	**43.79**	58.47	46.14
Total Trade Receivables	**2,918.45**	2,511.64	2,558.03
Also refer Note 47.			

11. Cash and Bank Balances

Rupees crores

Particulars	2017	2016	2015
Cash and cash equivalents			
Balances with banks			
— On Current Accounts	**178.70**	257.10	239.39
— Fixed Deposits with original maturity less than 3 months	**32.13**	193.64	286.12
	210.83	450.74	525.51
Cheques, drafts on hand	**334.51**	391.15	390.94
Cash on hand	**0.27**	0.42	0.66
Total Cash and cash equivalent	**545.61**	842.31	917.11
Bank Balances other than Cash and Cash Equivalents			
Earmarked balances with banks	**17.48**	15.58	14.69
Balances with Banks on Margin Accounts	**8.12**	9.66	6.94
Fixed Deposits	**1,115.79**	1,419.48	1,126.03
Total Other Bank balances	**1,141.39**	1,444.72	1,147.66

11. Cash and Bank Balances (contd.)

Reconciliation of Cash and Cash Equivalents

Rupees crores

Particulars	2017	2016	2015
Total Cash and Cash Equivalents as per Balance Sheet	**545.61**	842.31	917.11
Less: Loans and Advances on cash credit account from Banks	**8.30**	—	—
Total Cash and Cash Equivalents as per Statement of Cashflow	**537.31**	842.31	917.11

Details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 are as provided in the Table below:

Rupees crores

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	**0.39**	**0.07**	**0.46**
Add: Non-Permitted receipts	**0.01**	**—**	**0.01**
Add: Permitted receipts	**—**	**0.59**	**0.59**
Less: Permitted payments	*****	**0.41**	**0.41**
Less: Amount deposited in Banks	**0.40**	**0.06**	**0.46**
Closing cash in hand as on 30th December, 2016	**—**	**0.19**	**0.19**

* denotes amount less than Rs. 50,000

12A. Equity Share Capital

Rupees crores

Particulars	2017	2016	2015
Authorised:			
1,20,00,00,000 Ordinary (Equity) Shares of Rs. 5 each	**600.00**	600.00	600.00
25,00,000 Unclassified Shares of Rs. 100 each	**25.00**	25.00	25.00
	625.00	625.00	625.00
Issued and Subscribed :			
62,10,92,384 (2016: 62,10,92,384; 2015: 62,10,92,384) Ordinary (Equity) Shares of Rs. 5 each fully paid up	**310.55**	310.55	310.55
Less:-			
2,74,81,857 (2016: 2,84,58,577; 2015: 2,97,00,106) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees	**13.74**	14.23	14.85
Adjusted Issued and Subscribed Share Capital	**296.81**	296.32	295.70

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

Particulars	2017		2016		2015	
	No. of Shares	Rupees crores	No. of Shares	Rupees crores	No. of Shares	Rupees crores
Issued and Subscribed :						
Balance as at the beginning of the year	**62,10,92,384**	**310.55**	62,10,92,384	310.55	61,58,92,384	307.95
Add :						
Shares issued to ESOP Trust	—	—	—	—	52,00,000	2.60
Balance as at the end of the year	**62,10,92,384**	**310.55**	62,10,92,384	310.55	62,10,92,384	310.55
Less :						
Shares issued to ESOP Trust but not allotted to Employees	**2,74,81,857**	**13.74**	2,84,58,577	14.23	2,97,00,106	14.85
Adjusted Issued and Subscribed Share Capital	**59,36,10,527**	**296.81**	59,26,33,807	296.32	59,13,92,278	295.70

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

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

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

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

12B. Other Equity :

Description of the nature and purpose of Other Equity :

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.

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

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

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

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

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

Details of Dividends proposed :

Rupees crores

Particulars	2017	2016	2015
Dividend per share (Rupees)	**13**	12	12
Dividend on Equity Shares	**807.42**	745.31	745.31
Dividend Distribution Tax	**120.20**	96.37	101.58
Total Dividend including Dividend Distribution Tax	**927.62**	841.68	846.89

13. Non-Current Borrowings

Rupees crores

Particulars	2017	2016	2015
Unsecured (Carried at Amortised Cost) :			
Debentures	**973.62**	500.00	500.00
Term Loan From Banks	**344.66**	—	937.50
Fixed Deposits	**—**	—	21.69
Other loans	**915.71**	995.42	1,054.94
Total Unsecured Borrowings	**2,233.99**	1,495.42	2,514.13

(a) Rs. 500 crores Debentures are Senior Redeemable Non-Convertible Debentures carrying an interest rate of 9.55% with a tenure of 50 years, repayable in July, 2063 and Rs. 473.62 crores (Net off unamortised finance charge of Rs. 1.38 crores) Debentures are Redeemable Non-Convertible Debentures carrying an interest rate of 7.57% with a tenure of 10 years, repayable in September, 2026.

(b) Term loans 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 availment of loan.

(c) Other loans comprise 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.

Current maturities in respect of long term borrowings have been included in Note 15 as under :

Rupees crores

Particulars	2017	2016	2015
Debentures	**0.01**	0.01	133.34
Term Loan From Banks	**—**	993.83	937.50
Fixed Deposits	**—**	21.36	36.62
Other Loans	**78.20**	58.17	0.62
Total	**78.21**	1,073.37	1,108.08

14. Trade Payables

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
Acceptances	**726.35**	**—**	656.11	—	575.43	—
Trade payable - Micro and small enterprises	**178.84**	**—**	121.74	—	79.53	—
Trade payable - Other than Micro and small enterprises	**6,251.07**	**1.79**	5,896.86	3.25	4,634.71	6.10
Total Trade Payables	**7,156.26**	**1.79**	6,674.71	3.25	5,289.67	6.10

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 Act") are given below :

Rupees crores

Particulars	2017	2016	2015
(a) Dues remaining unpaid			
— Principal	**63.72**	39.45	54.95
— Interest on the above	**0.46**	0.50	0.56
(b) Interest paid in terms of Section 16 of the Act along with the amount of payment made to the supplier beyond the appointed day during the year			
— Principal paid beyond the appointed date	**500.13**	690.76	564.84
— Interest paid in terms of Section 16 of the Act	**3.33**	3.00	2.39
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	**2.45**	3.11	2.97
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	**1.18**	1.17	1.18
(e) Amount of interest accrued and remaining unpaid	**4.09**	4.78	4.71

15. Other Financial Liabilities

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
Carried at Amortised Cost:						
Current maturities of long-term debt	**78.21**	**—**	1,073.37	—	1,108.08	—
Interest accrued and due on borrowings	**21.85**	**—**	6.66	—	18.31	—
Unclaimed dividends	**17.48**	**—**	15.48	—	14.59	—
Unclaimed matured deposits and interest accrued thereon	**0.84**	**—**	0.97	—	0.79	—
Other liabilities	**218.95**	**319.49**	199.09	283.14	200.48	272.84
Security Deposits	**—**	**69.88**	—	118.01	—	116.05
	337.33	**389.37**	1,295.57	401.15	1,342.25	388.89
Derivative financial instruments designated and effective as hedging instruments carried at fair value	**—**	**—**	—	21.47	12.21	14.83
Total other financial liabilities	**337.33**	**389.37**	1,295.57	422.62	1,354.46	403.72

Other liabilities include capital creditors, brand licenses payable and monies adjusted from share capital and reserves & surplus on account of shares held by ESOP Trust pending transfer to the eligible employees.

16. Provisions

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
Provision for Employee Benefits	**93.03**	**480.02**	107.18	455.38	168.87	430.50
Provision for Warranty	**235.77**	**199.23**	189.16	183.38	180.99	147.96
Provision for Service coupon	**111.20**	**21.20**	112.20	17.48	99.34	16.78
Total Provisions	**440.00**	**700.45**	408.54	656.24	449.20	595.24

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

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

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

Rupees crores

Particulars	2017		2016	
	Provision for Warranty	**Provision for Service coupon**	Provision for Warranty	Provision for Service coupon
Opening Balance				
— Non Current	**183.38**	**17.48**	147.96	16.78
— Current	**189.16**	**112.20**	180.99	99.34
	372.54	**129.68**	328.95	116.12
Additional provisions recognised	**276.45**	**89.63**	288.55	89.81
Amounts used during the period	**(238.81)**	**(90.46)**	(268.79)	(80.27)
Unwinding of discount	**24.82**	**3.55**	23.83	4.02
Closing Balance	**435.00**	**132.40**	372.54	129.68
— Non Current	**199.23**	**21.20**	183.38	17.48
— Current	**235.77**	**111.20**	189.16	112.20
	435.00	**132.40**	372.54	129.68

17. Deferred Tax Liabilities (Net)

Rupees crores

Particulars	Deferred tax liabilities/ (assets) As at 1-4-2015	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Deferred tax liabilities/ (assets) As at 31-3-2016	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Deferred tax liabilities/ (assets) As at 31-3-2017
Fiscal allowances on Property, Plant and Equipment and Other Intangible Assets	1,157.57	282.10	—	**1,439.67**	**164.16**	**—**	**1,603.83**
Provision for employee benefits	(200.49)	7.72	3.67	**(189.10)**	**11.75**	**(1.80)**	**(179.15)**
Allowances for credit losses	(23.84)	(14.83)	—	**(38.67)**	**2.45**	**—**	**(36.22)**
MAT Credit	(666.87)	(52.02)	—	**(718.89)**	**(8.05)**	**—**	**(726.94)**
Others	(44.30)	(0.73)	12.10	**(32.93)**	**63.27**	**3.00**	**33.34**
Total Deferred Tax Liabilities (Net)	222.07	222.24	15.77	**460.08**	**233.59**	**1.20**	**694.86**

18. Other Non Financial Liabilities

Rupees crores

Particulars	2017		2016		2015	
	Current	**Non-Current**	Current	Non-Current	Current	Non-Current
Advances received from customers	**218.52**	**70.85**	412.08	51.11	255.04	35.91
Others	**584.02**	**118.49**	515.45	143.36	412.49	175.53
Total Other Non Financial Liabilities	**802.54**	**189.34**	927.53	194.47	667.53	211.44

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

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

19. Short Term Borrowings

Rupees crores

Particulars	2017	2016	2015
Secured (Carried at Amortised Cost) :			
Loans and Advances on cash credit account from Banks	**8.30**	—	—
Unsecured (Carried at Amortised Cost) :			
Term Loan from Banks	**495.14**	348.13	106.25
Total Short Term Borrowings	**503.44**	348.13	106.25

Secured Borrowings :

Loans and Advances on cash credit accounts from the Company's bankers are secured by a first charge on a *pari-passu* basis on the whole of the current assets of the Company namely inventories, book debts, outstanding monies, receivables, claims etc. both present and future.

Unsecured Borrowings :

Term loan from banks consist of Export packing credit facility carrying interest rate 1.12% and Rupee packing credit facility under Interest equalisation scheme carrying fixed interest rate ranging from 3.55% to 4.10% are repayable within a year from the date of availment of loan.

20. Revenue from Operations

Rupees crores

Particulars	2017	2016
Sale of products (including excise duty)	**45,964.65**	42,796.61
Sale of Services	**462.48**	353.97
Gross Revenue from Sale of Products and Services	**46,427.13**	43,150.58
Other operating revenue		
(i) Scrap Sales	**86.85**	84.57
(ii) Government Grant and Incentives (including export benefits)	**366.78**	236.97
(iii) Others	**215.28**	166.78
Total Revenue from Operations	**47,096.04**	43,638.90

21. Other Income

Rupees crores

Particulars	2017	2016
(a) Interest Income		
— On Financial Assets at Amortised Cost	**273.63**	172.34
— On Financial Assets at Fair Value Through Other Comprehensive Income	**44.91**	40.93
(b) Dividend Income		
— On equity investments in subsidiaries, associates and JV's	**599.36**	416.97
— Mutual fund at Fair Value through Profit or Loss	**61.19**	49.26
(c) Net Gain/(Loss) on sale of financial instruments	**27.74**	49.31
(d) Net Gain/(Loss) arising on financial assets mandatorily measured at Fair Value through profit or loss	**189.40**	—
(e) Others	**146.26**	121.12
Total Other Income	**1,342.49**	849.93

Dividend income includes dividend on investments carried at fair value through other comprehensive income **Rs. * crores** (2016: Rs. 0.02 crores)

* denotes amount less than Rs. 50,000

22. Cost of materials consumed

Rupees crores

Particulars	2017	2016
Opening stock	**738.57**	748.06
Add: Purchases	**20,984.37**	19,355.39
	21,722.94	20,103.45
Less: Closing stock	**809.83**	738.57
Total Cost of materials consumed	**20,913.11**	19,364.88

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

Rupees crores

Particulars	2017	2016
Opening Stock :		
Finished goods produced	**1,108.81**	976.26
Work-in-progress	**95.53**	90.93
Stock-in-trade	**543.47**	417.11
Manufactured Components	**110.54**	116.08
	1,858.35	1,600.38
Less: Stock Transfer on Transfer of Business		
Finished goods produced	**59.43**	—
Less: Closing Stock :		
Finished goods Produced	**1,206.85**	1,108.81
Work-in-progress	**87.62**	95.53
Stock-in-trade	**409.39**	543.47
Manufactured Components	**99.07**	110.54
	1,802.93	1,858.35
Net (increase)/decrease in inventory	**(4.01)**	(257.97)

24. Employee Benefits Expense

Rupees crores

Particulars	2017	2016
(a) Salaries and wages, including bonus	**2,079.03**	1,890.10
(b) Contribution to provident and other funds	**190.39**	184.28
(c) Share based payment expenses	**118.59**	84.12
(d) Staff welfare expenses	**207.36**	190.22
Total Employee Benefits Expense	**2,595.37**	2,348.72

25. Finance Cost

Rupees crores

Particulars	2017	2016
(a) Interest expense for financial liabilities at amortised cost	**126.07**	143.36
Less : Amounts included in the cost of qualifying assets	**44.48**	35.25
	81.59	108.11
(b) Other borrowing costs	**63.99**	77.94
Total Finance Cost	**145.58**	186.05

Other borrowing costs include discounting charges and unwinding of discount.

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is **3.56%** (2016: 3.55%)

26. Depreciation and Amortisation Expense

Rupees crores

Particulars	2017	2016
(a) Depreciation on Property, Plant and Equipment	**951.73**	871.19
(b) Amortisation on Other Intangible Assets	**375.43**	196.91
Total Depreciation and Amortisation Expense	**1,327.16**	1,068.10

27. Other Expenses

Rupees crores

Particulars	2017	2016
Advertisements	**488.99**	477.98
Freight outward	**949.96**	819.43
Stores consumed	**118.35**	112.85
Tools consumed	**40.94**	40.20
Power and Fuel	**227.50**	230.82
Repairs and Maintenance	**347.60**	358.34
Sales promotion expenses	**317.49**	264.16
Legal and Professional charges	**430.72**	364.87
Hire and Service charges	**454.44**	347.17
Miscellaneous expenses	**1,379.05**	1,453.68
Total Other Expenses	**4,755.04**	4,469.50

(a) Miscellaneous Expenses include :

Amounts paid/payable to Auditors (Net of service tax where applicable) :

Rupees crores

Particulars	2017	2016
Statutory Auditors:		
Audit Fees	**3.21**	2.91
Taxation Matters	**0.55**	0.50
Other Services	**1.44**	1.33
Reimbursement of expenses	**0.03**	0.02
Total	**5.23**	4.76
Cost Auditors:		
Audit Fees	**0.10**	0.09
Reimbursement of expenses	**—**	*
Total	**0.10**	0.09

* denotes amount less than Rs. 50,000.

The above includes amounts paid/payable for professional services rendered by firm in which some of the partners of the statutory auditor's firm are partners **Rs. 0.79 crores** (2016: Rs. 0.51 crores).

(b) Other expenses includes expenditure incurred on Corporate Social Responsibility(CSR) under section 135 of the Companies Act, 2013 **Rs. 83.57 crores** (2016: Rs. 85.90 crores).

(c) Other expenses includes donations given to New Democratic Electoral Trust **Rs. 6.03 crores** (2016: Rs. Nil crores).

(d) The gain/(loss) on foreign exchange recognised in profit or loss is a gain of **Rs. 13.28 crores** (2016: loss of Rs. 85.38 crores).

28. Exceptional Items (net) recognised in profit or loss

Exceptional items of **Rs. 548.46 crores** (2016 : Rs. 68.74 crores) comprise of :

a) profit on sale of certain long term investments **Rs. 679.46 crores** (2016 : Rs. 68.74 crores).

b) profit on transfer of agri business **Rs. 91.00 crores** (2016 : Rs. Nil crores).

c) impairment of certain investments as referred to in Note 34 **Rs. 222.00 crores** (2016 : Rs. Nil crores).

29. Income Tax recognised in profit or loss

Rupees crores

Particulars	2017	2016
Current Tax:		
In respect of current year	**1,028.53**	825.69
In respect of prior years	**(30.27)**	31.96
	998.26	857.65
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**203.32**	254.20
In respect of prior years	**30.27**	(31.96)
	233.59	222.24
Total Income Tax recognised in profit or loss	**1,231.85**	1,079.89

30. Income tax recognised in Other comprehensive income

Rupees crores

Particulars	2017	2016
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	**3.42**	11.04
Net fair value gain on investments in debt instruments at FVTOCI	**(0.42)**	1.06
Remeasurement of defined benefit plans	**(1.80)**	3.67
Total Income tax recognised in Other comprehensive income	**1.20**	15.77
Classification of income tax recognised in other comprehensive income:		
Income taxes related to items that will not be reclassified to profit or loss	**(1.80)**	3.67
Income taxes related to items that will be reclassified to profit or loss	**3.00**	12.10
Total Income tax recognised in Other comprehensive income	**1.20**	15.77

31. Earning Per Share (EPS)

Particulars	2017	2016
Profit for the year (Rupees crores)	**3,955.65**	3,204.57
Less: Adjustment in respect of impairment of investment debited to Investment Fluctuation Reserve (Rupees crores)	**—**	64.59
Adjusted profit for the year for Basic and Diluted EPS (Rupees crores)	**3,955.65**	3,139.98
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	**59,30,42,293**	59,19,19,448
Effect of potential Ordinary (Equity) Shares on employee stock options	**29,96,319**	27,17,465
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	**59,60,38,612**	59,46,36,913
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	**66.70**	53.05
Diluted Earnings per share (Rs.)	**66.37**	52.80

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

Rupees crores

Particulars	2017	2016
Profit before tax	**5,187.50**	4,284.46
Applicable Income tax rate	**34.61%**	34.61%
Expected income tax expense	**1,795.29**	1,482.77
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	**(340.04)**	(180.17)
Effect of concessions (Research and Development and other allowances)	**(244.86)**	(279.79)
Effect of expenses/provisions not deductible in determining taxable profit	**169.62**	80.91
Effects of income not considered as taxable on compliance of condition	**(112.70)**	(23.79)
Effect of recognition of deferred tax asset on previous year tax losses	**(42.59)**	—
Others	**7.13**	(0.04)
Reported income tax expense	**1,231.85**	1,079.89

33. The amount and expiry date of unused capital losses for which no deferred tax asset is recognised in the Balance Sheet

Rupees crores

Assessment Year	2017	2016	2015	Available Up to A.Y.
2014-15	**718.98**	784.29	784.29	2022-23
2011-12	**—**	59.54	65.53	—

34. Impairment

During the year ended 31st March, 2017, the Company has recognised an aggregate impairment loss of **Rs. 222.00 crores**, in profit or loss, on certain investments in subsidiaries and joint ventures considering the performance of these companies and their future projections.

During the year ended 31st March, 2016, the Company has recognised an aggregate impairment loss of Rs. 126.07 crores, in investment fluctuation reserve, on certain investments in subsidiaries and joint ventures considering the performance of these companies and their future projections. Aggregate amount of reversals of impairment losses on certain investment in subsidiaries was also recognised in investment fluctuation reserve amounting to Rs. 61.48 crores.

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

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

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

i) 5 equal instalments on the expiry of 12 Months, 24 Months, 36 Months, 48 Months and 60 Months from the date of grant OR

ii) 4 instalments bifurcated as 20% on the expiry of 18 Months, 20% on the expiry of 30 Months, 30% on the expiry of 42 Months and 30% on the expiry of 54 Months.

The options may be exercised on any day over a period of 5 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

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

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

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

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

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

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

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

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

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

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

36. 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. 3,445.08 crores** before tax (2016 : Rs. 2,846.51 crores before tax, 2015 : Rs. 2,003.26 crores before tax).

(ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 27.69 crores** before tax (2016 : Rs. 27.65 crores before tax, 2015 : Rs. 28.53 crores before tax).

(b) Taxation matters :

(i) Demands against the Company not acknowledged as debts and not provided for, relating to issues of deductibility and taxability 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. 627.66 crores** (2016 : Rs. 564.56 crores, 2015 : Rs. 526.49 crores).

(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. 110.78 crores** (2016 : Rs. 112.30 crores, 2015 : Rs. 153.65 crores).

— Surtax matters : **Rs. Nil crores** (2016 : Rs. 0.13 crores, 2015 : Rs. 0.13 crores).

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

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

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

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

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

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

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

(B) Commitments :

(a) Uncalled liability on equity shares partly paid **Rs. Nil crores** (2016 : Rs. Nil crores, 2015 : Rs. 10.50 crores).

(b) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2017 is **Rs. 963.35 crores** (2016 : Rs. 924.74 crores, 2015 : Rs. 745.08 crores) and other commitment as at 31st March, 2017 is **Rs. 7.50 crores** (2016: Rs. 8.50 crores, 2015 : Rs. Nil crores)

37. Research and Development expenditure

(a) In recognised Research and Development units :

(i) Debited to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 804.56 crores** (2016 : Rs. 730.93 crores) [excluding depreciation and amortisation of **Rs. 474.88 crores** (2016 : Rs. 287.02 crores)].

(ii) Development expenditure incurred during the year **Rs. 716.42 crores** (2016 : Rs. 905.41 crores).

(iii) Capitalisation of assets **Rs. 120.12 crores** (2016 : Rs. 104.65 crores).

(b) In other units :

(i) Debited to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 69.48 crores** (2016 : Rs. 68.27 crores) [excluding depreciation and amortisation of **Rs. 14.66 crores** (2016 : Rs. 9.78 crores)].

(ii) Development expenditure incurred during the year **Rs. 97.91 crores** (2016 : Rs. 106.22 crores).

(iii) Capitalisation of assets **Rs. 28.22 crores** (2016 : Rs. 22.38 crores).

38. 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:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

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

Longevity risk

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

Salary risk

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

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

Rupees crores

Particulars	Funded Plan			Unfunded Plans					
	Gratuity			Post retirement medical			Post retirement housing allowance		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
I. Expense recognised in Profit or Loss for the year									
1. Current service cost	**50.27**	47.60		**1.41**	1.12		**2.22**	2.85	
2. Interest cost on benefit obligation (Net)	**14.37**	17.08		**1.91**	1.61		**3.49**	3.32	
3. Total expenses included in employee benefits expense	**64.64**	64.68		**3.32**	2.73		**5.71**	6.17	
II. Recognised in other comprehensive income for the year									
1. Actuarial (gains)/ losses arising from changes in financial assumption	**12.72**	6.97		**0.95**	0.48		**1.18**	0.69	
2. Actuarial (gains)/ losses arising from changes in experience adjustment	**(8.10)**	(11.88)		**3.23**	1.71		**0.86**	(1.55)	
3. Return on plan asset	**(5.65)**	(7.02)		**—**	—		**—**	—	
4. Recognised in other comprehensive income	**(1.03)**	(11.93)		**4.18**	2.19		**2.04**	(0.86)	
III. Change in the present value of defined benefit obligation									
1. Present value of defined benefit obligation at the beginning of the year	**671.01**	641.47		**24.67**	20.36		**45.44**	42.00	
2. Current service cost	**50.27**	47.60		**1.41**	1.12		**2.22**	2.85	
3. Interest cost/income	**48.25**	47.09		**1.91**	1.61		**3.49**	3.32	
4. Remeasurements (gains)/losses									
(I) Actuarial (gains)/ losses arising from changes in financial assumption	**12.72**	6.97		**0.95**	0.48		**1.18**	0.69	
(II) Actuarial (gains)/ losses arising from changes in experience adjustment	**(8.10)**	(11.88)		**3.23**	1.71		**0.86**	(1.55)	
5. Benefits paid	**(56.56)**	(60.24)		**(0.68)**	(0.61)		**(1.87)**	(1.87)	
6. Liabilities assumed/(settled)	**(2.50)**	—		**(0.14)**	—		**—**	—	
7. Present value of defined benefit obligation at the end of the year	**715.09**	671.01		**31.35**	24.67		**51.32**	45.44	
IV. Change in fair value of plan assets during the year									
1. Fair value of plan assets at the beginning of the year	**473.01**	413.02		**—**	—		**—**	—	
2. Interest income	**33.88**	30.01		**—**	—		**—**	—	
3. Contribution by employer	**23.17**	83.20		**0.68**	0.61		**1.87**	1.87	
4. Benefits paid	**(56.56)**	(60.24)		**(0.68)**	(0.61)		**(1.87)**	(1.87)	
5. Return on plan assets excluding interest income	**5.65**	7.02		**—**	—		**—**	—	
6. Fair value of plan assets at the end of the year	**479.15**	473.01		**—**	—		**—**	—	

Rupees crores

Particulars	Funded Plan			Unfunded Plans					
	Gratuity			Post retirement medical			Post retirement housing allowance		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
V. Net Asset/(Liability) recognised in the Balance Sheet									
1. Present value of defined benefit obligation	**715.09**	671.01	641.47	**31.35**	24.67	20.36	**51.32**	45.44	42.00
2. Fair value of plan assets	**479.15**	473.01	413.02	**—**	—	—	**—**	—	—
3. Surplus/(Deficit)	**(235.94)**	(198.00)	(228.45)	**(31.35)**	(24.67)	(20.36)	**(51.32)**	(45.44)	(42.00)
4. Current portion of the above	**(117.44)**	(54.66)	(52.96)	**(0.98)**	(0.72)	(0.56)	**(1.87)**	(1.87)	(1.01)
5. Non current portion of the above	**(118.50)**	(143.34)	(175.49)	**(30.37)**	(23.95)	(19.80)	**(49.45)**	(43.57)	(40.99)
VI. Actuarial assumptions									
1. Discount rate	**7.60%**	7.85%	8.00%	**7.60%**	7.85%	8.00%	**7.60%**	7.85%	8.00%
2. Attrition rate	**7.00%**	7.00%	7.00%	**—**	—	—	**—**	—	—
3. Medical premium inflation	**—**	—	—	**7.00%**	7.00%	7.00%	**—**	—	—
VII. Quantitative sensitivity analysis for significant assumptions are as below:									
1. One percentage point increase in discount rate	**(48.41)**	(44.03)	(41.68)	**(3.56)**	(2.75)	(2.41)	**(4.45)**	(4.07)	(3.89)
2. One percentage point decrease in discount rate	**55.56**	50.25	47.45	**4.31**	3.33	2.93	**5.18**	4.76	4.56
3. One percentage point increase in Salary growth rate	**52.77**	47.85	45.01	**—**	—	—	**—**	0.85	0.96
4. One percentage point decrease in Salary growth rate	**(47.84)**	(43.63)	(41.23)	**—**	—	—	**—**	(0.83)	(0.88)
5. One percentage point increase in attrition rate	**4.66**	3.68	2.42	**2.02**	1.58	1.25	**—**	—	—
6. One percentage point decrease attrition rate	**(5.19)**	(4.11)	(4.16)	**(2.35)**	(1.79)	(1.47)	**—**	—	—
7. One percentage point increase in medical inflation rate	**—**	—	—	**4.29**	3.30	2.93	**—**	—	—
8. One percentage point decrease in medical inflation rate	**—**	—	—	**(3.61)**	(2.82)	(2.45)	**—**	—	—
VIII. Maturity profile of defined benefit obligation									
1. Within next 12 months	**117.44**	112.80		**0.98**	0.72		**1.87**	1.87	
2. Between 2 and 5 years	**287.13**	278.83		**5.54**	4.70		**15.13**	11.51	
3. Between 6 and 9 years	**253.56**	242.91		**8.61**	6.91		**20.45**	19.42	
4. 10 years and above	**821.54**	748.17		**91.97**	75.20		**93.36**	92.60	

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.

The Company's contribution to Provident Fund and Superannuation Fund aggregating **Rs. 125.22 crores** (2016 : Rs. 119.23 crores) has been recognised in Profit or Loss under the head Employee Benefits Expense.

39. First time adoption of Ind AS

Reconciliations between Ind AS and previous GAAP for equity and profit or loss are given below

Rupees crores

Particulars	Profit Reconciliation	Equity Reconciliation	
	Year Ended 31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
Profit after tax/Equity as reported under previous GAAP	3,167.48	21,707.19	19,255.09
Adjustments:-			
a) Reversal of Proposed Dividend including tax thereon	—	841.68	846.89
b) Reclassification of actuarial loss/(gain), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	(10.60)	—	—
c) Reversal of capitalisation of foreign currency differences attributable to Property Plant and Equipment (adjusted for depreciation thereon) etc., so as to recognize the carrying value of such assets in accordance with the respective Ind AS, and reversal of foreign exchange differences arising from translation of long term foreign currency monetary items and accounted for in Foreign Currency Monetary Items Translation Difference Account, without availing of any exemption	63.52	(253.37)	(242.26)
d) Other Adjustments*	1.63	59.09	58.95
e) Tax Adjustments	(17.46)	68.58	90.77
Profit after tax/Equity as per Ind AS	3,204.57	22,423.17	20,009.44
Other Comprehensive Income	29.76		
Total Comprehensive income as per Ind AS	3,234.33		

* Other adjustments mainly include those arising from

(1) recognizing financial assets and liabilities (carried at cost in Previous GAAP) at Fair Value through Profit or Loss (FVTPL) or amortised cost,

(2) measuring certain current investments (carried at lower of cost or fair value in Previous GAAP) at FVTPL and investments in subsidiaries, associates and joint venture continue to be recognized at their cost less diminution other than temporary (deemed cost) and other equity instruments at Fair Value through Other Comprehensive Income and

(3) recognizing the impact of the cost of Employee Stock Option Schemes (recognized at intrinsic value in Previous GAAP) at fair value.

Material Adjustments to the Balance Sheet on Adoption of Ind AS as at 31st March, 2016:

Particulars	Previous GAAP	Effect of Transition to Ind AS impacting equity	Reclassification adjustment	As per Ind AS
Property, Plant and Equipment	6,902.60	(250.00)	(106.87)	6,545.73
Capital work-in-progress	234.90	(3.37)	—	231.53

Material Adjustments to the Balance Sheet on Adoption of Ind AS as at 1st April, 2015:

Particulars	Previous GAAP	Effect of Transition to Ind AS impacting equity	Reclassification adjustment	As per Ind AS
Property, Plant and Equipment	5,795.44	(240.07)	(100.05)	5,455.32
Capital work-in-progress	755.67	(2.19)	—	753.48

There are no material adjustments to the Statement of Cash Flows as reported under the previous GAAP.

40. 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 :

Rupees crores

Particulars	2017	2016	2015
Total Shareholders' Equity as reported in Balance Sheet	**25,669.56**	22,423.17	20,009.44
Net Debt			
Short term debt	**503.44**	348.13	106.25
Long term debt (including current portion of long term debt)	**2,312.20**	2,568.79	3,622.21
Gross Debt	**2,815.64**	2,916.92	3,728.46
Less :			
Current investments	**3,606.70**	2,385.98	1,770.76
Cash and Bank Balances	**1,687.00**	2,287.03	2,064.77
Net Debt	**(2,478.06)**	(1,756.09)	(107.07)
Total Capital	**23,191.50**	20,667.08	19,902.37

41. Financial Risk Management Framework

In the course of its business, the Company is exposed to certain financial risks namely 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.

Market Risk

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.

Currency Risk

The Company's exposure to currency risk relates primarily to the Company's operating activities including anticipated sales & purchase 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

Particulars	US Dollar	Euro	Australian Dollar	Others	Total
As at 31st March, 2017					
Financial assets	**743.70**	**80.66**	**30.86**	**26.11**	**881.33**
Financial liabilities	**314.10**	**383.38**	**5.02**	**4.67**	**707.17**
As at 31st March, 2016					
Financial assets	683.07	47.03	42.66	89.31	862.07
Financial liabilities	1,164.30	37.09	1.15	10.20	1,212.74
As at 1st April, 2015					
Financial assets	979.25	32.26	28.33	26.01	1,065.85
Financial liabilities	2,227.46	64.26	0.23	22.66	2,314.61

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

Rupees crores

	US Dollar	Euro	Australian Dollar	Others	Total
As at 31st March, 2017					
Financial assets	**555.50**	**80.66**	**30.86**	**20.93**	**687.95**
Financial liabilities	**123.96**	**36.90**	**5.02**	**4.67**	**170.55**
As at 31st March, 2016					
Financial assets	446.18	45.20	37.55	86.72	615.65
Financial liabilities	799.90	37.09	1.15	10.20	848.34
As at 1st April, 2015					
Financial assets	688.62	20.29	28.33	26.01	763.25
Financial liabilities	2,121.21	64.26	0.23	22.66	2,208.36

42. Hedge Accounting - Forwards

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

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

Rupees crores

Outstanding Contracts	Average exchange rate	Notional value	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Change in the fair value of hedging instrument during the year	Change in the value of hedged item used to determine hedge effectiveness
31st March, 2017						
Cash Flow Hedges						
Buy currency						
Maturing less than 1 year						
— USD	**68.64**	**268.50**	**1:1**	**(12.88)**	**(12.88)**	**12.88**
Maturing in 1+ years						
— EUR	**100.82**	**346.48**	**1:1**	**(31.74)**	**(31.74)**	**31.74**
Sell currency						
Maturing less than 1 year						
— USD	**69.71**	**368.53**	**1:1**	**18.80**	**18.80**	**(18.80)**
— ZAR	**4.87**	**86.95**	**1:1**	**1.13**	**1.13**	**(1.13)**
Total				**(24.69)**	**(24.69)**	**24.69**
31st March, 2016						
Cash Flow Hedges						
Buy currency						
Maturing less than 1 year						
— USD	67.87	470.87	1:1	8.63	8.63	(8.63)
Sell currency						
Maturing less than 1 year						
— USD	70.39	652.61	1:1	6.85	6.85	(6.85)
— EUR	77.46	44.50	1:1	—	—	—
— AUD	52.23	45.09	1:1	0.05	0.05	(0.05)
— ZAR	4.28	69.12	1:1	(0.01)	(0.01)	0.01
Total				15.52	15.52	(15.52)

Details of Forward Foreign Currency Contracts outstanding at the end of reporting period (contd.)

Rupees crores

Outstanding Contracts	Average exchange rate	Notional value	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Change in the fair value of hedging instrument during the year	Change in the value of hedged item used to determine hedge effectiveness
1st April, 2015						
Cash Flow Hedges						
Buy currency						
Maturing less than 1 year						
— USD	65.94	107.20	1:1	(1.20)	—	—
Sell currency						
Maturing less than 1 year						
— USD	62.20	827.53	1:1	2.69	—	—
— EUR	72.66	33.47	1:1	0.55	—	—
Total				2.04	—	—

Details of hedge ineffectiveness in respect of Outstanding Contracts

Rupees crores

Particulars	Ineffectiveness recognised in Profit or Loss	Effective portion recognised in OCI
Year Ended 31st March, 2017		
Cash Flow Hedges	**—**	**36.91**
Year Ended 31st March, 2016		
Cash Flow Hedges	—	15.69

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

Details of hedge ineffectiveness in respect of Outstanding Contracts

Rupees crores

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

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

Rupees crores

Particulars		2017			2016		
		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	**7.27**	**(3.68)**	**3.59**	1.33	(29.65)	(28.32)
	Deferred tax	**(2.51)**	**1.26**	**(1.25)**	(0.46)	10.25	9.79
	Net	**4.76**	**(2.42)**	**2.34**	0.87	(19.40)	(18.53)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction		**(31.60)**	**3.68**	**(27.92)**	(9.75)	29.65	19.90
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur		**(2.66)**	**—**	**(2.66)**	—	—	—
Change in Fair Value of Effective Portion of cash flow hedges		**36.91**	**3.54**	**40.45**	15.69	(3.68)	12.01
Total		**2.65**	**7.22**	**9.87**	5.94	25.97	31.91
Deferred tax effect on above		**(0.92)**	**(2.50)**	**(3.42)**	(2.05)	(8.99)	(11.04)
Balance as at the end of the year	Gross	**9.92**	**3.54**	**13.46**	7.27	(3.68)	3.59
	Deferred tax	**(3.43)**	**(1.24)**	**(4.67)**	(2.51)	1.26	(1.25)
	Net	**6.49**	**2.30**	**8.79**	4.76	(2.42)	2.34
Of the above:							
Balance relating to continuing hedges		**6.49**	**2.30**	**8.79**	4.76	(2.42)	2.34
Balance relating to hedges for which hedge accounting is no longer applied		**—**	**—**	**—**	—	—	—
Total		**6.49**	**2.30**	**8.79**	4.76	(2.42)	2.34

45. 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.

46. Financial Guarantees

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. Accordingly the amount recognised in Balance Sheet as liabilities :

Rupees crores

Particulars	2017	2016	2015
Financial Guarantee Liabilities	**44.62**	36.01	44.15

47. Trade Receivables

The Company 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 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:

Rupees crores

Particulars	2017	2016	2015
Dealer Deposits	**4.29**	8.32	6.48
Bank Guarantees	**793.09**	817.08	813.24
Letter of Credit	**69.58**	62.70	149.96

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

Rupees crores

Particulars	Not due	0-6 months past due	> 6 months	Total
As at 31st March, 2017				
Gross carrying amount	**542.27**	**2,339.68**	**80.29**	**2,962.24**
Loss allowance provision	**—**	**(1.37)**	**(42.42)**	**(43.79)**
Net	**542.27**	**2,338.31**	**37.87**	**2,918.45**
As at 31st March, 2016				
Gross carrying amount	460.34	1,914.26	195.51	2,570.11
Loss allowance provision	—	(0.53)	(57.94)	(58.47)
Net	460.34	1,913.73	137.57	2,511.64
As at 1st April, 2015				
Gross carrying amount	667.35	1,835.61	101.21	2,604.17
Loss allowance provision	—	—	(46.14)	(46.14)
Net	667.35	1,835.61	55.07	2,558.03

Reconciliation of loss allowance for Trade Receivables

Rupees crores

Particulars	2017	2016
Balance as at the beginning of the year	**(58.47)**	(46.14)
Additions during the year	**(16.05)**	(25.22)
Amounts written off during the year	**0.89**	7.04
Amount of loss reversed/written back	**18.54**	5.85
Transferred on account of transfer of business	**11.30**	—
Balance as at the end of the year	**(43.79)**	(58.47)
Of the trade receivables written off during the year, amount still subject to enforcement activity	**—**	1.38

48. The Company's maximum exposure to credit risk in respect of Financial Guarantee contracts are disclosed in Note 49. 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.

49. LIQUIDITY RISK

(i) Liquidity risk management

Maturity profile of 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, 2017				
Interest-free sales tax deferral loans from State Government	**78.20**	**190.17**	**249.44**	**476.10**
Short term borrowings	**503.44**	**—**	**—**	**—**
Long term borrowings	**0.01**	**—**	**344.66**	**973.62**
Trade payables	**7,154.64**	**1.79**	**—**	**—**
Other Financial Liabilities	**257.00**	**93.93**	**0.13**	**256.24**
Financial Guarantee	**991.23**	**—**	**—**	**—**
Total	**8,984.52**	**285.89**	**594.23**	**1,705.96**
As at 31st March, 2016				
Interest-free sales tax deferral loans from State Government	58.17	175.90	243.73	575.79
Deposits payable	21.36	—	—	—
Short term borrowings	348.13	—	—	—
Long term borrowings	993.84	—	—	500.00
Trade payables	6,674.26	3.25	—	—
Other Financial Liabilities	217.60	108.08	2.09	268.11
Financial Guarantee	1,455.26	—	—	—
Total	9,768.62	287.23	245.82	1,343.90
As at 1st April, 2015				
Interest-free sales tax deferral loans from State Government	0.62	139.23	190.17	725.54
Deposits payable	36.62	21.69	—	—
Short term borrowings	106.25	—	—	—
Long term borrowings	1,070.84	937.50	—	500.00
Trade payables	5,289.67	6.10	—	—
Other Financial Liabilities	226.04	58.05	3.03	301.29
Financial Guarantee	1,344.48	—	—	—
Total	8,074.52	1,162.57	193.20	1,526.83

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.

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
Derivative financial instruments - Receivable/(Payables), net			
As at 31st March, 2017			
Net settled			
Interest rate swaps	**(0.32)**	**1.06**	**2.80**
Commodity futures	**1.62**	**—**	**—**
Gross settled			
Foreign exchange forward contracts	**7.04**	**—**	**(31.73)**
Total	**8.34**	**1.06**	**(28.93)**
As at 31st March, 2016			
Net settled			
Interest rate swaps	(3.68)	—	—
Commodity futures	1.03	—	—
Gross settled			
Foreign exchange forward contracts	15.52	—	—
Total	**12.87**	**—**	**—**
As at 1st April, 2015			
Net settled			
Interest rate swaps	(27.58)	(2.07)	—
Commodity futures	0.57	—	—
Gross settled			
Foreign exchange forward contracts	2.04	—	—
Total	**(24.97)**	**(2.07)**	**—**

50. Sensitivity Analysis

Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31st March, 2017	**USD**	**+10%**	**43.15**	**(10.92)**
	EUR	**+10%**	**4.38**	**—**
Year ended 31st March, 2016	USD	+10%	(35.37)	(42.79)
	EUR	+10%	0.81	(4.51)

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

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

Interest Rate sensitivity

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

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the 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 31st March, 2017	**EUR**	**+25/-25 bps**	**—**	**3.91**
Year ended 31st March, 2016	USD	+25/-25 bps	—	0.64

51. Offsetting of balances

The Company has not offset financial assets and financial liabilities.

52. Collaterals

The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, which are secured by hypothecation of book debts, receivables, outstanding monies and all other current assets.

53. Fair Value Disclosures

Rupees crores

Financial Instruments regularly measured using Fair Value – recurring items						Fair value hierarchy	Valuation technique(s)	Applicable for Level 2 and Level 3 hierarchy	For Level 3 valuation	Relationship of unobservable inputs to fair value and sensitivity
Particulars	Fair Value									
	Financial assets/ financial liabilities	Category	2017	2016	2015			Key inputs	Significant unobservable input(s) for level 3 hierarchy	
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial assets (net)	Financial instruments measured at FVTPL/ FVTOCI	**(19.53)**	12.87	(27.04)	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) Derivatives on Interest over Subsidiaries and Associates		Financial instruments measured at FVTPL	**158.58**	(21.47)	—	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, the 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.
3) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instruments measured at FVTPL	**2,277.94**	1,723.52	1437.56	Level 1	Unquoted market price	Not applicable as Level 1 hierarchy	—	—
4) Investment in equity instruments – Quoted	Financial Assets	Financial instruments designated at FVTOCI	**2.15**	1.99	2.04	Level 1	Quoted bid price in active market	Not applicable as Level 1 hierarchy	—	—
5) Equity investments- Unquoted	Financial Assets	Financial instruments designated at FVTOCI	**4.54**	4.53	4.53	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	Increase in multiple will result in increase in valuation
6) Investment in Government Securities	Financial Assets	Financial instruments measured at FVTOCI	**1.93**	1.94	9.93	Level 1	Quoted market price	Not applicable as Level 1 hierarchy	—	—
7) Investments in Debentures/Bonds	Financial Assets	Financial instruments measured at FVTOCI	**20.25**	42.73	48.16	Level 1	Quoted market price	Not applicable as Level 1 hierarchy	—	—
8) Investments in Non Convertible Debentures	Financial Assets	Financial instruments measured at FVTOCI	210.83	—	—	Level 1	Unquoted market price	Not applicable as Level 1 hierarchy	—	—
9) Investment in Preference instruments -unquoted	Financial Assets	Financial instruments mandatorily required to be measured at FVTPL	**600.00**	—	—	Level 2	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.	—	—
10) Commercial Papers and Certificate of Deposits	Financial Assets	Financial instruments measured at FVTOCI	**897.95**	619.28	275.10	Level 1	Unquoted market price	Not applicable as Level 1 hierarchy	—	—

54. Financial Instruments not measured using Fair Value i.e. measured using amortized cost

Rupees crores

Particulars	Carrying Value	Fair value (Level 2)
As at 31st March, 2017		
Financial liabilities held at amortised cost		
— Other loans	915.71	658.45
As at 31st March, 2016		
Financial assets carried at amortised cost		
— Loans	1,703.89	1,680.52
Financial liabilities held at amortised cost		
— Other loans	995.42	664.98
As at 1st April, 2015		
Financial liabilities held at amortised cost		
— Fixed deposits	21.69	18.43
— Other loans	1,054.94	665.59

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.

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

Rupees crores

Particulars	Unquoted Equity investment	Derivatives on Interest over Subsidiaries and Associates (Net)	Total
Year Ended 31st March, 2017			
Opening balance of fair value	4.53	(21.47)	(16.94)
Total incomes/gains or losses recognised:			
— in profit or loss	—	189.40	189.40
— in other comprehensive income	0.01	—	0.01
Fair value of purchases made during the year	—	(9.35)	(9.35)
Closing balance of fair value	**4.54**	**158.58**	**163.12**
Year Ended 31st March, 2016			
Opening balance of fair value	4.53	—	4.53
Fair value of purchases made during the year	—	(21.47)	(21.47)
Closing balance of fair value	**4.53**	(21.47)	(16.94)

56. Related Party Disclosures

(a) Related parties where control exists :

(i) Subsidiaries :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1	Ssangyong Motor Company	46	Ssangyong European Parts Center B.V.
2	Mahindra Automotive Australia Pty. Limited	47	Ssangyong Motor (Shanghai) Company Limited
3	Mahindra Lifespace Developers Limited	48	Mahindra World City (Maharashtra) Limited
4	Bristlecone Limited	49	Knowledge Township Limited
5	Mahindra Overseas Investment Company (Mauritius) Limited	50	Industrial Township (Maharashtra) Limited
6	EPC Industrie Limited	51	Mahindra Heavy Engines Limited
7	Mahindra USA Inc.	52	Mahindra Steel Service Centre Limited
8	Mitsubishi Mahindra Agricultural Machinery Co., Limited	53	Gables Promoters Private Limited
9	Mahindra & Mahindra Financial Services Limited	54	Mahindra Hotels and Residences India Limited
10	Mahindra do Brasil Industrial Ltda. (w.e.f. 14th October, 2016)	55	Heritage Bird (M) Sdn. Bhd.
11	Mahindra Agri Solutions Limited	56	MH Boutique Hospitality Limited
12	Mahindra Engineering and Chemical Products Limited	57	Infinity Hospitality Group Company Limited
13	Mahindra Vehicle Manufacturers Limited	58	MHR Holdings (Mauritius) Limited
14	Mahindra Two Wheelers Europe Holdings S.a.r.l.	59	Covington S.a.r.l.
15	Mahindra Holidays & Resorts India Limited	60	Holiday Club Resorts Oy
16	Mahindra HZPC Private Limited	61	HCR Management Oy
17	Mahindra Automobile Distributor Private Limited	62	Holiday Club Sweden Ab Åre
18	NBS International Limited	63	Ownership Services Ab
19	Mahindra and Mahindra South Africa (Proprietary) Limited	64	Holiday Club Canarias Investments S.L.
20	Mahindra Defence Systems Limited	65	Holiday Club Canarias Sales & Marketing S.L.
21	Defence Land Systems India Limited	66	Holiday Club Canarias Resort Management S.L.
22	Mahindra Trucks and Buses Limited	67	Holiday Club Rus LLC
23	Mahindra eMarket Limited	68	Suomen Vapaa-aikakiinteistöt Oy LKV
24	Mahindra Consulting Engineers Limited	69	Raigad Industrial & Business Park Limited
25	Mahindra 'Electoral Trust' Company	70	Anthurium Developers Limited
26	Mahindra Gujarat Tractor Limited	71	Industrial Cluster Private Limited
27	Mahindra Holdings Limited	72	Mahindra Infrastructure Developers Limited
28	Mahindra First Choice Wheels Limited	73	Mahindra Water Utilities Limited
29	Mahindra First Choice Services Limited	74	Mahindra Residential Developers Limited
30	Mahindra Tractor Assembly Inc.	75	Bristlecone Inc.
31	Orizonte Business Solutions Limited	76	Bristlecone Consulting Limited
32	Mahindra West Africa Limited (w.e.f. 20th May, 2016)	77	Bristlecone UK Limited
33	Trringo.com Limited (w.e.f. 23rd May, 2016)	78	Bristlecone International AG
34	Classic Legends Private Limited (w.e.f. 18th October, 2016)	79	Bristlecone India Limited
35	Arabian Dreams Hotel Apartments LLC	80	Bristlecone GmbH
36	Sunrise Initiatives Trust	81	Bristlecone (Singapore) Pte. Limited
37	Kismat Developers Private Limited	82	Bristlecone (Malaysia) Sdn. Bhd.
38	Rathna Bhoomi Enterprises Private Limited	83	Mahindra Europe s.r.l.
39	Topical Builders Private Limited	84	Mahindra Graphic Research Design s.r.l.
40	Mahindra & Mahindra Contech Limited	85	Mahindra Racing UK Limited
41	Kota Farm Services Limited	86	Mahindra International UK Limited
42	Mahindra Construction Company Limited	87	Mahindra Racing S.p.A.
43	Moonshine Construction Private Limited	88	OFD Holding BV (w.e.f. 22nd February, 2017)
44	Deep Mangal Developers Private Limited	89	Origin Direct Asia Limited (w.e.f. 22nd February, 2017)
45	Officemartindia.com Limited	90	Origin Fruit Direct B.V. (w.e.f. 22nd February, 2017)
		91	Origin Fruit Services South America SpA (w.e.f. 22nd February, 2017)

56. Related Party Disclosures (contd.)

Sl. No.	Name of the Company	Sl. No.	Name of the Company
92	Origin Direct Asia (Shanghai) Trading Co. Limited (w.e.f. 22nd February, 2017)	138	Kiinteistö Oy Himoksen Tähti 2
93	Mahindra North American Technical Center, Inc.	139	Kiinteistö Oy Tunturinrivi (Ceased w.e.f. 28th February, 2017)
94	Mitsubishi Noki Hanbai Co., Limited	140	Kiinteistö Oy Vanha Ykköstii
95	Ryono Factory Co., Limited	141	Kiinteistö Oy Katinnurkka
96	Ryono Engineering Co., Limited	142	Kiinteistö Oy Tenetinlahti
97	Daiya Computer Services Co., Limited	143	Kiinteistö Oy Mällösniemi
98	MAM Rental Co., Limited (ceased w.e.f. 24th May, 2016)	144	Kiinteistö Oy Rauhan Ranta 1
99	Daiya Kikou Co., Limited	145	Kiinteistö Oy Rauhan Ranta 2
100	Mahindra Insurance Brokers Limited	146	Kiinteistö Oy Tiurunniemi
101	Mahindra Rural Housing Finance Limited	147	Kiinteistö Oy Rauhan Liikekiinteistöt 1
102	Mahindra Asset Management Company Private Limited	148	Kiinteistö Oy Kylpyläntorni 1
103	Mahindra Trustee Company Private Limited	149	Kiinteistö Oy Spa Lofts 2
104	Mahindra Greenyard Private Limited (Formerly known as Mahindra UNIVEG Private Limited w.e.f. 13th January, 2017)	150	Kiinteistö Oy Spa Lofts 3
105	Retail Initiative Holdings Limited	151	Kiinteistö Oy Kuusamon Pulkkajärvi 1
106	Mahindra Retail Private Limited	152	Divine Solren Private Limited
107	Mahindra Internet Commerce Private Limited (ceased w.e.f. 22nd March, 2017)	153	M&M Benefit Trust
108	Mahindra Intertrade Limited	154	ST-42-Jupiter Trust A Jan 13-Axis/ITSL
109	Mahindra Auto Steel Private Limited	155	ST-43-MM TRUST MAR 13 I-IDBI/ITSL
110	Mahindra Electrical Steel Private Limited	156	ST-44-MM TRUST MAR 13 II-Citi/ITSL
111	Mahindra MiddleEast Electrical Steel Service Centre (FZC)	157	ST-46-MM TRUST MAR 13 IV-HDFC/ITSL
112	Mahindra Electric Mobility Limited (Formerly known as Mahindra Reva Electric Vehicles Limited w.e.f. 15th February, 2017)	158	ST-47-MM TRUST MARCH 14 I-IDBI/ITSL
113	Mahindra Two Wheelers Limited	159	ST-48-MM TRUST MARCH 14 II-YES/ITSL
114	Mahindra MSTC Recycling Private Limited (w.e.f. 16th December, 2016)	160	MACEL ESOP Trust
115	Peugeot Motocycles S.A.S.	161	MHRIL ESOP Trust
116	Peugeot Motocycles Italia S.p.A	162	Saimaa Gardens Arena Oy (Ceased w.e.f. 28th February, 2017)
117	Peugeot Motocycles Deutshland GmbH	163	Supermarket Capri Oy
118	Neo Solren Private Limited	164	Caribia Service Oy (Ceased w.e.f. 4th July, 2016)
119	Astra Solren Private Limited	165	Are Semesterby A (Ceased w.e.f. 7th September, 2016)
120	Marvel Solren Private Limited	166	Are Semesterby B (Ceased w.e.f. 7th September, 2016)
121	Mahindra Namaste Limited	167	Are Semesterby C (Ceased w.e.f. 7th September, 2016)
122	Mahindra Suryaurja Private Limited (w.e.f. 16th February, 2017)	168	Are Semesterby D (Ceased w.e.f. 7th September, 2016)
123	Auto Digitech Private Limited	169	Are Villas AB 1
124	Mahindra Integrated Business Solutions Private Limited	170	Are Villas AB 2
125	Mahindra Telecommunications Investment Private Limited	171	Holiday Club Sport and Spa AB
126	Mumbai Mantra Media Limited	172	Mahindra Defence Naval Systems Private Limited
127	BSA Company Limited (w.e.f. 21st October, 2016)	173	Gateway Housing Company Limited
128	Mahindra Marine Private Limited	174	Mahindra Renewables Private Limited
129	Mahindra Integrated Township Limited	175	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (w.e.f. 30th March, 2017)
130	Bristlecone Middle East DMCC (w.e.f. 18th July, 2016)	176	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi (w.e.f. 30th March, 2017)
131	Mahindra Mexico S. de. R. L. (w.e.f. 8th August, 2016)	177	M&M ESOP Trust
132	Ryono Asset Management Co., Limited	178	ST-49-MM TRUST MARCH 14 III-HDFC/ITSL
133	Mahindra Airways Limited (w.e.f. 27th July, 2016)	179	ST-51-MM TRUST SEPTEMBER 14-YES/ITSL
134	Mahindra Susten Private Limited	180	ST-52-MM TRUST NOVEMBER 14 I-ICICI/ITSL
135	MachinePulse Tech Private Limited	181	ST-53-MM TRUST Feb 15-ICICI/ITSL
136	Cleansolar Renewable Energy Private Limited	182	ST-54-MM TRUST Mar 15 I-ICICI/ITSL
137	Kiinteistö Oy Himos Gardens	183	ST-55-MM TRUST Mar 15 II-HDFC/ITSL
		184	Mahindra First Choice ESOP Trust
		185	MMFSL ESOP Trust

56. Related Party Disclosures : (contd.)

(b) Other parties with whom transactions have taken place during the year.

(i) Associates :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Swaraj Engines Limited	2.	Tech Mahindra Limited
	Subsidiaries of Associate		
1.	Mahindra CIE Automotive Limited	5.	Satyam Venture Engineering Services Private Limited
2.	Mahindra Gears Transmission Private Limited	6.	Tech Mahindra (Americas) Inc.
3.	PF Holdings B.V. (w.e.f. 29th April, 2016)	7.	Tech Mahindra (Shanghai) Co. Limited
4.	Pininfarina S.p.A. (w.e.f. 30th May, 2016)	8.	Tech Mahindra Foundation

(ii) Joint Venture :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Mahindra Sanyo Special Steel Private Limited	5.	Mahindra Sona Limited (Ceased w.e.f. 16th December, 2016)
2.	Mahindra Aerospace Private Limited	6.	Mahindra World City (Jaipur) Limited
3.	Mahindra Logistics Limited	7.	Mahindra World City Developers Limited
4.	Mahindra Solar One Private Limited	8.	Mahindra Yueda (Yancheng) Tractor Company Limited
	Subsidiaries of Joint Venture		
1.	2 x 2 Logistics Private Limited	4.	Mahindra Aerostructures Private Limited
2.	Gippsaero Pty. Limited	5.	Mahindra Suryaprakash Private Limited
3.	Lords Freight (India) Private Limited		

(iii) Joint Venture of a Subsidiary :

Sl. No.	Name of the Company
1.	Mahindra Tsubaki Conveyor Systems Private Limited

(iv) Key Management Personnel (KMP) :

	Executive Chairman.....	Mr. Anand G. Mahindra
	Managing Director.....	Dr. Pawan Goenka

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

Sl. No.	Name of the Company
1.	Prudential Management & Services Private Limited

(vi) Welfare Fund :

Sl. No.	Name of the Fund	Sl. 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

56. Related Party Disclosures : (contd.)

(c) The related party transactions are as under :

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31st March	Subsidiaries	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries/ Joint Operations/ Subsidiaries of Joint Venture	KMP/KMP Exercising Significant influence/ Close member of KMP	Welfare Funds
1.	Purchases :						
	Goods	**2017**	**10,212.15**	**1,721.34**	**127.24**	—	—
		2016	9,623.96	1,434.99	184.86	—	—
	Services	**2017**	**433.10**	**170.72**	**1,284.35**	—	—
		2016	601.90	115.89	1,195.21	—	—
	Property, Plant and Equipment	**2017**	**4.19**	**3.76**	**0.46**	—	—
		2016	32.59	2.62	0.23	—	—
	Other Intangible Assets	**2017**	**151.98**	—	—	—	—
		2016	—	—	—	—	—
2.	Sales :						
	Goods	**2017**	**1,751.66**	**17.61**	**4.10**	—	—
		2016	1,921.73	10.79	7.95	—	—
	Property, Plant and Equipment	**2017**	**0.24**	—	—	—	—
		2016	0.22	0.43	—	—	—
	Services	**2017**	**55.60**	**7.78**	**0.78**	—	—
		2016	69.60	11.09	3.03	—	—
3.	Investments :						
	Purchased/Subscribed	**2017**	**3,225.64**	**126.01**	**213.05**	—	—
		2016	3,279.68	—	17.85	—	—
	Derivative on interest over subsidiaries	**2017**	**14.08**	—	—	—	—
		2016	—	—	—	—	—
	Sold/Redeemed	**2017**	**741.87**	—	—	—	—
		2016	3,677.51	—	—	—	—
4.	Transfer of Business	**2017**	**260.01**	—	—	—	—
		2016	—	—	—	—	—
5.	Deputation of Personnel :						
	From Parties	**2017**	**1.50**	**0.04**	—	—	—
		2016	1.82	0.79	—	—	—
	To Parties	**2017**	**31.46**	**3.93**	**0.98**	—	—
		2016	20.01	5.64	0.85	—	—
6.	Managerial Remuneration	**2017**	—	—	—	**15.06**	—
		2016	—	—	—	12.97	—
7.	Stock Option	**2017**	—	—	—	—	—
		2016	—	—	—	5.21	—
8.	Finance :						
	Inter Corporate Deposits given	**2017**	**570.00**	—	—	—	—
		2016	300.00	—	—	—	—
	Inter Corporate Deposits refunded by parties	**2017**	**578.68**	—	—	—	—
		2016	25.81	—	—	—	—
	Loan given	**2017**	—	—	—	—	—
		2016	1,200.00	—	—	9.00	—

56. Related Party Disclosures : (contd.)

(c) The related party transactions are as under : (contd.)

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31st March	Subsidiaries	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries/ Joint Operations/ Subsidiaries of Joint Venture	KMP/KMP Exercising Significant influence/ Close member of KMP	Welfare Funds
	Refund of loan given	**2017**	**1,200.00**	**—**	**—**	**—**	**—**
		2016	—	—	—	4.50	—
	Interest Income	**2017**	**120.05**	**0.26**	**2.68**	**0.26**	**—**
		2016	39.58	—	—	0.19	—
	Dividend received	**2017**	**274.70**	**321.12**	**3.54**	**—**	**—**
		2016	246.04	167.36	3.55	—	—
	Security Deposits Paid/Refunded	**2017**	**0.09**	**—**	**0.05**	**—**	**—**
		2016	0.33	0.03	0.02	—	—
	Security Deposits Received/Refunded	**2017**	**0.09**	**0.02**	**0.05**	**—**	**—**
		2016	0.30	0.01	0.02	—	—
	Share Application Money Given	**2017**	**79.59**	**—**	**—**	**—**	**—**
		2016	—	—	—	—	—
9.	Dividends Distributed	**2017**	**96.06**	**—**	**—**	**87.29**	**2.44**
		2016	97.37	—	—	87.17	2.44
10.	Guarantees Given	**2017**	**198.53**	**792.70**	**—**	**—**	**—**
		2016	—	—	—	—	—
11.	Other Transactions :						
	Other Income	**2017**	**78.82**	**2.34**	**3.48**	**0.35**	**—**
		2016	79.46	0.85	0.76	—	—
	Other Expenses	**2017**	**117.19**	**16.23**	**7.45**	**0.95**	**—**
		2016	20.42	0.17	—	1.91	—
	Allowance for credit loss on debts/for doubtful assets provided during the year (net)	**2017**	**(3.95)**	**—**	**(1.73)**	**—**	**—**
		2016	—	—	—	—	—
	Reimbursements received from parties	**2017**	**81.01**	**9.48**	**14.58**	**—**	**0.80**
		2016	62.31	9.27	11.13	—	0.75
	Reimbursements made to parties	**2017**	**24.42**	**4.16**	**1.92**	**—**	**0.08**
		2016	19.05	7.00	1.80	—	0.08
	Advances Received from Parties	**2017**	**0.01**	**0.81**	**—**	**—**	**—**
		2016	—	—	—	—	—
	Advances Given to Parties	**2017**	**—**	**24.24**	**—**	**—**	**—**
		2016	—	—	—	0.02	—
	Advances given to parties Refunded/ Converted	**2017**	**6.85**	**24.24**	**0.44**	**—**	**—**
		2016	—	—	—	—	—

56. Related Party Disclosures : (contd.)

(c) The related party transactions are as under : (contd.)

Rupees crores

Sl. No.	Nature of Transactions	Balance as on	Subsidiaries	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries/ Joint Operations/ Subsidiaries of Joint Venture	KMP/KMP Exercising Significant influence/Close member of KMP	Welfare Funds
12.	Outstandings :						
	Payable	**2017**	**676.87**	**229.94**	**52.99**	**3.81**	**—**
		2016	1,135.18	146.07	94.21	3.19	—
		2015	423.90	135.72	84.82	2.86	—
	Receivable	**2017**	**667.30**	**12.99**	**27.79**	**5.91**	**17.00**
		2016	1,963.96	16.58	27.07	5.80	17.00
		2015	927.24	28.91	36.93	1.09	17.00
	Inter Corporate Deposits Outstanding.....	**2017**	**470.12**	**—**	**—**	**—**	**—**
		2016	484.36	*	—	—	—
		2015	200.69	—	—	—	—
13.	Share Application Money Outstanding.....	**2017**	**79.59**	**—**	**—**	**—**	**—**
		2016	—	—	—	—	—
		2015	55.00	—	—	—	—
14.	Allowance for credit loss on debts/for doubtful assets.....	**2017**	**7.66**	**—**	**—**	**—**	**10.00**
		2016	11.61	0.08	1.74	—	10.00
		2015	11.54	0.53	1.73	—	10.00
15.	Guarantees given	**2017**	**198.53**	**792.70**	**—**	**—**	**—**
		2016	1,455.26	—	—	—	—
		2015	1,344.48	—	—	—	—

* denotes amount less than Rs. 50,000.

The Significant related party transactions are as under :

Sl. No.	Nature of Transactions	For the Year Ended 31st March	Subsidiaries	Rupees crores	Associates/Associates of Subsidiaries/Subsidiaries of Associate	Rupees crores	Joint Ventures/Joint Ventures of Subsidiaries/ Joint Operations/ Subsidiaries of Joint Venture	Rupees crores
1.	Purchases - Goods	**2017**	Mahindra Vehicle Manufacturers Limited	**9,913.91**	Swaraj Engines Limited	**788.09**	Mahindra Sona Limited	**118.28**
		2016		8,974.51		622.50		175.12
		2017			Mahindra CIE Automotive Limited	**857.95**		
		2016				784.50		
2.	Purchases - Services	**2017**	Mahindra Vehicle Manufacturers Limited	**207.49**	Tech Mahindra Limited	**166.10**	Mahindra Logistics Limited	**1,279.70**
		2016		271.44		113.58		1,189.83
		2017	Ssangyong Motor Company	**—**				
		2016		123.14				
3.	Purchases - Intangibles	**2017**	Ssangyong Motor Company	**145.77**				
		2016		—				
4.	Sales - Goods	**2017**	Mahindra & Mahindra South Africa (Proprietary) Limited	**232.04**				
		2016		—				
		2017	Mahindra USA Inc.	**506.25**				
		2016		527.65				
		2017	Mahindra Vehicle Manufacturers Limited	**647.40**				
		2016		810.66				

56. Related Party Disclosures : (contd.)

The Significant related party transactions are as under :

Sl. No.	Nature of Transactions	For the Year Ended 31st March	Subsidiaries	Rupees crores	Associates/Associates of Subsidiaries/Subsidiaries of Associate	Rupees crores	Joint Ventures/Joint Ventures of Subsidiaries/ Joint Operations/ Subsidiaries of Joint Venture	Rupees crores
5.	Investments - Purchased/ Subscribed	**2017**	Mahindra Holdings Limited	**928.63**	PF Holdings B.V.	**126.01**	Mahindra Aerospace Private Limited	**190.00**
		2016		—		—		—
		2017	Mahindra Vehicle Manufacturers Limited	**1,335.70**				
		2016		2,200.00				
		2017	Mahindra Two Wheelers Limited	**—**				
		2016		400.00				
6.	Investments - Sold/ Redeemed	**2017**	Mahindra Defence Systems Limited	**111.00**				
		2016		—				
		2017	Mahindra Holdings Limited	**582.93**				
		2016		—				
		2017	Mahindra Vehicle Manufacturers Limited	**—**				
		2016		3,677.51				
7.	Transfer of Business	**2017**	Mahindra Agri Solutions Limited	**260.01**				
		2016		—				
8.	Loan Given	**2017**	Mahindra Vehicle Manufacturers Limited	**—**				
		2016		1,200.00				
9.	Loan given refunded	**2017**	Mahindra Vehicle Manufacturers Limited	**1,200.00**				
		2016		—				
10.	Inter Corporate Deposits given	**2017**	Mahindra & Mahindra Financial Services Limited	**500.00**				
		2016		300.00				
11.	Inter Corporate Deposits refunded by parties	**2017**	Mahindra & Mahindra Financial Services Limited	**550.00**				
		2016		—				
12.	Guarantees Given	**2017**	Peugeot Motocycles S.A.S.	**198.53**	PF Holdings B.V.	**792.70**		
		2016		—		—		

The Significant related party transactions with Key Management Personnel are as under :

Sl. No.	Nature of Transaction	Name of KMP	Year	Rupees crores
1.	Salary including perquisites	Mr. Anand Mahindra	**2017**	**3.41**
			2016	2.99
		Dr. Pawan Goenka	**2017**	**3.37**
			2016	3.09
2.	Stock Options	Mr. Anand Mahindra	**2017**	**—**
			2016	—
		Dr. Pawan Goenka	**2017**	**—**
			2016	5.21
3.	Commission	Mr. Anand Mahindra	**2017**	**3.82**
			2016	3.19
		Dr. Pawan Goenka	**2017**	**3.58**
			2016	2.88
4.	Others Contribution to Funds	Mr. Anand Mahindra	**2017**	**0.44**
			2016	0.41
		Dr. Pawan Goenka	**2017**	**0.44**
			2016	0.41

(d) Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (Net of provision):

Rupees crores

Sl. No.	Name	Relation	2017	2016
1.	Inter Corporate deposits and Loans			
	Bristlecone Limited	Subsidiary	71.98	96.73
	Mahindra Overseas Investment Company (Mauritius) Limited	Subsidiary	73.55	77.18
	Mahindra Gujarat Tractors Limited	Subsidiary	—	1.00
	Mahindra Agri Solutions Limited	Subsidiary	—	0.68
	Mahindra World School Education Trust	Welfare Fund	7.00	7.00
	Mahindra & Mahindra Financial Services Limited	Subsidiary	250.00	300.00
	Mahindra Vehicle Manufacturers Limited	Subsidiary	—	1,200.00
	Mahindra Retail Private Limited	Subsidiary	70.00	—
	M&M ESOP Trust	Subsidiary	—	6.85
	Kotak Mahindra Investment Limited		25.00	—
2.	Guarantees			
	Mahindra Overseas Investment Company (Mauritius) Limited	Subsidiary	—	927.57
	Mahindra Two Wheelers Limited	Subsidiary	—	527.69
	Peugeot Motocycles S.A.S.	Subsidiary	198.53	—
	PF Holding B.V.	Subsidiary of Associate	792.70	—

Note: a) During the year inter corporate deposit of **Rs. 324.24 crores** (2016 : Rs. Nil crores) was given to PF Holding B.V. (a subsidiary of Associate), Mahindra & Mahindra Financial Services Limited (Subsidiary), Kotak Mahindra Prime Limited and ICICI Securities Dealership Limited but the same has been repaid during the year.

b) Refer Note 4 for investments.

57. 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 Segment comprises of sale of automobiles, spare parts and related services;

(b) Farm Equipment Segment comprises of sale of tractors, spare parts and related services;

(c) Others comprise of Agri, Construction Equipment, Powerol, 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 :

Rupees crores

Particulars	2017						2016					Total
	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total	Automotive	Farm Equipment	Other	Total Segment	Eliminations	
Revenue												
Net External Revenue	**31,996.18**	**13,582.99**	**1,516.87**	**47,096.04**	**—**	**47,096.04**	30,807.16	11,050.96	1,780.78	43,638.90	—	43,638.90
Inter Segment Revenue	**23.50**	**318.91**	**—**	**342.41**	**(342.41)**	**—**	19.19	343.06	—	362.25	(362.25)	—
Total Revenue	**32,019.68**	**13,901.90**	**1,516.87**	**47,438.45**	**(342.41)**	**47,096.04**	30,826.35	11,394.02	1,780.78	44,001.15	(362.25)	43,638.90
Result												
Segment Result before exceptional item	**1,412.78**	**2,561.68**	**73.30**	**4,047.76**	**—**	**4,047.76**	2128.76	1,955.94	40.41	4,125.11	—	4,125.11
Exceptional Item allocated to segments	**—**	**—**	**—**	**—**	**—**	**—**	—	—	—	—	—	—
Segment Result	**1,412.78**	**2,561.68**	**73.30**	**4,047.76**	**—**	**4,047.76**	2128.76	1,955.94	40.41	4,125.11	—	4,125.11
Less :												
Finance costs						**145.58**						186.05
Unallocated corporate income net of unallocated expenses						**736.86**						276.66
Exceptional items unallocable to segments						**548.46**						68.74
Profit before tax						**5,187.50**						4,284.46
Income Taxes						**1,231.85**						1,079.89
Profit after tax						**3,955.65**						3,204.57
OTHER INFORMATION												
Segment Assets	**12,837.20**	**5,214.00**	**488.60**	**18,539.80**	**—**	**18,539.80**	12,044.00	4,588.76	741.58	17,374.34	—	17,374.34
Unallocated Corporate Assets						**20,798.51**						18,125.23
Total Assets	**12,837.20**	**5,214.00**	**488.60**	**18,539.80**	**—**	**39,338.31**	12,044.00	4,588.76	741.58	17,374.34	—	35,499.57
Segment Liabilities	**6,491.44**	**2,235.81**	**291.27**	**9,018.52**	**—**	**9,018.52**	6569.68	1,782.77	327.99	8,680.44	—	8,680.44
Unallocated Corporate Liabilities						**4,650.23**						4,395.96
Total Liabilities	**6,491.44**	**2,235.81**	**291.27**	**9,018.52**	**—**	**13,668.75**	6,569.68	1,782.77	327.99	8,680.44	—	13,076.40
Capital Expenditure	**1,902.97**	**281.85**	**(0.68)**	**2,184.14**	**—**	**2,184.14**	1760.46	322.08	27.08	2,109.62	—	2,109.62
Depreciation and Amortisation Expense	**1,049.54**	**219.65**	**21.80**	**1,290.99**	**—**	**1,290.99**	817.67	202.72	15.11	1,035.50	—	1,035.50
Non cash expenses other than depreciation	**2.64**	**—**	**—**	**2.64**	**—**	**2.64**	8.56	—	—	8.56	—	8.56

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 : Rupees crores

Particulars	2017			2016		
	Domestic	**Overseas**	**Total**	Domestic	Overseas	Total
Revenue from External Customers.....	**43,753.01**	**3,343.03**	**47,096.04**	40,669.98	2,968.92	43,638.90
Segment Assets.....	**18,539.80**	**—**	**18,539.80**	17,374.34	—	17,374.34
Capital Expenditure	**2,184.14**	**—**	**2,184.14**	2,109.62	—	2,109.62

Domestic Segment includes sales to customers located in India and service income accrued in India.

Overseas Segment includes sales and services rendered to customers located outside India.

Information about major customers

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

58. Recent accounting pronouncements

Standards issued but not yet effective

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

Amendment to Ind AS 7

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

Amendment to Ind AS 102

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

59. The Board of Directors of the Company at its meeting held on 3rd December, 2016, has approved the Scheme of Arrangement between Mahindra Two-Wheelers Limited (MTWL), a step-down subsidiary of the Company, and the Company and their respective Shareholders and Creditors, which inter-alia, envisages demerger of the Two-Wheeler Undertaking of MTWL (which consists of manufacturing and selling of Two-Wheelers) and transfer and vesting thereof as a going concern into the Company. The Appointed Date of the Scheme would be 1st October, 2016 or such other date as may be approved. The Scheme will be given effect to on receipt of requisite approvals/consent.

Signatures to Notes 1 to 59

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

Anand G. Mahindra — Executive Chairman

Dr. Pawan Goenka — Managing Director

V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Consolidated Accounts

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

Report on the Consolidated Ind AS Financial Statements

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in para 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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

Other Matters

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

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

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

10. Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor's on separate financial statements and the other financial information of subsidiaries, associates and joint venture companies incorporated in India, referred to in the Other Matter paragraph above we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

    (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary companies, associate company's and joint venture company's (incorporated in India) internal financial controls over financial reporting.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

        (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.

        (ii) Provision has been made in the Consolidated Ind AS financial statements, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

        (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India.

        (iv) The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities.

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

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

Annexure "A" to the Independent Auditor's Report

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

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

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

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

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

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

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2017

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

Rupees crores

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

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

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

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

Anand G. Mahindra — Executive Chairman

Dr. Pawan Goenka — Managing Director

V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Consolidated Statement of Profit and Loss for the years ended 31st March, 2017 and 31st March, 2016

Rupees crores

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

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

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

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

Anand G. Mahindra — Executive Chairman
Dr. Pawan Goenka — Managing Director
V. S. Parthasarathy — Group Chief Financial Officer & Group CIO
Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

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

A) Equity Share Capital Rupees crores

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

B) Other Equity Rupees crores

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

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

B) Other Equity (contd.)

Rupees crores

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

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

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

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

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

C) Other Reserves

Rupees crores

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

D) Items of Other Comprehensive Income

Rupees crores

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

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

Notes:

a) The Company has reduced the Share Capital by **Rs. 13.49 crores** (2016: Rs. 13.73 crores; 2015 : Rs. 14.04 crores) and Securities Premium Account by **Rs. 255.58 crores** (2016: Rs. 256.78 crores; 2015 : Rs. 258.30 crores) for the 2,69,73,260 shares of Rs. 5 each (2016: 2,74,61,619 shares of Rs. 5 each; 2015 : 2,80,82,384 shares of Rs. 5 each) held by M&M ESOP Trust pending transfer to the eligible employees.

b) The Share Capital of the Company has also been reduced and the General Reserve increased by **Rs. 0.25 crores** (2016: Rs. 0.50 crores; 2015 : Rs. 0.81 crores) for the 5,08,597 bonus shares of Rs. 5 each (2016: 9,96,958 bonus shares of Rs. 5 each; 2015 : 16,17,722 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the M&M ESOP Trust but not yet transferred by trust to the employees.

c) The Company has also reduced the Share Capital by **Rs. 25.92 crores** (2016: Rs. 25.92 crores; 2015 : Rs. 25.92 crores) and Retained Earnings by **Rs. 1,433.85 crores** (2016: Rs. 1,433.85 crores; 2015 : Rs. 1,433.85 crores) for the 5,18,35,214 shares of Rs. 5 each (2016: 5,18,35,214 shares of Rs. 5 each; 2015 : 5,18,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.

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

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

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

Anand G. Mahindra — Executive Chairman

Dr. Pawan Goenka — Managing Director

V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

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

Rupees crores

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

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

Rupees crores

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

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

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

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2017

Deepak S. Parekh
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Anand G. Mahindra — Executive Chairman

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V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Notes forming part of the Consolidated Financial Statements

1. General information :

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

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

2. Significant Accounting Policies :

a) Statement of compliance and basis of preparation

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

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

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

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

b) Basis of consolidation

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

Subsidiaries

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

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

Associates

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

Joint Arrangements

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

c) Measurement of fair values

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

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

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

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

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

Overall principle

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

Significant items are as discussed below:

i) Past business combinations

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

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

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

iii) Currency translation reserve

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

iv) De-recognition of financial assets and financial liabilities

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

v) Long term foreign currency monetary items

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

vi) Government grants

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

vii) Share-based payments

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

viii) Leases

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

e) Property, plant and equipment

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

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

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

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

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

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

f) Goodwill and Intangible Assets

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

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

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

Intangible assets under development

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

Intangible assets acquired under business combination

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

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

Other intangible assets

Technical Knowhow

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

Development Expenditure

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

Brand licence fee

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

Software Expenditure

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

Others

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

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

g) Impairment of Assets

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

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

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

h) Inventories

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

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

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

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

i) Foreign exchange transactions and translation

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

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

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

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

j) Financial Instruments

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

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

Classification and subsequent measurement

Financial assets

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

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

– Amortised cost; or

– Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or

– Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or

– Fair Value through Profit or Loss

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

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

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

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

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

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

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

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

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Compound instruments

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

Derecognition of financial assets

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

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

Offsetting

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

Financial guarantee contracts and loan commitments

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

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

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

Derivative financial instruments and hedge accounting

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

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

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

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

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

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

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

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

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

Impairment of financial assets

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

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

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

k) Revenue Recognition

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

Sale of goods

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

a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Sale of services are recognised on rendering of such services.

Dividend and interest income

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

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

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

Income from financing business

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

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

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

Amortised costs and gross carrying value

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

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

Long Term Construction Contracts and Property Development Activity

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

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

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

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

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

i. all critical approvals necessary for commencement of the project have been obtained,

ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost),

iii. when at least 10% of the sales consideration is realised, and

iv. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

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

Vacation Ownership Business

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

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

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

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

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

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

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

l) Government Grants

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

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

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

m) Employee Benefits

Superannuation Fund, ESIC and Labour Welfare Fund

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

Provident Fund

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

Long term Compensated Absences

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

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

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

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

Remeasurement gains/losses

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

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

Share based payments

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

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

n) Borrowing Costs

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

o) Income taxes

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

p) Provisions

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

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

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

q) Leasing

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

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

The Group as lessor

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

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

The Group as lessee

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

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

r) Business combinations

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

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

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

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

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

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

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

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

Business Combination under common control

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

s) Acquisition of interest in associate and joint venture

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

3. Critical Accounting Estimates and Judgments :

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

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

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

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

Useful lives of property, land and equipment

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

Provision for product warranties

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

Fair value of financial assets and liabilities and investments

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

Impairment of goodwill

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

4. Recent accounting pronouncements :

Standards issued but not yet effective

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

Amendment to Ind AS 7 - Statement of cash flows

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

Amendment to Ind AS 102 - Share-based payment

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

5. Property, Plant and Equipment :

Rupees crores

Description of Assets	Land - Freehold	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 1st April, 2016	3,574.80	7,900.60	57.11	27,210.64	121.97	944.24	548.98	103.46	317.27	17.30	**40,796.37**
Additions	95.61	136.85	1.56	1,655.87	30.23	61.94	123.50	—	34.30	2.57	**2,142.43**
Acquisitions through business combinations	29.73	67.26	—	31.02	35.45	2.43	0.96	—	0.16	—	**167.01**
Foreign exchange translation differences	(18.04)	(44.84)	(0.08)	(141.21)	(2.40)	(2.32)	(1.20)	—	(0.93)	—	**(211.02)**
Disposals	(14.84)	(24.17)	(10.74)	(623.36)	(1.95)	(31.90)	(72.43)	—	—	—	**(779.39)**
Balance as at 31st March, 2017	**3,667.26**	**8,035.70**	**47.85**	**28,132.96**	**183.30**	**974.39**	**599.81**	**103.46**	**350.80**	**19.87**	**42,115.40**
Accumulated depreciation and impairment											
Balance as at 1st April, 2016	—	3,431.96	40.60	18,211.27	19.92	569.08	286.08	21.81	208.64	2.25	**22,791.61**
Depreciation expense for the year	—	208.44	6.20	1,645.71	42.78	99.82	91.70	4.81	40.00	2.75	**2,142.21**
Foreign exchange translation differences	—	(26.10)	(0.09)	(129.84)	(3.06)	(1.99)	(1.12)	—	—	—	**(162.20)**
Eliminated on disposal of assets	—	(21.40)	(8.88)	(609.71)	—	(25.21)	(51.70)	—	(0.25)	—	**(717.15)**
Impairment losses recognised in profit or loss	—	—	—	83.73	—	0.04	0.77	—	0.03	—	**84.57**
Balance as at 31st March, 2017	—	**3,592.90**	**37.83**	**19,201.16**	**59.64**	**641.74**	**325.73**	**26.62**	**248.42**	**5.00**	**24,139.04**

Rupees crores

Description of Assets	Land - Freehold	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 1st April, 2015	3,128.08	7,090.12	65.67	24,266.63	3.16	880.49	496.60	103.46	260.09	6.68	36,300.98
Additions	53.34	401.84	2.44	2,754.06	15.28	95.60	120.35	—	75.28	10.62	3,528.81
Acquisitions through business combinations	325.72	303.51	—	165.15	109.60	17.82	1.60	—	0.17	—	923.57
Foreign exchange translation differences	89.36	119.13	0.16	495.88	0.17	12.79	0.65	—	3.47	—	721.61
Disposals	(13.42)	(9.84)	(11.16)	(380.45)	(6.24)	(62.29)	(69.00)	—	(20.39)	—	(572.79)
Derecognition on disposal of subsidiaries	(8.28)	(4.16)	—	(90.63)	—	(0.17)	(1.22)	—	(1.35)	—	(105.81)
Balance as at 31st March, 2016	3,574.80	7,900.60	57.11	27,210.64	121.97	944.24	548.98	103.46	317.27	17.30	40,796.37
Accumulated depreciation and impairment											
Balance as at 1st April, 2015	—	3,164.91	39.05	16,588.51	2.77	520.83	255.99	17.00	162.34	0.56	20,751.96
Depreciation expense for the year	—	183.84	8.21	1,544.46	17.44	95.20	84.60	4.81	44.72	1.69	1,984.97
Foreign exchange translation differences	—	93.30	0.05	433.67	1.54	9.78	1.39	—	2.42	—	542.15
Eliminated on disposal of assets	—	(7.25)	(8.84)	(367.73)	(1.83)	(57.38)	(54.94)	—	(0.30)	—	(498.27)
Derecognition on disposal of subsidiaries	—	(2.84)	—	(10.35)	—	(0.13)	(1.06)	—	(1.15)	—	(15.53)
Impairment losses recognised in profit or loss	—	—	2.13	22.71	—	0.78	0.10	—	0.61	—	26.33
Balance as at 31st March, 2016	—	3,431.96	40.60	18,211.27	19.92	569.08	286.08	21.81	208.64	2.25	22,791.61
Carrying amount											
Net carrying amount as at 31st March, 2017	**3,667.26**	**4,442.80**	**10.02**	**8,931.80**	**123.66**	**332.65**	**274.08**	**76.84**	**102.38**	**14.87**	**17,976.36**
Net carrying amount as at 31st March, 2016	3,574.80	4,468.64	16.51	8,999.37	102.05	375.16	262.90	81.65	108.63	15.05	18,004.76
Net carrying amount as at 1st April, 2015	3,128.08	3,925.21	26.62	7,678.12	0.39	359.66	240.61	86.46	97.75	6.12	15,549.02

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

Rupees crores

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

6. Goodwill :

Rupees crores

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

Segmentwise allocation of Goodwill

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

Rupees crores

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

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

7. Other Intangible assets :

Rupees crores

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

Rupees crores

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

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

8A. Non Current Investments :

Rupees crores

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

* Refer note 35

8B. Current Investments :

Rupees crores

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

9A. Non Current Trade Receivables :

Rupees crores

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

9B. Current Trade receivables :

Rupees crores

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

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

10A. Non Current Loans :

Rupees crores

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

10B. Current Loans :

Rupees crores

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

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

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

11A. Non Current Other Financial Assets :

Rupees crores

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

11B. Current Other Financial Assets :

Rupees crores

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

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

12. Current Tax and Deferred Tax :

a) Income Tax recognised in profit or loss

Rupees crores

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

b) Income tax recognised in Other Comprehensive Income

Rupees crores

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

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

Rupees crores

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

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

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

Rupees crores

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

e) Unused Tax losses - Revenue in nature

Rupees crores

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

f) Unused Tax losses - Capital in nature

Rupees crores

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

g) Unused tax credits

Rupees crores

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

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

Rupees crores

Particulars	2017	2016	2015
Undistributed earnings	**6,137.84**	6,902.43	5,684.32

(i) Movement in deferred tax balances

Rupees crores

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

Rupees crores

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

Rupees crores

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

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

Rupees crores

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

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

Rupees crores

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

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

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

Rupees crores

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

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

14. Inventories :

Rupees crores

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

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

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

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

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

15A. Cash and cash Equivalents :

Rupees crores

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

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

Rupees crores

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

Reconciliation of Cash and Cash Equivalents

Rupees crores

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

16. Equity Share Capital :

Rupees crores

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

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

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

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

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

Rupees crores

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

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

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

(a) Capital Reserve :

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

Capital Reserve on Consolidation :

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

Securities Premium Account :

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

General Reserve :

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

Debenture Redemption Reserve :

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

Investment Fluctuation Reserve (IFR) :

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

Employee Stock Options Outstanding :

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

Statutory Reserve :

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

(b) Details of Dividends proposed

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

18. Non-current Borrowings :

Rupees crores

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

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

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

Short Term Borrowings :

Rupees crores

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

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

19A. Non-current - Trade Payables :

Rupees crores

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

19B. Current - Trade Payables :

Rupees crores

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

20A. Non-current - Other Financial Liabilities :

Rupees crores

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

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

20B. Current - Other Financial Liabilities :

Rupees crores

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

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

21A. Non-current - Provisions :

Rupees crores

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

21B. Current - Provisions :

Rupees crores

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

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

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

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

Rupees crores

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

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

Rupees crores

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

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

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

22B. Other Current Non - Financial Liabilities :

Rupees crores

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

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

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

23. Revenue from Operations :

Rupees crores

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

24. Other Income :

Rupees crores

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

25. Cost of materials consumed :

Rupees crores

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

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

Rupees crores

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

27. Employee Benefits Expense :

Rupees crores

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

28. Finance Cost :

Rupees crores

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

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

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

29. Other Expenses :

Rupees crores

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

30. Exceptional Items :

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

a) Profit on sale of franchise business **Rs. 198.83 crores** (2016 : Rs. Nil crores)

b) Profit on disposal of subsidiaries and joint venture **Rs. 36.95 crores** (2016 : Rs. 11.09 crores)

c) Profit on change in ownership interest/relationships of subsidiaries, associates & joint venture **Rs. 211.33 crores** (2016 : Rs. 20.66 crores)

31. Earning Per Share (EPS) :

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

32. Employee Benefits :

General description of defined benefit plans :

Gratuity

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

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

Post retirement medical

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

Post retirement housing allowance

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

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

Investment risk

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

Interest risk

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

Longevity risk

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

Salary risk

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

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

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

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

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

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

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

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

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

VIII Maturity profile of defined benefit obligation : Rupees crores

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

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

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

33. Capital Management and Financial Instruments :

A. Capital management

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

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

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

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

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

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

Rupees crores

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

B. Financial Risk Management Framework

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

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

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

1. Market Risk

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

(a) Currency Risk

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

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

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

Rupees crores

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

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

Rupees crores

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

Hedge Accounting - Forwards

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

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

Rupees crores

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

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

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

Rupees crores

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

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

Details of hedge ineffectiveness in respect of Outstanding Contracts

Rupees crores

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

(b) Interest Rate Risk

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

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

1. Hedge Accounting : Interest Rate Swaps

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

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

Rupees crores

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

Details of hedge ineffectiveness in respect of outstanding contracts

Rupees crores

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

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

Rupees crores

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

2. Credit Risk Management

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

(a) Financial Guarantees

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

Accordingly, the amount recognised in Balance Sheet as liabilities :

Rupees crores

Particulars	**2017**	2016	2015
Financial Guarantee Liabilities	**43.79**	—	—

(b) Trade Receivables

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

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

Other than related to hospitality segment

Rupees crores

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

Related to hospitality segment

Rupees crores

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

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

Rupees crores

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

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

Rupees crores

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

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

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

(c) Credit risk related to financial services business :

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

Rupees crores

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

Credit Quality of Financial Loans

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

Inputs considered in the ECL model

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

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

— Stage 1: 0-1 month Past Due

— Stage 2: 2-3 months Past Due

— Stage 3: More than 3 months Past Due

Assumptions considered in the ECL model

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

— "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all retails loans.

— "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

Estimation Technique

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

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

— Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

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

Forward Looking Information

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

Assessment of significant increase in credit risk

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

Definition of default

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

Policy for write off of Loan Assets

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

Impairment loss

The expected credit loss allowance provision is determined as follows:

Rupees crores

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

Level of Assessment - Aggregation Criteria

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

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

Reconciliation of loss allowance provision for loans

Rupees crores

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

Rupees crores

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

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

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

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

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

Concentration of Credit Risk

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

Rupees crores

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

Maximum Exposure to credit risk

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

Narrative Description of Collateral

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

Quantitative Information of Collateral - Credit Impaired assets

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

Rupees crores

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

Quantitative Information of Collateral - Repossessed Assets

Rupees crores

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

3. LIQUIDITY RISK

Liquidity risk management

Maturity profile of financial liabilities

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

Rupees crores

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

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

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

Rupees crores

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

Sensitivity Analysis

Foreign Currency Sensitivity

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

Rupees crores

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

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

Interest Rate sensitivity

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

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

Rupees crores

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

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

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

Fair Value Disclosures

Rupees crores

Financial Instruments regularly measured using Fair Value – recurring Items						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
Financial assets/ financial liabilities	Financial assets/financial liabilities	Category	Fair Value							
			2017	2016	2015					
1) Foreign currency forwards, Interest rate swaps & commodity derivatives	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL / FVTOCI	**(22.60)**	(12.16)	(84.85)	Level 2	Discounted Cash Flow	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.		
2) Currency options	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL	**(6.18)**	16.57	4.54	Level 2	Black Scholes valuation model	Strike rate, spot rate, time to maturity, volatility and risk free interest rate.		
3) Derivatives on interest over subsidiaries, associates and joint ventures	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL	**185.22**	36.73	14.75	Level 3	Comparable Companies Method / Discounted Cash-flow / Price of recent transactions / Comparable Companies quoted multiples	For Comparable Companies Method / Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, profit & loss account along with underlying assumptions.	Interest rates to discount future cash flows, 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.
4) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	**3,088.38**	2,252.31	1,540.94	Level 1	Quoted market price			
5) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	**5.38**	5.03	2.03	Level 1	Quoted bid price in active market			
6) Investment in equity instruments - Unquoted	Financial Assets	Financial instrument designated at FVTOCI	**48.62**	37.76	18.90	Level 3	Discounted Cash Flow / Market Multiple approach	For Discounted Cash Flow approach - The discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, long term pre tax operating profit margin, WACC, Discount for lack of market for respective equity instrument. 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.	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 instrument measured at FVTPL	**8.29**	5.34	7.30	Level 3	Income Approach - Discounted Cash Flow			
7) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTOCI	**1.93**	1.94	9.93	Level 1	Quoted market price			
8) Investment in debt instruments - Debentures/ Bonds, etc.	Financial Assets	Financial instrument measured at FVTOCI	**231.08**	42.73	48.16	Level 1	Quoted market price			
9) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	**897.95**	619.28	275.10	Level 1	Quoted market price			

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

Rupees crores

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

Equity Investments designated at Fair value through Other Comprehensive Income

Rupees crores

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

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

Financial Instruments measured at amortised cost

Rupees crores

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

Rupees crores

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

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

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

34. Business Combinations :

a) Acquisition of Subsidiaries

Mitsubishi Mahindra Agricultural Machinery Co. Ltd (MAM)

On 1st October, 2015, the Group acquired 33.33% of voting shares and 66.67% of Class A equity shares (without voting rights) of Mitsubishi Agricultural Machinery Co. Ltd (MAM), Japan which is a full range agri-machinery company producing and selling tractors, combine harvesters, rice transplanters and other agri-machinery. The primary reason for business combination was part of the vision of the Farm Equipment Sector to become a global full line player in the agriculture machinery space and through the partnership with MAM enhance product development capabilities and strengthen the Group's position in the North American market and help gain entry into new markets.

The results of MAM operations have been consolidated by the Group from the consummation date of 1st October, 2015 on a line-by-line basis. The purchase consideration for this acquisition amounted to Rs.164.78 crore (JPY 3.0 billion), entire amount comprising of initial cash consideration.

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

Holiday Club Resorts Oy Group

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

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

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

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

The goodwill has been allocated to Hospitality segment.

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

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

OFD Group

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

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

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

Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Hisarlar)

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

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

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

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

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

Tractors unit of Bramont, Brazil

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

Impact of acquisitions on the results of the Group

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

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

b) Disposal of Subsidiaries

Swaraj Automotive Limited (SAL)

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

c) Reduction in shareholding resulting in loss of control

Bright Solar Renewable Energy Private Limited (BREPL)

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

d) Acquisition of Associates and Joint ventures :

i) Acquisition of interests in Associates

Sampo Rosenlew Oy (Sampo)

On 1st July, 2016, the Group acquired 35% of voting shares of Sampo Rosenlew Oy, a combine harvester company based in Finland.

The consideration for this acquisition amounted to Rs. 83.90 crores, entire amount comprising of initial cash consideration. The results of Sampo operations have been accounted using equity method of accounting by the Group from the consummation date of 1st July, 2016.

Brainbees Solutions Private Limited (Brainbees)

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

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

Medwell Ventures Private Limited (Medwell)

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

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

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

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

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

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

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

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

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

\# represents companies which ceased to be subsidiaries during the year as per scheme of arrangement. The appointed date and effective date is 1st April, 2015 and 31st March, 2016 respectively

@ entities have been treated as subsidiaries even though the Group holds less than half of the voting power in these entities as it has unilateral control over the investees due to other factors that give power like control over composition of board, management control etc.

$ In addition to JPY750 million Common Stock (which represents 33.33% of the Common Stock), the Company owns the entire JPY2250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

Reduction in ownership interest during the year 31st March, 2017 has not resulted in loss of control

Reduction in ownership interest during the year 31st March, 2016 has resulted in loss of control in respect of Brightsolar Renewable Energy Private Limited

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

Rupees crores

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

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

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

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

Rupees crores

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

36. Investment in Joint Arrangements and Associates :

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

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

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

Interests in Associates :

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

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

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

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

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

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

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

Rupees crores

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

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

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

Rupees crores

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

37. Segment information :

Operating Segments

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

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

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

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

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

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

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

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

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

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

Information regarding the Group's reportable segments is presented below.

Rupees crores

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

Notes:

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

Segment Assets and Liabilities

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Two Wheelers	Others	Total	Eliminations	Consolidated Total
Segment Assets	**28,978.19**	**8,860.39**	**47,590.55**	**2,020.55**	**3,712.11**	**1,114.45**	**6,250.82**	**98,527.06**	**–**	**98,527.06**
	27,284.68	7,759.05	40,719.67	2,081.59	3,413.33	1,357.51	4,502.51	87,118.34	–	87,118.34
Segment Liabilities	**14,046.98**	**4,361.41**	**41,536.98**	**343.02**	**2,568.64**	**483.66**	**1,671.66**	**65,012.35**	**–**	**65,012.35**
	13,396.57	3,684.44	34,823.06	361.11	2,324.74	758.29	1,237.39	56,585.60	–	56,585.60

Reconciliations

Reconciliation of segment assets to total assets:

Segment Assets	**98,527.06**
	87,118.34
Unallocable Assets	**16,298.55**
	13,513.74
Total Assets	**1,14,825.61**
	1,00,632.08

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

Reconciliation of segment liabilities to total liabilities:

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

Unallocable Liabilities primarily comprise of borrowings and defered 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:

Rupees crores

Particulars	2017	2016	2017	2016
	Revenue from external customers		Non-Current assets	
India	**55,763.14**	51,513.80	**18,934.52**	17,043.29
Overseas	**33,219.89**	28,948.07	**10,023.57**	9,357.15
	88,983.03	80,461.87	**28,958.09**	26,400.44

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

Information about major customers

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

38. Related Party Disclosures :

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

(i) Direct & Indirect Associates :

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

(ii) Joint Ventures :

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

(iii) Key Management Personnel (KMP) :

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

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

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

(v) Post employment benefit plans of M&M

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

(b) The related party transactions are as under :

Rupees crores

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

Rupees crores

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

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

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

39. Employees Stock Option Plan :

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

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

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

i) 5 equal instalments on the expiry of 12 Months, 24 Months, 36 Months, 48 Months and 60 Months from the date of grant. OR

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

Summary of stock options

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

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

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

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

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

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

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

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

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

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

40. Contingent Liability & Commitments :

(A) Contingent Liability :

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

(i) Excise Duty, Sales Tax and Service Tax claims disputed by the Group relating to issues of applicability and classification aggregating **Rs. 3,700.07 crores** before tax (2016 : Rs. 3,070.75 crores before tax, 2015 : Rs 2,086.27 crores before tax).

(ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 277.37 crores** before tax (2016 : Rs. 370.48 crores before tax, 2015 : Rs 128.00 crores before tax).

(b) Taxation matters :

(i) Demands against the Group not acknowledged as debts and not provided for, relating to issues of deductibility and tax ability in respect of which the Group is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed :

– Income-tax : **Rs. 1,069.96 crores** (2016 : Rs. 829.19 crores, 2015 : Rs. 888.82 crores).

(ii) Items in respect of which the Group has succeeded in appeal, but the Income-tax Department is pursuing/likely to pursue in appeal/reference and exclusive of the effect of similar matters in respect of assessments remaining to be completed :

– Income-tax matters : **Rs. 382.18 crores** (2016 : Rs. 383.70 crores, 2015 : Rs. 351.50 crores).

– Surtax matters : **Rs. Nil crores** (2016 : Rs. 0.13 crores, 2015 : Rs. 0.13 crores).

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

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

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

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

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

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

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

(B) Commitments :

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

41. Research and Development expenditure :

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

42. Specified Bank Note Disclosure :

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

Rupees crores

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

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

43. First-time adoption of Ind-AS :

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

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

Rupees crores

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

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

Rupees crores

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

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

Explanatory Notes

1 Change in scope of consolidated entities and change of relationships

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

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

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

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

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

4 Changes in gross obligation value of written put options to Non-Controlling Interest
On transition date, the Group had written put options for acquiring remaining interest in its subsidiary 'Peugeot Motocycles S.A.' (PMTC). On 31st March, 2016 the Group had written put options in respect of PMTC, Holiday Club Resorts Oy Group (HCRO) and Mitsubishi Mahindra Agricultural Machinery Co. Ltd (MAM). Under Ind AS, gross obligation has been recognised by debit to Other Equity for the expected amount payable in case of exercise of the put by NCI. The effect of change in estimate as on 31st March, 2016 has been recognised in profit or loss.

5 Effect of reduction in interest in equity accounted investees and interest in subsidiaries resulting in loss of control
Under previous GAAP, the Group recognised gain/loss on deemed divestiture of interest in associates through equity. Under Ind AS, the gain / loss for such deemed divestiture have been recognised in profit or loss. Further, under Ind AS, reduction in ownership interest in subsidiary resulting in loss of control requires remeasurement of retained interest and gain/loss recognised in profit or loss. Accordingly, gain on remeasurement of retained interest in Brightsolar Renewables Energy Pvt Ltd (BREPL) has been recognised in profit or loss during the year ended 31st March, 2016 under Ind AS.

6 Fair valuation of assets and liabilities on acquisition of business
Under previous GAAP, accounting for business combination was based on carrying amounts of assets and liabilities existing in the books of the acquiree. Ind AS requires fair valuation of assets and liabilities acquired including acquired intangibles. Accordingly, the fair valuation adjustment for assets and liabilities in case of acquisition of MAM has resulted in reduction in Capital Reserve on Consolidation.

7 Effect of change in discount rate for defined benefit obligations by foreign subsidiaries
Under previous GAAP, defined benefit obligations were required to be discounted using yield on government securities. However, Ind AS allows use of yield on high quality corporate bond rate to be used in respect of obligations that are in countries which have deep market for high quality corporate bonds. Accordingly, under Ind AS. the defined benefit obligations of Ssangyong Motor Company (SYMC) have been determined by using yield on high quality corporate bond rate with consequent impact on retained earnings on transition date and 31st March, 2016.

8 Share of Ind AS adjustments by equity accounted associates and joint ventures
This adjustment relates to the Group's share of effect of Ind AS adjustments made by associates and joint ventures on transition to Ind AS.

9 Share of Ind AS adjustments related to Non-controlling interest
This adjustment relates to the NCI's share of effect of Ind AS adjustments made by subsidiaries on transition to Ind AS.

10 Proposed Dividend
Under previous GAAP, dividends proposed after the reporting date was treated as adjusting event and accordingly, provision for dividend was recognised with debit to retained earnings. Under Ind AS, proposed dividends are non-adjusting events and are recognised when they are authorised for issue. Accordingly, the proposed dividends have been added to retained earnings on transition date and 31st March, 2016.

11 Deferred tax adjustments
This includes deferred tax effect of Ind AS adjustments recognised on transition date and during the year ended 31st March, 2016. Additionally, deferred tax liability has been recognised on the temporary difference arising on investment in subsidiaries, associates and joint ventures due to undistributed profits.

12 Others
This includes adjustment on account of discounting of provisions, share-based payments measured using fair value method under Ind AS as compared to intrinsic value method under previous GAAP.

(iii) Material adjustments to the Statement of Cash Flows

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

Explanation of material adjustments to cash flow

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

(a) Control exists when the investor -
  (i) has power over the investee;
  (ii) is exposed to, or has rights, to variable returns from its involvement with the investee, and
  (iii) has the ability to use its power to affect its returns.

(b) Significant influence exists when the investor has power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies;

(c) Joint control exists only when the decisions about the relevant activities require unanimous consent of the parties sharing control.

Under Ind AS, subsidiaries are consolidated using full line-by-line consolidation method whereas associates and joint ventures are accounted using equity method. Under previous GAAP, joint ventures were accounted using proportionate line-by-line consolidation method. These have resulted into adjustment to the Statement of Cash flows under Ind AS.

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

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

Rupees crores

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

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

Rupees crores

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

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

Rupees crores

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

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

Rupees crores

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

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

Rupees crores

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

* Denotes amounts less than Rs. 50,000.
• Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 17.65 as on 31st March, 2017
^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs. 49.55 as on 31st March, 2017
ß Converted into Indian Rupees at the exchange rate, 1 BRL = Rs. 20.73 as on 31st March, 2017
@ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs. 48.73 as on 31st March, 2017
< Converted into Indian Rupees at the exchange rate, 1 CHF = Rs. 64.80 as on 31st March, 2017
> Converted into Indian Rupees at the exchange rate, 1 CNY = Rs. 9.42 as on 31st March, 2017
€ Converted into Indian Rupees at the exchange rate, 1 EUR = Rs. 69.26 as on 31st March, 2017
£ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 80.94 as on 31st March, 2017
¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.5788 as on 31st March, 2017
» Converted into Indian Rupees at the exchange rate, 1 KRW = Rs. 0.0580 as on 31st March, 2017
© Converted into Indian Rupees at the exchange rate, 1 MXN = Rs. 3.46 as on 31st March, 2017
** Converted into Indian Rupees at the exchange rate, 1 MYR = Rs. 14.64 as on 31st March, 2017
◊ Converted into Indian Rupees at the exchange rate, 1 NGN = Rs. 0.2119 as on 31st March, 2017
R Converted into Indian Rupees at the exchange rate, 1 RUB = Rs. 1.15 as on 31st March, 2017
≥ Converted into Indian Rupees at the exchange rate, 1 SEK = Rs. 7.26 as on 31st March, 2017
≤ Converted into Indian Rupees at the exchange rate, 1 SGD = Rs. 46.42 as on 31st March, 2017
Converted into Indian Rupees at the exchange rate, 1 THB = Rs. 1.89 as on 31st March, 2017
† Converted into Indian Rupees at the exchange rate, 1 TRY = Rs. 17.87 as on 31st March, 2017
$ Converted into Indian Rupees at the exchange rate, 1 USD = Rs. 64.88 as on 31st March, 2017
Ž Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 4.83 as on 31st March, 2017

FORM AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement Containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

Rupees crores

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

Part "A" : Subsidiaries (contd.)

Rupees crores

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

Part "A" : Subsidiaries (contd.)

Rupees crores

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

Part "A" : Subsidiaries (contd.)

Rupees crores

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

Part "A" : Subsidiaries (contd.)

Rupees crores

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

Part "A" : Subsidiaries (contd.)

Rupees crores

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153	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	230.29	245.19	481.60	6.12	—	0.95	(5.25)	0.26	(5.51)	—	66.67%	
154	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	235.36	(181.81)	203.00	149.45	—	31.77	(52.53)	—	(52.53)	—	66.67%	100.00%
155	Mahindra Aerospace Australia Pty Limited	13/04/2010	AUD	49.55	350.51	(131.06)	314.95	95.50	—	5.98	(0.18)	—	(0.18)	—	66.67%	100.00%
156	Aerostaff Australia Pty Limited	10/05/2010	AUD	49.55	24.53	(27.31)	3.53	6.31	—	7.68	0.10	—	0.10	—	66.67%	100.00%
157	Gipp Aero Investemnts Pty Limited	28/06/2010	AUD	49.55	318.59	(107.76)	210.92	0.09	—	*	(0.05)	—	(0.05)	—	66.67%	100.00%
158	Gippsaero Pty Limited	28/06/2010	AUD	49.55	283.67	(235.38)	250.57	202.28	—	83.49	(27.72)	—	(27.72)	—	66.67%	100.00%
159	Airvan Flight Services Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
160	GA8 Airvan Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
161	GA200 Pty Limited	28/06/2010	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
162	Nomad TC Pty Limited	28/06/2010	AUD	49.55	0.06	(0.10)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
163	Airvan 10 Pty Limited	10/12/2015	AUD	49.55	*	(0.04)	—	0.04	—	—	(0.02)	—	(0.02)	—	66.67%	100.00%
164	Mahindra Sanyo Special Steel Private Limited	11/11/2011	INR	1.00	11.98	166.88	662.28	483.42	—	918.43	(46.08)	—	(46.08)	—	51.00%	

Notes:

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

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

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

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

Kiinteistö Oy Tunturinrivi	Are semesterby B
Caribia Service Oy	Are semesterby C
Saimaa Gardens Arena Oy	Are semesterby D
Are semesterby A	Mahindra Internet Commerce Private Limited

Part "B" Details of Associates / Joint Ventures

Rupees crores

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

Notes :

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

* Denotes amount less than Rs. 50000

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

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

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

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

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

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

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

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

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

ff Shareholding is through a subsidiary, Holiday Club Resort Oy.

> Shareholding is through a subsidiary, Mahindra Holidays and Resorts India Limited.

$$ Shareholding is through a subsidiary, Mahindra Holdings Limited.

*** Shareholding is through the Company and its subsidiary, Mahindra Holdings Limited

€ Shareholding is through a subsidiary, Peugeot Motocycles S.A.S.,

§ In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock), the Company owns the entire JPY 2,250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

Shareholding is through a subsidiary, Mahindra Vehicle Manufacturers Limited

@ Shareholding is through a subsidiary, Mahindra Overseas Investment Company (Mauritius) Limited.

† Shareholding is through a subsidiary, Mahindra & Mahindra Financial Services Limited.

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

Anand G. Mahindra — Executive Chairman

Dr. Pawan Goenka — Managing Director

V. S. Parthasarathy — Group Chief Financial Officer & Group CIO

Narayan Shankar — Company Secretary

Mumbai, 30th May, 2017

Notes

Mahindra
Rise.

Registered Office: Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder, Mumbai - 400 001.
www.mahindra.com

Concept, Content & Design
WYATTPrism COMMUNICATIONS (info@wyatt.co.in)
vakils

ATTENDANCE SLIP

Mahindra & Mahindra Limited

Registered Office: Gateway Building, Apollo Bunder, Mumbai – 400 001.
CIN: L65990MH1945PLC004558
website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholders desiring to attend the Meeting may obtain additional Attendance Slips on request. Such request should reach the Company or its Registrar & Transfer Agents, **Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032** on or before 21st July, 2017.

I hereby record my presence at the SEVENTY FIRST ANNUAL GENERAL MEETING of the Company being held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020 on 4th August, 2017 at 3.00 pm.

Name(s) of the Shareholder(s)/Proxy (IN BLOCK LETTERS)

_____

_____

_____
Signature(s) of the Shareholder(s) or Proxy

Note: You are requested to bring your copy of the Annual Report to the Meeting.

(To be retained throughout the Meeting)

E-VOTING SLIP

Mahindra & Mahindra Limited

Registered Office: Gateway Building, Apollo Bunder, Mumbai – 400 001.
CIN: L65990MH1945PLC004558
website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD
3111		

Note: 1. The remote e-voting period will commence on Monday, 31st July, 2017 (9:00 a.m. IST) and will end on Thursday, 3rd August, 2017 (5:00 p.m. IST).

2. Please read instructions given overleaf before voting electronically.

Instructions for e-voting:

Members are requested to follow the instructions given below before they cast their votes through remote e-voting:

1. New Users
   (i) User ID and password for e-voting is provided in the table overleaf. Please note that the password is an initial password.
   (ii) Launch internet browser by typing the URL: https://www.evoting.karvy.com
   (iii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.
   (iv) You will now reach password change menu wherein you are required to mandatorily change your password with a new password of your choice with minimum 8 characters. 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 not to share your password with any other person and 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) Now you are ready for e-voting as voting page opens.
   (viii) You may then cast your vote by selecting an appropriate option and click on "Submit" and also click on "OK" to confirm else "CANCEL" to modify.
   (ix) Once you have voted on the resolution, you will not be allowed to modify your vote.
   (x) 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. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVEN."

2. Existing Users
   If you are already registered with Karvy Computershare Private Limited ("Karvy") for e-voting then you can use your existing user ID and password for casting your vote. Please follow the steps from Sl. No. (vi) to (x).

Voting at the General Meeting:

The facility for voting through e-voting system of Karvy shall also be made available at the Annual General Meeting ("AGM") and Members attending the AGM who have not already cast their vote through 'remote e-voting' shall be able to exercise their right to vote at the AGM. Members who have cast their vote through 'remote e-voting' may also attend the meeting but shall not be entitled to cast their vote again.

General Instructions:

I. In case of any queries and/or grievances, 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 (Karvy Website) or contact at investors@mahindra.com or evoting@karvy.com or call on 040 – 6716 1500 or on Karvy's toll free No. 1800-3454-001 for any further clarifications.

II. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

III. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. 28th July, 2017.

IV. Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS10189) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Mahindra Rise.

Mahindra & Mahindra Limited

Registered Office: Gateway Building, Apollo Bunder, Mumbai – 400 001.
CIN: L65990MH1945PLC004558
website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

Name of the member(s)	:
Registered address	:
E-mail Id	:
Folio No./Client Id	:
DP ID	:

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____ E-mail Id: _____
   Address: _____
   _____ Signature: _____, or failing him
2. Name: _____ E-mail Id: _____
   Address: _____
   _____ Signature: _____, or failing him
3. Name: _____ E-mail Id: _____
   Address: _____
   _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 71st Annual General Meeting of the Company, to be held on the 4th day of August, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1.	To receive, consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) of the Company for the Financial Year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend on Ordinary (Equity) Shares.		
3.	Re-appointment of Dr. Pawan Goenka (DIN: 00254502) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	Appointment of Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022), as Statutory Auditors of the Company, in place of the retiring Auditors Messrs Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number 117364W) for a term of five years from the conclusion of the Seventy-First Annual General Meeting, until the conclusion of the Seventy-Sixth Annual General Meeting of the Company to be held in the year 2022 and approve their remuneration.		

[P.T.O.]

Resolution No.	Description	For	Against
5.	Ratification of the Remuneration payable to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), appointed as the Cost Auditors of the Company.		
6.	Appointment of Mr. T. N. Manoharan (DIN: 01186248) as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 11th November, 2016 to 10th November, 2021.		
7.	Appointment of Mr. Anand G. Mahindra (DIN: 00004695) as Executive Chairman for a period of 5 years with effect from 12th November, 2016 upto and including 11th November, 2021 and approve his remuneration.		
8.	Appointment of Dr. Pawan Goenka (DIN: 00254502) as Managing Director for a period of 4 years with effect from 12th November, 2016 upto and including 11th November, 2020 and approve his remuneration.		
9.	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.		

Signed this _____ day of _____ 2017.

Affix Revenue Stamp

_____ _____

Signature of Shareholder Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other Member.

MAHINDRA DRIVES POSITIVE CHANGE WITH INTEGRATED REPORTING

Till date financial value creation has been by far the most dominant measure of an organisation's performance. While financial capital is necessary, it alone is not sufficient for an organisation to generate value. For a cohesive view about an organisation's performance and its ability to create value consistently, one needs to look at five other capitals along with financial capital - manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital. Cognizant of these shifts, starting FY 2016-17, Mahindra will be publishing an Integrated Report. The report will feature more disclosures, enable greater transparency, and most important of all, elucidate the inter-relatedness between the six capitals - thereby giving you a more complete picture of our past performance and future sustainability.

GREATER TRANSPARENCY | BETTER DISCLOSURES | SMARTER REPORTING



Rise for Good

FINANCIAL CAPITAL

MAHINDRA
ADDS VALUE
TO EVERY SHARE

EPS (Basic) grew by
14.5%
to INR 63 in FY17



MAHINDRA CONTINUES
TO FOCUS ON **INNOVATION AND EFFICIENCIES**

8% increase in our top-line

16% surge in PAT

In comparison to FY16 (M&M+MVML)

MANUFACTURED CAPITAL



FARMING 3.0

Plan to bring to small farms in India, what is happening today only in large farms

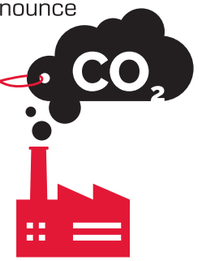
IN FY17,
769,645 vehicles and tractors sold,
MANUFACTURED FROM OUR 13 WORLD CLASS FACILITIES



NATURAL CAPITAL

PRICING CARBON
HELPS UNDERSTAND
THE TRUE COST OF CLIMATE CHANGE

The first Indian company to announce its internal Carbon Price of
US$10
per ton of carbon emitted



TO MAKE OUR FUTURE BRIGHTER, WE HAVE
RENEWABLES IN OUR ENERGY MIX

Wind **4.2** MW

Solar **2.5** MWp



INTELLECTUAL CAPITAL

MAHINDRA WINS
INNOVATOR OF THE YEAR AWARD
AT TIME INDIA AWARDS 2017



Chosen from 15,000 manufacturing companies across the world, Mahindra won the award for its unrivalled ability to constantly innovate in both, products and processes.

MORE WE INVEST IN R&D
MORE WE REAP IN PATENTS

2X R&D spend doubled in last 5 years

Number of patents have gone up from 47 in FY13 to **202** in FY17

HUMAN CAPITAL

WE ARE A GREAT PLACE TO WORK
AND THE RESULTS PROVE IT

M&M recognised as one of India's 100 best workplaces by Great Place To Work® Institute in 2016

HUMAN CAPITAL AT MAHINDRA YIELDED
29% HIGHER RETURN
THIS YEAR AS COMPARED TO FY15



SOCIAL & RELATIONSHIP CAPITAL

AT MAHINDRA, WE ARE HELPING OUR SUPPLIERS **MAKE THEIR BUSINESS MORE SUSTAINABLE**

Sustainability initiatives rolled out across 400 suppliers

INTEGRATED WATERSHED MANAGEMENT PROGRAMME

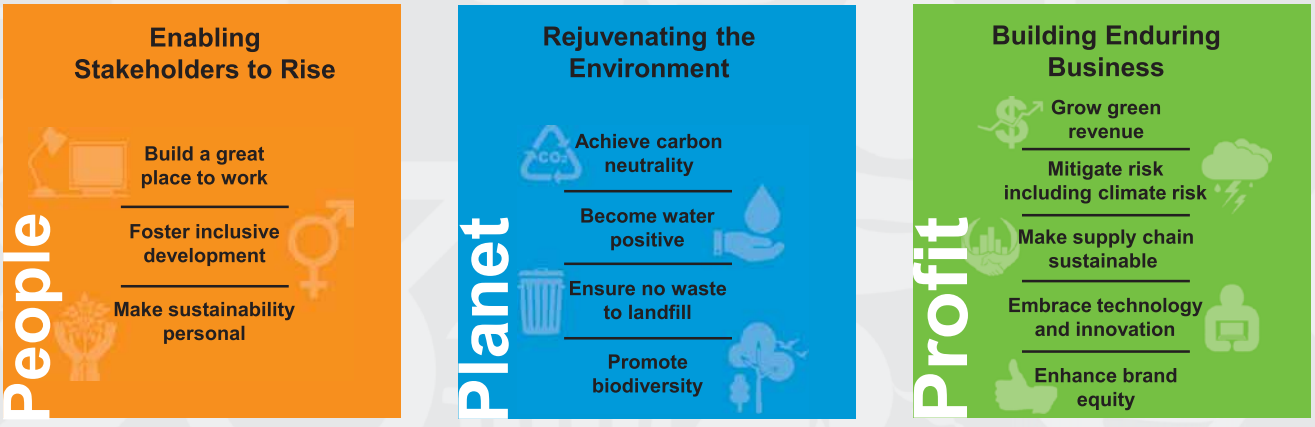
Covering **32 villages & 9,660 ha**

Benefitting **20,000** population at Damoh, Madhya Pradesh



Mahindra Sustainability Framework

Building enduring businesses by rejuvenating the environment and enabling stakeholders to Rise



Partnering. Learning. Sharing.

Giving back more than we take.

This award winning Sustainability Framework articulates Mahindra's strategic commitment to sustainable development. The framework is action-oriented and lays out the objectives for business and beyond. It is aligned with the core purpose of our Group, we will #FUTURISE, do more with less, do it together and do it for all.

Full integrated report will be unveiled on

04 August, 2017

and can be accessed on

http://www.mahindra.com/resources/pdf/sustainability/Mahindra-Integrated-Report-2016-17.pdf

cognito