



CONSOLIDATED ACCOUNTS

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Independent Auditors' Report to the Members of Mahindra & Mahindra Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mahindra & Mahindra Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate / consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2022, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on consolidated financial statements of components audited by them were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

1. Impairment assessment of tangible assets and development expenditure capitalised and currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Group's Automotive cash generating unit (Auto CGU) has aggregate tangible assets of Rs 11,367 crores, which includes property, plant and equipment of Rs 9,878 crores and Rs 1,489 crores of capital-work-in-progress as at 31 March 2022. Further, the Auto CGU has Rs 32 crores of goodwill, Rs 2,267 crores of other development expenditure capitalised and Rs 2,925 crores of intangible assets under development (collectively "the intangible assets").</p> <p>Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), geopolitical situation and general inflationary trend, could have a significant impact on the valuation of the tangible and intangible assets. The tangible and intangible assets are tested for impairment periodically. The Group assesses the carrying amounts of the tangible and intangible assets to determine indicators of impairment loss as the recoverable values rely on certain assumptions and estimates of future performance which impact the valuation. If any such indicators exists, the recoverable amount, which is the higher of Value In Use (VIU) or fair value less cost to sell, of the Auto CGU, is estimated and the impairment loss is recognised in the statement of profit and loss. The carrying amount of the tangible and intangible assets of Auto CGU is reduced to its recoverable amount.</p> <p>Refer note 2(h) – significant accounting policy for impairment of assets</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Group's impairment assessment process, including the approval of forecasts and valuation models; Tested the key VIU assumptions used in estimating future cash flows such as revenue volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Involved valuation specialists as applicable, to evaluate the assumptions including the discount rates used in VIU calculations; Evaluated past performance where relevant, and assessed historical accuracy of the forecast used in VIU calculations; Evaluated the stage of development of the intangible assets, judgments used for expected probable economic benefits and associated expenditures, and their assessment of feasibility; and Assessed the adequacy of disclosures on key judgements, assumptions and quantitative data with respect to impairment losses, if any.

2. Impairment loss allowance in the financial service business

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2022, the carrying value of loan assets measured at amortised cost, aggregated Rs 67,660 crore (net of allowance of expected credit loss Rs 5,081 crore) constituting approximately 81% of the financial services' business total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of the component auditor's risk assessment, they determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes. The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and exposure at Default ("EAD") at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends 	<p>The audit procedures applied by the auditor of the component included:</p> <p>Examined the policies approved by the Board of Directors of the financial services business that articulate the objectives of managing each portfolio and their business models. The component auditors have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, the component auditors have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors of the component. The audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the following: <ul style="list-style-type: none"> o completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors of the component including the appropriateness of the qualitative factors to be applied; o completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and o accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Testing of details on a sample in respect of the following by the component auditor: <ul style="list-style-type: none"> o accuracy and completeness of the input data such as period of default and other related information used in estimating the PD; o the mathematical accuracy of the ECL computation by using the same input data as used by the component; o completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed; o evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model to ensure that the adjustment was in conformity with the overlay amount approved by the Audit Committee of the component.

■ Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

■ Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit / loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management/Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of each company.

■ Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

■ Other Matters

- (a) We did not audit the financial statements of 133 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs 111,199 crores as at 31 March 2022, total revenues (before consolidation adjustments) of Rs 34,123 crores and net cash inflows (before consolidation adjustments) amounting to Rs 182 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs 235 crores for the year ended 31 March 2022, in respect of 18 associates and 19 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
- (b) The financial statements of 9 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs 192 crores as at 31 March 2022, total revenues (before consolidation adjustments) of Rs 646 crores and net cash inflows (before consolidation adjustments) amounting to Rs 15 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs 55 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of 7 associates and 5 joint ventures, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

■ Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/ consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 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 incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries, associates and joint ventures, as noted in the "Other Matters" paragraph:
 - a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 43 to the consolidated financial statements.
 - b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 36 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.
 - c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2022.
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Mumbai, 28 May 2022

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Jamil Khatri
Partner
Membership No. 102527
UDIN: 22102527AJTXOB5439

Annexure A to the Independent Auditor's Report on Consolidated Financial Statements of Mahindra & Mahindra Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Relationship	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Kota Farm Services Limited	U02005MH2001PLC131699	Subsidiary	Clause 3(XIX)
2	Mahindra Construction Company Limited	U45200MH1992PLC068846	Subsidiary	Clause 3(XIX)
3	Officemartindia.com Limited	U74999MH2000PLC126610	Subsidiary	Clause 3(XIX)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Relationship
Aquasail Distribution Private Limited	U93090MH2006PTC164021	Joint Venture
Brainbees Solutions Private Limited	U51100PN2010PTC136340	Associate
Medwell Ventures Private Limited	U85100GJ2014PTC079080	Associate
MeraKisan Private Limited	U51909MH2016PTC283578	Subsidiary
New Delhi Centre for Sight Limited	U85120MH2002PLC338742	Joint Venture
ReNew Sunlight Energy Private Limited	U40300DL2020PTC374527	Associate

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Jamil Khatri

Partner

Membership No. 102527

UDIN: 22102527AJTXOB5439

Mumbai, 28 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2022

■ Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Mahindra & Mahindra Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

■ Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

■ Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

■ Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

■ Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

■ Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 57 subsidiary companies, 4 associate companies and 13 joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Mumbai, 28 May 2022

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Jamil Khatri
Partner
Membership No. 102527
UDIN: 22102527AJTXOB5439

Consolidated Balance Sheet | as at 31st March, 2022

Rupees crores

	Note	2022	2021
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment.....	4	21,902.26	17,611.65
Capital work-in-progress.....	5	3,036.10	4,477.64
Goodwill.....	6	1,340.40	1,304.90
Other intangible assets.....	7	2,775.83	2,463.13
Intangible assets under development.....	8	3,666.71	3,394.97
Investments accounted using equity method.....	9	13,149.70	12,256.22
Financial assets			
(i) Investments.....	9	6,060.85	6,489.62
(ii) Trade receivables.....	10	309.43	366.16
(iii) Loans.....	11	38,849.40	38,412.64
(iv) Other financial assets.....	12	2,206.65	1,610.42
Deferred tax assets (net).....	13	1,724.31	1,717.32
Income tax assets (net).....		1,604.24	1,887.47
Other non-current assets.....	14	2,338.92	2,332.44
		98,964.80	94,324.58
CURRENT ASSETS			
Inventories.....	15	11,595.82	9,615.41
Financial assets			
(i) Investments.....	9	10,849.88	10,031.82
(ii) Trade receivables.....	10	6,373.95	6,007.76
(iii) Cash and cash equivalents.....	16	3,487.59	3,374.59
(iv) Bank balances other than cash and cash equivalents.....	16	7,630.02	9,477.40
(v) Loans.....	11	29,242.26	29,080.23
(vi) Other financial assets.....	12	1,998.95	1,470.72
Other current assets.....	14	3,969.53	3,079.98
		75,148.00	72,137.91
TOTAL ASSETS.....		1,74,112.80	1,66,462.49
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital.....	17	556.06	555.15
Other equity.....		46,566.58	41,026.77
Equity attributable to owners of the company.....		47,122.64	41,581.92
Non-controlling interests.....		9,702.62	9,070.31
		56,825.26	50,652.23
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(ia) Borrowings.....	19	48,625.06	52,778.37
(ib) Lease liabilities.....		2,432.55	2,128.19
(ii) Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises.....	20	1.55	1.44
(iii) Other financial liabilities.....	21	1,406.04	1,595.21
Provisions.....	22	1,497.99	1,600.88
Deferred tax liabilities (net).....	13	1,786.10	1,494.16
Other non-current liabilities.....	23	5,249.92	4,766.00
		60,999.21	64,364.25
CURRENT LIABILITIES			
Financial liabilities			
(ia) Borrowings.....	19	26,042.12	25,180.00
(ib) Lease liabilities.....		505.48	538.27
(ii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises.....		195.51	151.58
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.....		18,841.04	15,354.21
(iii) Other financial liabilities.....	21	4,422.25	4,841.72
Other current liabilities.....	23	4,921.72	3,867.07
Provisions.....	22	968.19	1,074.34
Current tax liabilities (net).....		392.02	438.82
		56,288.33	51,446.01
TOTAL EQUITY AND LIABILITIES.....		1,74,112.80	1,66,462.49

The accompanying notes 1 to 48 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Mahindra & Mahindra Limited

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2022

Vikram Singh Mehta
Vishakha N. Desai
T. N. Manoharan
Haigreve Khaitan
Shikha Sharma
Nisaba Godrej
Muthiah Murugappan
Vijay Kumar Sharma
CP Gurnani

Directors

Anand G. Mahindra
Anish Shah
Rajesh Jejurikar
Manoj Bhat
Narayan Shankar

Chairman
Managing Director and CEO
Executive Director (Automotive and Farm Sectors)
Group Chief Financial Officer
Company Secretary

Mumbai, 28th May, 2022

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2022

Rupees crores

	Note	2022	2021
INCOME			
Revenue from operations	24	90,170.57	74,277.78
Other income	25	934.51	1,033.11
Total Income		91,105.08	75,310.89
EXPENSES			
Cost of materials consumed	26	46,265.48	32,797.56
Purchases of stock-in-trade		6,399.37	5,473.64
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(861.66)	135.59
Employee benefits expense	28	8,386.74	7,813.26
Finance costs	29	5,018.05	6,102.22
Depreciation, amortisation and impairment expense	30	3,507.50	3,378.11
Other expenses	31	15,452.96	14,541.92
		84,168.44	70,242.30
Less: Amounts capitalised		155.17	160.74
Total Expenses		84,013.27	70,081.56
Profit Before Exceptional Items and Tax		7,091.81	5,229.33
Exceptional items (net).....	32	414.17	(1,158.26)
Share of profit of associates and joint ventures, (net)		1,855.79	1,276.66
Profit Before Tax		9,361.77	5,347.73
Tax Expense	13		
Current tax		(1,868.10)	(2,014.89)
Deferred tax		(240.66)	369.08
Profit/(loss) for the year from continuing operations		7,253.01	3,701.92
Profit/(loss) before tax from discontinued operations		—	(2,189.53)
Tax expense of discontinued operations		—	—
Profit/(loss) after tax from discontinued operations	45	—	(2,189.53)
Profit/(loss) after tax from continuing and discontinued operations		7,253.01	1,512.39
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		141.12	(66.59)
(b) Equity instruments through other comprehensive income		(75.83)	76.56
(c) Share of other comprehensive income/(loss) of equity accounted investees		9.97	52.12
(ii) Income tax relating to items that will not be reclassified to profit or loss		(36.22)	23.05
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(287.33)	(20.60)
(b) Debt instruments through other comprehensive income		(1.18)	(93.75)
(c) Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		14.82	(10.01)
(d) Share of other comprehensive income/(loss) of equity accounted investees		136.25	(20.92)
(ii) Income tax relating to items that will be reclassified to profit or loss		(13.07)	45.06
C. Other comprehensive income/(loss) from discontinued operations (net of tax)		—	79.94
Total Other Comprehensive Income/(Loss)		(111.47)	64.86
Total Comprehensive Income/(Loss) for the year		7,141.54	1,577.25
Profit/(Loss) from continuing operations for the year attributable to:			
Owners of the company		6,577.32	3,347.41
Non-controlling interests		675.69	354.51
		7,253.01	3,701.92
Profit/(Loss) from discontinued operations for the year attributable to:			
Owners of the company		—	(1,534.92)
Non-controlling interests		—	(654.61)
		—	(2,189.53)
Profit/(Loss) from continuing and discontinued operations for the year attributable to:			
Owners of the company		6,577.32	1,812.49
Non-controlling interests		675.69	(300.10)
		7,253.01	1,512.39

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2022 (contd.)

	Note	2022	2021
<i>Rupees crores</i>			
Other Comprehensive Income/(Loss) for the year attributable to:			
Owners of the company		(94.79)	80.36
Non-controlling interests		(16.68)	(15.50)
		(111.47)	64.86
Total Comprehensive Income/(Loss) for the year attributable to:			
Owners of the company		6,482.53	1,892.85
Non-controlling interests		659.01	(315.60)
		7,141.54	1,577.25
Earnings per equity share (for continuing operations)	33		
(Face value Rs. 5/- per share) (Rupees)			
Basic		59.20	30.17
Diluted		58.83	29.92
Earnings per equity share (for discontinued operations)	33		
(Face value Rs. 5/- per share) (Rupees)			
Basic		—	(13.84)
Diluted		—	(13.77)
Earnings per equity share (for continuing and discontinued operations)	33		
(Face value Rs. 5/- per share) (Rupees)			
Basic		59.20	16.33
Diluted		58.83	16.15

The accompanying notes 1 to 48 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Mahindra & Mahindra Limited

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Jamil Khatri

Partner

Membership No : 102527

Mumbai, 28th May, 2022

Vikram Singh Mehta

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Manoj Bhat

Narayan Shankar

Executive Director (Automotive and Farm Sectors)

Chairman

Managing Director and CEO

Group Chief Financial Officer

Company Secretary

Mumbai, 28th May, 2022

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2022

(A) Equity Share Capital

	Rupees crores	
	2022	2021
Issued, subscribed and paid up :		
Balance as at the beginning of the year	555.15	554.28
Changes in equity share capital due to prior period error	—	—
Restated balance	555.15	554.28
Changes in equity share capital due to allotment of shares by M&M ESOP Trust to employees	0.91	0.87
Balance as at the end of the year	556.06	555.15

(B) Other Equity

	Attributable to owners of the company								Rupees crores		
	Reserves and surplus			Items of other comprehensive income				Total other equity	Non-controlling interests	Total	
	Capital reserve on consolidation	Securities premium	Shares options outstanding account	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income				Effective portion of Cash Flow Hedges (Refer Note 36 (a) (iii))
As at 1 st April, 2021	369.27	2,535.11	254.88	4,511.42	33,667.96	(30.05)	(66.41)	(100.76)	(114.65)	9,070.31	50,097.08
Profit / (loss) for the year	—	—	—	—	6,577.32	—	—	—	—	675.69	7,253.01
Other comprehensive income / (loss)	—	—	—	—	103.97	(0.81)	(63.69)	64.88	(199.14)	(16.68)	(111.47)
Total comprehensive income / (loss) for the year	—	—	—	—	6,681.29	(0.81)	(63.69)	64.88	(199.14)	659.01	7,141.54
Dividend paid on equity shares...	—	—	—	—	(979.17)	—	—	—	—	(57.02)	(1,036.19)
Other comprehensive income reclassified to profit or loss	—	—	—	—	—	—	—	(1.37)	36.78	—	35.41
Other comprehensive income/ (loss) reclassified to Retained earnings	—	—	—	—	(0.09)	—	0.09	—	—	—	—
Transfers from Retained earnings	—	—	—	117.78	(117.78)	—	—	—	—	—	—
On business combinations during the year	—	—	—	—	—	—	—	—	—	39.57	40.29
On disposal of subsidiaries during the year	0.72	—	—	—	—	—	—	—	—	—	—
Exercise of employee stock options	—	—	—	—	—	—	—	—	—	—	—
Allotment of bonus shares by M&M ESOP trust to employees ...	—	114.80	(114.80)	—	—	—	—	—	—	3.94	3.94
On account of employee stock options lapsed	—	(0.45)	—	—	—	—	—	—	—	—	(0.45)
Share-based payment to employees	—	—	(3.10)	3.10	—	—	—	—	—	—	—
Transactions with non-controlling interest and changes in group's interest	—	—	86.48	—	—	—	—	—	—	86.48	86.48
As at 31 st March, 2022	369.99	2,649.46	223.46	4,632.30	39,174.21	(30.86)	(130.01)	(37.25)	(7.71)	(13.19)	(98.90)
Remeasurement gain (net) on defined benefit plans, net of deferred tax, aggregating to Rs. 103.97 crores (2021: Rs. 18.70 crores) has been recognised during the year as part of retained earnings.											

(B) Other Equity (contd.)

	Attributable to owners of the company										Rupees crores		
	Reserves and surplus					Items of other comprehensive income					Total other equity	Non-controlling interests	Total
	Capital reserve on consolidation	Securities premium	Shares options outstanding account	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of Cash Flow Hedges (Refer Note 36 (a) (iii))	Foreign currency translation reserve				
As at 1 st April, 2020	1,518.13	2,408.71	264.96	4,476.65	30,908.05	6.99	(195.71)	(161.58)	188.83	39,415.03	7,691.74	47,106.77	
Profit / (loss) for the year	—	—	—	—	3,347.41	—	—	—	—	3,347.41	354.51	3,701.92	
Profit / (loss) for the year from discontinued operations	—	—	—	—	(1,534.92)	—	—	—	—	(1,534.92)	(654.61)	(2,189.53)	
Other comprehensive income / (loss)	—	—	—	—	(48.75)	(37.04)	129.30	64.76	(93.23)	15.04	(30.12)	(15.08)	
Other comprehensive income / (loss) from discontinued operations	—	—	—	—	67.45	—	—	(0.66)	(1.47)	65.32	14.62	79.94	
Total comprehensive income / (loss) for the year	—	—	—	—	1,831.19	(37.04)	129.30	64.10	(94.70)	1,892.85	(315.60)	1,577.25	
Dividend paid on equity shares	—	—	—	—	(262.16)	—	—	—	—	(262.16)	(6.71)	(268.87)	
Other comprehensive income reclassified to profit or loss on deconsolidation of subsidiary	—	—	—	—	(53.43)	—	—	—	(208.78)	—	—	—	
Transfers from Retained earnings	—	—	—	(20.95)	20.95	—	—	—	—	—	—	—	
Transfers to Retained earnings	—	—	—	—	—	—	—	—	—	—	—	—	
On deconsolidation of subsidiaries during the year	(1,148.86)	—	—	—	1,148.86	—	—	—	—	—	313.55	313.55	
Exercise of employee stock options	—	105.00	(105.00)	—	—	—	—	—	—	—	—	—	
Allotment of bonus shares by M&M ESOP trust to employees	—	(0.44)	—	—	—	—	—	—	—	(0.44)	—	(0.44)	
Allotment of shares by M&M ESOP trust to employees	—	21.84	—	—	—	—	—	—	—	21.84	—	21.84	
On account of employee stock options lapsed	—	—	(2.29)	2.29	—	—	—	—	—	—	—	—	
Share-based payment to employees	—	—	97.21	—	—	—	—	—	—	97.21	—	97.21	
Transactions with non-controlling interest and changes in group's interest	—	—	—	—	74.50	—	—	—	—	—	—	—	
As at 31 st March, 2021	369.27	2,535.11	254.88	4,511.42	33,667.96	(30.05)	(66.41)	(100.76)	(114.65)	41,026.77	1,387.33	50,097.08	

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2022 (contd.)

(C) Other reserves

Rupees crores

Particulars	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	General Reserve	Statutory reserve	Total
As at 1 st April, 2021.....	73.69	23.52	76.02	3,143.26	1,194.93	4,511.42
Transfer from retained earnings.....	—	—	—	—	117.78	117.78
On account of employee stock options lapsed.....	—	—	—	3.10	—	3.10
As at 31 st March, 2022.....	73.69	23.52	76.02	3,146.36	1,312.71	4,632.30
As at 1 st April, 2020.....	73.69	23.52	95.26	3,140.97	1,143.21	4,476.65
Transfer from retained earnings.....	—	—	1.71	—	51.72	53.43
Transfer to retained earnings.....	—	—	(20.95)	—	—	(20.95)
On account of employee stock options lapsed.....	—	—	—	2.29	—	2.29
As at 31 st March, 2021.....	73.69	23.52	76.02	3,143.26	1,194.93	4,511.42

(D) Notes

- The Company has reduced the share capital by **Rs. 11.65 crores** (2021: Rs. 12.11 crores) and securities premium by **Rs. 182.94 crores** (2021: Rs. 182.94 crores) for the **2,32,95,651** shares of Rs. 5 each (2021: 2,42,12,082 shares of Rs. 5 each) held by the M&M ESOP Trust pending transfer to the eligible employees.
- The Company has also reduced the share capital by **Rs. 21.12 crores** (2021: Rs. 21.12 crores) and retained earnings by **Rs. 1,168.20 crores** (2021: Rs. 1,168.20 crores) for **4,22,35,214** shares of Rs. 5 each (2021: 4,22,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.
- The share capital of the Company has also been reduced and the securities premium increased by **Rs. 32.77 crores** (2021: Rs. 33.22 crores) for **2,32,95,650** bonus shares of Rs. 5 each (2021: 2,42,12,081 bonus shares of Rs. 5 each) issued by the Company to M&M ESOP Trust and for **4,22,35,214** bonus shares of Rs. 5 each (2021: 4,22,35,214 bonus shares of Rs. 5 each) issued by the Company to M&M Benefit Trust in December, 2017.

(E) Description of the nature and purpose of reserves

- 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**
Securities premium is used to record the premium on issue of shares. The fair value of employee stock options is recognised in securities premium once the shares have been allotted on exercise of the options.
- 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.
- Retained earnings**
Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilised or distributed by the Company in accordance with the provisions of 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.
- Share option outstanding account**
The share option outstanding account represents reserve in respect of equity settled share options granted to the company's employees in pursuance of the employee stock option plan.
- 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.
- Capital redemption reserve**
Capital redemption reserve was created against redemption of preference shares.

The accompanying notes 1 to 48 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Mahindra & Mahindra Limited

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 28th May, 2022

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Narayan Shankar

Chairman
Managing Director and CEO
Executive Director (Automotive and Farm Sectors)
Group Chief Financial Officer
Company Secretary

Mumbai, 28th May, 2022

Consolidated Cash Flow Statement | for the year ended 31st March, 2022

Rupees crores

	2022	2021
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before exceptional items and taxation from continuing operations.....	7,091.81	5,229.33
Profit/(Loss) before taxation from discontinued operations.....	—	(2,189.53)
	7,091.81	3,039.80
Adjustments for :		
Depreciation, amortisation and impairment expense	3,507.50	4,398.89
(Gain)/Loss on foreign exchange fluctuation and other adjustments (net).....	(65.31)	63.35
Gain due to change in lease arrangements	(15.07)	(44.21)
Dividend on investments and interest income [excluding Rs. 10,923.82 crores (2021: Rs. 11,757.30 crores) in respect of financial services business].....	(418.38)	(465.79)
Interest, commitment and finance charges [excluding Rs. 4,392.60 crores (2021: Rs. 5,265.45 crores) in respect of financial services business]	625.45	873.71
Equity-settled share-based payment expenses	105.25	132.84
Net gain on financial instruments measured at fair value	(355.65)	(380.99)
Loss/(Gain) on property, plant and equipment sold / scrapped / written off (net).....	39.11	(11.01)
Items related to discontinued operations and gain on loss of control.....	—	(18.87)
	3,422.90	4,547.92
Operating Profit before working capital changes.....	10,514.71	7,587.72
Changes in :		
Trade and other receivables.....	(2,044.51)	(891.48)
Financial services receivable	(461.61)	5,787.59
Inventories	(2,172.99)	225.74
Trade and other payables and provisions	4,972.37	7,049.34
	293.26	12,171.19
Cash generated from operations	10,807.97	19,758.91
Income taxes paid (net of refunds and interest on refunds)	(1,560.42)	(1,850.08)
Net cash from operating activities	9,247.55	17,908.83
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant & equipment and other intangible assets.....	(6,039.80)	(5,989.49)
Proceeds from sale of property, plant & equipment and other intangible assets	119.94	1,364.15
Payment to acquire investments.....	(87,740.39)	(120,054.90)
Proceeds from sale of investments.....	87,446.17	111,749.14
Interest received (excluding financial services business)	419.57	431.11
Dividends received from joint ventures and associates	1,245.78	571.89
Proceeds from buy-back of shares by joint venture.....	55.05	—
Dividends received from others.....	1.25	4.68
Bank deposits placed	(7,468.23)	(10,752.08)
Bank deposits matured	8,813.19	4,533.02
Net change in earmarked and margin account.....	175.39	0.87
Receivables / Inter corporate deposits placed	(818.28)	(569.40)

Consolidated Cash Flow Statement | for the year ended 31st March, 2022 (contd.)

	<i>Rupees crores</i>	
	2022	2021
Inter corporate deposits refunded	266.50	307.50
Purchase of investment in joint ventures and associates (including share application money)	(222.38)	(359.13)
Purchase consideration paid on acquisition of subsidiaries net of cash acquired	(41.83)	—
Consideration received on disposal of subsidiaries	5.72	178.06
Consideration received on disposal (including partial sale of investment) of associates and joint ventures	556.53	137.82
Net cash used in investing activities	(3,225.82)	(18,446.76)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of shares to employees by ESOP trust	0.92	0.58
Proceeds from borrowings	53,879.94	38,100.37
Repayments of borrowings	(56,937.78)	(35,772.09)
Net change in loans repayable on demand and cash credit	(285.21)	(1,733.29)
Repayment of lease liabilities	(583.23)	(552.98)
Dividends paid	(980.44)	(264.33)
Dividend paid to non-controlling interests	(57.02)	(6.71)
Transactions with non-controlling interest	(240.28)	1,443.91
Interest, commitment and finance charges paid (excluding financial services business)	(679.50)	(809.23)
Net cash (used in) / from financing activities	(5,882.60)	406.23
Net increase/(decrease) in cash and cash equivalents	139.13	(131.70)
Cash and cash equivalents at the beginning of the year	3,374.59	4,745.03
Cash and cash equivalents related to disposal of subsidiary / discontinued operations	(13.36)	(1,252.79)
Unrealised (loss) / gain on foreign currency cash and cash equivalents (net)	(12.77)	14.05
Cash and cash equivalents at the end of the year (Refer note 16)	3,487.59	3,374.59

Notes to the Consolidated Cash Flow Statement for the year ended 31st March, 2022.

- a) The above Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS 7 - Statement of Cash Flows.
- b) Previous year consolidated cash flow statement include cash flows from both continuing and discontinued operations; amounts related to discontinued operations are disclosed in Note 45.

The accompanying notes 1 to 48 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For Mahindra & Mahindra Limited

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2022

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Chairman
Managing Director and CEO
Executive Director (Automotive and Farm Sectors)
Group Chief Financial Officer
Company Secretary
Mumbai, 28th May, 2022

Notes to the Consolidated Financial Statements | for the year ended 31st March, 2022

1 General information

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

The Ordinary (Equity) shares of the Company are listed on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE") in India. The Global Depository Receipts (GDRs) of the Company are listed on the Luxembourg Stock Exchange and also admitted for trading on International Order Book (IOB) of London Stock Exchange.

2 Significant Accounting Policies

a) Statement of compliance and basis of preparation and presentation

These consolidated financial statements of Mahindra & Mahindra Limited and its subsidiaries ('the Group' or 'Mahindra Group') have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 28th May, 2022.

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

c) Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

In case of loss of control of a subsidiary, any excess of fair value of consideration received over carrying amount of the assets (including any goodwill) and liabilities of the subsidiary, is recognised as gain or loss in Consolidated statement of profit and loss. Additionally components of Other Comprehensive Income of Subsidiaries are reclassified to Consolidated statement of profit and loss or transferred directly to retained earnings.

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

Associates

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

Joint arrangements

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

d) Measurement of fair values

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has established policies and procedures with respect to the measurement of fair values.

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

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

e) Use of estimates and judgments

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

2. Significant Accounting Policies (contd.)

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

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

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

i) *Useful lives of property, plant and equipment and other intangible assets*

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

ii) *Provision for product warranties*

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

iii) *Fair value of financial assets and liabilities and investments*

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

iv) *Impairment of tangible and intangible assets including goodwill*

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

v) *Impairment of financial services receivable*

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The financial services business Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered in accounting judgements and estimates include:

- The financial services business criteria for assessing if there has been a significant increase in credit risk
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulae and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs into the ECL model
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the lending portfolios.

vi) *Estimation uncertainties relating to the Covid-19 global health pandemic*

The Group has considered relevant internal and external sources of information to evaluate the impact of the pandemic on the financial statements for the year ended 31st March, 2022. The Group has assessed the recoverability of the assets including receivables, investments, property, plant and equipment, intangible assets, goodwill and have made necessary adjustments to the carrying amounts by recognising provisions / impairment of assets where necessary. However, the actual impact may be different from that estimated as it will be dependent upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

f) *Property, plant and equipment*

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

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

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

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

2. Significant Accounting Policies (contd.)

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

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

g) Goodwill and Intangible Assets

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

Intangible assets are initially recognised at cost except those acquired in a business combination.

Subsequent to initial recognition, intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

Intangible assets under development

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

Intangible assets acquired under business combination

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

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

Other intangible assets

Technical Knowhow

The expenditure incurred is amortised over the estimated period of benefit, commencing with the year of purchase of the technology.

Development Expenditure

The expenditure incurred on technical services and other project/product related expenses are amortised over the estimated period of benefit, not exceeding 60 months.

Brand license fee

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

Software Expenditure

The expenditure incurred is amortised over 36 months commencing from the year in which the expenditure is incurred.

Others

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

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

h) Impairment of Assets

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

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, 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 cost of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

2. Significant Accounting Policies (contd.)

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

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower.

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

j) Foreign exchange transactions and translation

The functional currency of the Company and its Indian subsidiaries is Indian Rupees whereas the functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates.

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

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

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

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

k) Financial Instruments

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

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

Classification and subsequent measurement

Financial assets

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

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

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

The classification of debt instrument as amortised cost or FVTOCI is based on the business model and cash flow characteristics of such instrument.

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

2. Significant Accounting Policies (contd.)

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

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

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

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

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Dividend income received on such equity investments are recognised in profit or loss.

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

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Compound instruments

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

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows from financial asset in a manner that substantially all the risks and rewards of ownership of the asset are transferred to another party. If the Group neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

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

Offsetting

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

Financial guarantee contracts and loan commitments

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

2. Significant Accounting Policies (contd.)

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

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derivative financial instruments and hedge accounting

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

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

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

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

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

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

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

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

Impairment of financial assets

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI.

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

I) Revenue Recognition

Sale of Goods

The Group recognises revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until the crystallisation of the amount.

2. Significant Accounting Policies (contd.)

Sale of Services

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

Dividend and interest income

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

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

Income from financing business

Interest income is recognised in Consolidated Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at FVTOCI and debt instruments designated at FVTPL.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Consolidated Statement of profit and loss.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income from bill discounting is recognised over the tenure of the instrument so as to provide a constant periodic rate of return.

Fee and commission income

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

Long term construction contracts and property development activity

Some of the Group companies are in the business to develop and sell residential and commercial properties. Revenue from such contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

For certain contracts involving the sale of property under development, deferred payment schemes are offered to the customers. The transaction price is adjusted for the effects of the significant financing component.

Income from Sale of land and other rights

Revenue from sale of land and other rights are considered upon transfer of all significant risks and rewards of ownership of such real estate/property as per the terms of the contract entered into with the buyers, which generally with the firmity of the sale contracts/agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115.

Income from Project Management

Project management fees receivable on fixed period contracts is accounted over the tenure of the contract/agreement. Where the fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the management fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis. The determination of transfer of control did not change upon the adoption of Ind AS 115.

Land Lease Premium

Land lease premium is recognised as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession. Property lease rentals, income from operation & maintenance charges and water charges are recognised on an accrual basis as per terms of the agreement with the lessees.

Vacation ownership

Under the vacation ownership, holiday facilities are provided to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Revenue from sale of vacation ownership weeks is recognised when related right to use the specific property over the specific week(s) is transferred to the buyer for a consideration.

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

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

2. Significant Accounting Policies (contd.)

Revenue from Membership fees

Revenue from membership fees are recognised over the tenure of membership as the performance obligation is fulfilled. The revenue which will be recognised in future periods are disclosed under Contract Liability.

Non refundable admission fee is recognised as income on admission of a member.

Entitlement fee, which entitles the members the vacation ownership facilities over the agreed membership period, are recognised as income equally over the tenure of membership, commencing from the year of admission and disclosed under Contract Liability.

Revenue from Annual subscription fees

Annual subscription fee dues from members are recognised as income on accrual basis and fees pertaining to the period beyond the year end is disclosed under Contract Liability.

Interest income on deferred payment plans

In case of deferred payment plans wherein significant financing components exists in a contract, interest income or expense is recognised over the financing period using the Effective Interest Method.

m) Government Grants

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

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

Government grants that are revenue in nature, 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 at the inception of the loan.

n) Employee Benefits

Superannuation Fund, ESIC and Labour Welfare Fund

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

Provident Fund

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

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.

2. Significant Accounting Policies (contd.)

o) Borrowing Costs

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

p) Income taxes

Current tax

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

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

Current and deferred tax for the year

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

q) Provisions

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

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

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of the subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 - Provisions, Contingent Assets and Contingent Liabilities and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 115 - Revenue from contracts with customers.

r) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the lessor has a substantive substitution right, then the asset is not identified
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

2. Significant Accounting Policies (contd.)

- the Group as a lessee has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - o the Group as a lessee has the right to operate the asset; or
 - o the Group as a lessee designed the asset in a way that predetermines how and for what purpose it will be used.

The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

s) Business combinations

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

Before recognising capital reserve in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it directly in equity as capital reserve.

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

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

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

2. Significant Accounting Policies (contd.)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

In consolidated financial statements, acquisition of non-controlling interest is accounted as equity transaction. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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

t) Acquisition of interest in associate and joint ventures

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

u) Discontinued operations

A discontinued operation is a component of the group, the operations and cash flow of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operations occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as discontinued operations, the results of the discontinued operations are presented separately in consolidated statement of Profit and Loss and OCI. The comparative consolidated statement of profit and loss and OCI is re-presented as if the operation had been discontinued from the start of the previous year.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

a) Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendment to have any impact in its recognition of its property, plant and equipment in its financial statements.

b) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

c) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

d) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

4. Property, Plant and Equipment

a) Owned assets

Particulars	Rupees crores									
	Land	Buildings	Buildings - Leasehold	Plant and Equipment	Furniture and Fixtures	Vehicles	Aircraft	Office Equipments	Batteries	Total
COST										
Balance as at 1 st April, 2020	3,957.54	9,333.38	71.93	38,196.79	1,148.58	859.76	103.46	402.44	14.42	54,088.30
Additions	70.76	433.11	8.03	1,702.90	120.29	95.90	—	32.64	—	2,463.63
Foreign exchange translation differences	228.01	355.98	(0.61)	1,488.53	32.18	8.18	—	0.41	—	2,112.68
Disposals	(394.48)	(96.34)	(22.46)	(491.17)	(58.15)	(111.03)	(46.24)	(22.91)	(3.12)	(1,245.90)
Deconsolidation / disposal of subsidiaries	(2,744.81)	(4,355.62)	(0.08)	(18,816.71)	(448.88)	(52.27)	—	(7.73)	—	(26,426.10)
Balance as at 31 st March, 2021	1,117.02	5,670.51	56.81	22,080.34	794.02	800.54	57.22	404.85	11.30	30,992.61
Balance as at 1 st April, 2021	1,117.02	5,670.51	56.81	22,080.34	794.02	800.54	57.22	404.85	11.30	30,992.61
Additions	117.02	889.46	0.68	4,904.16	104.49	154.25	—	53.71	—	6,223.77
Additions through business combinations	3.76	—	—	53.71	0.95	1.00	—	0.64	—	60.06
Foreign exchange translation differences	(39.86)	(39.95)	0.18	(129.23)	(8.00)	0.36	—	(0.52)	—	(217.02)
Disposals	(15.76)	(22.03)	(1.35)	(722.87)	(45.90)	(111.27)	—	(28.77)	(0.81)	(948.76)
Disposal of subsidiaries	(13.88)	(22.61)	—	(28.89)	(11.98)	(1.08)	—	—	—	(78.44)
Balance as at 31 st March, 2022	1,168.30	6,475.38	56.32	26,157.22	833.58	843.80	57.22	429.91	10.49	36,032.22
ACCUMULATED DEPRECIATION AND IMPAIRMENT										
Balance as at 1 st April, 2020	85.44	4,718.72	39.59	26,132.32	858.78	425.19	60.99	311.92	8.18	32,641.13
Depreciation expense for the year	—	159.72	6.58	1,518.35	63.83	128.30	4.27	36.49	3.79	1,921.33
Depreciation expense for the year from discontinued operations	—	50.71	—	605.64	16.05	2.03	—	—	—	674.43
Foreign exchange translation differences	(5.05)	281.87	(0.21)	1,344.10	30.06	4.29	—	0.40	—	1,655.46
Disposals	—	(74.36)	(21.38)	(406.01)	(54.22)	(70.74)	(21.81)	(22.25)	(2.44)	(673.21)
Deconsolidation / disposal of subsidiaries	—	(3,344.70)	(0.04)	(16,252.96)	(397.49)	(40.62)	—	(6.18)	—	(20,041.99)
Impairment losses recognised in the consolidated statement of profit and loss*	8.39	17.48	—	22.63	7.40	0.42	—	—	—	56.32
Balance as at 31 st March, 2021	88.78	1,809.44	24.54	12,964.07	524.41	448.87	43.45	320.38	9.53	16,233.47
Balance as at 1 st April, 2021	88.78	1,809.44	24.54	12,964.07	524.41	448.87	43.45	320.38	9.53	16,233.47
Depreciation expense for the year	—	182.14	6.08	1,622.12	68.76	130.98	2.63	39.61	0.03	2,052.35
Foreign exchange translation differences	(5.89)	(23.20)	0.15	(78.14)	(5.37)	0.28	—	(0.50)	—	(112.67)
Disposals	—	(12.82)	(0.10)	(687.53)	(25.83)	(90.54)	—	(28.56)	(0.67)	(846.05)
Disposal of subsidiaries	(13.88)	(22.61)	—	(28.89)	(11.98)	(1.08)	—	—	—	(78.44)
Impairment losses recognised in the consolidated statement of profit and loss #	6.96	8.57	—	25.33	0.99	1.07	—	8.03	—	50.95
Balance as at 31 st March, 2022	75.97	1,941.52	30.67	13,816.96	550.98	489.58	46.08	338.96	8.89	17,299.61
NET CARRYING AMOUNT										
Net carrying amount as at 31 st March, 2021	1,028.24	3,861.07	32.27	9,116.27	269.61	351.67	13.77	84.47	1.77	14,759.14
Net carrying amount as at 31 st March, 2022	1,092.33	4,533.86	25.65	12,340.26	282.60	354.22	11.14	90.95	1.60	18,732.61

* Impairment losses are recognised in the consolidated statement of profit and loss as a part of exceptional items.

Out of impairment losses recognised in the consolidated statement of profit and loss, Rs. 49.48 crores and Rs. 1.47 crores has been recognised in exceptional items and depreciation and amortisation expense, respectively.

4. Property, Plant and Equipment (contd.)

b) Right-of-use assets

Rupees crores

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
COST							
Balance as at 1 st April, 2020	553.77	2,551.02	295.16	11.17	104.70	14.85	3,530.67
Additions	41.65	343.34	45.58	—	64.88	3.04	498.49
Foreign exchange translation differences	(0.15)	42.57	(16.43)	—	2.13	1.03	29.15
Deductions.....	—	(93.29)	(11.29)	—	(7.20)	(0.12)	(111.90)
Deconsolidation / disposal of subsidiaries	(0.26)	(89.12)	(7.63)	—	(36.71)	(5.46)	(139.18)
Balance as at 31 st March, 2021	595.01	2,754.52	305.39	11.17	127.80	13.34	3,807.23
Balance as at 1 st April, 2021	595.01	2,754.52	305.39	11.17	127.80	13.34	3,807.23
Additions	167.95	582.76	68.58	—	58.20	3.36	880.85
Acquisitions through business combinations ...	—	2.06	—	—	—	—	2.06
Foreign exchange translation differences	0.19	(22.60)	(18.37)	—	(3.06)	0.17	(43.67)
Deductions	—	(120.38)	(9.17)	(0.45)	(4.28)	(1.80)	(136.08)
Disposal of subsidiaries	—	—	(20.05)	—	—	—	(20.05)
Balance as at 31 st March, 2022	763.15	3,196.36	326.38	10.72	178.66	15.07	4,490.34
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
Balance as at 1 st April, 2020	10.49	363.04	148.17	1.50	33.82	3.64	560.66
Depreciation expense for the year.....	11.72	373.12	41.79	1.50	31.11	1.63	460.87
Depreciation expense for the year from discontinued operations.....	0.07	19.58	—	—	9.25	3.67	32.57
Foreign exchange translation differences	(0.01)	4.16	(10.76)	—	0.47	0.37	(5.77)
Deductions.....	—	(32.45)	(5.32)	—	(6.59)	—	(44.36)
Deconsolidation / disposal of subsidiaries	(0.18)	(38.08)	(1.70)	—	(23.16)	(4.55)	(67.67)
Impairment losses recognised in the consolidated statement of profit and loss*	—	0.38	16.33	—	1.71	—	18.42
Balance as at 31 st March, 2021	22.09	689.75	188.51	3.00	46.61	4.76	954.72
Balance as at 1 st April, 2021	22.09	689.75	188.51	3.00	46.61	4.76	954.72
Depreciation expense for the year.....	19.37	389.13	37.69	1.40	30.86	4.04	482.49
Foreign exchange translation differences	0.05	(5.38)	(13.63)	—	(2.45)	0.11	(21.30)
Deductions.....	—	(71.61)	(3.42)	(0.16)	(2.92)	(1.40)	(79.51)
Disposal of subsidiaries	—	—	(20.05)	—	—	—	(20.05)
Impairment losses recognised in the consolidated statement of profit and loss*	—	—	4.34	—	—	—	4.34
Balance as at 31 st March, 2022	41.51	1,001.89	193.44	4.24	72.10	7.51	1,320.69
NET CARRYING AMOUNT							
Net carrying amount as at 31 st March, 2021	572.92	2,064.77	116.88	8.17	81.19	8.58	2,852.51
Net carrying amount as at 31 st March, 2022....	721.64	2,194.47	132.94	6.48	106.56	7.56	3,169.65

* Impairment losses are recognised in the consolidated statement of profit and loss as a part of exceptional items.

4. Property, Plant and Equipment (contd.)

Break-up of Net carrying amount of Property, Plant & Equipment is as follows:

Rupees crores

Particulars	2022	2021
a) Owned Assets	18,732.61	14,759.14
b) Right-of-use assets.....	3,169.65	2,852.51
Total	21,902.26	17,611.65

5. Capital Work-in-Progress

Ageing of capital work-in-progress

Rupees crores

Capital work-in-progress	Amount in Capital work in Progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022:					
Projects in progress	2,341.53	379.59	248.57	66.41	3,036.10
Total	2,341.53	379.59	248.57	66.41	3,036.10
As at 31st March, 2021:					
Projects in progress	3,149.36	1,116.74	106.11	105.43	4,477.64
Total	3,149.36	1,116.74	106.11	105.43	4,477.64

6. Goodwill

Rupees crores

Particulars	2022	2021
Balance at the beginning of the year	1,304.90	1,512.31
Additions during the year.....	43.40	—
Impairment during the year (Refer Note 32).....	—	(192.85)
Foreign exchange translation difference.....	(7.90)	(14.56)
Balance at the end of the year	1,340.40	1,304.90

6. Goodwill (contd.)

Segment wise allocation of goodwill

The carrying amount of goodwill has been allocated to segments as below:

		Rupees crores	
Particulars	2022	2021	
Automotive.....	31.96	31.96	
Farm equipment.....	28.18	35.19	
Financial services.....	44.74	1.34	
Real estate.....	103.59	103.59	
Hospitality.....	111.28	112.49	
Others	1,020.65	1,020.33	
Total	1,340.40	1,304.90	

The Group tests goodwill on an annual basis and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal. Where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, the recoverable amount is determined by value-in-use. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable.

Apart from the observable market information, significant management estimates and judgments are used to determine the recoverable amounts based on value-in-use. Key assumptions on which management has based its determination of recoverable amount includes estimated growth rates (including terminal growth rates), margins and discount rates. Cash flow projections are usually considered for next 3-5 years and represent management's best estimate about future developments with due consideration for past performance. Cash flows beyond the five-year period are extrapolated using terminal growth rates.

Since mid-March 2020, the outbreak of Covid - 19 global pandemic started impacting the economic environment in which these cash generating unit operates. In certain cases, the performance of the cash generating units were below their expected levels. Accordingly, the Group assessed such cash generating units for the recoverable amounts based on fair value less cost of disposal and value-in-use estimates. The goodwill impairment had been recognised as 'Exceptional item' in the consolidated statement of profit and loss and is attributable to the following operating segments:

- (a) 'Farm Equipment' segment - Nil (2021: Rs. 66.86 crores). This relates to goodwill allocated to an international subsidiary.
- (b) 'Others' segment - Nil (2021: Rs. 125.99 crores). This relates to goodwill allocated to domestic business.

7. Other Intangible Assets

Rupees crores

Particulars	Development Expenditure	Computer Software	Brand License & Trademarks	Others	Total
COST					
Balance as at 1 st April, 2020	8,044.46	813.39	175.77	437.39	9,471.01
Additions	887.08	83.79	0.88	14.24	985.99
Foreign exchange translation differences	272.28	21.37	3.30	(10.19)	286.76
Deductions.....	(275.38)	(99.85)	—	(33.56)	(408.79)
Deconsolidation / disposal of subsidiaries	(3,446.63)	(290.46)	(34.65)	(10.10)	(3,781.84)
Balance as at 31 st March, 2021	5,481.81	528.24	145.30	397.78	6,553.13
Balance as at 1 st April, 2021	5,481.81	528.24	145.30	397.78	6,553.13
Additions	1,207.02	45.44	—	38.44	1,290.90
Acquisitions through business combinations	—	0.54	—	—	0.54
Foreign exchange translation differences	2.98	(2.35)	(0.29)	(2.53)	(2.19)
Deductions.....	(1,142.95)	(8.91)	—	(1.15)	(1,153.01)
Disposal of subsidiaries	(19.56)	(1.25)	—	(5.37)	(26.18)
Balance as at 31 st March, 2022	5,529.30	561.71	145.01	427.17	6,663.19
ACCUMULATED AMORTISATION AND IMPAIRMENT					
Balance as at 1 st April, 2020	4,829.45	665.42	47.79	168.57	5,711.23
Amortisation expense for the year	880.88	70.45	5.94	27.66	984.93
Amortisation expense for the year from discontinued operations.....	298.89	12.61	2.28	—	313.78
Impairment losses recognised in the consolidated statement of profit and loss* \$	630.42	0.96	0.26	45.96	677.60
Foreign exchange translation differences	225.25	19.85	2.54	(9.74)	237.90
Deductions.....	(275.30)	(99.62)	—	(33.21)	(408.13)
Deconsolidation / disposal of subsidiaries	(3,130.84)	(267.43)	(29.04)	—	(3,427.31)
Balance as at 31 st March, 2021	3,458.75	402.24	29.77	199.24	4,090.00
Balance as at 1 st April, 2021	3,458.75	402.24	29.77	199.24	4,090.00
Amortisation expense for the year	865.57	66.63	5.93	29.69	967.82
Impairment losses recognised in the consolidated statement of profit and loss #.....	6.60	2.73	—	—	9.33
Foreign exchange translation differences	2.95	(2.33)	(0.20)	(1.02)	(0.60)
Deductions.....	(1,142.95)	(8.91)	—	(1.15)	(1,153.01)
Disposal of subsidiaries	(19.56)	(1.25)	—	(5.37)	(26.18)
Balance as at 31 st March, 2022	3,171.36	459.11	35.50	221.39	3,887.36
NET CARRYING AMOUNT					
Net carrying amount as at 31 st March, 2021	2,023.06	126.00	115.53	198.54	2,463.13
Net carrying amount as at 31 st March, 2022.....	2,357.94	102.60	109.51	205.78	2,775.83

* Impairment losses are recognised in the consolidated statement of profit and loss as a part of exceptional items.

Out of impairment losses recognised in the consolidated statement of profit and loss, Rs. 9.01 crores and Rs. 0.32 crores has been recognised in exceptional items and depreciation and amortisation expense, respectively.

\$ Impairment losses included Rs. 572.40 crores related to discontinued operations.

Note:

Others include technical knowhow, customer relationships, etc.

8. Intangible assets under development

Ageing of intangible assets under development

Rupees crores

Intangibles under development	Amount in Intangibles assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022:					
Projects in progress.....	1,377.76	670.84	859.57	758.54	3,666.71
Total	1,377.76	670.84	859.57	758.54	3,666.71
As at 31st March, 2021:					
Projects in progress.....	973.17	1,323.70	733.27	364.83	3,394.97
Total	973.17	1,323.70	733.27	364.83	3,394.97

9. Investments

A. Non-Current Investments

a) Measured as per equity accounting method

Rupees crores

Particulars	2022	2021
Quoted		
Investments in Equity Instruments		
— of Associates*	9,837.34	9,151.61
Total	9,837.34	9,151.61
Unquoted		
Investments in Equity Instruments		
— of Associates*	1,427.85	1,344.78
— of Joint ventures*	1,884.51	1,759.83
Total	3,312.36	3,104.61
Investments measured as per equity accounting method	13,149.70	12,256.22

* Refer note 39.

b) Measured as per other than equity accounting method

Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Quoted								
Investments in Non Convertible Debentures/Bonds	26.10	26.03	262.04	262.15	—	—	288.14	288.18
Investments in Government Securities	1,270.68	1,257.79	4,070.25	4,448.73	—	—	5,340.93	5,706.52
Investments in Equity Instruments	—	—	219.44	239.85	0.24	—	219.68	239.85
	1,296.78	1,283.82	4,551.73	4,950.73	0.24	—	5,848.75	6,234.55
Unquoted								
Investments in Preference Shares								
— of Associates *	—	5.91	—	—	—	—	—	5.91
— of Joint ventures *	—	—	—	—	8.95	8.44	8.95	8.44
— of Other entities	0.03	0.03	—	—	—	—	0.03	0.03
Investments in Debentures/Bonds								
— of Joint ventures *	—	—	—	—	61.18	84.56	61.18	84.56
— of Other entities	10.56	—	—	—	—	—	10.56	—
Investments in Alternate Investment Fund	—	—	—	—	24.75	11.75	24.75	11.75
Investments in Equity Instruments	—	—	86.70	131.13	19.93	13.25	106.63	144.38
	10.59	5.94	86.70	131.13	114.81	118.00	212.10	255.07
Total	1,307.37	1,289.76	4,638.43	5,081.86	115.05	118.00	6,060.85	6,489.62

Rupees crores

Other Disclosures :	2022	2021
Aggregate amount of quoted investments (Gross)	15,686.09	15,386.16
Market Value of quoted Investments.....	46,117.60	34,421.25
Aggregate amount of unquoted investments (Gross).....	3,524.46	3,359.68

* Refer note 39.

9. Investments (contd.)

B. Current Investments

Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Quoted								
Investments in Debentures / Bonds.....	—	—	31.09	31.97	—	—	31.09	31.97
Investments in Equity Instruments	—	—	*	*	—	—	*	*
Investments in Government Securities.....	41.38	30.00	420.70	—	—	—	462.08	30.00
Investments in Mutual Funds.....	—	—	—	—	9,041.67	7,261.46	9,041.67	7,261.46
	41.38	30.00	451.79	31.97	9,041.67	7,261.46	9,534.84	7,323.43
Unquoted								
Investments in Certificate of Deposits	165.35	47.23	852.20	—	—	—	1,017.55	47.23
Investments in Corporate Fixed Deposits	297.49	59.49	—	—	—	—	297.49	59.49
Investment in Triparty Repo Dealing System (TREPS)	—	2,404.00	—	—	—	—	—	2,404.00
Investments in Commercial paper	—	—	—	—	—	197.67	—	197.67
	462.84	2,510.72	852.20	—	—	197.67	1,315.04	2,708.39
Total	504.22	2,540.72	1,303.99	31.97	9,041.67	7,459.13	10,849.88	10,031.82

Rupees crores

Other disclosures :	2022	2021
Aggregate amount of quoted investments	9,534.84	7,323.43
Market value of quoted investments.....	9,535.50	7,324.28
Aggregate amount of unquoted investments.....	1,315.04	2,708.39

* denotes amounts less than Rs. 50,000.

10. Trade Receivables

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Secured, considered good.....	4.15	5.86	42.04	35.90
Unsecured, considered good	305.28	360.30	6,322.21	5,962.87
Credit impaired	8.72	7.66	410.43	415.77
	318.15	373.82	6,774.68	6,414.54
Less: Loss allowance.....	8.72	7.66	400.73	406.78
Total	309.43	366.16	6,373.95	6,007.76

Refer Note 36 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

11. Loans

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
a) Loans to related parties				
— Unsecured, considered good.....	0.81	6.27	100.89	73.94
— Credit impaired	11.00	16.00	—	—
	11.81	22.27	100.89	73.94
Less: Loss allowance	11.00	16.00	—	—
Total (a)	0.81	6.27	100.89	73.94
b) Other Loans				
— Secured, considered good.....	—	0.35	0.06	9.99
— Unsecured, considered good.....	155.55	18.18	114.99	199.72
— Credit impaired	247.98	439.99	9.96	15.94
	403.53	458.52	125.01	225.65
Less: Loss allowance	186.44	330.65	9.96	15.94
Total (b)	217.09	127.87	115.05	209.71
c) Financial Services receivable #				
— Secured, considered good.....	33,547.87	33,599.11	18,833.56	19,468.22
— Unsecured, considered good.....	144.21	40.33	3,056.21	2,148.28
— Significant increase in credit risk.....	6,047.13	5,418.28	5,260.93	4,779.62
— Credit impaired	1,669.47	2,072.47	4,179.81	4,711.63
	41,408.68	41,130.19	31,330.51	31,107.75
Less: Loss allowance.....	2,777.18	2,851.69	2,304.19	2,311.17
Total (c)	38,631.50	38,278.50	29,026.32	28,796.58
Total (a)+(b)+(c).....	38,849.40	38,412.64	29,242.26	29,080.23

Refer Note 36 for disclosures related to credit risk, impairment of financial services receivables under expected credit loss model and related disclosures.

12. Other Financial Assets

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Financial assets at amortised cost				
Bank deposits	605.69	121.26	—	—
Balances with banks on margin accounts.....	101.74	247.79	—	—
Security deposit	216.78	210.91	62.36	78.73
Interest accrued on investment, other loans.....	—	—	419.95	467.71
Government grant receivable.....	754.61	838.88	391.76	224.64
Corporate Fixed Deposit	100.00	—	—	—
Others	401.82	18.76	788.93	641.69
Financial Assets at Fair value				
Foreign currency forwards and options, Interest rate swaps & commodity derivatives	4.47	67.86	265.59	57.95
Derivatives on interest over Subsidiaries and joint ventures.....	21.54	104.96	70.36	—
Total	2,206.65	1,610.42	1,998.95	1,470.72

13. Current Tax and Deferred Tax

a) Income Tax recognised in profit or loss

Rupees crores

Particulars	2022	2021
Current Tax		
In respect of current year	1,860.35	2,057.60
In respect of prior years	12.32	30.94
Unrecognised tax losses of previous year used to reduce current tax expense	(4.57)	(73.65)
Total Current Tax	1,868.10	2,014.89
Deferred Tax		
In respect of current year origination and reversal of temporary differences	215.04	(320.14)
Effect of utilisation/ (recognition) of deferred tax on capital losses	14.23	(83.80)
Write down/reversal of Deferred tax assets	16.31	87.68
In respect of prior years	(4.92)	(52.82)
Total Deferred Tax	240.66	(369.08)
Total Income Tax expense	2,108.76	1,645.81

b) Income tax recognised in Other Comprehensive Income

Rupees crores

Particulars	2022	2021
Deferred Tax related to items recognised in other comprehensive income:		
Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge	(1.61)	0.69
Net change in fair value of investments in debt instruments at FVTOCI	0.30	23.59
Net change in fair value of investments in equity shares at FVTOCI	(0.30)	(0.27)
Remeasurement of defined benefit plans	(35.92)	23.32
Exchange differences in translating the financial statements of foreign operations - Associates	(11.76)	20.78
Total	(49.29)	68.11
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(36.22)	23.05
Income taxes related to items that will be reclassified to profit or loss	(13.07)	45.06
Total	(49.29)	68.11

13. Current Tax and Deferred Tax (contd.)

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

Rupees crores		
Particulars	2022	2021
Profit Before Tax	9,361.77	5,347.73
Applicable Income Tax rate	25.17%	25.17%
Expected Income Tax expense	2,356.17	1,345.92
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	(51.70)	(90.82)
Effect of income exempt from tax / non taxable on compliance of conditions	(454.69)	(394.89)
Effect of income chargeable at specified tax rates	(142.06)	—
Effect of expenses/provisions that is non-deductible in determining taxable profit	109.66	220.93
Unrecognised tax losses of previous year used to reduce current tax expense	(4.57)	(73.65)
Effect of unused tax losses & tax offsets for which no deferred tax asset has been recognised	265.44	660.46
Effect of (recognition)/ utilisation of deferred tax on capital losses (net)	14.23	(83.80)
Write down/reversal of Deferred tax assets	16.31	87.68
Effect of net additional / (reversal) of provision in respect of prior years	7.40	(21.88)
Others	(7.43)	(4.14)
Income tax expense recognised in consolidated statement of profit and loss	2,108.76	1,645.81

- 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	2022	2021
Deductible Temporary differences (no expiry date)	895.84	933.47
Unused tax losses (revenue in nature)	6,922.80	6,454.48
Unused tax losses (capital in nature)	2.72	2.76
Unused tax credits	15.08	15.08
Total	7,836.44	7,405.79

- e) Unused Tax losses - Revenue in nature

Rupees crores		
Particulars	2022	2021
Expiry period		
Up to Five Years	735.69	1,015.30
More than Five Years	496.49	1,009.10
No Expiry Date	5,690.62	4,430.08
Total	6,922.80	6,454.48

- f) Unused Tax losses - Capital in nature

Rupees crores		
Particulars	2022	2021
Expiry period		
Up to five years	2.72	2.76
Total	2.72	2.76

13. Current Tax and Deferred Tax (contd.)

g) Unused tax credits

Rupees crores

Particulars	2022	2021
Expiry period		
More than five years	15.08	15.08
Total	15.08	15.08

h) Aggregate amount of temporary differences associated with investment in subsidiaries, associates and joint ventures for which deferred tax liability has not been recognised :

Rupees crores

Particulars	2022	2021
Undistributed earnings.....	17,085.84	16,495.78

Movement in deferred tax balances

Year ended 31st March, 2022

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Closing Balance
Tax effect of items resulting in taxable temporary differences						
Fiscal allowances on property, plant and equipment and intangible assets	2,233.76	412.97	—	(2.72)	(10.54)	2,633.47
Undistributed profit of associate	30.72	24.30	12.63	—	—	67.65
Others	106.78	3.29	0.28	—	3.35	113.70
	2,371.26	440.56	12.91	(2.72)	(7.19)	2,814.82
Tax effect of items resulting in deductible temporary differences						
Provision for employee benefits.....	328.08	(16.54)	(35.92)	—	(1.26)	274.36
Allowances for expected credit loss.....	1,256.35	26.44	—	—	0.06	1,282.85
Carried forward tax losses	436.58	199.89	—	—	(0.95)	635.52
MAT credit	32.34	9.35	—	—	—	41.69
Unrealised gain on inter-company transactions (net)	122.92	(29.36)	—	—	—	93.56
Others	418.15	10.12	(0.46)	—	(2.76)	425.05
	2,594.42	199.90	(36.38)	—	(4.91)	2,753.03
Net Deferred Tax Asset/(Liabilities)	223.16	(240.66)	(49.29)	2.72	2.28	(61.79)

13. Current Tax and Deferred Tax (contd.)

Year ended 31st March, 2021

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Closing Balance
Tax effect of items resulting in taxable temporary differences						
Fiscal allowances on property, plant and equipment and intangible assets	2,353.87	(101.37)	—	(10.26)	(8.48)	2,233.76
Undistributed profit of associates	20.47	31.21	(20.96)	—	—	30.72
Others	73.28	35.16	(1.26)	—	(0.40)	106.78
	2,447.62	(35.00)	(22.22)	(10.26)	(8.88)	2,371.26
Tax effect of items resulting in deductible temporary differences						
Provision for employee benefits.....	314.05	(8.01)	23.32	(0.65)	(0.63)	328.08
Allowances for expected credit loss.....	781.54	460.28	24.51	(9.96)	(0.02)	1,256.35
Carryforward tax losses	412.72	29.53	—	(3.51)	(2.16)	436.58
MAT credit.....	50.47	(12.54)	—	(5.59)	—	32.34
Unrealised gain on inter-company transactions (net) ...	138.36	(15.44)	—	—	—	122.92
Others	529.12	(119.74)	(1.94)	9.93	0.78	418.15
	2,226.26	334.08	45.89	(9.78)	(2.03)	2,594.42
Net Deferred Tax Asset/(Liabilities)	(221.36)	369.08	68.11	0.48	6.85	223.16

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

Rupees crores

	2022	2021
Deferred Tax Assets (net)	1,724.31	1,717.32
Deferred Tax Liabilities (net)	1,786.10	1,494.16
Net Deferred Tax Asset/(Liabilities)	(61.79)	223.16

14. Other Assets (Non-Financial)

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Capital Advances.....	980.89	945.48	—	—
Balances with government authorities (other than current taxes).....	205.30	369.11	2,434.44	2,005.76
Contract Assets	4.38	8.84	149.85	87.06
Deferred Acquisition Cost	670.36	653.80	53.06	50.01
Others	477.99	355.21	1,332.18	937.15
Total	2,338.92	2,332.44	3,969.53	3,079.98

Others include advances to suppliers, prepaid expenses.

Significant changes in Contract Assets during the year are as follows:-

Rupees crores

Particulars	2022	2021
Reclassification of opening balances of contract assets to trade receivables.....	92.21	63.21
Adjustments due to contract modification	0.84	0.70

In addition to the contract balances disclosed above, the group has also recognised a deferred acquisition cost in relation to some of the long-term contracts.

Rupees crores

Particulars	2022	2021
Assets recognised from cost incurred to fulfil a contract	723.42	703.81
Amortisation expenses recognised as cost of providing services during the year	51.21	48.72

15. Inventories

		Rupees crores	
Particulars	2022	2021	
Raw materials and bought-out components [includes in-transit Rs. 641.01 crores (2021: Rs. 461.79 crores)].....	4,491.90	3,357.03	
Work-in-progress.....	277.02	360.17	
Work-in-progress-property development activity and long term contracts.....	1,879.21	1,856.94	
Finished products produced	3,268.45	2,717.90	
Stock-in-trade [includes in-transit Rs. 3.93 crores (2021: Rs. 7.28 crores)]	1,110.29	935.93	
Manufactured components.....	290.16	148.95	
Stores and Spares	181.20	155.01	
Loose Tools	84.03	70.81	
Food, beverages, smokes and operating supplies	13.56	12.67	
Total	11,595.82	9,615.41	

- (a) The cost of inventories recognised as an expense during the year was **Rs. 58,327.89 crores** (2021: Rs. 42,854.29 crores)
- (b) The cost of inventories recognised as an expense include **Rs. 95.57 crores** (2021: Rs.165.83 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 64.14 crores** (2021: Rs. 37.19 crores) in respect of the reversal of such write downs.
- (c) Certain companies in the Group have availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, which are secured by hypothecation of inventories.
- (d) Mode of valuation of inventories is stated in Note 2 (i)

16. Cash and Cash Equivalents and Bank Balances

		Rupees crores	
Particulars	2022	2021	
a) Cash and Cash Equivalents			
Balances with banks			
– On current accounts.....	2,031.57	2,449.75	
– On saving accounts.....	0.03	0.03	
– Fixed deposits with original maturity of less than 3 months.....	1,290.58	758.88	
Cheques, drafts on hand.....	107.43	108.05	
Cash on hand.....	57.98	57.88	
Total	3,487.59	3,374.59	
b) Bank balances other than Cash and Cash Equivalents			
Earmarked balances with banks.....	31.76	33.59	
Balances with banks on margin accounts.....	32.09	59.60	
Fixed deposits.....	7,566.17	9,384.21	
Total	7,630.02	9,477.40	

17. Equity Share Capital

Rupees crores

Particulars	2022	2021
Authorised :		
18,10,00,00,000 (2021: 8,10,00,00,000) Ordinary (equity) Shares of Rs. 5 each	9,050.00	4,050.00
25,00,000 Unclassified Shares of Rs. 100 each	25.00	25.00
150,00,00,000 Preference Shares of Rs. 10 each	1,500.00	—
	10,575.00	4,075.00
Issued, Subscribed and Paid-up:		
1,24,31,92,544 (2021: 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
4,65,91,301 (2021: 4,84,24,163) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M ESOP trust but not yet allotted to employees	23.30	24.21
Less:		
8,44,70,428 (2021: 8,44,70,428) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M benefit trust	42.24	42.24
Adjusted Issued, Subscribed and Paid-up	556.06	555.15

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

Particulars	2022		2021	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up :				
Opening balance	1,24,31,92,544	621.60	1,24,31,92,544	621.60
Less :				
Shares issued to M&M ESOP Trust but not allotted to Employees	4,65,91,301	23.30	4,84,24,163	24.21
Shares issued to M&M Benefit Trust	8,44,70,428	42.24	8,44,70,428	42.24
Adjusted Issued, Subscribed and Paid-up Share Capital	1,11,21,30,815	556.06	1,11,02,97,953	555.15

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

(c) Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company's Issued, Subscribed and Paid-up:

Name of the Shareholder	2022		2021	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management & Services Private Limited.....	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India	8,55,54,624	6.88	10,22,25,615	8.22
M&M Benefit Trust	8,44,70,428	6.79	8,44,70,428	6.79

17. Equity Share Capital (contd.)

(d) Details of Ordinary (Equity) Shares held by promoters in the Company's Paid-up Share Capital :

Name of the Promoters	2022			2021		
	No. of Shares	% Shareholding	% Change during the year	No. of Shares	% Shareholding	% Change during the year
Promoters :						
Anand Mahindra.....	14,30,008	0.12%	—	14,30,008	0.12%	—
Keshub Mahindra.....	8,84,592	0.07%	—	8,84,592	0.07%	—
Sub Total (A)	23,14,600	0.19%		23,14,600	0.19%	
Promoter Group :						
Anjali K Mahindra	2,12,208	0.02%	—	2,12,208	0.02%	0.00%
Anuradha Mahindra	4,57,090	0.04%	—	4,57,090	0.04%	—
Dhruv S Sharma	30,000	0.00%	—	30,000	0.00%	—
Deveshwar Jagat Sharma	30,000	0.00%	—	30,000	0.00%	—
Gautam P Khandelwal.....	4,600	0.00%	—	4,600	0.00%	—
Leena S Labroo	12,51,884	0.10%	0.00%	12,52,384	0.10%	—
Nisheeta Labroo	1,60,500	0.01%	0.00%	1,60,000	0.01%	0.00%
Aneesha Labroo	1,60,000	0.01%	—	1,60,000	0.01%	—
Radhika Nath.....	93,616	0.01%	—	93,616	0.01%	—
Sanjay Labroo.....	1,45,440	0.01%	—	1,45,440	0.01%	—
Sudha Keshub Mahindra	14,52,032	0.12%	—	14,52,032	0.12%	—
Uma R Malhotra	10,09,604	0.08%	—	10,09,604	0.08%	—
Yuthica Keshub Mahindra.....	7,16,744	0.06%	0.00%	7,75,244	0.06%	0.00%
Kema Services International Pvt. Ltd.	7,34,832	0.06%	—	7,34,832	0.06%	—
Prudential Management and Services Pvt. Ltd.	14,15,21,940	11.38%	—	14,15,21,940	11.38%	—
M&M Benefit Trust	8,44,70,428	6.79%	—	8,44,70,428	6.79%	—
Sub Total (B).....	23,24,50,918	18.69%		23,25,09,418	18.70%	
Total (A+B).....	23,47,65,518	18.88%		23,48,24,018	18.89%	

(e) For the period of preceding five years as on the balance sheet date, Issued, Subscribed and Paid-up Share Capital includes:

- Aggregate of **5,03,888** (2021: 5,03,888) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Schemes of Arrangement without payment having been received in cash.
- Aggregate of **62,15,96,272** (2021: 62,15,96,272) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up by way of bonus shares.

18. Other Equity

Details of dividend proposed	2022	2021
Proposed Dividend per equity share (Rs.)	11.55	8.75

19. Borrowings

A. Long Term Borrowings

Rupees crores

Particulars	2022	2021
Secured (Carried at Amortised Cost) :		
Debentures & Bonds.....	13,875.13	13,933.06
Term Loan		
(i) From Banks	19,050.97	21,101.55
(ii) From other parties	154.95	221.50
	33,081.05	35,256.11
Unsecured (Carried at Amortised Cost) :		
Debentures & Bonds.....	9,382.81	8,251.08
Term loan from banks	1,969.24	3,192.13
Deposits	3,557.35	5,535.25
Other loans.....	379.90	489.09
Loan from related parties	254.71	54.71
	15,544.01	17,522.26
Total	48,625.06	52,778.37

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

The borrowings carry varying rates of interest upto 9.55% p.a. and have maturities starting from 2022 and ending with 2063.

B. Short Term Borrowings

Rupees crores

Particulars	2022	2021
Secured (Carried at Amortised Cost) :		
Other loans.....	875.52	313.74
Loans repayable on demand		
– From Banks and Cash credit account.....	488.26	415.82
Term Loan from Banks	953.57	1,078.30
	2,317.35	1,807.86
Unsecured (Carried at Amortised Cost) :		
Deposits	1,350.68	744.92
Other loans.....	229.88	226.54
Loans repayable on demand		
– From Banks and Cash credit account.....	215.22	593.45
Loan from related parties	18.45	518.45
Commercial Papers.....	993.03	494.52
Term Loan from Banks	245.00	260.85
	3,052.26	2,838.73
Current maturities of long-term debt.....	20,672.51	20,533.41
Total	26,042.12	25,180.00

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

19. Borrowings (contd.)

Reconciliation of movement in borrowings and lease liabilities to cash flow from financing activities

Rupees crores

Particulars	2022	2021
Opening balance		
– Long term borrowings	52,778.37	49,999.23
– Non Current lease liabilities.....	2,128.19	2,298.82
– Short term borrowings.....	25,180.00	29,794.23
– Current lease liabilities.....	538.27	474.73
– Unclaimed matured deposits.....	5.52	5.32
Total Opening Balance	80,630.35	82,572.33
Cash flow movements		
– Proceeds from borrowings.....	53,879.94	38,100.37
– Repayment of borrowings	(56,937.78)	(35,772.09)
– Net increase in Loans repayable on demand and cash credit	(285.21)	(1,733.29)
– Repayment of lease liabilities	(583.23)	(552.98)
	(3,926.28)	42.01
Non-cash movements		
– Addition to lease liabilities during the year	779.94	479.29
– On account of acquisition / disposal of subsidiary	101.44	(220.09)
– On deconsolidation of subsidiary	—	(2,446.74)
– Forward contract adjustments.....	71.75	—
– Other adjustments.....	124.69	(8.92)
– Effect of amortisation of loan origination costs and foreign exchange translation.....	(165.37)	212.47
	912.45	(1,983.99)
Closing Balance		
– Long Term Borrowings	48,625.06	52,778.37
– Non Current lease liabilities.....	2,432.55	2,128.19
– Short Term Borrowings	26,042.12	25,180.00
– Current lease liabilities.....	505.48	538.27
– Unclaimed matured Deposits.....	11.31	5.52
Total Closing Balance	77,616.52	80,630.35

20. Trade Payables

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Acceptances.....	—	—	1,570.69	1,432.20
Trade payable - Micro and small enterprises	—	—	195.51	151.58
Trade payable - Other than micro and small enterprises	1.55	1.44	17,270.35	13,922.01
Total	1.55	1.44	19,036.55	15,505.79

20. Trade Payables (contd.)

Ageing of trade payables

Rupees crores

Particulars	2022					
	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payable						
MSME	132.83	59.68	0.05	0.01	—	192.57
Others	10,103.97	4,414.61	206.40	83.82	99.84	14,908.64
Disputed dues - MSME	0.95	—	—	—	1.59	2.54
Disputed dues - Others	0.04	0.92	0.86	2.48	1.11	5.41
	10,237.79	4,475.21	207.31	86.31	102.54	15,109.16
Accrued Expenses						3,928.94
Total trade payables						19,038.10

Rupees crores

Particulars	2021					
	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payable						
MSME	117.34	32.07	0.09	—	—	149.50
Others	7,876.79	3,974.34	211.71	92.16	93.24	12,248.24
Disputed dues - MSME	—	—	—	—	2.08	2.08
Disputed dues - Others	0.06	—	—	0.01	0.89	0.96
	7,994.19	4,006.41	211.80	92.17	96.21	12,400.78
Accrued Expenses						3,106.45
Total trade payables						15,507.23

21. Other Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Carried at Amortised Cost				
Unclaimed dividends.....	—	—	17.16	18.43
Unclaimed matured deposits and interest accrued thereon.....	—	—	11.31	5.52
Interest accrued.....	337.29	420.63	1,892.91	2,241.50
Others	554.36	498.14	2,385.02	2,454.64
Carried at Fair value				
Foreign currency forwards and options, Interest rate swaps & commodity derivatives	143.53	141.91	93.63	121.63
Derivatives on interest over joint ventures.....	—	26.57	22.22	—
Gross obligation to acquire non-controlling interest	370.86	507.96	—	—
Total	1,406.04	1,595.21	4,422.25	4,841.72

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

22. Provisions

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Provision for employee benefits.....	1,021.88	1,187.50	336.91	330.88
Provision for warranties.....	441.44	386.55	423.55	416.46
Provision for service coupons	29.80	19.29	81.54	79.95
Provision for others	4.87	7.54	126.19	247.05
Total	1,497.99	1,600.88	968.19	1,074.34

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

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

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

Rupees crores

Particulars	Provision for warranty		Provision for service coupons	
	2022	2021	2022	2021
Opening Balance.....	803.01	1,636.08	99.24	131.82
Additional net provisions recognised during the year.....	455.06	401.90	117.24	47.34
Amounts utilised during the year	(409.42)	(541.10)	(108.24)	(87.20)
Unwinding of discount.....	24.33	30.39	3.10	7.28
Disposal / deconsolidation of subsidiary.....	(1.62)	(804.35)	—	—
Foreign exchange translation differences	(6.37)	80.09	—	—
Closing Balance.....	864.99	803.01	111.34	99.24

23. Other Non-Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2022	2021	2022	2021
Statutory dues (other than income taxes).....	—	—	2,206.89	1,568.83
Contract Liabilities	5,249.92	4,766.00	2,322.62	1,961.06
Others	—	—	392.21	337.18
Total	5,249.92	4,766.00	4,921.72	3,867.07

Contract Liabilities represents deferred revenue and advance received from customers.

Significant changes in Contract Liabilities during the year are as follows:-

Rupees crores

	2022	2021
Recognition of revenue arising from contract liabilities.....	1,444.04	1,298.52

24. Revenue from Operations

Revenue from operations comprises of :

Rupees crores

Particulars	2022	2021
(a) From contract with customers (as defined under Ind AS 115)		
Sale of products.....	69,084.62	54,154.35
Sale of services.....	8,032.54	6,596.18
Income from long term contracts.....	399.46	171.15
Other operating revenue.....	816.61	586.07
	78,333.23	61,507.75
(b) From financial services		
Interest income of financial services business	10,923.82	11,757.30
	10,923.82	11,757.30
(c) Others		
Government grant and incentives.....	517.06	695.86
Other operating revenue.....	396.46	316.87
	913.52	1,012.73
Total (a + b + c).....	90,170.57	74,277.78

The Group undertakes periodic revaluations in the estimate of variable consideration on account of various economic factors. The amount of revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods is aggregating to **Rs. 166.28 crores** (2021: Rs. 170.08 crores).

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

Rupees crores

Particulars	2022	2021
Time Band		
Less than 1 year	2,253.92	1,792.48
Greater than 1 year but less than 5 years.....	4,663.57	3,371.67
Greater than 5 years.....	2,990.27	3,105.64
Total	9,907.76	8,269.79

The Group applies the practical expedient of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less. Revenue disclosed above does not include estimated amount of variable consideration that are constrained.

Reconciliation of revenue recognised in the consolidated statement of profit and loss with contracted price:

Rupees crores

Particulars	2022	2021
Revenue from contract with customer as per the contract price	80,262.69	63,103.97
Adjustments made to contract price		
– Trade discounts, volume rebates, return etc.....	(3,162.81)	(2,669.69)
– Deferment of revenue	(210.69)	(225.05)
– Recognition of revenue out of opening balance of contract liabilities.....	1,444.04	1,298.52
Revenue from contract with customer as per the consolidated statement of profit and loss	78,333.23	61,507.75

Revenue disaggregation as per nature of products and geography has been included in segment information (Refer note 41).

25. Other Income

Rupees crores

Particulars	2022	2021
Interest Income		
– On financial assets carried at amortised cost.....	412.38	448.21
– On financial assets carried at FVTOCI.....	4.11	7.65
Dividend income		
– Mutual funds.....	1.89	5.38
Net gains/(losses) on financial instruments	355.65	380.99
Other non-operating income (net of directly attributable expenses)	160.48	190.88
Total	934.51	1,033.11

26. Cost of Materials Consumed

Rupees crores

Particulars	2022	2021
Opening inventory.....	3,357.03	3,863.48
Add: Purchases	47,523.54	32,857.55
	50,880.57	36,721.03
Less: Adjustment on account of disposal/deconsolidation of subsidiary.....	(20.06)	(501.09)
	50,860.51	36,219.94
Less: Closing Inventory	4,491.90	3,357.03
Foreign currency translation difference.....	(103.13)	(65.35)
Total	46,265.48	32,797.56

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

Rupees crores

Particulars	2022	2021
<i>Inventories at the beginning of the year</i>		
Finished goods produced	2,717.90	3,468.99
Work-in-progress.....	360.17	484.04
Stock-in-trade	935.93	1,223.23
Manufactured Components	148.95	130.33
	4,162.95	5,306.59
<i>Less: Inventories on disposal/deconsolidation of subsidiary</i>		
Finished goods produced	(10.77)	(575.21)
Work-in-progress.....	(13.16)	(155.66)
Stock-in-trade	(2.99)	(241.70)
Manufactured Components	—	(11.40)
	(26.92)	(983.97)
<i>Less: Inventories at the end of the year</i>		
Finished goods produced	3,268.45	2,717.90
Work-in-progress.....	277.02	360.17
Stock-in-trade	1,110.29	935.93
Manufactured Components	290.16	148.95
	4,945.92	4,162.95
Foreign currency translation difference.....	(51.77)	(24.08)
Net (increase)/decrease in inventories	(861.66)	135.59

28. Employee Benefits Expense

Rupees crores

Particulars	2022	2021
Salaries and wages, including bonus	7,277.66	6,806.34
Contribution to provident and other funds.....	517.48	464.77
Share based payment expenses.....	108.42	142.72
Staff welfare expenses	483.18	399.43
Total	8,386.74	7,813.26

29. Finance Cost

Rupees crores

Particulars	2022	2021
Interest expense on Financial liabilities at amortised cost	4,755.55	5,856.84
Interest on lease liabilities	159.05	133.51
Other borrowing cost.....	103.45	111.87
Total	5,018.05	6,102.22
Out of the above, finance cost related to:		
– financial services business.....	4,392.60	5,265.45
– others	625.45	836.77
Total	5,018.05	6,102.22

Other borrowing cost mainly includes discounting charges and unwinding of discount on financial liabilities other than lease liability.

30. Depreciation, Amortisation and Impairment Expense

Rupees crores

Particulars	2022	2021
Depreciation of property, plant and equipment	2,052.35	1,921.33
Depreciation of right-of-use assets	482.49	460.87
Amortisation of intangible assets	967.82	984.93
Impairment of property, plant & equipment, intangible and intangible under development.....	4.84	10.98
Total	3,507.50	3,378.11

31. Other Expenses

Rupees crores

Particulars	2022	2021
Stores consumed	273.86	183.68
Tools consumed.....	57.09	45.79
Power & fuel	541.27	429.56
Rent including lease rentals @	271.95	232.79
Insurance.....	183.15	181.46
Repairs and maintenance.....	641.94	608.70
Advertisement	556.16	356.82
Commission on sales / contracts (net).....	241.96	227.12
Freight outward	3,865.75	3,049.13
Sales promotion expenses.....	486.71	362.43
Travelling and conveyance expenses.....	371.99	219.00
Cost of projects.....	558.30	374.95
Subcontracting, hire and service charges.....	1,593.08	1,310.28
Provision for expected credit losses including write offs (net) \$	2,758.51	4,139.62
Miscellaneous expenses.....	3,051.24	2,820.59
Total	15,452.96	14,541.92

@ Short term leases and low value leases recongised as an expense for the year ended 31st March 2022 is aggregating to **Rs. 250.52 crores** (2021: Rs. 204.58 crores) and **Rs. 21.43 crores** (2021: Rs. 28.21 crores) respectively.

\$ Break-up of expected credit loss recognised during the year is as follows :-

Rupees crores

Particulars	2022	2021
Expected credit loss on:		
– Trade receivables.....	38.04	96.93
– Contract assets.....	0.84	0.70
– Financial services receivable	2,725.50	4,017.37
– Other financial assets.....	(5.87)	24.62
Total	2,758.51	4,139.62

32. Exceptional items (net)

Exceptional items (net) recognised in the consolidated statement of profit and loss

Rupees crores

Particulars	2022	2021
Gain on change in ownership interests in subsidiaries (resulting in loss of control), associates and joint ventures and change of relationships.....	474.28	489.60
Impairments:		
Property, plant and equipments and right-of-use assets.....	(53.82)	(74.74)
Intangible assets	(9.01)	(105.20)
Capital work-in-progress and Intangible under development (including capital advances).....	(107.36)	(1,043.24)
Others	—	(25.20)
Goodwill	—	(192.85)
Investment accounted using equity method	82.76	(206.63)
Profit on sale of land	27.32	—
Total	414.17	(1,158.26)

As described in note 2(h), the Group reviews for indication of asset impairment at the end of reporting date in addition to any impairment indicators that may arise in between the two reporting periods. If there is any indication of asset impairment, the Group estimates the recoverable amount of the asset to determine the amount of the impairment loss. During the year ended 31st March 2022, the internal and external sources of information including the effect of COVID-19 on the economic environment in which these entities operate, provided indicators of asset impairment for certain international subsidiaries. Consequently, impairment has been recognised for property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets under development and other intangible assets of certain CGUs amounting to **Rs. 170.19 crores** during the year ended 31st March 2022 (2021: Rs. 1,248.38 crores).

As detailed in note 5, impairment of goodwill amounting to **Nil** has been recognised during the year ended 31st March 2022 (2021: Rs. 192.85 crores)

Further, as described in the note 2(c), the investments in associates and joint ventures are accounted using equity method as per Ind AS 28 – Investments in Associates and Joint Ventures. As required by Ind AS 28, after application of the equity method, the Group assesses if there is any objective evidence based on observable data that its net investment in the associate or joint venture is impaired. Based on the observable evidence, certain investments in associate and joint ventures were tested for recoverable amounts and impairment reversal (net) amounting to **Rs. 82.76 crores** has been recognised during the year ended 31st March 2022 (2021: Impairment provision Rs. 206.63 crores).

33. Earnings Per Share (EPS)**Earnings per share for continuing operations**

Particulars	2022	2021
Profit for the year for basic EPS (Rupees crores).....	6,577.32	3,347.41
Profit for the year for diluted EPS (Rupees crores).....	6,562.38	3,334.45
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,11,09,43,402	1,10,93,69,466
Effect of dilutive potential Ordinary (Equity) Shares.....	45,87,607	50,10,630
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	1,11,55,31,009	1,11,43,80,096
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share).....	59.20	30.17
Diluted Earnings per share (Rs.)	58.83	29.92

Earnings per share for discontinued operations

Particulars	2022	2021
Loss for the year for basic EPS (Rupees crores)	—	(1,534.92)
Loss for the year for diluted EPS (Rupees crores).....	—	(1,534.92)
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	—	1,10,93,69,466
Effect of dilutive potential Ordinary (Equity) Shares.....	—	50,10,630
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	—	1,11,43,80,096
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share).....	—	(13.84)
Diluted Earnings per share (Rs.)	—	(13.77)

33. Earnings Per Share (EPS) (contd.)

Earnings per share for continuing and discontinued operations

Particulars	2022	2021
Profit for the year for basic EPS (Rupees crores).....	6,577.32	1,812.49
Profit for the year for diluted EPS (Rupees crores).....	6,562.38	1,799.53
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS.....	1,11,09,43,402	1,10,93,69,466
Effect of dilutive potential Ordinary (Equity) Shares.....	45,87,607	50,10,630
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,11,55,31,009	1,11,43,80,096
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share).....	59.20	16.33
Diluted Earnings per share (Rs.)	58.83	16.15

34. 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.

A Group company provides certain severance benefit to employees on leaving service. The benefit is payable after one year of service and is one month's 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 in the Group provide post retirement medical cover to select grade of employees to cover the retiring employee and their spouse upto a specified age through mediclaim policy on which the premiums are paid. The eligibility of the employee for the benefit as well as the amount of medical cover purchased is determined by the grade of the employee at the time of retirement.

Post retirement housing allowance

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

Risk exposure

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

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Life expectancy

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

34. Employee Benefits (contd.)

Defined benefit plans - Actuarial valuation as on 31st March, 2022

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity*		Post retirement medical benefits		Post retirement housing allowance	
	2022	2021	2022	2021	2022	2021	2022	2021
1 Amounts recognised in profit or loss								
Current service cost	96.81	96.36	19.47	213.25	3.12	2.28	1.30	2.37
Past service cost	—	(21.06)	—	—	0.01	—	35.39	1.02
Net interest expense.....	3.70	2.47	3.17	43.46	3.26	2.39	5.32	5.53
Total amount included in employee benefits expense	100.51	77.77	22.64	256.71	6.39	4.67	42.01	8.92
* Gratuity expenses relating to discontinued operations Nil (2021: Rs. 217.41 crores)								
2 Amounts recognised in other comprehensive income								
Remeasurement (gains)/ losses:								
a) Actuarial (gains)/losses arising from changes in -								
– demographic assumptions	(15.96)	2.36	1.13	0.10	(7.93)	(0.08)	—	—
– financial assumptions....	(52.80)	35.31	4.51	6.38	(3.14)	3.29	(7.27)	3.66
– experience adjustments	52.56	(43.88)	(3.16)	(2.90)	0.41	10.79	2.16	(1.78)
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(8.78)	(13.27)	—	—	—	—	—	—
c) Actuarial (gains)/losses of discontinued operations....	—	—	—	(90.35)	—	—	—	—
Total amount recognised in other comprehensive income	(24.98)	(19.48)	2.48	(86.77)	(10.66)	14.00	(5.11)	1.88
3 Changes in the defined benefit obligation								
Opening defined benefit obligation	1,240.08	1,211.25	312.11	2,570.85	52.46	35.31	88.17	83.50
Current service cost	96.81	96.36	19.47	213.25	3.12	2.28	1.30	2.37
Past service cost	—	(21.06)	—	—	0.01	—	35.39	1.02
Interest expense.....	63.71	61.45	3.17	43.46	3.26	2.39	5.32	5.53
Remeasurements (gains)/ losses	(16.20)	(6.21)	2.48	(86.77)	(10.66)	14.00	(5.11)	1.88
Benefits paid	(118.74)	(98.18)	(11.51)	(39.61)	(1.65)	(1.52)	(7.96)	(6.13)
Business combination	—	—	0.66	—	—	—	—	—
Disposal / deconsolidation of subsidiaries	—	(4.08)	(6.01)	(2,583.82)	—	—	—	—
Change in plan on common control transaction.....	41.93	—	(41.93)	—	—	—	—	—
Foreign exchange translation difference	(6.85)	0.55	(28.77)	194.75	—	—	—	—
Closing defined benefit obligation	1,300.74	1,240.08	249.67	312.11	46.54	52.46	117.11	88.17

34. Employee Benefits (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2022	2021	2022	2021	2022	2021	2022	2021
4 Changes in fair value of plan assets								
Opening fair value of plan assets	1,161.84	1,082.77	—	—	—	—	—	—
Interest income	60.01	58.98	—	—	—	—	—	—
Return on plan assets excluding interest income	8.78	13.27	—	—	—	—	—	—
Contributions by employer	109.92	114.32	—	—	1.65	1.52	7.96	6.13
Benefits paid	(118.74)	(98.18)	—	—	(1.65)	(1.52)	(7.96)	(6.13)
Disposal / deconsolidation of subsidiaries	—	(7.08)	—	—	—	—	—	—
Foreign exchange translation difference	(6.10)	(2.24)	—	—	—	—	—	—
Closing fair value of plan assets	1,215.71	1,161.84	—	—	—	—	—	—
5 Net defined benefit obligation								
Defined benefit obligation ...	1,300.74	1,240.08	249.67	312.11	46.54	52.46	117.11	88.17
Fair value of plan assets	1,215.71	1,161.84	—	—	—	—	—	—
Surplus/(Deficit)	(85.03)	(78.24)	(249.67)	(312.11)	(46.54)	(52.46)	(117.11)	(88.17)
Current portion of the above	(10.71)	(8.42)	(18.62)	(26.79)	(2.24)	(1.90)	(8.85)	(7.37)
Non current portion of the above	(74.32)	(69.82)	(231.05)	(285.32)	(44.30)	(50.56)	(108.26)	(80.80)

Rupees crores

Assumptions	2022	2021
6 Actuarial Assumptions and sensitivity		
a Actuarial assumptions		
Discount rate (%)	1.10 - 7.30	0.45 - 6.91
Attrition rate (%)	1.80 - 46.35	1.54 - 37
Cost inflation (%)	7.00 - 9.00	7.00 - 9.00
Cost inflation includes an estimate of medical inflation and future salary increases taking in to account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
Assumptions		
One percentage point increase in discount rate	(176.67)	(168.54)
One percentage point decrease in discount rate	178.33	177.82
One percentage point increase in salary growth rate	145.70	142.37
One percentage point decrease in salary growth rate	(139.26)	(128.81)
One percentage point increase in attrition rate	(36.57)	(37.80)
One percentage point decrease in attrition rate	37.73	38.27
One percentage point increase in medical inflation rate	5.99	7.75
One percentage point decrease in medical inflation rate	(5.05)	(6.46)

34. Employee Benefits (contd.)

		Rupees crores	
Assumptions		2022	2021
7 Maturity profile of defined benefit obligation			
Time periods			
Upto 1 year		224.11	196.40
1 - 5 years		753.09	596.51
6 - 9 years		556.62	543.44
10 years and above.....		1,323.69	1,142.24

Trust-managed Provident fund

		Rupees crores	
Particulars		2022	2021
I Net defined benefit obligation			
Defined benefit obligation		3,004.62	2,866.01
Fair value of plan assets.....		3,004.62	2,769.25
Surplus/(Deficit)		—	(96.76)
II Actuarial assumptions			
Discount rate		6.95%	6.30%
Average remaining tenure of investment portfolio (years).....		4.63	5.29
Guaranteed rate of return.....		8.10%	8.50%

The Company has recognised an obligation of Nil (2021: Rs. 66.61 crores) to fund the shortfall on account of interest rate guarantee through OCI. During the year the Company has paid Nil (2021: Rs. 54.32 crores) to the Provident Fund Trust in respect of previous year shortfall.

The plan assets have been primarily invested in government securities and corporate bonds.

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating Rs. 394.33 crores (2021: Rs. 347.70 crores) has been recognised in the Profit or Loss under the head 'Employee Benefits Expense'.

35. Capital management

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

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

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

The retail loan finance business of the companies in financial service business is subject to the capital adequacy requirements of the Reserve Bank of India (RBI) and National Housing Bank (NHB). Under capital adequacy guidelines, these companies are required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The Group companies in the financial services business have complied with all regulatory requirements related to regulatory capital and capital adequacy ratios as prescribed by RBI and NHB.

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

		Rupees crores	
Particulars		2022	2021
Total Equity		41,993.81	37,041.53
Net Debt			
Short term debt (including current portion of long term debt)		3,606.15	3,080.57
Long term debt		9,189.75	10,364.03
Gross Debt		12,795.90	13,444.60
Less :			
Current investments		8,840.43	4,852.74
Cash and Bank Balances		6,400.57	8,878.03
Net Debt		(2,445.10)	(286.17)
Total Capital deployed		39,548.71	36,755.36

36. Financial Instruments

Financial Risk Management Framework

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

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

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

(a) Market Risk Management

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

(i) Currency Risk

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

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

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

Rupees crores

	US Dollar	Euro	JPY	KRW	Others	Total
As at 31st March, 2022						
Financial Assets	1,764.01	1,646.55	8.28	454.71	326.90	4,200.45
Financial Liabilities	3,625.70	1,908.33	947.56	23.50	108.03	6,613.12
As at 31st March, 2021						
Financial Assets	1,567.85	1,671.89	0.40	1.14	191.22	3,432.50
Financial Liabilities	3,220.60	2,329.69	1,030.51	364.44	55.89	7,001.12

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	2022		2021	
	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)
Cash Flow Hedges				
<i>Buy currency</i>				
Maturing in 1+ years				
— EUR/INR	—	—	428.75	(62.94)
Maturing less than 1 year				
— USD/INR.....	0.81	(0.09)	—	—
<i>Sell currency</i>				
Maturing in 1+ years				
— EUR/INR	—	—	1,514.77	65.77
Maturing less than 1 year				
— USD/INR	583.54	7.93	269.77	8.89
— BRL/INR	7.97	(0.42)	—	—
— ZAR/INR	368.33	(20.98)	269.33	(3.67)
— EUR/INR	1,487.41	189.37	6.78	0.22
— CAD/INR	—	—	5.56	0.01

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

36. Financial Instruments (contd.)**(a) Market Risk Management (contd.)****(ii) Interest Rate Risk**

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

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

Hedge Accounting : Interest Rate Swaps

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

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

Rupees crores

Outstanding Contracts	2022		2021	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Floating to fixed Interest Rate Swaps</i>				
Maturing in 1+ years				
EUR.....	—	—	428.75	(0.72)
Maturing in 1+ years				
USD.....	—	—	183.98	(3.01)

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

Rupees crores

Particulars	2022			2021		
	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	(97.25)	(3.51)	(100.76)	(156.77)	(4.81)	(161.58)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction.....	(27.57)	—	(27.57)	0.32	—	0.32
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur.....	—	—	—	0.35	—	0.35
Change in Fair Value of Effective Portion of cash flow hedges	38.68	3.69	42.37	(12.98)	1.42	(11.56)
Deferred Tax on the above	(1.35)	(0.18)	(1.53)	0.82	(0.12)	0.71
Balance at the end of the year	(87.49)	—	(87.49)	(168.26)	(3.51)	(171.76)
Add: Share of Associate/Joint Venture	53.62	—	53.62	71.22	—	71.22
Deferred Tax on share of associates/joint ventures	(0.08)	—	(0.08)	(0.02)	—	(0.02)
Add/(Less) : Non Controlling interest.....	(1.93)	—	(1.93)	3.09	—	3.09
Other comprehensive income reclassified to profit or loss.....	(1.37)	—	(1.37)	—	—	—
Less: Deconsolidation of subsidiary.....	—	—	—	(3.28)	—	(3.28)
Total	(37.25)	—	(37.25)	(97.25)	(3.51)	(100.76)
Of the above:						
Balance relating to continuing hedges.....	(37.25)	—	(37.25)	(97.25)	(3.51)	(100.76)

36. Financial Instruments (contd.)**(b) Credit Risk Management**

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

(i) Financial Guarantees

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. The accounting of financial guarantees is as explained in Note 2(k). The amount recognised in Consolidated Balance Sheet as liabilities is as below.

		Rupees crores	
Particulars	2022	2021	
Maximum exposure	564.23	1,030.61	
Amount recognised as liability	20.50	368.67	

(ii) 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.

Reconciliation of loss allowance for Trade Receivables:

Other than related to hospitality segment

		Rupees crores	
Particulars	2022	2021	
Balance as at beginning of the year	405.43	361.74	
Additions during the year.....	74.32	149.06	
Amounts written off during the year.....	(30.46)	(33.51)	
Impairment losses reversed/written back	(40.73)	(57.32)	
Foreign exchange translation difference.....	(4.01)	(1.22)	
On account of deconsolidation/disposal of subsidiaries.....	(5.68)	(13.32)	
Balance as at end of the year	398.87	405.43	

Related to hospitality segment

		Rupees crores	
Particulars	2022	2021	
Balance as at beginning of the year	9.01	10.47	
Additions during the year.....	1.57	—	
Amounts written off during the year.....	—	(1.46)	
Balance as at end of the year	10.58	9.01	

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.

(iii) Credit risk related to financial services business

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

The following tables set out information about credit quality of loan assets measured at amortised cost:

Retail Loans

		Rupees crores	
Particulars	2022	2021	
Gross carrying value of Retail and SME loan assets			
Neither Past due nor impaired.....	49,172.63	46,930.44	
Past due but not impaired			
30 days past due.....	4,727.01	7,212.17	
31-90 days past due	11,243.51	10,175.33	
Impaired (more than 90 days)	5,788.62	6,725.02	
Total Gross carrying value as at reporting date	70,931.77	71,042.96	

36. Financial Instruments (contd.)

(b) Credit Risk Management (contd.)

Trade Advances

		Rupees crores	
Particulars	2022	2021	
Gross carrying amount of trade advances			
Less than 60 days past due	1,682.21	1,113.33	
61-90 days past due	64.55	22.57	
Impaired (more than 90 days)	60.66	59.08	
Total Gross carrying value as at reporting date	1,807.42	1,194.98	

Inputs considered in the ECL model

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

The financial services business categorises loan assets into stages based on the days past due status:

- Stage 1: 0-30 days past due
- Stage 2: 31-89 days past due
- Stage 3: 90 days and above

RBI COVID-19 Resolution Framework

Assessment of loan modifications on credit risk:

In response to the economic fall-out on account of Covid-19 pandemic, the RBI on 6 August, 2020 announced resolution plan framework vide circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for personal loan customers. Further owing to the second wave of the Pandemic in India, RBI on 5 May, 2021 announced resolution framework 2.0 vide circular No. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22. Loan modifications executed under both these schemes have not been classified as renegotiated as they are as a result of market-wide customer relief programme and not borrower-specific. The financial service business in the Group has implemented resolution plans under the resolution framework 2.0 for loans amounting to Rs. 4,335.94 crore, which have an outstanding balance of **Rs. 3,967.59 crores** as of 31st March 2022. The financial services business continues to monitor the recoverability of loans granted in accordance with these circulars and is continuing to carry the required overlays over and above the model provisioning based on the repayment behaviour on these loan accounts.

Impact of COVID-19

During the previous year, in accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the financial service business in the Group had granted moratorium up to six months on the payment of instalments which became due between 1 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Group, in the previous year, continued to recognize interest income during the moratorium period.

The outbreak of COVID-19 led to nationwide lockdown from March 2020, which gradually phased out over the next few months basis the local level spread of the pandemic. The nation was impacted by the second wave of the pandemic in the first half of the fiscal year 2022 which again slowed down the economic activities to a limited extent. Despite the successful roll out of vaccines around the world, a varying degree of uncertainty remained through out the year ended 31st March 2022. This was caused by new variants of COVID -19, varying vaccine effectiveness and the need for reimposing of government - imposed restrictions. This uncertainty is reflected in the financial services business assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the changes in the macro economic outlook and its associated impact on the impairment calculations.

Assumptions considered in the ECL model

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

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cashflows are discounted with average rate for arriving loss rate. Effective interest rate (EIR) has been taken as discount rate for all retail loans.
- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%. This is calculated as an average of the last 60 months yearly average.

Estimation Technique

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

"Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. This is calculated as an average of the last 60 months yearly movement of default rates and future adjustment for macro economic factor such as agriculture and change in GDP are considered most relevant in determining the PD. The Group assigns probability to these factors in order to determine the impact of such factors on PD.

36. Financial Instruments (contd.)

(b) Credit Risk Management (contd.)

- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied while preparing the financial statements for the year ended March 2020, estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages have been incorporated in the measurement of impairment loss allowance and recognised an overlay in the consolidated statement of profit and loss. The impairment loss allowance estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

Forward Looking Information

In calculating the expected credit loss rates, the financial services business considers historical loss rates on portfolio over a period which covers most external factors like drought, government and policy changes etc. and these historical PDs are converted into forward looking PDs considering the agricultural and GDP growth estimates.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business's historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort. The financial services business's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the financial services business monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk.

Definition of default

The financial services business considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Policy for write off of Loan Assets

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

In accordance with the regulatory expectation of the Reserve Bank of India to bring down the Net NPA ratio below 4% for the financial services subsidiary Mahindra and Mahindra Financial Services Limited (MMFSL), the net NPA (net Stage-3 assets) ratio stood at 3.36% as at 31st March 2022 which is in line with regulatory expectation of the RBI.

Impairment loss

The expected credit loss allowance provision is determined as follows:

Rupees crores

Particulars	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 st March, 2022	53,899.64	11,243.51	5,788.62	70,931.77
Expected credit loss rate	0.99%	12.61%	52.86%	
Carrying amount as at 31 st March, 2022 (net of impairment provision)	53,367.06	9,826.13	2,728.94	65,922.13
Gross Balance as at 31 st March, 2021	54,142.61	10,175.33	6,725.02	71,042.96
Expected credit loss rate	0.88%	10.41%	52.94%	
Carrying amount as at 31 st March, 2021 (net of impairment provision)	53,665.04	9,115.61	3,164.50	65,945.15

Level of Assessment - Aggregation Criteria

The financial services business recognises the expected credit losses on a collective basis that takes into account comprehensive credit risk information and considers the economic and risk characteristics, pricing range and sector concentration.

36. Financial Instruments (contd.)

(b) Credit Risk Management (contd.)

Reconciliation of loss allowance provision for Retail and SME loans

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1st April, 2020	600.54	847.45	2,121.87	3,569.86
— Transferred to/from 12 months ECL	232.87	(171.91)	(60.96)	—
— Transferred to/from lifetime ECL not credit impaired	(36.51)	79.35	(42.84)	—
— Transferred to/from lifetime ECL credit impaired	(11.43)	(132.66)	144.09	—
Loans that have been derecognised during the year	(49.02)	(90.33)	(474.16)	(613.51)
New loans originated during the year	146.49	40.83	13.64	200.96
Write-offs	(0.02)	(1.30)	(643.64)	(644.96)
Net remeasurement of loss allowance	(405.35)	488.29	2,502.52	2,585.46
Balance as at 31st March, 2021	477.57	1,059.72	3,560.52	5,097.81

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1st April, 2021	477.57	1,059.72	3,560.52	5,097.81
— Transferred to/from 12 months ECL	376.09	(138.74)	(237.35)	—
— Transferred to/from lifetime ECL not credit impaired	10.58	103.03	(113.61)	—
— Transferred to/from lifetime ECL credit impaired	(3.97)	(121.27)	125.24	—
Business combination during the year	1.45	0.83	1.99	4.27
Loans that have been derecognised during the year	(72.34)	(348.92)	(861.82)	(1,283.08)
New loans originated during the year	237.59	496.51	292.57	1,026.67
Write-offs	(0.04)	(5.76)	(942.02)	(947.82)
Net remeasurement of loss allowance	(494.35)	371.98	1,234.16	1,111.79
Balance as at 31st March, 2022	532.58	1,417.38	3,059.68	5,009.64

Trade advances

Rupees crores

	2022	2021
Loss allowance provision	71.73	65.05

Impairment loss on financial services receivable for the year ended 31st March, 2022 recognised in profit or loss of **Rs. 2,725.50 crores** (2021: Rs. 4,017.37 crores) includes bad debts and write offs of **Rs. 2,813.65 crores** (2021: Rs. 2,506.52 crores), reversal of provision for expected credit loss of **Rs. 85.76 crores** (2021: provision of Rs. 1,510.81 crores) and reversal of provision for loan commitments of **Rs. 2.39 crores** (2021: charge of Rs. 0.04 crores).

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

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

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

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

Concentration of Credit Risk

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

Rupees crores

	2022	2021
Carrying Value	72,739.19	72,237.94
Concentration by Geographical region in India:		
North	17,388.45	19,379.94
East	16,387.77	17,252.60
West	22,547.51	19,839.76
South	16,415.46	15,765.64
Total Loans as at reporting year	72,739.19	72,237.94

36. Financial Instruments (contd.)

(b) Credit Risk Management (contd.)

Maximum Exposure to credit Risk

The maximum exposure to credit risk of loans is their carrying amount. The maximum exposure is before considering the effect of mitigation through collateral.

Narrative Description of Collateral

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

Quantitative Information of Collateral - Credit Impaired assets

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

Rupees crores

Loan To Value (LTV) Range	Gross Value of loans in stage 3	
	2022	2021
Upto 50% coverage.....	498.52	458.31
51 - 70% coverage.....	624.32	641.45
71 - 100% coverage.....	644.08	679.45
Above 100% coverage	4,021.70	4,945.81
	5,788.62	6,725.02

(c) Liquidity risk management

(i) Maturity profile of non-derivative financial liabilities

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
As at 31st March, 2022				
Short term borrowings - Principal	26,042.12	—	—	—
Short term borrowings - Interest	2,534.50	—	—	—
Long term borrowings - Principal	—	31,785.68	8,478.03	8,457.00
Long term borrowings - Interest.....	1,929.04	5,034.55	2,254.76	5,014.52
Trade payables	19,036.55	1.55	—	—
Financial Guarantees	564.23	—	—	—
Lease Liabilities	532.41	929.34	561.35	1,554.27
Other Financial Liabilities.....	2,408.86	284.72	129.77	124.00
Total	53,047.71	38,035.84	11,423.91	15,149.79
As at 31st March, 2021				
Short term borrowings - Principal	25,180.00	—	—	—
Short term borrowings - Interest	3,273.75	—	—	—
Long term borrowings - Principal	—	35,226.85	8,649.45	9,018.31
Long term borrowings - Interest	2,053.05	5,889.07	2,363.65	4,876.81
Trade payables	15,505.79	1.44	—	—
Financial Guarantees	1,030.61	—	—	—
Lease Liabilities	642.52	823.38	527.96	1,262.97
Other Financial Liabilities.....	2,130.41	108.85	3.62	365.18
Total	49,816.13	42,049.59	11,544.68	15,523.27

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.

36. Financial Instruments (contd.)

(c) Liquidity risk management (contd.)

(ii) Maturity profile of derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments.

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2022			
Interest rate & currency swaps	2.67	48.93	102.62
Foreign exchange forward contracts	91.47	—	—
Commodity futures	0.63	—	—
Derivatives on interest over joint ventures	91.75	—	—
Gross obligation to acquire non-controlling interests.....	277.99	—	92.87
	464.51	48.93	195.49
As at 31st March, 2021			
Interest rate & currency swaps	3.70	48.33	65.89
Foreign exchange forward contracts	117.47	25.98	—
Commodity futures	2.49	—	—
Derivatives on interest over joint ventures	8.02	89.18	—
Gross obligation to acquire non-controlling interests.....	447.20	—	99.56
	578.88	163.49	165.45

(d) Sensitivity Analysis

(i) Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31st March, 2022	INR/USD	+10%	38.53	(45.58)
	JPY/USD	+10%	20.31	—
	INR/EUR	+10%	4.29	—
Year ended 31st March, 2021	INR/USD	+10%	47.49	(23.70)
	JPY/USD	+10%	22.91	—
	INR/EUR	+10%	(2.54)	—

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

(ii) Interest Rate sensitivity

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

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

Rupees crores

Particulars	Currency	Increase/decrease in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31st March, 2022	INR	+25 bps	(43.91)	—
	EUR	+25 bps	(1.67)	—
Year ended 31st March, 2021	INR	+25 bps	(38.67)	—
	EUR	+25 bps	(1.77)	0.27

36. Financial Instruments (contd.)

(e) Fair Value Disclosures

(i) Financial Instruments regularly measured using fair value - recurring items

Financial assets/ financial liabilities	Financial assets/ financial liabilities	Fair Value Category	2022	2021	Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Rupees crores	
									Relationship of unobservable inputs to fair value and sensitivity	
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL/FVTOCI	152.46	(45.51)	Level 2	Discounted Cash Flow and Interest rate	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.	—	—	
2) Currency options	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL	(119.56)	(92.22)	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	69.68	78.39	Level 3	Comparable Companies Method/ Discounted Cash-flow/ Price of recent transactions/ Comparable Companies quoted multiples	For Comparable Companies Method / Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss account along with underlying assumptions.	Interest rates to discount future cashflows, 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, associates and joint ventures.	
4) Gross obligation to acquire non- controlling interest	Financial Liabilities	Financial Instruments measured at FVTPL	(370.86)	(507.96)	Level 3	Comparable Companies Method/ Discounted Cash- flow/Price of recent transactions/ Comparable Companies quoted multiples	For Comparable Companies Method/Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss account along with underlying assumptions.	Interest rates to discount future cashflows, financial projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of gross obligation to acquire non-controlling interest	
5) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	9,066.42	7,273.21	Level 1	Net asset value	—	—	—	
6) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	219.44	239.85	Level 1	Quoted bid price in active market	—	—	—	
7) Investment in equity instruments- Unquoted	Financial Assets	Financial instrument designated at FVTPL	0.24	—	Level 1	Quoted bid price in active market	—	—	—	
	Financial Assets	Financial instrument designated at FVTOCI	86.70	131.13	Level 3	Discounted Cash Flow/ Market Multiple approach	For Discounted Cash Flow approach - The discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, long term pre tax operating profit margin, WACC, Discount for lack market for respective equity instrument	Terminal growth rate, weighted average cost of capital. Market multiples used for benchmarking.	Increase or decrease in multiple will result in increase or decrease in valuation	
	Financial Assets	Financial instrument measured at FVTPL	19.93	13.25	Level 3	Income Approach - Discounted Cash Flow	For Market Multiple approach - In this approach fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue Multiple etc.			

36. Financial Instruments (contd.)

(e) Fair Value Disclosures (contd.)

(i) Financial Instruments regularly measured using fair value - recurring items (contd.)

Rupees crores

Financial assets/ financial liabilities	Financial assets/ financial liabilities	Fair Value	2022	2021	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
8) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTOCI	4,490.95	4,448.73	Level 1	Quoted market price	—	—	—
9) Investment in debt instruments - Debentures/Bonds, etc	Financial Assets	Financial instrument measured at FVTOCI	293.13	294.12	Level 1	Quoted market price	—	—	—
		Financial instrument measured at FVTPL	70.13	93.00	Level 3	Income Approach - Discounted Cash Flow	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, balance sheets, statement of profit and loss along with underlying assumptions.	Interest rates to discount future cash flow, financial projections	Increase or decrease in multiple will result in increase or decrease in valuation
10) Investment in Other financial instruments - CP, CD	Financial Assets	Financial instrument measured at FVTOCI	852.20	—	Level 1	Market price	—	—	—
	Financial Assets	Financial instrument measured at FVTPL	—	197.67	Level 1	Market price	—	—	—

36. Financial Instruments (contd.)

(e) Fair Value Disclosures (contd.)

(i) Financial Instruments regularly measured using fair value - recurring items (contd.)

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

Rupees crores

Particulars	Unquoted Equity investment	Investment in debentures/ bonds etc	Derivatives on interest over Subsidiaries and joint ventures (Net)	Gross obligation to acquire non-controlling interest
Year Ended 31st March, 2022				
Opening balance.....	144.38	93.00	78.39	(507.96)
Total gains or losses recognised:				
a) in profit/(loss).....	4.28	(12.41)	(7.90)	54.40
b) in other comprehensive income.....	(48.99)	—	—	—
Purchase during the year	9.30	—	—	—
Disposal during the year	(3.00)	(14.83)	—	—
Exercise of put option	—	—	(0.81)	75.78
Adjustment for share of losses of joint ventures	—	4.37	—	—
Exchange differences.....	0.66	—	—	6.92
Closing balance	106.63	70.13	69.68	(370.86)
Year Ended 31st March, 2021				
Opening balance.....	155.58	101.86	75.85	(573.83)
Total gains or losses recognised:				
a) in profit/(loss).....	1.03	5.38	(0.31)	58.10
b) in other comprehensive income.....	(42.83)	—	—	—
Purchase during the year	38.05	—	—	—
Disposal / conversion into equity during the year.....	(2.20)	(7.66)	2.85	—
Exercise of put option	—	—	—	8.20
Deconsolidation of subsidiary.....	(3.56)	—	—	—
Adjustment for share of losses of joint ventures	—	(6.58)	—	—
Exchange differences.....	(1.69)	—	—	(0.43)
Closing balance	144.38	93.00	78.39	(507.96)

Equity Investments designated at FVTOCI

Rupees crores

Particulars	2022	2021
Investment in quoted and unquoted equity instruments:		
Fair value of investments.....	306.14	370.98

36. Financial Instruments (contd.)

(e) Fair Value Disclosures (contd.)

(ii) Financial Instruments measured at amortised cost

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31 st March, 2022					
Financial assets					
a) Investments	1,811.59	1,865.25	1,391.80	473.45	—
b) Trade Receivables.....	6,683.38	6,683.38	—	6,683.38	—
c) Financial Services Receivable	67,657.82	67,997.01	—	—	67,997.01
d) Security Deposit	279.14	279.14	—	279.14	—
e) Other financial assets including loans	3,290.91	3,291.89	—	3,096.18	195.71
f) Fixed Deposit.....	707.43	707.43	—	707.43	—
Total	80,430.27	80,824.10	1,391.80	11,239.58	68,192.72
Financial liabilities					
a) Non-Current Borrowings	48,625.06	52,356.74	18,575.14	33,781.60	—
b) Lease liabilities	2,938.03	2,938.03	—	2,938.03	—
c) Trade Payable.....	19,038.10	19,038.10	—	19,038.10	—
d) Current Borrowings	26,042.12	26,042.12	5,599.78	20,442.34	—
e) Other Financial Liabilities.....	5,198.05	5,198.05	—	4,694.82	503.23
Total	101,841.36	105,573.04	24,174.92	80,894.89	503.23
As at 31 st March, 2021					
Financial assets					
a) Investments	3,830.48	3,909.51	1,390.03	2,519.48	—
b) Trade Receivables.....	6,373.92	6,373.92	—	6,373.92	—
c) Financial Services Receivable	67,075.08	67,526.12	—	—	67,526.12
d) Security Deposit	289.64	289.64	—	289.64	—
e) Other Loans.....	2,609.47	2,622.07	—	1,812.42	809.65
f) Fixed Deposit.....	369.05	369.05	—	369.05	—
Total	80,547.64	81,090.31	1,390.03	11,364.51	68,335.77
Financial liabilities					
a) Non-Current Borrowings	52,778.37	54,768.93	20,891.46	33,877.47	—
b) Lease liabilities	2,666.46	2,666.46	—	2,666.46	—
c) Trade Payable.....	15,507.23	15,507.23	—	15,507.23	—
d) Current Borrowings	25,180.00	25,180.00	4,075.95	21,104.05	—
e) Other Financial Liabilities.....	5,638.86	5,638.86	—	5,014.91	623.95
Total	101,770.92	103,761.48	24,967.41	78,170.12	623.95

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

37. Significant changes in ownership

Mahindra Ideal Finance Limited

Pursuant to the Share Subscription, Share Purchase and Shareholders' Agreement dated 20th August, 2019 with Ideal Finance Limited, Sri Lanka (Ideal Finance) and its existing shareholders for Investment of the third and final tranche for acquisition of shares of Ideal Finance from its existing shareholders, Mahindra Finance has completed the acquisition of the balance 20% of the Equity Share Capital aggregating 2,91,29,032 Equity Shares of Ideal Finance from Its existing shareholders for **Rs. 33.97 crores** on 8th July 2021, resulting in an increase in the stake in Ideal Finance from 38.20% to 58.20%, Consequent to this investment, Ideal Finance has become a Subsidiary of the Company effective 8th July, 2021.

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *	
		As at 31 st March,	
		2022	2021
Mahindra Vehicle Manufacturers Limited #.....	India	—	100.00%
Mahindra Heavy Engines Limited.....	India	100.00%	100.00%
Mahindra Electric Mobility Limited.....	India	98.98%	99.35%
NBS International Limited.....	India	100.00%	100.00%
Mahindra Automotive Australia Pty. Limited.....	Australia	100.00%	100.00%
Mahindra Europe s.r.l.	Italy	100.00%	100.00%
Mahindra and Mahindra South Africa (Proprietary) Limited	South Africa	100.00%	100.00%
Mahindra West Africa Limited (Under liquidation).....	Nigeria	100.00%	100.00%
Gromax Agri Equipment Limited	India	60.00%	60.00%
Kota Farm Services Limited @.....	India	47.81%	47.81%
Trringo.com Limited.....	India	100.00%	100.00%
Mahindra USA Inc.....	U.S.A.	100.00%	100.00%
Mitsubishi Mahindra Agricultural Machinery Co., Ltd \$	Japan	66.67%	66.67%
Mitsubishi Agricultural Machinery Sales Co., Ltd.....	Japan	66.67%	66.67%
Ryono Factory Co., Ltd.	Japan	66.67%	66.67%
Ryono Engineering Co., Ltd.	Japan	66.67%	66.67%
Dia Computer Service Co., Ltd.....	Japan	66.67%	66.67%
Ryono Asset Management Co., Ltd.....	Japan	66.67%	66.67%
Mahindra Mexico S. de. R. L.....	Mexico	100.00%	100.00%
Mahindra do Brasil Industrial Ltda.....	Brazil	100.00%	100.00%
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (upto 16 th September, 2021) **	Turkey	—	94.33%
Hisarlar İthalat İhracat Pazarlama Anonim Şirketi (upto 16 th September, 2021) **	Turkey	—	94.33%
Mahindra & Mahindra Financial Services Limited.....	India	52.26%	52.31%
Mahindra Insurance Brokers Limited	India	41.81%	41.85%
Mahindra Rural Housing Finance Limited	India	51.87%	52.00%
Mahindra Finance CSR Foundation	India	52.26%	52.31%
MRHFL Employee Welfare Trust (ESOP).....	India	51.87%	52.00%
Mahindra Lifespace Developers Limited.....	India	51.33%	51.46%
Mahindra Infrastructure Developers Limited	India	51.33%	51.46%
Mahindra World City (Maharashtra) Limited	India	51.33%	51.46%
Mahindra Integrated Township Limited	India	37.98%	38.08%
Knowledge Township Limited	India	51.33%	51.46%
Mahindra Residential Developers Limited	India	37.98%	38.08%
Industrial Township (Maharashtra) Limited.....	India	51.33%	51.46%

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.)

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *	
		As at 31 st March,	
		2022	2021
Anthurium Developers Limited	India	51.33%	51.46%
Mahindra Water Utilities Limited.....	India	50.82%	50.94%
Rathna Bhoomi Enterprises Private Limited	India	51.33%	51.46%
Deep Mangal Developers Private Limited	India	51.33%	51.46%
Moonshine Construction Private Limited	India	51.33%	51.46%
Mahindra Consulting Engineers Limited	India	88.35%	88.35%
Mahindra Bloomdale Developers Limited	India	51.33%	51.46%
Mahindra Holidays & Resorts India Limited	India	67.47%	67.63%
Mahindra Hotels and Residences India Limited	India	67.47%	67.63%
Gables Promoters Private Limited	India	67.47%	67.63%
Heritage Bird (M) Sdn. Bhd.....	Malaysia	67.47%	67.63%
Infinity Hospitality Group Company Limited	Thailand	49.92%	50.03%
MH Boutique Hospitality Limited @.....	Thailand	33.06%	33.14%
MHR Holdings (Mauritius) Limited.....	Mauritius	67.47%	67.63%
Covington S.a.r.l.	Luxembourg	67.47%	67.63%
HCR Management Oy.....	Finland	67.47%	67.63%
Holiday Club Resorts Oy.....	Finland	67.47%	67.63%
Kiinteistö Oy Himos Gardens.....	Finland	67.47%	67.63%
Suomen Vapaa-aikakiinteistöt Oy LKV (Liquidated w.e.f. 30 th March, 2022).....	Finland	—	67.63%
Kiinteistö Oy Vanha Ykköstii	Finland	67.47%	67.63%
Kiinteistö Oy Katinnurkka.....	Finland	67.47%	67.63%
Kiinteistö Oy Tenetinlahti	Finland	67.47%	67.63%
Kiinteistö Oy Mällösniemi	Finland	67.47%	67.63%
Kiinteistö Oy Rauhan Ranta 1	Finland	67.47%	67.63%
Kiinteistö Oy Rauhan Ranta 2	Finland	67.47%	67.63%
Kiinteistö Oy Tiurunniemi	Finland	67.47%	67.63%
Kiinteistö Oy Rauhan Liikekiinteistöt 1	Finland	67.47%	67.63%
Supermarket Capri Oy.....	Finland	67.47%	67.63%
Kiinteistö Oy Kylpylätorni 1.....	Finland	67.47%	67.63%
Kiinteistö Oy Spa Lofts 2.....	Finland	67.47%	67.63%
Kiinteistö Oy Spa Lofts 3.....	Finland	67.47%	67.63%
Kiinteistö Oy Kuusamon Pulkajärvi 1.....	Finland	67.47%	67.63%
Ownership Services Sweden Ab.....	Sweden	67.47%	67.63%
Are Villa 3 AB.....	Sweden	67.47%	67.63%
Holiday Club Sweden Ab Åre	Sweden	67.47%	67.63%
Holiday Club Sport and Spahotels AB.....	Sweden	67.47%	67.63%
Holiday Club Resorts Rus LLC.....	Russia	67.47%	67.63%
Holiday Club Canarias Investments S.L.U.....	Spain	67.47%	67.63%
Holiday Club Canarias Sales & Marketing S.L.U.....	Spain	67.47%	67.63%
Holiday Club Canarias Resort Management S.L.U.	Spain	67.47%	67.63%
Holiday Club Canarias Vacation Club SLU	Spain	67.47%	67.63%

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.)

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *	
		As at 31 st March,	
		2022	2021
Arabian Dreams Hotel Apartments LLC @.....	U.A.E	33.06%	33.14%
Mahindra Two Wheelers Limited	India	100.00%	100.00%
Mahindra Two Wheelers Europe Holdings S.a.r.l.....	Luxembourg	100.00%	100.00%
Peugeot Motocycles S.A.S.	France	100.00%	100.00%
Peugeot Motocycles Deutschland GmbH.....	Germany	100.00%	100.00%
Peugeot Motocycles Italia S.p.A. (Under liquidation).....	Italy	100.00%	100.00%
PMTC Engineering S.p.A.	Italy	100.00%	100.00%
Mahindra Tractor Assembly, Inc.....	U.S.A.	100.00%	100.00%
Mahindra Agri Solutions Limited	India	98.79%	98.79%
Mahindra Susten Bangladesh Private Limited (Liquidated w.e.f. 15 th March, 2022)	Bangladesh	—	100.00%
Mahindra Automotive Mauritius Limited.....	Mauritius	100.00%	100.00%
Automobili Pininfarina GmbH	Germany	100.00%	100.00%
Automobili Pininfarina Americas Inc	U.S.A.	100.00%	100.00%
MSPE Urja S.R.L. (Liquidated w.e.f. 18 th January, 2022)	Italy	—	100.00%
Mahindra EPC Irrigation Limited.....	India	54.40%	54.40%
Mahindra HZPC Private Limited	India	59.22%	59.22%
Mahindra Fruits Private Limited (formerly known as Mahindra Greenyard Private Limited)	India	98.79%	98.79%
OFD Holding B.V.	Netherlands	82.09%	82.09%
Origin Direct Asia Ltd.....	Hong Kong	49.25%	49.25%
Origin Fruit Direct B.V.	Netherlands	82.09%	82.09%
Origin Fruit Services South America SpA	Chile	82.09%	82.09%
Origin Direct Asia (Shanghai) Trading Co. Ltd.	China	82.09%	82.09%
Bristlecone Limited	Cayman Islands	97.06%	74.86%
Bristlecone Consulting Limited	Canada	97.06%	74.86%
Bristlecone (Malaysia) Sdn. Bhd.....	Malaysia	97.06%	74.86%
Bristlecone International AG	Switzerland	97.06%	74.86%
Bristlecone UK Limited	U.K.	97.06%	74.86%
Bristlecone Inc.	U.S.A.	97.06%	74.86%
Bristlecone Middle East DMCC	U.A.E.	97.06%	74.86%
Bristlecone India Limited.....	India	97.06%	74.86%
Bristlecone GmbH	Germany	97.06%	74.86%
Bristlecone (Singapore) Pte. Limited	Singapore	97.06%	74.86%
Bristlecone Internacional Costa Rica Limited (w.e.f. 4 th January, 2022)	Costa Rica	97.06%	—
Mahindra Intertrade Limited	India	100.00%	100.00%
Mahindra Steel Service Centre Limited.....	India	61.00%	61.00%
Mahindra Electrical Steel Private Limited.....	India	100.00%	100.00%
Mahindra Auto Steel Private Limited	India	51.00%	51.00%
Mahindra MiddleEast Electrical Steel Service Centre (FZC).....	U.A.E.	90.00%	90.00%
Mahindra MSTC Recycling Private Limited	India	50.00%	50.00%

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.)

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *	
		As at 31 st March,	
		2022	2021
PT Mahindra Accelo Steel Indonesia.....	Indonesia	99.98%	99.98%
Mahindra Holdings Limited	India	100.00%	100.00%
Mahindra Overseas Investment Company (Mauritius) Limited.....	Mauritius	100.00%	100.00%
Mahindra Racing UK Limited.....	U.K.	100.00%	100.00%
Mahindra Susten Private Limited	India	100.00%	100.00%
Mahindra Renewables Private Limited	India	100.00%	100.00%
Mahindra Teqo Private Limited	India	100.00%	100.00%
Neo Solren Private Limited	India	100.00%	100.00%
Astra Solren Private Limited	India	100.00%	100.00%
Mega Suryaurja Private Limited	India	100.00%	100.00%
Mahindra Engineering and Chemical Products Limited #.....	India	—	100.00%
Retail Initiative Holdings Limited #.....	India	—	100.00%
Mahindra Retail Limited #	India	—	100.00%
Mahindra Defence Systems Limited	India	100.00%	100.00%
Mahindra First Choice Wheels Limited	India	50.60%	50.60%
Fifth Gear Ventures Limited.....	India	50.60%	50.60%
Mahindra Namaste Limited	India	88.35%	88.35%
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%
Mahindra Publications Limited (formerly known as Mahindra 'Electoral Trust' Company) (upto 27 th October, 2021) **	India	—	100.00%
Mahindra eMarket Limited.....	India	83.47%	83.47%
Mahindra Construction Company Limited.....	India	65.30%	65.37%
Officemartindia.com Limited	India	50.00%	50.00%
Mahindra & Mahindra Contech Limited @.....	India	46.66%	46.66%
Mumbai Mantra Media Limited	India	100.00%	100.00%
Mahindra Airways Limited.....	India	100.00%	100.00%
Mahindra Marine Private Limited	India	81.58%	81.58%
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	52.26%	52.31%
Mahindra Holidays & Resorts India Limited ESOP Trust.....	India	67.47%	67.63%
Mahindra & Mahindra Benefit Trust.....	India	100.00%	100.00%
Mahindra & Mahindra ESOP Trust	India	100.00%	100.00%
Sunrise Initiatives Trust.....	India	100.00%	100.00%
Mahindra First Choice Wheels Limited ESOP Trust.....	India	50.60%	50.60%
Mahindra Consulting Engineers Limited ESOP Trust	India	88.35%	88.35%
Mahindra Waste To Energy Solutions Limited.....	India	87.39%	87.39%
Mahindra Telecom Energy Management Services Private Limited (formerly known as Mahindra Telecom Energy Management Services Limited)	India	100.00%	100.00%
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.....	Netherlands	98.79%	98.79%
Mahindra Automotive North America Inc.....	U.S.A.	100.00%	100.00%
Mahindra Vehicle Sales and Service Inc.....	U.S.A.	100.00%	100.00%
Mahindra North American Technical Center, Inc.	U.S.A.	100.00%	100.00%

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.)

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *	
		As at 31 st March,	
		2022	2021
Erkunt Traktor Sanayii Anonim Şirketi.....	Turkey	100.00%	100.00%
Erkunt Sanayi Anonim Şirketi	Turkey	98.69%	98.69%
Mahindra Logistics Limited	India	58.18%	58.34%
Lords Freight (India) Private Limited.....	India	57.63%	57.79%
2 x 2 Logistics Private Limited	India	32.00%	32.09%
Mahindra Emirates Vehicle Armouring FZ-LLC.....	U.A.E.	88.00%	88.00%
Mahindra Armored Vehicles Jordan, LLC.....	Jordan	88.00%	88.00%
New Democratic Electoral Trust @	India	33.37%	33.38%
Meru Travel Solutions Private Limited	India	100.00%	87.34%
Meru Mobility Tech Private Limited.....	India	100.00%	87.34%
V-Link Fleet Solutions Private Limited	India	100.00%	87.34%
V-Link Automotive Services Private Limited	India	100.00%	87.34%
Mahindra Bangladesh Private Limited	Bangladesh	100.00%	100.00%
MSPL International DMCC.....	Dubai	100.00%	100.00%
Mahindra Solarize Private Limited (w.e.f. 6 th April, 2021)	India	100.00%	—
Mahindra Ideal Finance Limited (formerly known as Ideal Finance Limited) (w.e.f. 8 th July, 2021) ^	Sri Lanka	30.42%	—
Brightsolar Renewable Energy Private Limited (w.e.f. 19 th August, 2021) ^.....	India	100.00%	—
Merakisan Private Limited (w.e.f. 5 th January, 2022) ^^	India	90.48%	—
Martial Solren Private Limited.....	India	100.00%	100.00%

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

@ entities have been treated as subsidiaries even though the Group holds less than half of the voting power in these entities as it has unilateral control over the investees due to other factors that give power like control over composition of board, management control etc.

\$ In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock), the Company owns the entire 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.

^ During the year ended March 2022, the Controlling status was changed from joint venture to subsidiary.

^^ During the year ended March 2022, the Controlling status was changed from associate to subsidiary.

Entities have been merged with Mahindra & Mahindra Limited

** Entity has been disposed off and ceased to be a Subsidiary.

38. Disclosure of interest in Subsidiaries and interest of Non Controlling Interest (contd.)

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

Rupees crores

Sr. No.	Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and voting rights held by non controlling interests		Profit/(Loss) from Continuing Operations allocated to non controlling interest		Accumulated non Controlling Interest	
			2022	2021	2022	2021	2022	2021
1	Mahindra & Mahindra Financial Services Limited.....	India	47.74%	47.69%	583.60	390.19	8,278.02	7,694.92
2	Individually Immaterial Non Controlling Interest				92.09	(35.68)	1,424.60	1,375.39
	Total				675.69	354.51	9,702.62	9,070.31

Mahindra & Mahindra Financial Services Limited's Principal Activity - Financing and leasing of automobiles, tractors, commercial vehicles, SMEs and housing finance.

(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 based on their consolidated financial statements.

Rupees crores

Particulars	Mahindra & Mahindra Financial Services Limited	
	2022	2021
Current Assets	36,247.94	38,363.34
Non Current Assets	47,560.71	47,237.65
Current Liabilities.....	26,024.00	25,362.03
Non Current Liabilities	40,746.88	44,363.44
Equity Interest Attributable to the owners.....	16,896.31	15,776.37
Non Controlling Interest	141.46	99.15
Revenue	11,400.51	12,170.50
Expenses.....	10,250.17	11,390.22
Profit/(Loss) for the year	1,150.34	780.28
Profit/(Loss) attributable to the owners of the company	1,136.87	773.21
Profit/(Loss) attributable to the Non-Controlling Interest	13.47	7.07
Dividends paid to non controlling interest.....	47.02	—
Opening Cash & Cash Equivalents.....	808.53	782.60
Closing Cash & Cash Equivalents.....	765.32	808.53
Net Cash inflow/(outflow).....	(43.21)	25.93

39. Investment in Joint Arrangements and Associates

Interests in Joint Ventures:

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

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at 31 st March,	
		2022	2021
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%
Mahindra World City Developers Limited #	India	89.00%	89.00%
Mahindra Industrial Park Chennai Limited #	India	60.00%	60.00%
Mahindra Homes Private Limited #**	India	72.51%	71.61%
Mahindra Inframan Water Utilities Private Limited	India	50.00%	50.00%
Mahindra Sanyo Special Steel Private Limited	India	22.81%	22.81%
Mahindra Aerospace Private Limited #	India	91.59%	91.59%
Mahindra Tsubaki Conveyor Systems Private Limited (upto 21 st February, 2022)	India	—	49.00%
Mahindra Telephonics Integrated Systems Limited #	India	51.00%	51.00%
Brightsolar Renewable Energy Private Limited (upto 18 th August, 2021) ^	India	—	51.00%
Jinan Qingqi Peugeot Motocycles Co Ltd.	China	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%
Mahindra Industrial Park Private Limited **	India	100.00%	100.00%
Kiinteistö Oy Vierumäen Kaari (w.e.f. 27 th July, 2021) **	Finland	100.00%	—
Classic Legends Private Limited #	India	60.00%	60.00%
Mahindra Happinest Developers Limited #	India	51.00%	51.00%
M.I.T.R.A Agro Equipments Private Limited	India	49.00%	40.60%
Zoomcar Inc.	India	16.83%	16.83%
Transtech Logistics Private Limited	India	39.79%	39.79%
Mahindra Top Greenhouses Private Limited #	India	60.00%	60.00%
Smartshift Logistics Solutions Private Limited	India	26.28%	35.76%
Carnot Technologies Private Limited #	India	73.00%	49.51%
Sampo Rosenlew Oy #	Finland	79.13%	79.13%
Mahindra Ideal Lanka (Private) Limited	India	35.00%	35.00%
Tropiikin Rantasauna Oy	Finland	50.00%	50.00%
New Delhi Centre for Sight Limited	India	30.83%	30.83%
Marvel Solren Private Limited #	India	51.00%	51.00%
Mahindra Summit Agriscience Limited #	India	60.00%	60.00%
Aquasail Distribution Company Private Limited	India	17.65%	17.65%
Mahindra Ideal Finance Limited (formerly known as Ideal Finance Limited) (upto 7 th July, 2021) ^	Sri Lanka	—	38.20%
Mahindra Manulife Investment Management Private Limited #	India	51.00%	51.00%
Mahindra Manulife Trustee Private Limited #	India	51.00%	51.00%

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 agreements that give the substantive rights to other investors.

** As per agreement with other shareholders, the economic interest of Mahindra Lifespace Developers Limited and Holiday Club Resort Oy is 50%.

^ During the year ended March 2022, the Controlling status was changed from joint venture to subsidiary.

39. Investment in Joint Arrangements and Associates (contd.)

Interests in Associates:

The Group's interests in associates are:

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at 31 st March,	
		2022	2021
Swaraj Engines Limited	India	34.72%	34.74%
Tech Mahindra Limited.....	India	28.28%	28.81%
Mahindra Finance USA LLC.....	U.S.A.	49.00%	49.00%
Mahindra CIE Automotive Limited #	India	11.44%	11.44%
CIE Automotive S.A. #	Spain	7.83%	7.83%
PSL Media & Communications Limited	India	40.00%	40.00%
The East India Company Group Limited BVI #.....	Singapore	18.62%	18.62%
Kiinteistö Oy Seniori-Saimaa.....	Finland	31.15%	31.00%
Shiga Mitsubishi Agricultural Machinery Sales Co., Ltd.	Japan	22.40%	22.40%
Kagawa Mitsubishi Agricultural Machinery Sales Co., Ltd.....	Japan	33.33%	33.33%
Okanetsu Industry Co., Ltd.	Japan	33.77%	33.77%
Kitaiwate Ryono Co., Ltd.	Japan	25.00%	25.00%
Aizu Ryono Co., Ltd.....	Japan	21.25%	21.25%
Joban Ryono Co., Ltd.	Japan	20.00%	20.00%
FukuryoKiki Hanbai Co., Ltd.	Japan	20.00%	20.00%
Ibaraki Ryono Co., Ltd.....	Japan	21.64%	21.64%
Kotobuki Noki Co, Ltd.....	Japan	33.33%	33.33%
Honda Seisakusyo, Inc.	Japan	25.00%	25.00%
Yamaichi Honten Co., Ltd.	Japan	42.85%	42.85%
PF Holdings B.V.	Netherland	40.00%	40.00%
Merakisan Private Limited (Upto 4 th January, 2022) ^{^^}	India	—	31.94%
Brainbees Solutions Private Limited #.....	India	12.42%	13.65%
Medwell Ventures Private Limited	India	31.45%	31.45%
HDG-Asia Ltd.....	Hong Kong	50.00%	50.00%
Scoot Networks Inc (Liquidated w.e.f. 5 th June, 2021)	U.S.A.	—	45.71%
ReNew Sunlight Energy Private Limited (w.e.f. 1 st November, 2021).....	India	37.21%	—
Resson Aerospace Corporation #.....	Canada	11.65%	11.65%
Kumsan Dokum Mazelmeri A.S.	Turkey	25.10%	25.10%
Mahindra Knowledge Park Mohali Limited	India	46.15%	46.15%

The financial statements of the Associates are drawn upto 31st March, 2022 other than for CIE Automotive S.A, Mahindra CIE Automotive Limited & The East India Company Group Limited BVI where it is upto 31st December, 2021.

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.

^{^^} During the year ended March 2022, the Controlling status was changed from Associate to subsidiary.

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

39. Investment in Joint Arrangements and Associates (contd.)

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

Rupees crores

Particulars	Tech Mahindra Limited - Consolidated	
	2022	2021
Current assets		
Cash and cash equivalents	3,788.90	2,690.40
Other assets.....	20,666.76	22,569.53
Total current assets.....	24,455.66	25,259.93
Total Non-current assets.....	20,415.09	14,418.09
Current liabilities		
Financial liabilities.....	8,875.54	6,772.30
Other Liabilities.....	4,859.70	4,735.63
Total current liabilities.....	13,735.24	11,507.93
Total Non-current liabilities	3,754.40	2,925.60
Non-controlling interest.....	495.40	379.50
Revenue from Operations.....	44,645.98	37,855.11
Interest Income	90.40	325.40
Depreciation and amortisation.....	1,520.40	1,457.70
Interest Cost	162.60	174.00
Income tax expense	1,822.00	1,599.90
Profit/(Loss) for the year	5,630.08	4,353.01
Other Comprehensive Income/(Loss) for the year.....	231.20	423.70
Total Other Comprehensive Income for the year	5,861.28	4,776.71

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	
	2022	2021
Closing Net assets	26,885.71	24,864.99
Group's share in %	28.28%	28.81%
Group's share.....	7,603.28	7,163.60
Goodwill	540.83	549.31
Carrying amount.....	8,144.11	7,712.91
Market Value.....	37,219.47	24,959.45

40. Related Party Disclosures

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

(i) Associates:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1	Tech Mahindra Limited	17	Medwell Ventures Private Limited
2	Mahindra CIE Automotive Limited	18	Merakisan Private Limited (Upto 4 th January, 2022)
3	CIE Automotive, S.A.	19	Kiinteistö Oy Seniori-Saimaa
4	Swaraj Engines Limited	20	The East India Company Group Limited BVI
5	Mahindra Finance USA, LLC	21	ReNew Sunlight Energy Private Limited (w.e.f. 1 st November, 2021)
6	PF Holdings B.V.	22	Shiga Mitsubishi Agricultural Machinery Sales Co., Ltd.
7	Pininfarina S.p.A.	23	Kagawa Mitsubishi Agricultural Machinery Sales Co., Ltd.
8	Mahindra Educational Institutions	24	Okanetsu Industry Co., Ltd.
9	Satyam Venture Engineering Services Private Limited	25	Kitaiwate Ryono Co., Ltd.
10	Tech Mahindra (Shanghai) Co. Limited	26	Aizu Ryono Co, Ltd.
11	Tech Mahindra Foundation	27	Joban Ryono Co., Ltd.
12	Brainbees Solutions Private Limited	28	Fukuryo Kiki Hanbai Co., Ltd.
13	PSL Media & Communications Limited	29	Ibaraki Ryono Co., Ltd.
14	Kumsan Dokum Mazelmeri A.S.	30	Yamaichi Honten Co., Ltd.
15	Comviva Technologies Limited	31	Tech Mahindra Business Services Limited
16	Pininfarina Engineering S.R.L		

(ii) Joint Ventures:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1	Classic Legends Private Limited	16	Mahindra Industrial Park Private Limited
2	Mahindra Aerospace Private Limited	17	Mahindra Industrial Park Chennai Limited
3	Mahindra Sanyo Special Steel Private Limited	18	Mahindra Telephonics Integrated Systems Limited
4	Mahindra World City (Jaipur) Limited	19	Mahindra Happinest Developers Limited
5	Mahindra World City Developers Limited	20	Brightsolar Renewable Energy Private Limited (upto 18 th August, 2021)
6	Gippsaero Pty. Limited	21	Mahindra Inframan Water Utilities Private Limited
7	Mahindra Aerostructures Private Limited	22	Mahindra-BT Investment Company (Mauritius) Limited
8	Mahindra Tsubaki Conveyor Systems Private Limited (upto 21 st February, 2022)	23	Jinan Qingqi Peugeot Motorcycles Co Ltd
9	Mahindra Ideal Lanka (Private) Limited	24	Smartshift Logistics Solutions Private Limited
10	Sampo-Rosenlew Oy	25	Mahindra Summit Agriscience Limited
11	M.I.T.R.A. Agro Equipments Private Limited	26	Carnot Technologies Private Limited
12	Mahindra Top Greenhouses Private Limited	27	Marvel Solren Private Limited
13	Mahindra Homes Private Limited	28	Mahindra Manulife Investment Management Private Limited
14	Transtech Logistics Private Limited	29	Mahindra Manulife Trustee Private Limited
15	Aquasail Distribution Company Private Limited		

(iii) Key Management Personnel (KMP):

Sr. No.	Name of KMP	Designation
1	Mr. Anand G. Mahindra \$	Chairman
2	Dr. Pawan Goenka (upto 1 st April, 2021)	Managing Director and CEO
3	Dr. Anish Shah (w.e.f. 2 nd April, 2021)	Managing Director and CEO
4	Mr. Rajesh Jejurikar	Executive Director (Automotive and Farm Sectors)
5	Dr. Vishakha N. Desai	Independent Director
6	Mr. Vikram Singh Mehta	Independent Director
7	Mr. T. N. Manoharan	Independent Director
8	Mr. Haigreve Khaitan	Independent Director
9	Mrs. Shikha Sharma	Independent Director
10	Mr. C. P. Gurnani	Non-Executive Non-Independent Director
11	Ms. Nisaba Godrej	Independent Director
12	Mr. Muthiah Murugappan	Independent Director
13	Mr. Vijay Kumar Sharma	Nominee Director

\$ Executive Chairman upto 12th November, 2021

40. Related Party Disclosures (contd.)

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

(iv) Close member of KMP and entities controlled/jointly controlled by KMP:

Sr. No.	Close member of KMP
1	Mrs. Anuradha Mahindra
2	Mrs. Radhika Nath
3	Dr. T. N. Gajendran

Sr. No.	Entities controlled/jointly controlled by KMP
1	The Indian & Eastern Engineer Company Private Limited
2	Cholamandalam Investment and Finance Company Limited
3	Tube Investments of India Limited

(v) Entity belonging to Promoter/Promoter Group holding 10% or more in the company:

Sr. No.	Name of the Company
1	Prudential Management & Services Private Limited

(vi) Welfare Funds:

Sr. No.	Name of the Funds
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

Sr. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
1.	Purchases:							
	Goods.....	2022	2,881.64	428.59	—	—	—	—
		2021	2,301.89	165.85	—	—	—	—
	Property, plant & equipment and Intangible assets.....	2022	16.75	0.04	—	—	—	—
		2021	39.43	0.07	—	*	—	—
	Services.....	2022	220.20	10.87	—	—	—	—
		2021	316.92	12.45	—	—	—	—
2.	Sales:							
	Goods.....	2022	235.81	749.95	—	—	—	—
		2021	166.23	473.25	—	*	—	—
	Property, plant and equipment.....	2022	0.01	*	—	—	—	—
		2021	0.15	—	—	—	—	—
	Services.....	2022	39.77	64.82	—	0.55	—	0.01
		2021	19.44	53.79	—	0.46	—	0.01

40. Related Party Disclosures (contd.)

(b) The related party transactions are as under: (contd.)

Rupees crores

Sr. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
3.	Investments:							
	Purchases/subscribed/ conversion.....	2022	14.47	110.50	—	—	—	—
		2021	68.29	307.44	—	—	—	—
4.	Management contracts including deputation of personnel:							
	To parties.....	2022	6.84	1.88	—	—	—	—
		2021	6.09	1.72	—	—	—	—
5.	Managerial remuneration	2022	—	—	38.54	—	—	—
		2021	—	—	33.25	—	—	—
6.	Stock options.....	2022	—	—	5.18	—	—	—
		2021	—	—	2.05	—	—	—
7.	Commission and other benefits to non-executive/independent directors (including nominee directors) **	2022	—	—	3.89	—	—	—
		2021	—	—	3.73	—	—	—
8.	Finance:							
	Inter corporate deposits/loan given	2022	—	202.43	—	—	—	—
		2021	—	65.99	5.65	—	—	—
	Inter Corporate Deposits/loan refunded by parties	2022	—	173.89	7.22	—	—	5.00
		2021	—	59.07	8.25	—	—	1.00
	Debenture/Preference shares issued by related parties	2022	—	—	—	—	—	—
		2021	1.00	—	—	—	—	—
	Debenture redeemed by related parties.....	2022	1.00	13.62	—	—	—	—
		2021	—	—	—	—	—	—
	Debenture redeemed to related parties.....	2022	150.00	—	—	—	—	—
		2021	—	—	—	—	—	—
	Debenture issued to related parties	2022	—	—	—	—	—	—
		2021	—	47.00	—	—	—	—
	Inter corporate deposits taken	2022	200.90	—	—	—	—	—
		2021	510.70	—	—	—	—	—

40. Related Party Disclosures (contd.)

(b) The related party transactions are as under: (contd.)

Rupees crores

Sr. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
	Inter corporate deposits refunded	2022	510.90	—	—	—	—	—
		2021	20.80	—	—	—	—	—
	Interest income	2022	—	15.19	0.11	—	—	—
		2021	0.03	14.17	0.38	—	—	—
	Interest expense	2022	19.64	9.24	—	—	—	—
		2021	40.62	5.57	0.01	—	—	—
	Dividend received	2022	1,212.48	33.30	—	—	—	—
		2021	571.89	—	—	—	—	—
	Dividend distributed	2022	—	—	1.49	0.48	123.83	1.12
		2021	—	—	0.73	0.19	33.26	0.30
	Share application money given	2022	—	62.27	—	—	—	—
		2021	—	—	—	—	—	—
9.	Guarantees and collaterals given (transactions during the year)	2022	—	42.25	—	—	—	—
		2021	—	42.88	—	—	—	—
10.	Guarantees and collaterals taken (transactions during the year)	2022	0.29	—	—	—	—	—
		2021	0.28	—	—	—	—	—
11.	Other Transactions:							
	Other income	2022	15.73	19.75	—	*	—	—
		2021	9.98	0.52	—	—	—	—
	Other expenses	2022	2.05	—	—	0.20	—	—
		2021	0.97	475.82	—	0.23	—	—
	Reimbursements received from parties	2022	9.30	17.99	0.18	0.02	—	40.53
		2021	7.90	19.75	—	0.02	—	38.13
	Reimbursements made to parties	2022	1.02	7.00	—	—	—	—
		2021	0.21	4.01	—	—	—	—

40. Related Party Disclosures (contd.)**(b) The related party transactions are as under: (contd.)**

Rupees crores

Sr. No.	Nature of Transactions	For the Year Ended 31 st March	Associates/ Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
12.	Outstandings:							
	Trade and other payable.....	2022	460.22	114.21	3.18	0.05	—	—
		2021	499.92	16.39	4.49	—	—	—
	Trade and other receivables....	2022	104.82	80.75	0.96	0.01	—	32.45
		2021	137.05	225.15	8.07	1.90	—	54.13
	Debentures/preference shares issued by parties	2022	—	84.07	—	—	—	—
		2021	1.00	98.14	—	—	—	—
	Debentures issued to parties....	2022	—	54.71	—	—	—	—
		2021	150.00	54.71	—	—	—	—
	Inter corporate deposits given	2022	—	100.92	—	—	—	—
		2021	—	73.43	—	—	—	—
	Inter corporate deposits taken	2022	200.90	17.55	—	—	—	—
		2021	510.90	17.55	—	—	—	—
13.	Security deposit paid	2022	0.02	0.89	—	—	—	—
		2021	0.02	0.89	—	—	—	—
14.	Guarantees given outstanding...	2022	521.98	42.25	—	—	—	—
		2021	529.68	42.88	—	—	—	—

* denotes amounts less than Rs. 50,000.

** includes sitting fees and commission paid/payable to Khaitan & Co., in which Mr. Haigreve Khaitan is a partner.

41. Segment Information**Operating Segments**

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

Automotive: This segment comprises of sale of automobiles, spares, mobility solutions, construction equipments and related services.

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

Financial Services: This segment comprises of offering financial products ranging from retail and other loans, SME finance, housing finance, mutual funds and life and non-life insurance broking services.

Real Estate: This segment comprises of projects, project management & development and operating of commercial complexes.

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

Others: This segment mainly comprises of IT Services, after-market, defence, steel trading and processing, logistics, solar, powerol, agri business, two-wheelers, etc.

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

The measurement of each segment's revenues, expenses, assets and liabilities 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.

41. Segment Information (contd.)

Information regarding the Group's reportable segments is presented below:

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Revenue									
External Revenue	36,705.85	26,828.22	11,209.23	393.30	2,058.69	12,975.28	90,170.57	—	90,170.57
	25,827.17	24,600.29	11,972.05	177.45	1,746.25	9,954.57	74,277.78	—	74,277.78
Inter Segment Revenue	306.77	231.34	—	3.98	0.56	2,132.97	2,675.62	(2,675.62)	—
	162.54	192.19	18.38	6.22	0.49	1,571.69	1,951.51	(1,951.51)	—
Total Revenue.....	37,012.62	27,059.56	11,209.23	397.28	2,059.25	15,108.25	92,846.19	(2,675.62)	90,170.57
	25,989.71	24,792.48	11,990.43	183.67	1,746.74	11,526.26	76,229.29	(1,951.51)	74,277.78
Result									
Segment result before exceptional items.....	1,253.78	3,890.71	1,403.64	(80.55)	99.42	664.59	7,231.59	20.50	7,252.09
	735.69	4,157.77	538.32	(98.93)	(25.70)	277.90	5,585.05	5.02	5,590.07
Add/(less): Exceptional items allocated to Segments (net)	(139.47)	(68.36)	—	—	—	—	(207.83)	—	(207.83)
	(1,053.36)	(241.78)	—	—	—	(151.25)	(1,446.39)	—	(1,446.39)
Segment result after exceptional items.....	1,114.31	3,822.35	1,403.64	(80.55)	99.42	664.59	7,023.76	20.50	7,044.26
	(317.67)	3,915.99	538.32	(98.93)	(25.70)	126.65	4,138.66	5.02	4,143.68
Share of profit/(loss) of equity accounted investees (net)									1,855.79
									1,276.66
Reconciliation to Profit/(Loss) after tax									
1. Unallocable corporate income, net of expenses.....									48.68
									20.17
2. Interest expenses not allocable to segments.....									(625.45)
									(836.77)
3. Interest income not allocable to segments.....									416.49
									455.86
4. Exceptional Items unallocable to Segments (net)									622.00
									288.13
Profit before tax from continuing operations.....									9,361.77
									5,347.73
Tax expense (net).....									(2,108.76)
									(1,645.81)
Profit after tax from continuing operations.....									7,253.01
									3,701.92
Profit/(loss) after tax from discontinued operations.....									—
									(2,189.53)
Profit/(loss) after tax from continuing and discontinued operations.....									7,253.01
									1,512.39
Out of total external revenue above:-								2022	2021
– From contract with customers (as defined under Ind AS 115).....								78,333.23	61,507.75
– From financial services								10,923.82	11,757.30
– Others								913.52	1,012.73
Total								90,170.57	74,277.78

41. Segment Information (contd.)

Information regarding the Group's reportable segments is presented below: (contd.)

Rupees crores

	Automotive *	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Other information:									
Depreciation and Amortisation expense	2,098.60	459.55	151.99	6.59	270.75	482.12	3,469.60	—	3,469.60
	2,028.18	461.61	150.52	7.07	264.31	425.34	3,337.03	—	3,337.03
Impairment expense	139.47	68.36	—	—	—	—	207.83	—	207.83
	1,053.36	241.78	—	—	—	151.25	1,446.39	—	1,446.39
Additions to non-current assets*	2,752.46	881.47	297.76	13.36	156.39	1,896.71	5,998.15	—	5,998.15
	4,037.12	490.57	45.24	3.72	132.60	1,272.47	5,981.72	—	5,981.72

* includes addition to non current assets related to discontinued operations of Nil (2021: Rs. 613.14 crores)

Notes:

1. Additions to non-current assets comprises 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	Others	Total	Eliminations	Consolidated Total
Segment Assets	26,158.75	12,176.40	75,201.63	2,178.44	6,566.60	16,284.83	1,38,566.65	—	1,38,566.65
	23,574.21	10,956.27	75,918.30	1,913.00	6,307.67	13,540.91	1,32,210.36	—	1,32,210.36
Segment Liabilities.....	14,274.28	6,925.83	66,184.64	850.77	7,452.97	5,574.89	1,01,263.38	—	1,01,263.38
	10,916.85	7,097.67	68,740.40	597.46	7,299.50	4,141.17	98,793.05	—	98,793.05
Reconciliation of segment assets to total assets:									
Segment Assets									1,38,566.65
									1,32,210.36
Unallocable Assets									35,546.15
									34,252.13
Total Assets									1,74,112.80
									1,66,462.49

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

Reconciliation of segment liabilities to total liabilities:									
Segment Liabilities.....									1,01,263.38
									98,793.05
Unallocable Liabilities.....									16,024.16
									17,017.21
Total Liabilities									1,17,287.54
									1,15,810.26

Unallocable Liabilities primarily comprise of borrowings (excluding related to Financial Services Segment) and deferred tax liability.

Revenue from type of products and services

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

41. Segment Information (contd.)**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	For the year Ended 31 st March,						As at 31 st March,	
	2022			2021			2022	2021
	Revenue from contract with customers	Other revenue	Total external revenue	Revenue from contract with customers	Other revenue	Total external revenue	Non-Current assets	Non-Current assets
India	62,831.04	11,667.69	74,498.73	49,115.01	12,621.43	61,736.44	33,729.02	30,421.97
Overseas.....	15,502.19	169.65	15,671.84	12,392.74	148.60	12,541.34	2,935.44	3,050.23
Total	78,333.23	11,837.34	90,170.57	61,507.75	12,770.03	74,277.78	36,664.46	33,472.20

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, Intangibles under development, Income tax assets (Net) and Other loan assets (Non-financial).

Information about major customers

During the year ended 31st March, 2022 and 2021 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.

42. Employee Stock Option Plan

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

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

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

- i) 5 equal instalments on the expiry of 12 months, 24 months, 36 months, 48 months and 60 months or
- ii) 5 equal instalments on the expiry of 36 months, 48 months, 60 months, 72 months and 84 months or
- iii) 4 instalments bifurcated as 20% on the expiry of 18 months, 20% on the expiry of 30 months, 30% on the expiry of 42 months and 30% on the expiry of 54 months or
- iv) 4 equal instalments on the expiry of 12 months, 24 months, 36 months and 48 months or
- v) 3 instalments bifurcated as 33.33% on the expiry of 12 months, 33.33% on the expiry of 24 months and 33.34% on the expiry of 36 months or
- vi) 2 instalments bifurcated as 50% on the expiry of 12 months and 50% on the expiry of 24 months or
- vii) 2 instalments bifurcated as 40% on the expiry of 36 months and 60% on the expiry of 60 months.

The exercise period of above options range from 1 year to 6 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

Summary of stock options

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2021.....	57,79,470	4.62
Options granted during the year	22,58,534	5.00
Options forfeited/lapsed during the year	2,88,642	4.24
Options exercised during the year	18,32,862	5.03
Options outstanding on 31 st March, 2022.....	59,16,500	4.66
Options vested but not exercised on 31 st March, 2022.....	20,34,138	4.08

42. Employee Stock Option Plan (contd.)

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

Date of exercise	Weighted average share price (Rs.)
01 st April, 2021 to 10 th March, 2022	814.30

Information in respect of options outstanding as at 31st March, 2022

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50	8,06,277	2.70 years
Rs. 5.00	51,10,223	5.51 years

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

Grant Date	No. of years vesting	Fair value per options
29 th June, 2021	7 years	Rs. 731.48
01 st July, 2021	7 years	Rs. 715.34
08 th November, 2021	2 years	Rs. 844.80
08 th November, 2021	3 years	Rs. 838.66
08 th November, 2021	4 years	Rs. 832.58
10 th February, 2022	5 years	Rs. 789.15
14 th March, 2022	7 years	Rs. 683.94
14 th March, 2022	3 years	Rs. 700.74
14 th March, 2022	5 years	Rs. 672.93

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				
	29 th June, 2021 (7 years vesting)	01 st July, 2021 (7 years vesting)	08 th November, 2021 (2 years vesting)	08 th November, 2021 (3 years vesting)	08 th November, 2021 (4 years vesting)
Risk free interest rate (%).....	6.28%	6.29%	4.85%	5.17%	5.45%
Expected life (in years)	7 years	7 years	3 Years	4 Years	4 Years
Expected volatility (%)	31.58%	31.57%	39.46%	37.05%	35.01%
Expected dividend yield (%)	1.10%	1.13%	1.00%	1.00%	1.00%
Exercise Price (Rs.)	5	5	5	5	5
Stock Price (Rs.)	793.50	777.70	872.85	872.85	872.85

	Grant dated			
	10 th February, 2022 (5 years vesting)	14 th March, 2022 (7 years vesting)	14 th March, 2022 (3 years vesting)	14 th March, 2022 (5 years vesting)
Risk free interest rate (%).....	6.23%	6.40%	5.70%	6.71%
Expected life (in years)	6 Years	6 years	4 Years	7 Years
Expected volatility (%)	32.40%	32.62%	37.62%	31.44%
Expected dividend yield (%)	1.04%	1.19%	1.19%	1.19%
Exercise Price (Rs.)	5	5	5	5
Stock Price (Rs.)	840.20	734.80	734.80	734.80

43. Contingent Liability & Commitments**(A) Contingent Liability:**

- (a) Claims against the Group not acknowledged as debts comprise of:
- (i) Excise Duty, Sales Tax, and Service Tax claims disputed by the Group relating to issues of applicability and classification aggregating **Rs. 2,024.67 crores** before tax (2021: Rs. 2,855.66 crores before tax).
 - (ii) Other matters (excluding claims where amounts are not ascertainable): **Rs. 448.46 crores** before tax (2021: Rs. 655.02 crores before tax).
- (b) Taxation matters:
- (i) Demands against the Group not acknowledged as debts and not provided for, relating to issues of deductibility and taxability in respect of which the Group is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed:
 - Income-tax: **Rs. 1,230.78 crores** (2021: Rs. 1,403.53 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. 683.43 crores** (2021: Rs. 456.73 crores).
- (c) In respect of (a) & (b) above, it is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any.

(B) Commitments:

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2022 is **Rs. 2,150.66 crores** (2021: Rs.2,556.08 crores) and other commitment as at 31st March, 2022 is **Rs. 477.76 crores** (2021: Rs.435.97 crores).

44. Research and Development expenditure

In recognised Research and Development units:

Debited to the Consolidated Statement of Profit and Loss, including certain expenditure based on allocations made by the Group, aggregate **Rs. 909.52 crores** (2021: Rs.868.40 crores).

45. Discontinued operations

Ssangyong Motor Company (SYMC), a material foreign subsidiary of the Company, filed an application before the Bankruptcy Court for commencement of rehabilitation proceedings on 21 December, 2020 and also applied for the Autonomous Rehabilitation Support Program ("ARS") to work on a possible deal with a potential investor. The Court approved the ARS and granted time until 28 February, 2021 to the parties. However, the deal with the potential investor could not be concluded. Consequently, as per the process of rehabilitation, the Court appointed a Receiver to manage the affairs of SYMC.

Pursuant to the admission in the ARS program and following the guidance under Ind AS 110 – Consolidated Financial Statements, the Company has ceased consolidating SYMC as a subsidiary from 28 December, 2020 and has classified the investment to be measured at fair value as per Ind AS 109 – Financial instruments. Consequently, operation of SYMC has been presented as 'discontinued operations' in accordance with Ind AS 105- Non-current assets held for sale and discontinued operations. Accordingly, the losses from operations, resultant gain on deconsolidation of SYMC and impairments/provisions for the exposures of the Company to SYMC have been recognised and presented under 'Profit / (loss) before tax from discontinued operation' in the Consolidated Statement of Profit and Loss.

a) Results of discontinued operations

<i>Rupees crores</i>	
Particulars	2021
Total Income	14,748.98
Total Expenses including exceptional items	18,006.72
Profit / (loss) before tax from discontinued operation before share of associates and joint ventures	(3,257.74)
Share of associates and joint ventures	5.29
Profit / (loss) before tax from discontinued operation	(3,252.45)
Income tax on discontinued operation	—
Profit / (loss) after tax from discontinued operation before gain on deconsolidation	(3,252.45)
Gain on deconsolidation	1,062.92
Profit / (loss) after tax from discontinued operation after gain on deconsolidation	(2,189.53)
Non-controlling interest	(654.61)

45. Discontinued operations (contd.)

Rupees crores

Particulars	2021
Profit / (loss) after tax from discontinued operation after non-controlling interests	(1,534.92)
Earnings per equity share (for discontinued operations)	
Basic EPS	(13.84)
Diluted EPS	(13.77)

Based on the management judgement and best estimate assumptions of the realisable value of the assets of SYMC, the Company has recognised impairment / provision aggregating to Rs. 671.56 crores during the year ended 31st March, 2021 for its exposures to SYMC.

b) Cash flows from discontinued operations

Rupees crores

Particulars	2021
Cash flows generated/(used in) from operating activities	1,245.30
Cash flows generated/(used in) from investing activities	652.05
Cash flows generated/(used in) from financing activities	(1,037.07)
Net Cash flows generated/(used)	860.28

During the year ended 31st March 2022, the company has settled the guarantees amounting to Rs. 462.28 crores.

c) Computation of gain on deconsolidation of Ssangyong Motor Company

Rupees crores

Particulars	2021
Fair value of consideration received and retained interest.....	—
Net liabilities deconsolidated	850.86
Other comprehensive income reclassified to Profit or loss.....	212.06
Total gain on deconsolidation.....	1,062.92

d) Effect of deconsolidation on balance sheet of the Group

Rupees crores

Particulars	2021
Property, plant and equipment (including right-of-use assets and capital work-in-progress)	6,393.38
Other intangible assets (including intangible assets under development)	808.01
Inventories.....	1,333.62
Cash and cash equivalents	1,252.79
Other financial and non-financial assets	1,550.11
Other financial and non-financial liabilities.....	(12,188.77)
Net assets/(liabilities) deconsolidated	(850.86)

e) Impact of deconsolidation on cash and cash equivalents

Rupees crores

Particulars	2021
Cash consideration received on loss of control	—
Cash and cash equivalents of discontinued operation derecognised on loss of control	(1,252.79)
Net cash flow on loss of control	(1,252.79)

46. 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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
PARENT								
Mahindra and Mahindra Limited	82.68%	38,960.95	75.03%	4,935.22	-79.73%	75.58	77.30%	5,010.80
SUBSIDIARIES								
Indian								
Mahindra Heavy Engines Limited	1.48%	699.67	1.26%	82.96	-0.30%	0.28	1.28%	83.24
Mahindra Electric Mobility Limited	0.40%	187.93	-1.07%	(70.52)	-0.70%	0.66	-1.08%	(69.86)
NBS International Limited	0.01%	4.04	0.02%	1.23	0.20%	(0.19)	0.02%	1.04
Gromax Agri Equipment Limited	0.11%	49.98	0.41%	27.10	0.16%	(0.15)	0.42%	26.95
Mahindra Agri Solutions Limited	0.11%	50.05	-0.24%	(15.90)	0.16%	(0.15)	-0.25%	(16.05)
Mahindra Fruits Private Limited (formerly known as Mahindra Greenyard Private Limited)	0.00%	0.21	-0.02%	(1.06)	0.00%	—	-0.02%	(1.06)
Mahindra HZPC Private Limited	0.00%	2.34	-0.06%	(4.21)	0.00%	—	-0.06%	(4.21)
Mahindra EPC Irrigation Limited (Consolidated)	0.37%	175.35	-0.12%	(7.91)	0.07%	(0.07)	-0.12%	(7.98)
Kota Farm Services Limited	0.00%	(0.31)	0.00%	—	0.00%	—	0.00%	—
Bristlecone India Limited	0.19%	91.77	0.51%	33.56	1.29%	(1.22)	0.50%	32.34
Mahindra & Mahindra Financial Services Limited (Consolidated)	35.86%	16,896.30	17.28%	1,136.87	31.28%	(29.65)	17.08%	1,107.22
Mahindra Intertrade Limited	1.60%	752.00	2.19%	143.92	0.06%	(0.06)	2.22%	143.86
Mahindra Steel Service Centre Limited	0.24%	114.87	0.28%	18.44	0.02%	(0.02)	0.28%	18.42
Mahindra Electrical Steel Limited	-0.02%	(9.24)	-0.03%	(2.04)	0.00%	—	-0.03%	(2.04)
Mahindra Auto Steel Private Limited	0.24%	111.97	0.24%	15.53	0.03%	(0.03)	0.24%	15.50
Mahindra Consulting Engineers Limited	0.04%	20.30	0.02%	1.32	0.00%	—	0.02%	1.32
Mahindra Lifespace Developers Limited (Consolidated)	3.80%	1,788.53	2.35%	154.50	-1.34%	1.27	2.40%	155.77
Mahindra Holidays & Resorts India Limited	-0.59%	(275.68)	2.30%	151.31	0.56%	(0.53)	2.33%	150.78

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Hotels and Residences India Limited	0.00%	(0.18)	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Gables Promoters Private Limited	0.13%	59.35	0.03%	2.11	0.00%	—	0.03%	2.11
Mahindra Holidays & Resorts India Limited ESOP Trust	0.02%	8.28	0.00%	0.01	0.00%	—	0.00%	0.01
Mahindra Holdings Limited	4.65%	2,192.09	-0.07%	(4.71)	0.00%	—	-0.07%	(4.71)
Mahindra Namaste Limited	0.00%	1.26	0.00%	0.16	0.00%	—	0.00%	0.16
Mahindra Integrated Business Solutions Private Limited	0.34%	160.74	0.20%	13.01	-2.75%	2.61	0.24%	15.62
Mahindra Susten Private Limited	2.12%	997.67	-0.01%	(0.50)	0.12%	(0.11)	-0.01%	(0.61)
Mahindra Teqo Private Limited	0.04%	18.02	0.14%	9.43	0.00%	—	0.15%	9.43
Mahindra Renewables Private Limited	0.84%	396.70	0.18%	11.99	0.00%	—	0.18%	11.99
Mega Suryaurja Private Limited	0.18%	84.83	0.00%	(0.15)	0.00%	—	0.00%	(0.15)
Neo Solren Private Limited	0.17%	78.62	0.06%	3.92	0.00%	—	0.06%	3.92
Astra Solren Private Limited	0.18%	85.80	0.16%	10.59	0.00%	—	0.16%	10.59
Mahindra Two Wheelers Limited	0.48%	227.87	0.51%	33.65	-75.82%	71.87	1.63%	105.52
Mahindra Defence Systems Limited	0.88%	413.60	1.18%	77.63	0.91%	(0.86)	1.18%	76.77
Mahindra First Choice Wheels Ltd (Consolidated)	0.26%	122.22	-0.70%	(45.94)	0.00%	—	-0.71%	(45.94)
Mahindra eMarket Limited	0.00%	(0.98)	-0.04%	(2.91)	0.00%	—	-0.04%	(2.91)
Mahindra & Mahindra Benefit Trust	2.52%	1,189.46	1.01%	66.51	0.00%	—	1.03%	66.51
Mahindra & Mahindra ESOP Trust	1.24%	586.32	0.33%	21.60	0.00%	—	0.33%	21.60
Sunrise Initiatives Trust (Consolidated)	0.05%	22.88	-0.07%	(4.45)	-0.08%	0.08	-0.07%	(4.37)
Mahindra Construction Company Limited	-0.05%	(22.47)	0.00%	0.02	0.00%	—	0.00%	0.02
Officemartindia.com Limited	0.00%	(0.25)	0.00%	—	0.00%	—	0.00%	—
Mahindra & Mahindra Contech Limited	0.04%	16.81	0.02%	1.17	0.00%	—	0.02%	1.17
Trringo.com Limited	0.00%	2.11	0.00%	(0.31)	0.00%	—	0.00%	(0.31)
Mahindra Airways Limited	0.00%	0.37	0.00%	(0.16)	0.00%	—	0.00%	(0.16)

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra First Choice Wheels ESOP Trust	0.00%	(0.01)	0.00%	—	0.00%	—	0.00%	—
Mahindra Consulting Engineers Limited ESOP Trust	0.01%	3.27	0.00%	—	0.00%	—	0.00%	—
Mahindra MSTC Recycling Private Limited	0.09%	41.26	0.01%	0.57	0.00%	—	0.01%	0.57
Mahindra Logistics Limited (Consolidated)	1.36%	642.06	0.47%	30.64	0.81%	(0.77)	0.46%	29.87
Mahindra Waste to Energy Solutions Limited	0.04%	19.58	-0.04%	(2.75)	0.04%	(0.04)	-0.04%	(2.79)
Mahindra Telecom Energy Management Services Limited	0.12%	56.23	0.00%	0.21	0.00%	—	0.00%	0.21
Martial Solren Private Limited	0.00%	(0.05)	0.00%	(0.03)	0.00%	—	0.00%	(0.03)
Meru Travel Solutions Private Limited (Consolidated)	0.11%	52.21	-0.36%	(23.43)	0.04%	(0.04)	-0.36%	(23.47)
Mahindra Solarize Private Limited (w.e.f. 6 April, 2021)	0.07%	30.68	0.04%	2.80	0.13%	(0.12)	0.04%	2.68
Brightsolar Renewable Energy Private Limited (w.e.f. 19 August 2021)	0.05%	23.10	0.01%	0.47	0.00%	—	0.01%	0.47
Merakisan Private Limited (w.e.f. 5 January, 2022)	0.00%	(0.57)	0.00%	0.02	0.00%	—	0.00%	0.02
Foreign								
Mahindra Automotive Australia Pty. Limited	0.04%	19.48	0.26%	16.89	-0.57%	0.54	0.27%	17.43
Mahindra Europe S.r.l.	0.03%	12.27	0.00%	0.01	0.25%	(0.24)	0.00%	(0.23)
Mahindra & Mahindra South Africa (Proprietary) Limited	0.16%	77.47	0.44%	28.90	-4.34%	4.11	0.51%	33.01
Mahindra Tractor Assembly, Inc.	-0.02%	(11.42)	-0.16%	(10.80)	0.38%	(0.36)	-0.17%	(11.16)
Mahindra USA Inc.	-0.20%	(93.45)	0.37%	24.43	2.10%	(1.99)	0.35%	22.44
Bristlecone Limited	-0.14%	(65.02)	1.40%	92.14	3.04%	(2.88)	1.38%	89.26
Bristlecone Inc.	0.09%	40.59	0.19%	12.55	-2.32%	2.20	0.23%	14.75
Bristlecone Consulting Limited	0.01%	2.88	-0.01%	(0.49)	-0.15%	0.14	-0.01%	(0.35)
Bristlecone International AG	0.04%	17.68	-0.04%	(2.91)	-1.00%	0.95	-0.03%	(1.96)

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Bristlecone UK Limited	0.01%	5.93	0.01%	0.54	0.12%	(0.11)	0.01%	0.43
Bristlecone (Malaysia) Sdn. Bhd.	0.00%	1.78	0.01%	0.48	-0.07%	0.07	0.01%	0.55
Bristlecone Singapore Pte. Limited	0.02%	9.21	0.05%	3.57	-0.20%	0.19	0.06%	3.76
Bristlecone GmbH	0.10%	46.51	0.08%	5.34	0.96%	(0.91)	0.07%	4.43
Bristlecone Internacional Costa Rica Limited (w.e.f. 4 January, 2022)	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra Middleeast Electrical Steel Service Centre (FZC)	0.06%	28.03	0.08%	5.21	-0.79%	0.75	0.09%	5.96
Heritage Bird (M) Sdn Bhd	0.00%	0.54	0.01%	0.35	-0.01%	0.01	0.01%	0.36
MH Boutique Hospitality Limited	-0.01%	(3.74)	0.00%	(0.23)	-0.38%	0.36	0.00%	0.13
Infinity Hospitality Group Company Limited	0.01%	4.70	-0.02%	(1.17)	0.22%	(0.21)	-0.02%	(1.38)
MHR Holdings (Mauritius) Limited	-0.17%	(78.03)	-0.23%	(14.88)	-5.17%	4.90	-0.15%	(9.98)
Covington S.à r.l	0.12%	55.78	-0.14%	(9.14)	-8.04%	7.62	-0.02%	(1.52)
Arabian Dreams Hotel Apartments LLC	0.00%	1.86	-0.04%	(2.79)	-0.08%	0.08	-0.04%	(2.71)
Holiday Club Resort Oy (Consolidated)	0.45%	212.47	-0.98%	(64.58)	4.17%	(3.95)	-1.06%	(68.53)
HCR Management Oy	0.03%	16.20	0.00%	(0.03)	0.03%	(0.03)	0.00%	(0.06)
Mahindra Overseas Investment Company (Mauritius) Limited	-1.19%	(562.38)	-0.67%	(43.79)	147.60%	(139.91)	-2.83%	(183.70)
Mahindra Emirates Vehicle Armouring FZ-LLC (Consolidated)	0.06%	29.19	0.04%	2.85	-0.85%	0.81	0.06%	3.66
Mahindra Racing UK Limited	-0.04%	(17.09)	-0.06%	(3.86)	-0.33%	0.31	-0.05%	(3.55)
Mahindra Two Wheelers Europe Holdings S.a r.l	1.07%	505.15	-4.27%	(280.70)	-14.13%	13.39	-4.12%	(267.31)
Peugeot Motocycles S.A.S. (Consolidated)	0.12%	55.23	-1.64%	(107.61)	-10.59%	10.04	-1.51%	(97.57)
Mitsubishi Mahindra Agricultural Machinery Co. Ltd (Consolidated)	0.46%	214.75	0.26%	17.04	6.78%	(6.43)	0.16%	10.61
Mahindra West Africa Ltd (Under Liquidation)	0.00%	—	0.00%	—	-0.16%	0.15	0.00%	0.15
Mahindra Mexico S. de. R. L	-0.02%	(9.21)	0.00%	—	0.68%	(0.64)	-0.01%	(0.64)

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Bristlecone Middle East DMCC	0.03%	15.93	0.12%	8.16	-0.39%	0.37	0.13%	8.53
Mahindra do Brasil Industrial Ltda	0.05%	22.37	0.35%	23.05	-2.43%	2.30	0.39%	25.35
OFD Holding BV (Consolidated)	0.12%	54.82	0.10%	6.61	0.95%	(0.90)	0.09%	5.71
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Consolidated) (upto 16 September, 2021)	0.12%	57.63	0.27%	17.61	3.28%	(3.11)	0.22%	14.50
Mahindra Automotive North America Inc. (Consolidated)	0.19%	88.26	-1.94%	(127.81)	-2.89%	2.74	-1.93%	(125.07)
Erkunt Sanayi A.S.	0.51%	241.52	1.76%	115.58	159.55%	(151.24)	-0.55%	(35.66)
Erkunt Traktor Sanayii A.S	0.50%	234.39	0.62%	40.64	76.04%	(72.08)	-0.48%	(31.44)
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.	-0.02%	(7.44)	-0.01%	(0.85)	-0.76%	0.72	0.00%	(0.13)
Automobili Pininfarina GmbH (Consolidated)	0.03%	16.11	-8.10%	(532.92)	-7.36%	6.98	-8.11%	(525.94)
Mahindra Automotive Mauritius Limited	-0.07%	(34.39)	-4.82%	(316.99)	-32.74%	31.03	-4.41%	(285.96)
PT Mahindra Accelo Steel Indonesia	0.06%	27.09	-0.02%	(1.27)	-1.56%	1.48	0.00%	0.21
Mahindra Bangladesh Private Limited	0.01%	3.19	0.00%	(0.06)	-0.04%	0.04	0.00%	(0.02)
MSPL International DMCC	0.00%	0.06	0.00%	(0.04)	0.31%	(0.29)	-0.01%	(0.33)
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.23%	106.13	0.58%	38.01	0.31%	(0.29)	0.58%	37.72
Tech Mahindra Limited (Consolidated)	16.14%	7,603.28	23.93%	1,574.09	-68.73%	65.15	25.29%	1,639.24
Mahindra CIE Automotive Limited (Consolidated)	1.26%	594.30	0.68%	44.94	12.68%	(12.02)	0.51%	32.92
PSL Media & Communications Limited	0.00%	1.03	0.00%	0.04	0.00%	—	0.00%	0.04
Brainbees Solutions Private Limited (Consolidated)	0.94%	445.01	0.18%	11.68	0.00%	—	0.18%	11.68
Medwell Ventures Private Limited (Consolidated)	0.03%	14.48	0.00%	—	0.00%	—	0.00%	—

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
ReNew Sunlight Energy Private Limited (w.e.f. 1 November, 2021)	0.03%	14.05	-0.03%	(2.00)	0.00%	—	-0.03%	(2.00)
Foreign								
CIE Automotive S.A. (Consolidated)	1.39%	653.20	2.75%	180.85	-71.43%	67.71	3.83%	248.56
PF Holdings B.V. (Consolidated)	0.27%	128.30	0.11%	7.37	2.09%	(1.98)	0.08%	5.39
Resson Aerospace Corporation	0.01%	5.31	-0.01%	(0.64)	-0.26%	0.25	-0.01%	(0.39)
The East India Company Group Ltd BVI	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra Sanyo Special Steel Private Limited	0.04%	20.88	-0.07%	(4.73)	-0.16%	0.15	-0.07%	(4.58)
Mahindra Aerospace Pvt Limited (Consolidated)	0.42%	199.17	-0.27%	(17.62)	0.11%	(0.10)	-0.27%	(17.72)
Mahindra Tsubaki Conveyor Systems Private Limited (upto 21 February, 2022)	0.00%	—	0.03%	1.73	0.00%	—	0.03%	1.73
Mahindra Telephonics Integrated Systems Limited	0.00%	2.23	-0.05%	(3.13)	-0.05%	0.05	-0.05%	(3.08)
Classic Legends Private Limited (Consolidated)	0.37%	175.48	-0.92%	(60.54)	0.62%	(0.59)	-0.94%	(61.13)
M.I.T.R.A Agro Equipments Private Limited	0.03%	14.48	0.03%	2.14	0.07%	(0.07)	0.03%	2.07
Carnot Technologies Private Limited	0.01%	5.34	-0.02%	(1.19)	0.00%	—	-0.02%	(1.19)
Smartshift Logistics Solution Private Limited	0.39%	182.12	-0.55%	(36.39)	-0.16%	0.15	-0.56%	(36.24)
Mahindra Summit Agriscience Limited	0.13%	59.87	-0.04%	(2.61)	0.00%	—	-0.04%	(2.61)
Marvel Solren Private Limited	0.06%	26.30	0.01%	0.39	0.00%	—	0.01%	0.39
Aquasail Distribution Company Private Limited	0.00%	0.51	0.00%	(0.20)	0.00%	—	0.00%	(0.20)
New Delhi Centre for Sight Limited (Consolidated)	0.18%	82.63	0.03%	1.87	0.00%	—	0.03%	1.87

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 Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Foreign								
Mahindra-BT Investment Company (Mauritius) Limited	0.21%	99.64	0.01%	0.38	-8.25%	7.82	0.13%	8.20
Sampo Rosenlew Oy	0.00%	1.26	-0.48%	(31.48)	0.28%	(0.27)	-0.49%	(31.75)
Zoomcar Inc. (Consolidated)	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra Ideal Lanka (Private) Limited	0.01%	5.05	0.02%	1.43	2.13%	(2.02)	-0.01%	(0.59)
Non controlling Interest	-20.59%	(9,702.62)	-10.27%	(675.69)	-17.60%	16.68	-10.17%	(659.01)
Consolidation adjustments and Inter Company Eliminations	-46.65%	(21,981.59)	-2.31%	(151.88)	64.09%	(60.75)	-3.28%	(212.63)
Total	100.00%	47,122.64	100.00%	6,577.32	100.00%	(94.79)	100.00%	6,482.53

47. Transaction with Struck off Companies

Rupees crores

Name of the Struck off Company	Receivables	Payables	Number of Shares held by Struck off Companies	Other Outstanding Balances- Assets	Other Outstanding Balances- Liabilities
Mahindra & Mahindra Limited					
Akhuratha Communications Private Limited	—	*	—	—	—
Akshay Auto Parts Shopee Private Limited	0.03	—	—	—	—
Babace Pneumatics Private Limited	—	*	—	—	—
Chandra Construction Company Private Limited	0.01	—	—	—	—
Chowdhary Motors Private Limited	0.17	—	—	—	—
Digicron Power System Private Limited	—	*	—	—	—
Dimensions Engineering Technologies Private Limited	—	—	—	*	—
East West Power Genset Private Limited	—	—	—	—	*
Gems Recycling Private Limited	—	*	—	—	—
Gomti Motors Private Limited	*	—	—	—	—
Good Year India Limited	*	—	—	*	—
Green Park Hotels & Resorts Limited	—	—	—	*	—
Hanaro Hospitality Private Limited	—	*	—	—	—
Heeraraj R&D And Automations Private Limited	—	—	—	*	—
Jayaswals Neco Limited	*	—	—	—	—
Jayem Automotives Limited	*	—	—	—	—
Kamla Landmarc Cars Private Limited	—	*	—	—	—
Lektronix India Private Limited	*	—	—	—	—
Loni Corporate Training Private Limited	—	—	—	*	—
Maptronicz Technologies Private Limited	*	—	—	—	—
Mayor Healthcare Private Limited	—	*	—	—	—
Niche Events And Promotions Private Limited	0.04	—	—	—	—
Nova Telecommunication Private Limited	*	—	—	—	—
Oriental Refrigeration and Engg Company Private Limited	*	—	—	—	—
Oxford Automotive Private Limited	*	—	—	—	—
Pooja Castings Private Limited	—	—	—	0.14	—
Prius Auto Accessories Private Limited	—	—	—	*	—
Purolator India Limited	—	—	—	*	—
Ray Shield Technology Private Limited	—	0.01	—	—	—
Real Technologies Engineering Private Limited	—	0.02	—	—	—
Reliable Operations & Maintenance Private Limited	—	—	—	*	—
Right View Audio Visual Private Limited	—	*	—	—	—
Sahil Genset Sales Private Limited	*	*	—	—	*
Shalaka Technologies Private Limited	—	0.07	—	—	—
Shivraj Oils Private Limited	—	—	—	*	—
Shravani Constructions Private Limited	0.01	—	—	—	—
Skypack Courier & Cargo Private Limited	—	*	—	—	—
Sugam Auto Private Limited	0.01	—	—	—	—
Sundharams Private Limited	—	0.04	—	—	—
Super India Roadlines Private Limited	*	—	—	—	—
Synergy Telecommunications Private Limited	*	—	—	—	—
Tc Springs Limited	*	—	—	—	—

47. Transaction with Struck off Companies (contd.)

Rupees crores

Name of the Struck off Company	Receivables	Payables	Number of Shares held by Struck off Companies	Other Outstanding Balances-Assets	Other Outstanding Balances-Liabilities
Technosteel Commercial Kitchen Equipments Private Limited	0.01	—	—	—	—
Vaishnavi Enterprises Private Limited	*	—	—	—	—
Walker Exhaust India Private Limited	—	*	—	*	—
<u>Mahindra First Choice Wheels Limited</u>					
AB Motors Private Limited	—	—	—	*	—
Leader Ship Centre Private Limited	—	—	—	—	0.01
Retona Motors Private Limited	—	—	—	—	0.01
Nandprabhawati Ent Private Limited	—	—	—	—	*
<u>Mahindra & Mahindra Financial Services Ltd.</u>					
Console Cargo Logistics Services (I) Private Limited	0.09	—	—	—	—
Anushree Constrotech Private Limited	—	—	—	—	—
Shan Strategic Solutions Private Limited	—	—	—	—	—
Himhydro Construction Private Limited	—	—	—	—	—
G. V. Foods Private Limited	—	—	—	—	—
Singhal Bricks Private Limited	—	—	—	—	—
Modesty Industries Private Limited	0.01	—	—	—	—
Ra Globalcity Housing Private Limited	*	—	—	—	—
Gracious Bottles Private Limited	0.01	—	—	—	—
Saraswatipur Tea And Industries Pvt.Ltd.	*	—	—	—	—
Fast Business Centre Limited	0.02	—	—	—	—
Kiran Enviro—Tech Energy Private Limited	0.03	—	—	—	—
Ashi Infraprojects And Associates Private Limited	0.01	—	—	—	—
Satkar Security Provider Private Limited	0.01	—	—	—	—
Atcom Infratech Private Limited	0.08	—	—	—	—
Goludev Infrastructure Private Limited	0.07	—	—	—	—
M.Y. Transport Company Private Limited	0.32	—	—	—	—
Gomateshwar Investments Pvt Ltd	—	—	50	—	—
Dreams Broking Private Limited	—	—	476	—	—
Unickon Fincap Private Limited	—	—	689	—	—

Note:

* denotes amounts less than Rs. 50,000.

The above information is provided on basis of reasonable diligence done to ascertain relevant companies that have been struck off on the website of the Ministry of Company Affairs.

48. Previous year's figures have been regrouped / reclassified where necessary.

In terms of our report attached.

For Mahindra & Mahindra Limited

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022
Jamil Khatri
Partner
Membership No : 102527
Mumbai, 28th May, 2022

Vikram Singh Mehta
Vishakha N. Desai
T. N. Manoharan
Haigreve Khaitan
Shikha Sharma
Nisaba Godrej
Muthiah Murugappan
Vijay Kumar Sharma
CP Gurnani

Directors

Anand G. Mahindra
Anish Shah
Rajesh Jejurikar
Manoj Bhat
Narayan Shankar

Chairman
Managing Director and CEO
Executive Director (Automotive and Farm Sectors)
Group Chief Financial Officer
Company Secretary
Mumbai, 28th May, 2022

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 [as per section 2(87) of the Companies Act, 2013]

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Rupees crores	
1	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40	65.27	996.02	296.35	86.06	1,147.90	116.84	33.88	82.96	19.03	100.00%		
2	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	359.75	(171.82)	974.02	786.09	—	447.24	(70.52)	—	(70.52)	—	98.98%		
3	NBS International Limited	05/02/2001	INR	1.00	44.55	(40.51)	42.69	38.65	0.42	218.54	1.23	—	1.23	—	100.00%		
4	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	56.65	25.92	(6.43)	81.00	61.51	—	166.56	15.11	(2.31)	17.42	—	100.00%		
5	Mahindra Two Wheelers Limited	29/09/2008	INR	1.00	82.82	145.05	323.09	95.22	153.64	278.51	45.00	11.35	33.65	33.50	100.00%		
6	Ssangyong Motor Company #	09/02/2011	KRW	0.0625	4,682.50	(5,160.87)	11,611.01	12,089.38	63.75	15,275.75	(1,611.37)	—	(1,611.37)	—	74.65%		
7	Ssangyong European Parts Center B.V. # ¥	09/02/2011	EUR	84.50	5.92	(24.32)	101.15	119.55	—	123.21	1.28	0.21	1.07	—	74.65%		
8	SY Auto Capital Co., LTD # ¥	28/10/2015	KRW	0.0625	125.00	127.99	550.90	297.91	—	82.06	18.04	4.33	13.71	—	38.07%		
9	SsangYong Australia Pty Limited # ¥	31/07/2018	AUD	56.65	28.33	(60.37)	184.85	216.89	—	570.24	14.07	—	14.07	—	74.65%		
10	Mahindra Europe S.r.l.	31/05/2005	EUR	84.50	12.01	0.30	48.08	35.77	—	74.99	0.05	0.04	0.01	—	100.00%		
11	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	5.21	27.09	40.29	458.58	391.20	—	1,199.26	42.92	12.68	30.24	—	100.00%		
12	Mahindra North American Technical Center, Inc.	18/12/2013	USD	75.72	484.74	(468.24)	152.39	135.89	—	74.99	(108.05)	—	(108.05)	—	100.00%		
13	Mahindra Automotive North America Inc.	25/04/2017	USD	75.72	1,404.17	(167.24)	1,272.00	35.07	1,150.74	67.03	4.96	—	4.96	—	100.00%		
14	Mahindra Vehicle Sales and Service Inc.	06/06/2017	USD	75.72	657.75	(681.20)	2.31	25.76	—	8.53	(27.07)	—	(27.07)	—	100.00%		
15	Automobili Pininfarina GmbH	07/05/2018	EUR	84.50	1,410.31	(1,393.89)	141.57	125.15	0.31	5.05	(521.51)	0.02	(521.53)	—	100.00%		
16	Automobili Pininfarina Americas Inc.	15/01/2019	USD	75.72	0.30	(0.24)	57.50	57.44	—	—	(0.08)	0.01	(0.09)	—	100.00%		
17	Mahindra West Africa Ltd ¥ €	20/05/2016	NGN	0.1821	1.10	(1.11)	0.04	0.05	—	0.08	(0.20)	—	(0.20)	—	100.00%		
18	Mahindra Bangladesh Private Limited	12/09/2019	BDT	0.8679	3.69	(0.50)	3.25	0.06	—	0.09	(0.04)	0.02	(0.06)	—	100.00%		
19	Gromax Agri Equipment Limited	18/12/1999	INR	1.00	54.30	(4.32)	113.46	63.48	—	191.57	27.19	0.09	27.10	—	60.00%		
20	Trringo.com Limited	23/05/2016	INR	1.00	27.46	(25.35)	2.38	0.27	—	0.85	(0.31)	—	(0.31)	—	100.00%		
21	Mahindra USA Inc.	08/06/1994	USD	75.72	1,677.96	(1,499.62)	1,832.31	1,653.97	—	3,484.25	35.22	31.08	4.14	—	100.00%		
22	Mahindra Mexico S. de. R. L	08/08/2016	MXN	3.80	82.53	(91.79)	1.45	10.71	—	2.56	—	—	—	—	100.00%		
23	Mahindra do Brasil Industrial Ltda	14/10/2016	BRL	15.87	96.77	(75.15)	129.01	107.39	—	283.24	36.53	10.46	26.07	—	100.00%		

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @
24	Erkunt Traktor Sanayiji A.S. #	01/12/2017	TRY	5.17	188.71	(36.02)	473.14	320.45	55.78	640.70	44.20	(9.35)	53.55	—	100.00%
25	Erkunt Sanayi A.S. #	01/12/2017	TRY	5.17	4.16	155.16	338.71	179.39	4.35	604.94	78.74	13.70	65.04	—	98.69%
26	Sampo Rosenlew Oy	29/09/2020	EUR	84.50	4.74	25.51	376.29	346.04	31.10	443.03	(42.10)	0.01	(42.11)	—	79.13%
27	Carnot Technologies Private Limited	17/03/2022	INR	1.00	0.17	7.14	9.42	2.11	—	10.52	(1.66)	(0.03)	(1.63)	—	73.00%
28	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	246.60	15,381.49	75,288.73	59,660.64	8,440.27	9,718.80	1,356.91	368.16	988.75	444.79	52.26%
29	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	10.31	493.74	629.59	125.54	212.15	348.01	70.38	18.49	51.89	5.15	41.81%
30	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	121.87	1,332.64	8,513.60	7,059.09	619.61	1,377.49	57.72	9.99	47.73	—	51.87%
31	Mahindra Manulife Investment Management Private Limited	20/06/2013	INR	1.00	382.94	(136.12)	275.52	28.70	151.48	35.27	(38.06)	—	(38.06)	—	26.65%
32	Mahindra Manulife Trustee Private Limited	25/04/2013	INR	1.00	0.98	0.20	1.23	0.05	1.05	0.76	0.23	—	0.23	—	26.65%
33	Mahindra Ideal Finance Limited	08/07/2021	LKR	0.2591	49.44	21.71	219.86	148.70	6.46	34.24	8.04	1.84	6.20	—	30.42%
34	Mahindra Finance CSR foundation	02/04/2019	INR	1.00	*	0.03	0.04	0.01	—	0.10	(8.46)	—	(8.46)	—	52.26%
35	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	154.52	1,336.78	2,317.84	826.54	491.40	306.50	22.50	(20.39)	42.89	30.90	51.33%
36	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	2.94	21.41	0.47	0.08	10.46	10.33	0.36	9.97	—	51.33%
37	Mahindra World City (Maharashtra) Limited	21/09/2005	INR	1.00	1.17	(11.70)	11.80	22.33	11.79	—	(0.62)	—	(0.62)	—	51.33%
38	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.00	41.92	256.04	164.12	66.30	102.27	36.13	10.12	26.01	—	37.98%
39	Knowledge Township Limited	16/08/2007	INR	1.00	49.07	5.86	71.60	16.67	—	—	(0.21)	—	(0.21)	—	51.33%
40	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	96.10	102.45	6.10	—	7.03	2.15	0.64	1.51	—	37.98%
41	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(2.32)	2.69	0.01	—	0.03	(0.01)	*	(0.01)	—	51.33%
42	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.08	0.13	*	—	0.01	(0.01)	—	(0.01)	—	51.33%
43	Mahindra Industrial Park Private Limited	29/03/2013	INR	1.00	0.05	(7.90)	245.34	253.19	11.78	15.70	9.24	2.33	6.91	—	51.33%
44	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	20.66	24.54	3.78	0.04	23.20	9.52	2.45	7.07	12.00	50.82%
45	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	90.13	483.14	373.01	115.00	28.62	(28.85)	(8.53)	(20.32)	—	45.68%
46	Mahindra World City Jaipur Limited	26/08/2005	INR	1.00	150.00	278.90	743.23	314.33	47.07	292.49	180.58	43.55	137.03	52.50	37.98%

Rupees crores

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Rupees crores
47	Mahindra Bloomdale Developers Limited	03/06/2008	INR	1.00	0.05	(18.38)	241.26	259.59	—	16.18	(8.73)	—	(8.73)	—	51.33%	
48	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	(3.22)	332.39	165.61	—	0.79	(9.74)	(2.45)	(7.29)	—	30.80%	
49	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.91	332.06	502.59	169.62	—	251.21	4.76	0.27	4.49	—	37.22%	
50	Mahindra Happinest Developers Limited	06/09/2017	INR	1.00	0.10	(38.13)	409.43	447.46	—	70.79	(0.85)	0.43	(1.28)	—	26.18%	
51	Mahindra Knowledge Park Mohali Limited	07/05/2018	INR	1.00	—	(1.25)	*	1.25	—	—	(0.01)	—	(0.01)	—	23.69%	
52	Deep Mangal Developers Private Ltd	28/11/2017	INR	1.00	0.01	(0.83)	3.29	4.11	*	—	(0.35)	—	(0.35)	—	51.33%	
53	Moonshine Construction Private Ltd	28/11/2017	INR	1.00	—	(0.32)	*	0.32	*	—	(0.01)	—	(0.01)	—	51.33%	
54	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.89	18.41	27.87	7.57	—	17.86	1.77	0.45	1.32	—	88.35%	
55	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	199.85	364.55	6,504.02	5,939.62	380.56	1,070.72	203.53	52.22	151.31	—	67.47%	
56	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.23)	0.02	0.20	—	—	(0.02)	—	(0.02)	—	67.47%	
57	Gables Promoters Private Limited	24/08/2012	INR	1.00	65.00	28.33	164.02	70.69	—	21.18	2.11	—	2.11	—	67.47%	
58	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	18.03	0.54	(0.01)	7.92	7.39	—	1.30	0.52	0.17	0.35	—	67.47%	
59	Infinity Hospitality Group Company Limited	05/11/2012	THB	2.27	34.05	(29.35)	45.31	40.61	—	3.79	(1.17)	—	(1.17)	—	49.92%	
60	MH Boutique Hospitality Limited	02/11/2012	THB	2.27	2.27	(4.22)	8.64	10.59	8.63	—	(0.23)	—	(0.23)	—	33.06%	
61	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	84.50	1.23	(57.65)	671.03	727.46	195.89	10.41	(14.58)	—	(14.58)	—	67.47%	
62	Covington S.a.r.l.	17/07/2014	EUR	84.50	0.11	179.55	637.79	458.14	573.63	2.02	(8.91)	0.04	(8.95)	—	67.47%	
63	HCR Management Oy	02/09/2015	EUR	84.50	0.03	17.75	17.79	0.01	17.70	—	(0.03)	—	(0.03)	—	67.47%	
64	Holiday Club Resort Oy	02/09/2015	EUR	84.50	101.05	227.34	922.45	594.06	76.07	832.03	(65.92)	—	(65.92)	—	67.47%	
65	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	84.50	0.02	9.18	9.33	0.13	—	0.09	*	*	*	—	67.47%	
66	Kiinteistö Oy Vanha Ykköstii	02/09/2015	EUR	84.50	0.02	0.50	0.52	—	—	—	(0.02)	—	(0.02)	—	67.47%	
67	Kiinteistö Oy Katinnurkka	02/09/2015	EUR	84.50	0.02	2.67	2.69	—	—	—	(0.01)	—	(0.01)	—	67.47%	
68	Kiinteistö Oy Tenetinihahti	02/09/2015	EUR	84.50	0.02	0.96	0.98	—	—	0.01	*	—	*	—	67.47%	
69	Kiinteistö Oy Mällösnieni	02/09/2015	EUR	84.50	0.08	2.43	2.54	0.03	—	0.15	(0.05)	—	(0.05)	—	67.47%	
70	Kiinteistö Oy Rauhan Ranta 1	02/09/2015	EUR	84.50	0.02	1.14	1.16	—	—	—	(0.03)	—	(0.03)	—	67.47%	
71	Kiinteistö Oy Rauhan Ranta 2	02/09/2015	EUR	84.50	0.02	1.94	1.97	—	—	—	(0.03)	—	(0.03)	—	67.47%	
72	Kiinteistö Oy Tiurunniemi	02/09/2015	EUR	84.50	0.02	3.35	3.37	—	—	0.03	*	—	*	—	67.47%	

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)															
Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @
73	Kiinteistö Oy Rauhan Liikekiinteistöt 1	02/09/2015	EUR	84.50	0.02	15.42	72.33	56.89	—	6.65	*	—	*	—	67.47%
74	Supermarket Capri Oy	02/09/2015	EUR	84.50	0.85	0.65	1.51	0.02	—	0.09	*	—	*	—	67.47%
75	Kiinteistö Oy Kylpyläntorni 1	02/09/2015	EUR	84.50	0.02	2.08	2.12	0.01	—	—	(0.01)	—	(0.01)	—	67.47%
76	Kiinteistö Oy Spa Lofts 2	02/09/2015	EUR	84.50	0.02	1.22	1.24	—	—	—	(0.02)	—	(0.02)	—	67.47%
77	Kiinteistö Oy Spa Lofts 3	02/09/2015	EUR	84.50	0.02	1.19	1.21	—	—	—	(0.02)	—	(0.02)	—	67.47%
78	Kiinteistö Oy Kuusamon Pulkajärvi 1	02/09/2015	EUR	84.50	0.02	2.36	2.89	0.51	—	0.10	*	*	*	—	67.47%
79	Ownership Services Ab	02/09/2015	SEK	8.41	0.08	1.52	10.45	8.86	—	—	(0.01)	—	(0.01)	—	67.47%
80	Are Villa 3 AB	26/01/2018	SEK	8.41	0.04	3.73	3.81	0.04	—	—	*	—	*	—	67.47%
81	Holiday Club Sweden Ab Åre	01/12/2015	SEK	8.41	0.08	98.48	164.87	66.31	49.71	23.20	(5.43)	—	(5.43)	—	67.47%
82	Holiday Club Sport and Spahotels AB	02/09/2015	SEK	8.41	0.82	19.11	69.83	49.91	—	119.32	13.34	—	13.34	—	67.47%
83	Holiday Club Resort Rus LLC #	02/09/2015	RUB	0.9587	0.03	(4.19)	0.04	4.20	—	0.99	(0.20)	(0.02)	(0.18)	—	67.47%
84	Holiday Club Canarias Investments S.L.U.	02/09/2015	EUR	84.50	0.03	*	19.93	19.90	19.87	0.05	0.02	0.01	0.02	—	67.47%
85	Holiday Club Canarias Sales & Marketing S.L.U.	02/09/2015	EUR	84.50	0.03	(11.82)	143.58	155.37	51.85	26.02	(10.30)	(2.69)	(7.61)	—	67.47%
86	Holiday Club Canarias Resort Management S.L.U.	02/09/2015	EUR	84.50	0.03	58.21	143.56	85.32	87.87	46.40	12.66	3.36	9.30	—	67.47%
87	Holiday Club Canarias Vacation Club SLU	18/12/2018	EUR	84.50	0.03	10.92	43.24	32.29	21.76	23.87	4.18	0.94	3.24	—	67.47%
88	Classic Legends Private Limited	18/10/2016	INR	1.00	404.21	(110.03)	435.22	141.04	55.32	596.91	(95.43)	(0.05)	(95.38)	—	60.00%
89	BSA Company Limited	21/10/2016	GBP	99.28	2.07	17.83	28.01	8.10	*	1.34	(5.42)	—	(5.42)	—	60.00%
90	The Birmingham Small Arms Company Limited **	11/09/2020	GBP	99.28	*	—	*	—	—	—	—	—	—	—	60.00%
91	BSA Corporation Limited **	11/09/2020	GBP	99.28	*	—	*	—	—	—	—	—	—	—	60.00%
92	B.S.A. Motor Cycles Limited **	11/09/2020	GBP	99.28	*	—	*	—	—	—	—	—	—	—	60.00%
93	Mahindra Two Wheelers Europe Holdings S.a.r.l. \$	02/12/2014	EUR	84.50	1,215.95	(636.04)	580.24	0.33	579.38	—	(274.74)	—	(274.74)	—	100.00%
94	Peugeot Motorcycles S.A.S. #	19/01/2015	EUR	84.50	42.19	(9.04)	486.49	453.34	63.44	892.14	(138.42)	4.75	(143.17)	—	100.00%
95	Peugeot Motorcycles Deutschland GmbH #	19/01/2015	EUR	84.50	0.22	6.06	29.11	22.83	—	130.90	0.07	0.03	0.04	—	100.00%
96	Peugeot Motorcycles Italia S.p.A. # €	19/01/2015	EUR	84.50	2.23	(6.46)	6.29	10.52	—	1.25	(0.09)	—	(0.09)	—	100.00%
97	PMTC Engineering SpA	23/01/2012	EUR	84.50	0.85	3.69	5.70	1.16	—	1.32	(2.36)	—	(2.36)	—	100.00%
98	Mahindra Tractor Assembly Inc.	25/01/2013	USD	75.72	833.10	(844.52)	1.42	12.84	—	0.35	(10.98)	0.01	(10.99)	—	100.00%

[illegible]

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)													Rupees crores		
Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @
123	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	75.72	89.96	84.84	174.87	0.07	36.39	1.23	0.92	0.23	0.69	—	57.00%
124	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	735.40	1,385.58	633.58	201.97	2,459.58	193.77	49.85	143.92	43.16	100.00%
125	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	98.33	327.91	213.04	5.75	315.29	26.44	8.00	18.44	5.46	61.00%
126	Mahindra Electrical Steel Private Limited **	11/07/2009	INR	1.00	0.50	(9.74)	7.04	16.28	—	—	(2.04)	—	(2.04)	—	100.00%
127	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	43.47	240.89	128.92	—	248.79	22.53	7.00	15.53	2.33	51.00%
128	Mahindra Middleeast Electrical Steel Service Centre (FZC)	08/08/2004	AED	20.62	4.16	23.86	58.71	30.69	—	62.33	5.31	—	5.31	—	90.00%
129	PT Mahindra Accelo Steel Indonesia	19/12/2018	IDR	0.0053	29.42	(2.32)	65.31	38.21	—	0.25	(1.29)	0.01	(1.30)	—	99.98%
130	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	57.20	(15.94)	49.76	8.50	—	17.48	0.09	(0.48)	0.57	—	50.00%
131	Mahindra Holdings Limited	02/11/2007	INR	1.00	2,463.50	(271.41)	2,192.36	0.27	2,096.36	1.98	(4.45)	0.26	(4.71)	—	100.00%
132	Mahindra Overseas Investment Company (Mauritius) Limited	24/12/2004	USD	75.72	3,334.02	(3,415.02)	1,755.64	1,836.64	1,710.30	167.33	(19.27)	25.32	(44.59)	—	100.00%
133	Mahindra Automotive Mauritius Limited	06/11/2018	EUR	84.50	1,586.11	(1,585.83)	0.36	0.08	—	—	(310.28)	—	(310.28)	—	100.00%
134	Mahindra Racing UK Limited	04/03/2011	GBP	99.28	0.20	(17.28)	81.68	98.76	—	174.65	(11.97)	(8.19)	(3.78)	—	100.00%
135	Mahindra Susten Private Limited	04/03/2011	INR	1.00	195.46	802.21	2,859.40	1,861.73	475.21	657.34	6.01	6.51	(0.50)	—	100.00%
136	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	321.52	75.18	2,729.46	2,332.76	154.40	302.28	39.08	9.84	29.24	—	100.00%
137	Mahindra Teqo Private Limited	05/01/2016	INR	1.00	0.10	17.92	78.18	60.16	—	130.33	12.85	3.42	9.43	—	100.00%
138	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	69.30	308.27	229.65	—	41.38	5.43	1.51	3.92	—	100.00%
139	Marvel Solren Private Limited	10/10/2015	INR	1.00	27.82	23.77	136.45	84.86	—	19.19	1.22	0.45	0.77	—	51.00%
140	Astra Solren Private Limited	14/10/2015	INR	1.00	8.89	76.91	403.72	317.92	—	61.35	14.71	4.12	10.59	—	100.00%
141	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	13.57	93.76	70.67	—	13.28	1.14	0.32	0.82	—	100.00%
142	Mega Suryaaurja Private Limited	16/02/2017	INR	1.00	8.65	76.21	1,335.71	1,250.85	—	—	(0.17)	(0.02)	(0.15)	—	100.00%
143	Martial Solren Private Limited **	27/08/2020	INR	1.00	0.01	(0.06)	—	0.05	—	—	(0.03)	—	(0.03)	—	100.00%
144	Mahindra Solarize Private Limited	06/04/2020	INR	1.00	28.00	2.68	126.16	95.48	—	162.83	3.80	1.00	2.80	—	100.00%
145	MSPL International DMCC **	08/10/2019	AED	20.62	23.95	(23.39)	0.30	(0.26)	—	—	(0.04)	—	(0.04)	—	100.00%
146	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	16.72	396.88	902.16	488.56	118.46	442.07	105.47	27.84	77.63	12.54	100.00%
147	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(46.40)	53.60	49.22	—	11.96	(6.14)	—	(6.14)	—	51.00%

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	
148	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	20.62	20.62	8.11	68.56	39.83	0.05	72.42	2.73	—	2.73	—	88.00%	
149	Mahindra Armored Vehicles Jordon, LLC.	31/03/2019	JOD	103.25	0.05	0.44	3.25	2.76	—	20.21	0.17	—	0.17	—	88.00%	
150	Mahindra First Choice Wheels Ltd	24/03/2008	INR	1.00	79.51	60.87	315.64	175.26	65.12	855.36	(30.77)	0.93	(31.70)	—	50.60%	
151	Fifth Gear Ventures Limited	17/01/2020	INR	1.00	0.20	9.44	30.42	20.78	—	28.64	(19.62)	—	(19.62)	—	50.60%	
152	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(7.75)	1.45	0.19	—	0.95	0.16	—	0.16	—	88.35%	
153	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	9.78	150.96	222.47	61.73	0.14	427.76	17.89	4.88	13.01	—	100.00%	
154	Mahindra eMarket Limited	11/08/2014	INR	1.00	0.80	(1.78)	0.94	1.92	—	9.77	(2.30)	1.53	(3.83)	—	83.47%	
155	Mahindra Airways Limited	27/07/2016	INR	1.00	5.85	(5.48)	0.50	0.13	—	0.01	(0.16)	—	(0.16)	—	100.00%	
156	Mahindra Logistics Limited	12/12/2007	INR	1.00	71.87	502.99	1,848.85	1,273.99	137.49	3,640.64	32.69	8.25	24.44	14.37	58.18%	
157	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	9.01	(8.41)	16.24	15.64	—	24.10	(8.15)	(2.27)	(5.88)	—	32.00%	
158	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	29.86	84.38	52.16	—	452.65	21.26	5.27	15.99	—	57.63%	
159	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	912.39	(714.15)	198.31	0.07	195.14	0.11	(0.14)	0.03	(0.17)	—	91.59%	
160	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	464.50	(290.66)	212.41	38.57	—	103.49	(5.21)	—	(5.21)	—	91.59%	
161	Mahindra Aerospace Australia Pty Limited	08/04/2010	AUD	56.65	805.20	(771.47)	33.79	0.06	—	—	0.04	—	0.04	—	91.59%	
162	GA8 Airvan Pty Limited \$	27/06/2010	AUD	56.65	0.06	(0.05)	0.01	—	—	—	(0.01)	—	(0.01)	—	91.59%	
163	GA200 Pty Limited \$	27/06/2010	AUD	56.65	0.06	(0.05)	0.01	—	—	—	(0.01)	—	(0.01)	—	91.59%	
164	Nomad TC Pty Limited \$	27/06/2010	AUD	56.65	0.13	(0.12)	0.01	—	—	—	*	—	*	—	91.59%	
165	Airvan 10 Pty Limited \$	10/12/2015	AUD	56.65	0.06	(0.05)	0.01	—	—	—	*	—	*	—	91.59%	
166	Gippsaero Pty Limited	27/06/2010	AUD	56.65	688.85	(682.05)	15.30	8.50	—	7.37	(14.51)	—	(14.51)	—	91.59%	
167	Airvan Flight Services Pty Limited \$	27/06/2010	AUD	56.65	0.06	(0.06)	*	—	—	—	*	—	*	—	91.59%	
168	Mahindra Waste To Energy Solutions Limited	25/06/2017	INR	1.00	30.00	(10.42)	26.16	6.58	—	7.63	(2.75)	—	(2.75)	—	87.39%	
169	Mahindra Telecom Energy Management Services Limited	25/06/2017	INR	1.00	56.05	0.18	57.81	1.58	42.02	2.37	0.49	0.28	0.21	—	100.00%	
170	Mahindra Construction Company Ltd	28/11/2017	INR	1.00	2.40	(24.87)	0.70	23.17	—	0.11	0.02	—	0.02	—	65.30%	
171	Meru Travel Solutions Private Limited	05/12/2019	INR	1.00	97.14	(46.89)	50.48	0.23	50.48	—	(75.09)	—	(75.09)	—	100.00%	
172	Meru Mobility Tech Private Limited	05/12/2019	INR	1.00	0.17	(9.04)	55.53	64.40	1.67	57.66	(19.28)	—	(19.28)	—	100.00%	

Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)

Sr. No.	Name of subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @
173	V-Link Automotive Services Private Limited	05/12/2019	INR	1.00	0.01	29.15	31.42	2.26	—	0.71	0.20	—	0.20	—	100.00%
174	V-Link Fleet Solutions Private Limited	05/12/2019	INR	1.00	0.01	(13.52)	1.41	14.92	—	0.99	(0.13)	—	(0.13)	—	100.00%

Notes

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

denotes companies where reporting period is different from 1st April, 2021 to 31st March, 2022. The financial year for all other subsidiaries is 1st April, 2021 to 31st March, 2022

€ Under liquidation

\$ Based on unaudited financial statements as audit is not required as per their local laws

¥ Based on unaudited financial statements

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

£ Incorporated in the current financial year and will prepare its first statutory accounts in the next financial year

Names of subsidiaries which have ceased to exist during the year on account of Liquidation/ Sale/Merger through scheme of arrangement are as under :

(a) Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi

(b) Hisarlar İthalat İhracat Pazarlama Anonim Şirketi

(c) Mahindra Susten Bangladesh Private Limited

(d) MSPE Urja S.R.L.

(e) Mahindra Publications Limited

(f) Suomen Vapaa-alkakiinteistö Oy

(g) Mahindra Vehicle Manufacturers Limited

(h) Ssangyong Motor (Shanghai) Company Limited

(i) Mahindra Engineering and Chemical Products Limited ('MECP'), Retail Initiative Holdings Limited ('RIHL') and Mahindra Retail Limited ('MRL') have ceased to be subsidiaries of the Company pursuant to the Scheme of Merger by Absorption of MECP, RIHL and MRL with the Company and their respective Shareholders, sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench having appointed date as 1st April, 2021 and effective date as 29th April, 2022.

Rupees crores

Part "B" Details of Associates/Joint Ventures [as per Section 2(6) of the Companies Act, 2013]

Rupees crores

Name of Associates / Joint Ventures	Audited Balance Sheet Date	Date of Acquisition	No. of Equity shares held ††	Proportion of ownership interest	Cost of Investments	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
Swaraj Engines Limited	31/03/2022	11/08/2008	42,16,792	34.72%	26.28	106.13	38.01	71.46
Tech Mahindra Limited	31/03/2022	31/08/2012	24,82,20,799	28.28%	976.82	7,603.28	1,574.09	3,991.99
Mahindra CIE Automotive Limited	31/12/2021	01/07/2021	4,33,44,512	11.44%	1,095.16	594.30	44.94	347.96
Officemartindia.com Limited	31/03/2022	31/03/2002	7,49,997	50.00%	—	(0.13)	—	—
Mahindra & Mahindra Contech Limited	31/03/2022	01/04/2010	70,000	46.66%	1.73	7.84	0.55	0.62
Kota Farm Services Limited	31/03/2022	15/04/2011	3,10,000	47.81%	0.30	(0.15)	*	*
Mitsubishi Mahindra Agricultural Machinery co., Ltd.§		01/10/2015	4	33.33%	191.59	71.58	5.68	11.36
P.F. holding BV \$		27/05/2016	2,63,36,050	40.00%	254.05	128.30	7.37	11.05
M.I.T.R.A Agro Equipments Private Limited	31/03/2022	15/02/2018	1,24,537	49.00%	23.80	14.48	2.14	3.12
Zoomcar Inc \$ ≠		16/02/2018	1,19,13,048	16.83%	—	—	—	—
Smartshift Logistics Solutions Private Limited	31/03/2022	28/03/2018	10,40,148	26.28%	218.51	182.12	(36.39)	(85.61)
Mahindra Ideal Lanka Private Limited	31/03/2022	31/05/2018	1,75,000	35.00%	6.79	5.05	1.43	2.65
Mahindra Sanyo Special Steel Private Limited	31/03/2022	21/06/2018	34,75,264	22.81%	145.13	20.88	(4.73)	(15.98)
ReNew Sunlight Energy Private Limited	31/03/2022	06/07/2021	1,60,74,000	37.21%	16.07	14.05	(2.00)	(3.38)

≠ Investment in Zoomcar Inc. is fully provided for impairment and hence loss for the period has not been considered in consolidation.

Notes:

There are no Associates or Joint ventures which are yet to commence operations.

* denotes amount less than Rs. 50,000

†† including participating preference shares

\$ Based on unaudited financial statements as audit is not required as per their local laws

§ In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock), the Company owns the entire JPY 2,250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

For Mahindra & Mahindra Limited

Vikram Singh Mehta
Vishakha N. Desai
T. N. Manoharan
Haigreave Khaitan
Shikha Sharma
Nisaba Godrej
Muthiah Murugappan
Vijay Kumar Sharma
CP Gurnani

Directors

Anand G. Mahindra
Anish Shah
Rajesh Jejurikar
Manoj Bhat
Narayan Shankar

Chairman
Managing Director and CEO
Executive Director (Automotive and Farm Sectors)
Group Chief Financial Officer
Company Secretary

Mumbai, 28th May, 2022

[illegible]

Notes