



Consolidated Accounts

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

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **Mahindra & Mahindra Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

8. We did not audit the financial statements of one hundred and twenty two subsidiaries and six jointly controlled entities, whose financial statements reflect the Group's share of total assets of Rs. 66,428.38 crores as at 31 March, 2016, and the Group's share of total revenues of Rs. 36,037.68 crores and net cash outflows amounting to Rs. 171.41 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 of Rs. 148.44 crores for the year ended 31 March, 2016, as considered in the consolidated financial statements, in respect of nine associates, 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, jointly controlled entities and associates, based solely on the reports of the other auditors.

9. 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.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, 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, and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 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 jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, where applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company's, associate company's and jointly controlled company's (incorporated in India) internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities in accordance with the generally accepted accounting practice – also refer Note 33(A) to the consolidated financial statements.
- ii) The Group, its associates and jointly controlled entities has made provision where required under any law or accounting standards for material foreseeable losses on long-terms contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2016.

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Mahindra & Mahindra Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, 30th May, 2016.

Consolidated Balance Sheet as at 31st March, 2016

Rupees crores

| | Note | 2016 | 2015 |
|--|------|--------------------|------------------|
| I. EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS : | | | |
| (a) Share Capital..... | 4 | 296.32 | 295.70 |
| (b) Reserves and Surplus..... | 5 | 28,323.32 | 25,560.68 |
| | | 28,619.64 | 25,856.38 |
| MINORITY INTEREST | | 6,327.03 | 5,892.23 |
| NON-CURRENT LIABILITIES : | | | |
| (a) Long Term Borrowings..... | 6 | 25,096.30 | 22,327.03 |
| (b) Deferred Tax Liabilities (Net) | 7A | 1,552.03 | 1,286.83 |
| (c) Other Long Term Liabilities..... | 8 | 2,980.44 | 2,508.76 |
| (d) Long Term Provisions | 9 | 3,590.33 | 3,239.95 |
| | | 33,219.10 | 29,362.57 |
| CURRENT LIABILITIES : | | | |
| (a) Short Term Borrowings..... | 10 | 8,250.69 | 7,177.44 |
| (b) Trade Payables : | 11 | | |
| – Micro and Small enterprises | | 168.59 | 112.45 |
| – Other than Micro and Small enterprises (including acceptances) | | 13,459.03 | 11,308.82 |
| | | 13,627.62 | 11,421.27 |
| (c) Other Current Liabilities | 12 | 15,868.23 | 12,771.87 |
| (d) Short Term Provisions | 13 | 2,310.58 | 2,362.22 |
| | | 40,057.12 | 33,732.80 |
| Total | | 1,08,222.89 | 94,843.98 |
| II. ASSETS | | | |
| NON-CURRENT ASSETS : | | | |
| (a) Fixed Assets : | | | |
| Tangible Assets | 14A | 19,578.42 | 17,247.09 |
| Intangible Assets | 14B | 2,171.49 | 1,035.38 |
| Capital Work-in-Progress..... | | 806.00 | 1,272.54 |
| Intangible Assets Under Development | | 1,630.03 | 1,759.60 |
| | | 24,185.94 | 21,314.61 |
| (b) Goodwill on Consolidation..... | | 779.46 | 764.27 |
| (c) Non Current Investments..... | 15A | 8,744.17 | 7,898.99 |
| (d) Deferred Tax Assets (Net)..... | 7B | 709.14 | 467.77 |
| (e) Long Term Loans and Advances | 16 | 26,604.06 | 24,066.47 |
| (f) Other Non Current Assets | 17 | 655.13 | 581.76 |
| | | 61,677.90 | 55,093.87 |
| CURRENT ASSETS : | | | |
| (a) Current Investments..... | 15B | 3,432.68 | 2,128.15 |
| (b) Inventories..... | 18 | 10,628.99 | 8,453.39 |
| (c) Trade Receivables | 19 | 6,419.04 | 5,476.16 |
| (d) Cash and Bank Balances | 20 | 4,906.48 | 4,911.83 |
| (e) Short Term Loans and Advances..... | 21 | 20,018.29 | 17,811.80 |
| (f) Other Current Assets..... | 22 | 1,139.51 | 968.78 |
| | | 46,544.99 | 39,750.11 |
| Total | | 1,08,222.89 | 94,843.98 |

The accompanying notes 1 to 43 are an integral part of the Financial Statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Shyamak R Tata
Partner

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

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Chairman & Managing Director

Executive Director & Group President
(Auto and Farm Sector)

Group Chief Financial Officer, Group CIO &
President (Group Finance and M&A)

Company Secretary

Mumbai, 30th May, 2016

Mumbai, 30th May, 2016

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

Rupees crores

| | Note | 2016 | 2015 |
|--|-----------|------------------|------------------|
| Revenue from Operations | 23 | | |
| Gross Revenue from Sale of Products and Services..... | | 74,436.05 | 66,903.19 |
| Less : Excise Duty | | 4,650.08 | 3,541.23 |
| Net Revenue from Sale of Products and Services..... | 23 | 69,785.97 | 63,361.96 |
| Other Operating Revenue | 23 | 8,229.63 | 8,086.04 |
| Revenue from Operations (Net)..... | | 78,015.60 | 71,448.00 |
| Other Income | 24 | 541.00 | 525.03 |
| Total Revenue | | 78,556.60 | 71,973.03 |
| EXPENSES : | | | |
| Cost of Materials Consumed..... | 25 | 43,173.41 | 40,386.83 |
| Purchases of Stock-in-Trade..... | | 2,690.53 | 2,188.73 |
| Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Manufactured Components | 26 | (524.37) | 274.13 |
| Employee Benefits Expense..... | 27 | 7,992.24 | 7,202.49 |
| Finance Costs | 28 | 3,372.94 | 3,156.69 |
| Depreciation and Amortisation Expense..... | | 2,581.64 | 2,123.83 |
| Other Expenses..... | 29 | 15,524.95 | 12,887.31 |
| | | 74,811.34 | 68,220.01 |
| Less : Cost of Manufactured/Purchased Products Capitalised | | 488.55 | 284.78 |
| Total Expenses..... | | 74,322.79 | 67,935.23 |
| Profit Before Exceptional Items and Tax | | 4,233.81 | 4,037.80 |
| Add : Exceptional Items (Net)..... | 37 | 5.03 | 274.90 |
| Profit Before Tax..... | | 4,238.84 | 4,312.70 |
| (Add)/Less : Tax Expense | | | |
| Current Tax | | 1,879.38 | 1,770.11 |
| Less : MAT Credit Entitlement | | 54.42 | 92.72 |
| Net Current Tax..... | | 1,824.96 | 1,677.39 |
| Deferred Tax (Net)..... | | 38.69 | 42.63 |
| | | 1,863.65 | 1,720.02 |
| Profit for the year before share of Profit/(Loss) of Associates and Minority Interest..... | | 2,375.19 | 2,592.68 |
| Add/(Less) : Share of Profit/(Loss) of Associates for the year | | 975.93 | 788.70 |
| Profit before Minority Interest | | 3,351.12 | 3,381.38 |
| Minority Share in (Profit)/Loss..... | | (139.86) | (243.91) |
| Net Profit for the year..... | | 3,211.26 | 3,137.47 |
| Earnings per equity share | 38 | | |
| (Face value Rs. 5/- per share) (Rupees) | | | |
| Basic | | 54.25 | 53.12 |
| Diluted..... | | 51.70 | 50.69 |
| The accompanying notes 1 to 43 are an integral part of the Financial Statements | | | |

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered AccountantsShyamak R Tata
Partner

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

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Chairman & Managing Director

Executive Director & Group President
(Auto and Farm Sector)Group Chief Financial Officer, Group CIO &
President (Group Finance and M&A)

Company Secretary

Mumbai, 30th May, 2016Mumbai, 30th May, 2016

Consolidated Cash Flow Statement for the year ended 31st March, 2016

Rupees crores

| | 2016 | 2015 |
|---|-------------|-------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit before exceptional items and tax | 4,233.81 | 4,037.80 |
| Adjustments for : | | |
| Depreciation, Amortisation and Impairment | 2,612.30 | 2,127.58 |
| Loss on Exchange (Net) | 164.10 | 83.51 |
| Investment and Interest Income [Excluding Rs. 0.19 crores (2015 : Rs. 0.12 crores) in respect of financial enterprises consolidated] | (347.70) | (398.66) |
| Interest, Commitment and Finance charges [Excluding Rs. 2,867.60 crores (2015 : Rs. 2,643.00 crores) in respect of financial enterprises consolidated] | 505.34 | 513.69 |
| Employee Stock Compensation Expense | 113.33 | 51.51 |
| Profit on sale of Investments (Net) | (59.80) | (21.31) |
| Loss on fixed assets sold/scrapped/written off (Net) | 24.02 | 24.72 |
| Write off of Intangible Assets Under Development | 9.44 | 19.38 |
| Provision for diminution in value of long term investment | — | 16.08 |
| Excess of cost over fair value of current investments, reversed (Net) | (2.90) | (0.76) |
| | 3,018.13 | 2,415.74 |
| Operating Profit before Working Capital changes | 7,251.94 | 6,453.54 |
| Changes in : | | |
| Trade and other receivables | (240.53) | (575.09) |
| Loans against Assets * | (4,966.82) | (4,228.64) |
| Inventories | (1,275.44) | (62.46) |
| Trade and other payables | 2,245.21 | 1,168.63 |
| | (4,237.58) | (3,697.56) |
| Cash generated from operations | 3,014.36 | 2,755.98 |
| Income Taxes paid (Net of refunds) | (2,043.67) | (1,701.12) |
| NET CASH FROM OPERATING ACTIVITIES | 970.69 | 1,054.86 |
| * In respect of financial enterprises consolidated. | | |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of fixed assets | (4,334.27) | (4,758.93) |
| Sale of fixed assets | 78.14 | 43.13 |
| Purchase of investments | (88,000.00) | (80,046.58) |
| Sale of investments | 86,749.00 | 79,737.21 |
| Interest received | 279.28 | 355.56 |
| Dividends received from Associate Companies | 192.15 | 155.89 |
| Dividends received from others | 12.05 | 12.98 |
| Bank deposits (Net) | (330.52) | (277.95) |
| Decrease in Earmarked & Margin account | 122.30 | 220.93 |
| Inter corporate deposits given | (4.00) | (26.50) |
| Inter corporate deposits refunded | 6.50 | 4.00 |
| Repayment of loan given | 14.95 | 35.15 |
| Purchase consideration paid on acquisition of holding interest in Subsidiaries & Joint Ventures (Net) | (239.88) | (60.96) |
| Subscription (Net) received on divestiture of Interest in Subsidiaries/Sale proceeds on disposal of Subsidiaries | 199.95 | 400.78 |
| Exceptional Items : | | |
| Sale of Long Term Investments | 15.98 | 40.42 |
| NET CASH USED IN INVESTING ACTIVITIES | (5,238.37) | (4,164.87) |

Consolidated Cash Flow Statement (contd.)

| | Rupees crores | |
|---|---------------|-------------|
| | 2016 | 2015 |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from Issue of Share Capital (including Securities Premium)..... | — | 2.60 |
| Proceeds from borrowings..... | 98,427.10 | 47,957.34 |
| Repayments of borrowings..... | (94,097.75) | (44,328.40) |
| Net increase/(decrease) in Loans repayable on demand and cash credit..... | 1,250.64 | (273.75) |
| Dividends paid..... | (1,067.94) | (1,199.64) |
| Interest, Commitment and Finance charges paid | (540.59) | (488.77) |
| NET CASH FROM FINANCING ACTIVITIES..... | 3,971.46 | 1,669.38 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS..... | (296.22) | (1,440.63) |
| OPENING CASH AND CASH EQUIVALENTS | 2,999.67 | 4,632.88 |
| CASH AND BANK BALANCE ON ACQUISITION/(DISPOSAL) OF SUBSIDIARIES (NET) | 88.57 | (192.58) |
| CLOSING CASH AND CASH EQUIVALENTS | 2,792.02 | 2,999.67 |

Notes to the Consolidated Cash Flow Statement for the year ended 31st March, 2016

| | Rupees crores | |
|--|---------------|----------|
| | 2016 | 2015 |
| 1. The above Cash Flow Statement has been prepared under the 'indirect method' as set out in Accounting Standard 3 'Cash Flow Statement' | | |
| 2. Cash and Cash Equivalents | 2,792.02 | 2,999.67 |
| Unrealised Loss on foreign currency Cash and Cash Equivalents..... | (0.19) | (0.08) |
| | 2,791.83 | 2,999.59 |
| Other Bank Balances | 2,114.65 | 1,912.24 |
| Cash and Bank Balances..... | 4,906.48 | 4,911.83 |

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 30th May, 2016

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

Directors

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Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Chairman & Managing Director

Executive Director & Group President
(Auto and Farm Sector)

Group Chief Financial Officer, Group CIO &
President (Group Finance and M&A)

Company Secretary

Mumbai, 30th May, 2016

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2016

1. The Consolidated Financial Statements relate to Mahindra & Mahindra Limited (M&M, the Company) and its subsidiaries, joint ventures and associates. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements", Accounting Standard 23 (AS 23) "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Ventures" notified by the Companies (Accounting Standard) Rules, 2006. The Consolidated Financial Statements have been prepared on the following basis :

(a) Investments in Subsidiaries :

- (i) The Financial Statements of the Company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- (ii) The difference between the costs of investment in the subsidiaries and the Company's share of equity at the time of acquisition of shares in the subsidiaries is recognised in the Financial Statements as Goodwill on consolidation or Capital Reserve on consolidation.
- (iii) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of date of disposal is recognised in the Statement of Profit and Loss as profit or loss on disposal of investment in subsidiaries.
- (iv) Minority Interest in the net assets of consolidated subsidiaries consists :
 - (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - (b) the minorities' share of movements in equity since the date the parent subsidiary relationship comes into existence.
- (v) The Financial Statements of the subsidiaries are drawn up to 31st March, 2016.

The subsidiaries (which along with Mahindra & Mahindra Limited, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements are:

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest* | | Proportion of voting power where different | |
|---|--------------------------|-----------------------------------|------------------|--|------------------|
| | | as at 31-03-2016 | as at 31-03-2015 | as at 31-03-2016 | as at 31-03-2015 |
| Indian Subsidiaries | | | | | |
| 1. Mahindra First Choice Wheels Limited | India | 45.50% | 45.50% | | |
| 2. Mahindra Lifespace Developers Limited..... | India | 50.80% | 50.83% | | |
| 3. Mahindra Consulting Engineers Limited | India | 59.01% | 54.16% | | |
| 4. Bristlecone India Limited | India | 76.87% | 77.71% | 100.00% | 100.00% |
| 5. Mahindra Engineering and Chemical Products Limited..... | India | 100.00% | 100.00% | | |
| 6. Mahindra Gujarat Tractor Limited..... | India | 60.00% | 60.00% | | |
| 7. Mahindra Holidays & Resorts India Limited | India | 75.62% | 75.64% | | |
| 8. Mahindra Infrastructure Developers Limited..... | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 9. Mahindra Intertrade Limited | India | 100.00% | 100.00% | | |
| 10. Mahindra & Mahindra Financial Services Limited | India | 51.58% | 51.62% | | |
| 11. Mahindra Steel Service Centre Limited..... | India | 61.00% | 61.00% | | |
| 12. Mahindra Agri Solutions Limited (Formerly known as Mahindra Shubhlabh Services Limited) | India | 100.00% | 100.00% | | |
| 13. NBS International Limited | India | 100.00% | 100.00% | | |
| 14. Mahindra Insurance Brokers Limited | India | 43.84% | 43.88% | 85.00% | 85.00% |
| 15. Mahindra World City Developers Limited | India | 45.21% | 45.24% | 89.00% | 89.00% |
| 16. Mahindra Trucks and Buses Limited..... | India | 100.00% | 100.00% | | |
| 17. Mahindra World City (Maharashtra) Limited..... | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 18. Mahindra Automobile Distributor Private Limited..... | India | 95.00% | 95.00% | | |
| 19. Mahindra World City (Jaipur) Limited | India | 37.59% | 37.61% | 74.00% | 74.00% |
| 20. Mahindra Integrated Township Limited | India | 48.92% | 48.95% | 99.14% | 99.14% |
| 21. Mahindra Vehicle Manufacturers Limited | India | 100.00% | 100.00% | | |
| 22. Mahindra Hotels and Residences India Limited..... | India | 75.62% | 75.64% | 100.00% | 100.00% |
| 23. Knowledge Township Limited..... | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 24. Mahindra Holdings Limited..... | India | 100.00% | 100.00% | | |
| 25. Mahindra Logistics Limited | India | 84.01% | 84.01% | | |

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest* | | Proportion of voting power where different | |
|---|-----------------------------|--------------------------------------|---------------------|---|---------------------|
| | | as at 31-03-2016 | as at 31-03-2015 | as at 31-03-2016 | as at 31-03-2015 |
| 26. Mahindra Rural Housing Finance Limited | India | 45.13% | 45.17% | 87.50% | 87.50% |
| 27. Mahindra Residential Developers Limited..... | India | 48.92% | 48.95% | 100.00% | 100.00% |
| 28. Mahindra Aerospace Private Limited | India | 66.67% | 66.67% | | |
| 29. Mahindra First Choice Services Limited | India | 100.00% | 100.00% | | |
| 30. Mahindra Heavy Engines Limited (Formerly known as Mahindra Heavy Engines Private Limited)..... | India | 100.00% | 100.00% | | |
| 31. Mahindra Bebanco Developers Limited | India | 35.56% | 35.58% | 70.00% | 70.00% |
| 32. Industrial Township (Maharashtra) Limited | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 33. Mahindra Two Wheelers Limited | India | 91.26% | 88.91% | | |
| 34. Defence Land Systems India Limited..... | India | 100.00% | 100.00% | | |
| 35. Mahindra Internet Commerce Private Limited..... | India | 98.96% | 96.22% | 100.00% | 100.00% |
| 36. Retail Initiative Holdings Limited | India | 100.00% | 100.00% | | |
| 37. Mahindra Retail Private Limited..... | India | 98.96% | 96.22% | | |
| 38. Mahindra Electrical Steel Private Limited..... | India | 100.00% | 100.00% | | |
| 39. Raigad Industrial & Business Park Limited | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 40. Auto Digitech Private Limited (Formerly known as Mahindra Punjab Tractors Private Limited)..... | India | 100.00% | 100.00% | | |
| 41. Mahindra Namaste Private Limited..... | India | 59.01% | 100.00% | 100.00% | |
| 42. Mahindra Reva Electric Vehicles Limited (Formerly known as Mahindra Reva Electric Vehicles Private Limited)..... | India | 93.70% | 75.72% | | |
| 43. Anthurium Developers Limited..... | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 44. Mahindra Integrated Business Solutions Private Limited | India | 100.00% | 100.00% | | |
| 45. Mahindra Aerostructures Private Limited..... | India | 66.67% | 66.67% | 100.00% | 100.00% |
| 46. Mahindra Susten Private Limited (formerly known as Mahindra EPC Services Private Limited) | India | 100.00% | 100.00% | | |
| 47. Mahindra Telecommunications Investment Private Limited..... | India | 100.00% | 100.00% | | |
| 48. Mahindra Sanyo Special Steel Private Limited | India | 51.00% | 51.00% | | |
| 49. Swaraj Automotive Limited (upto 1 st February, 2016) | India | | 71.19% | | |
| 50. EPC Industrie Limited..... | India | 54.76% | 54.78% | | |
| 51. Mahindra Defence Naval Systems Private Limited | India | 100.00% | 100.00% | | |
| 52. Mahindra Defence Systems Limited | India | 100.00% | 100.00% | | |
| 53. Divine Heritage Hotels Private Limited # | India | | 75.64% | | 100.00% |
| 54. Gables Promoters Private Limited | India | 75.62% | 75.64% | 100.00% | 100.00% |
| 55. 2 x 2 Logistics Private Limited..... | India | 46.20% | 46.20% | 55.00% | 55.00% |
| 56. Holiday on Hills Resorts Private Limited #..... | India | | 75.64% | | 100.00% |
| 57. Industrial Cluster Private Limited | India | 50.80% | 50.83% | 100.00% | 100.00% |
| 58. Mahindra Telephonic Integrated Systems Limited | India | 51.00% | 74.00% | | |
| 59. Mahindra HZPC Private Limited..... | India | 59.95% | 59.95% | | |
| 60. Mahindra Asset Management Company Private Limited | India | 51.58% | 51.62% | 100.00% | 100.00% |
| 61. Mahindra Renewables Private Limited (Formerly known as Mahindra Offgrid Services Private Limited) | India | 100.00% | 100.00% | | |
| 62. Mahindra Trustee Company Private Limited | India | 51.58% | 51.62% | 100.00% | 100.00% |
| 63. Brightsolar Renewable Energy Private Limited..... | India | 51.00% | 100.00% | | |
| 64. Cleansolar Renewable Energy Private Limited..... | India | 100.00% | 100.00% | | |
| 65. Mahindra Auto Steel Private Limited..... | India | 51.00% | 51.00% | | |
| 66. Mahindra 'Electoral Trust' Company..... | India | 100.00% | 100.00% | | |
| 67. Competent Hotels Private Limited # | India | | 75.64% | | 100.00% |
| 68. Mahindra UNIVEG Private Limited | India | 60.00% | 60.00% | | |
| 69. Lords Freight (India) Private Limited..... | India | 50.41% | 50.41% | 60.00% | 60.00% |
| 70. Mahindra eMarket Limited (formerly known as Mriyalguda Farm Solution Limited) | India | 69.00% | 69.00% | | |

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest* | | Proportion of voting power where different | |
|---|--------------------------|-----------------------------------|------------------|--|------------------|
| | | as at 31-03-2016 | as at 31-03-2015 | as at 31-03-2016 | as at 31-03-2015 |
| 71. Mahindra Industrial Park Chennai Limited..... | India | 27.13% | 45.24% | 60.00% | 100.00% |
| 72. Mahindra Water Utilities Limited (w.e.f. 27 th July, 2015) | India | 50.29% | | 99.00% | |
| 73. Gateway Housing Company Limited (w.e.f. 10 th March, 2016) . | India | 100.00% | | | |
| 74. MachinePulse Tech Private Limited (w.e.f. 5 th January, 2016) ... | India | 100.00% | | | |
| 75. Divine Solren Private Limited (w.e.f. 8 th May, 2015)..... | India | 100.00% | | | |
| 76. Neo Solren Private Limited (w.e.f. 1 st July, 2015) | India | 100.00% | | | |
| 77. Marvel Solren Private Limited (w.e.f. 10 th October, 2015)..... | India | 100.00% | | | |
| 78. Astra Solren Private Limited (w.e.f. 14 th October, 2015)..... | India | 100.00% | | | |
| 79. Orizonte Business Solutions Limited (Formerly known as Mega One Stop Farm Services Limited) (w.e.f. 25 th November, 2015)..... | India | 100.00% | | | |
| Foreign Subsidiaries | | | | | |
| 80. Mahindra Automotive Australia Pty. Limited | Australia | 100.00% | 100.00% | | |
| 81. Mahindra Aerospace Australia Pty. Limited..... | Australia | 66.67% | 66.67% | 100.00% | 100.00% |
| 82. Aerostaff Australia Pty. Limited | Australia | 66.67% | 66.67% | 100.00% | 100.00% |
| 83. Gipp Aero Investments Pty. Limited..... | Australia | 50.07% | 50.07% | 75.10% | 75.10% |
| 84. Gippsaero Pty. Limited..... | Australia | 50.07% | 50.07% | 100.00% | 100.00% |
| 85. GA8 Airvan Pty. Limited | Australia | 50.07% | 50.07% | 100.00% | 100.00% |
| 86. GA200 Pty. Limited | Australia | 50.07% | 50.07% | 100.00% | 100.00% |
| 87. Airvan Flight Services Pty. Limited | Australia | 50.07% | 50.07% | 100.00% | 100.00% |
| 88. Nomad TC Pty. Limited | Australia | 50.07% | 50.07% | 100.00% | 100.00% |
| 89. Airvan10 Pty. Limited (w.e.f. 10 th December, 2015) | Australia | 50.07% | | 100.00% | |
| 90. Bristlecone Consulting Limited | Canada | 76.87% | 77.71% | 100.00% | 100.00% |
| 91. Bristlecone Limited..... | Cayman Islands | 76.87% | 77.71% | | |
| 92. Mahindra Yueda (Yancheng) Tractor Company Limited..... | China | 51.00% | 51.00% | | |
| 93. Ssangyong Motor (Shanghai) Company Limited | China | 73.23% | 73.23% | 100.00% | 100.00% |
| 94. Peugeot Motocycles S.A.S..... | France | 46.54% | 45.34% | 51.00% | 51.00% |
| 95. Bristlecone GmbH | Germany | 76.87% | 77.71% | 100.00% | 100.00% |
| 96. Peugeot Motocycles Deutschland GmbH..... | Germany | 46.54% | 45.34% | 100.00% | 100.00% |
| 97. Mahindra Europe S.r.l. | Italy | 100.00% | 100.00% | | |
| 98. Mahindra Graphic Research Design S.r.l. | Italy | 100.00% | 100.00% | | |
| 99. Mahindra Racing S.p.A. (formerly known as Mahindra Racing S.r.l.)... | Italy | 100.00% | 100.00% | | |
| 100. Peugeot Motocycles Italia S.p.A. | Italy | 46.54% | 45.34% | 100.00% | 100.00% |
| 101. Ssangyong Motor Company | South Korea | 73.23% | 73.23% | | |
| 102. SY Auto Capital Co., LTD. (w.e.f. 28 th October, 2015) | South Korea | 37.35% | | 51.00% | |
| 103. Convington S.a.r.l. | Luxemburg | 75.62% | 75.64% | 100.00% | 100.00% |
| 104. Mahindra Two Wheelers Europe Holdings S.a.r.l. | Luxemburg | 91.26% | 88.91% | 100.00% | 100.00% |
| 105. Mahindra Overseas Investment Company (Mauritius) Limited. | Mauritius | 100.00% | 100.00% | | |
| 106. Mahindra-BT Investment Company (Mauritius) Limited..... | Mauritius | 57.00% | 57.00% | | |
| 107. MHR Holdings (Mauritius) Limited..... | Mauritius | 75.62% | 75.64% | 100.00% | 100.00% |
| 108. Bristlecone (Malaysia) Sdn. Bhd. | Malaysia | 76.87% | 77.71% | 100.00% | 100.00% |
| 109. Heritage Bird (M) Sdn. Bhd. | Malaysia | 75.62% | 75.64% | 100.00% | 100.00% |
| 110. Ssangyong European Parts Center B.V. | Netherlands | 73.23% | 73.23% | 100.00% | 100.00% |
| 111. Bristlecone (Singapore) Pte. Limited..... | Singapore | 76.87% | 77.71% | 100.00% | 100.00% |
| 112. Mahindra and Mahindra South Africa (Proprietary) Limited | South Africa | 100.00% | 100.00% | | |
| 113. Bristlecone International AG..... | Switzerland | 76.87% | 77.71% | 100.00% | 100.00% |
| 114. Mahindra MiddleEast Electrical Steel Service Centre (FZC) | U.A.E. | 90.00% | 90.00% | | |
| 115. Mahindra Emirates Vehicle Armouring FZ-LLC..... | U.A.E. | 51.00% | 51.00% | | |
| 116. Bristlecone UK Limited | U.K. | 76.87% | 77.71% | 100.00% | 100.00% |

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest* | | Proportion of voting power where different | |
|---|-----------------------------|--------------------------------------|---------------------|---|---------------------|
| | | as at 31-03-2016 | as at 31-03-2015 | as at 31-03-2016 | as at 31-03-2015 |
| 117. Mahindra Racing UK Limited | U.K. | 100.00% | 100.00% | | |
| 118. Mahindra International UK Ltd (w.e.f. 13 th October, 2015)..... | U.K. | 100.00% | | | |
| 119. Mahindra USA Inc. | U.S.A. | 100.00% | 100.00% | | |
| 120. Bristlecone Inc. | U.S.A. | 76.87% | 77.71% | 100.00% | 100.00% |
| 121. Mahindra Tractor Assembly Inc. | U.S.A. | 100.00% | 100.00% | | |
| 122. Mahindra North American Technical Center, Inc. | U.S.A. | 100.00% | 100.00% | | |
| 123. Infinity Hospitality Group Company Limited | Thailand | 55.94% | 55.97% | 100.00% | 100.00% |
| 124. MH Boutique Hospitality Limited..... | Thailand | 37.05% | 37.07% | 49.00% | 49.00% |
| 125. Holiday Club Resort Oy (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 85.61% | |
| 126. HCR Management Oy (w.e.f. 2 nd September, 2015)..... | Finland | 75.62% | | 100.00% | |
| 127. Kiinteistö Oy Himos Gardens (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 128. Suomen Vapaa-aikakiinteistöt Oy LKV (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 129. Kiinteistö Oy Himoksen Tähti 2 (w.e.f. 2 nd September, 2015) ... | Finland | 64.73% | | 100.00% | |
| 130. Kiinteistö Oy Vanha Ykköstii (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 131. Kiinteistö Oy Katinnurkka (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 132. Kiinteistö Oy Tenetinlahti (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 133. Kiinteistö Oy Mällönsniemi (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 134. Kiinteistö Oy Rauhan Ranta 1 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 135. Kiinteistö Oy Rauhan Ranta 2 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 136. Kiinteistö Oy Tiurunniemi (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 137. Kiinteistö Oy Rauhan Liikekiinteistöt 1 (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 138. Supermarket Capri Oy (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 139. Kiinteistö Oy Kylpylätorni 1 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 140. Kiinteistö Oy Spa Lofts 2 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 141. Kiinteistö Oy Spa Lofts 3 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 142. Kiinteistö Oy Tunturinrivi (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 143. Caribia Service Oy (w.e.f. 2 nd September, 2015)..... | Finland | 64.73% | | 100.00% | |
| 144. Kiinteistö Oy Kuusamon Pulkajärvi 1 (w.e.f. 2 nd September, 2015) | Finland | 64.73% | | 100.00% | |
| 145. Saimaa Gardens Arena Oy (w.e.f. 19 th January, 2016) | Finland | 64.73% | | 100.00% | |
| 146. Ownership Services Ab (w.e.f. 2 nd September, 2015)..... | Sweden | 64.73% | | 100.00% | |
| 147. Are Semesterby A (w.e.f. 2 nd September, 2015)..... | Sweden | 64.73% | | 100.00% | |
| 148. Are Semesterby B (w.e.f. 2 nd September, 2015) | Sweden | 64.73% | | 100.00% | |
| 149. Are Semesterby C (w.e.f. 2 nd September, 2015) | Sweden | 64.73% | | 100.00% | |
| 150. Are Semesterby D (w.e.f. 2 nd September, 2015) | Sweden | 64.73% | | 100.00% | |
| 151. Are Villas 1 Ab (w.e.f. 2 nd September, 2015) | Sweden | 64.73% | | 100.00% | |
| 152. Are Villas 2 Ab (w.e.f. 2 nd September, 2015) | Sweden | 64.73% | | 100.00% | |
| 153. Holiday Club Sweden Ab Åre (w.e.f. 2 nd September, 2015)..... | Sweden | 64.73% | | 100.00% | |
| 154. Holiday Club Sport and Spa AB (w.e.f. 1 st December, 2015) | Sweden | 33.01% | | 51.00% | |
| 155. Holiday Club Rus LLC (w.e.f. 2 nd September, 2015) | Russia | 64.73% | | 100.00% | |
| 156. Holiday Club Canarias Investments S.L.(w.e.f. 2 nd September, 2015) .. | Spain | 64.73% | | 100.00% | |
| 157. Holiday Club Canarias Sales & Marketing S.L. (w.e.f. 2 nd September, 2015)..... | Spain | 64.73% | | 100.00% | |
| 158. Holiday Club Canarias Resort Management S.L. (w.e.f. 2 nd September, 2015) | Spain | 64.73% | | 100.00% | |

* excluding shares issued to ESOP Trusts of the respective entities/their holding companies but not allotted to employees as per the Guidance Note on Accounting for Employee Share Based Payments issued by 'The Institute of Chartered Accountants of India'.

represents companies which ceased to be subsidiaries during the year as per scheme of arrangement. The appointed date and effective date is 1st April, 2015 and 31st March, 2016 respectively.

(b) Interests in Joint Ventures :

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

| Name of the Entity | Country of Incorporation | Percentage of ownership interest as at 31-03-2016 | Percentage of ownership interest as at 31-03-2015 |
|--|--------------------------|---|---|
| 1. Mahindra Sona Limited | India | 29.77% | 29.77% |
| 2. Mahindra Water Utilities Limited** (upto 26 th July, 2015) | India | | 50.00% |
| 3. Mahindra Inframan Water Utilities Private Limited** | India | 50.00% | 50.00% |
| 4. Mahindra Solar One Private Limited # \$ | India | 26.00% | 26.00% |
| 5. Mahindra Homes Private Limited ^ | India | 50.00% | 50.00% |
| 6. Mahindra Finance USA LLC@ | U.S.A. | 49.00% | 49.00% |
| 7. Arabian Dreams Hotel Apartments LLC £ | U.A.E. | 49.00% | 49.00% |
| 8. Jinan Qingqi Peugeot Motorcycles Company Limited € | China | 50.00% | 50.00% |
| 9. Mitsubishi Mahindra Agricultural Machinery Co., Ltd (w.e.f 1 st October, 2015) § | Japan | 33.33% | |

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

Shareholding is through a subsidiary, Mahindra Holdings Limited.

@ Shareholding is through a subsidiary, Mahindra & Mahindra Financial Services Limited.

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

£ Shareholding is through a subsidiary, Mahindra Holidays & Resorts India Limited.

\$ Mahindra Solar One Private Limited has two subsidiaries; Mahindra Suryaprakash Private Limited where it holds 69.90% and Mahindra Suryaurja Private Limited where it holds 100%.

€ Shareholding is through a subsidiary, Peugeot Motorcycles S.A.S.

§ In addition to JPY 750 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.

The financial statements of the Joint Ventures are drawn up to 31st March, 2016

(c) Investments in Associates :

The Group's Associates are :

| Name of the Entity | Country of Incorporation | Percentage of ownership interest as at 31-03-2016 | Percentage of ownership interest as at 31-03-2015 |
|--|--------------------------|---|---|
| 1. Mahindra Construction Company Limited..... | India | 37.49% | 37.49% |
| 2. Officemartindia.com Limited | India | 50.00% | 50.00% |
| 3. Rathna Bhoomi Enterprises Private Limited ** | India | 25.40% | 25.41% |
| 4. Kota Farm Services Limited | India | 45.00% | 45.00% |
| 5. Mega One Stop Farm Services Limited (upto 24 th November, 2015) | India | | 45.00% |
| 6. Swaraj Engines Limited..... | India | 33.22% | 33.22% |
| 7. Mahindra & Mahindra Contech Limited #..... | India | 46.66% | 46.66% |
| 8. PSL Media & Communications Limited # | India | 36.11% | 36.11% |
| 9. Tech Mahindra Limited ##..... | India | 26.51% | 26.71% |
| 10. Mahindra CIE Automotive Limited | India | 20.18% € | 20.21% |
| 11. CIE Automotive, S.A. @..... | Spain | 12.44% | 12.44% |
| 12. Kismat Developers Private Limited ^ | India | 42.86% | 42.86% |
| 13. Topical Builders Private Limited ^ | India | 50.00% | 50.00% |
| 14. Mahindra Tsubaki Conveyor Systems Private Limited † | India | 49.00% | 49.00% |
| 15. Holiday Club Resort Oy (upto 1 st September, 2015) £..... | Finland | | 22.34% |
| 16. Koy Sallan Kylpyla (w.e.f. 2 nd September 2015) ≤ | Finland | 41.95% | |
| 17. Kiinteistö Oy Seniori-Saimaa (w.e.f. 2 nd September 2015) ≤ | Finland | 26.67% | |
| 18. Holiday Club Adventures Oy (w.e.f. 2 nd September 2015) ≤ | Finland | 25.68% | |

The financial statements of the Associates are drawn upto 31st March, 2016, other than for CIE Automotive, S.A. where it is upto 31st December, 2015.

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

Shareholding is through the Company and its subsidiary, Mahindra Holdings Limited.

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

@ Shareholding is through a subsidiary, Mahindra Overseas Investment Company (Mauritius) Limited.

£ Shareholding is through a subsidiary, Convington S.à.r.l.

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

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

€ Shareholding is through a subsidiary, Mahindra Vehicle Manufacturers Limited

≤ Shareholding is through a subsidiary, Holiday Club Resort Oy.

2. Significant Accounting Policies :**(A) Basis of Accounting :**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

(B) Tangible Assets :

- (a) (i) Tangible assets are carried at cost less depreciation except as stated in (ii) below. 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. Where the acquisition of depreciable tangible assets are financed through long term foreign currency loans (having a term of 12 months or more at the time of their origination) the exchange differences on such loans are added to or subtracted from the cost of such depreciable tangible assets.

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

- (ii) Land and Buildings, of the parent company had been revalued as at 31st October, 1984 at depreciated replacement values on the basis of a valuation made by a firm of Chartered Surveyors and Valuers. The indices, if any, used are not stated in the valuation.
- (b) (i) Leasehold land is amortised over the period of the lease.
- (ii) Depreciation on assets is calculated on Straight Line Method over its useful life estimated by management/the Company's expected usage pattern supported by technical assessment or on the basis of depreciation rates/useful lives prescribed under respective local laws.

(C) Intangible Assets :

Intangible Assets are initially measured at cost and amortised so as to reflect the pattern in which the asset's economic benefits are consumed.

(a) Technical Knowhow :

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

(b) Development Expenditure :

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

(c) Software Expenditure :

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

(d) Websites :

The expenditure incurred is amortised over the estimated period of benefit, not exceeding five years.

(e) Vacation Ownership :

The expenditure incurred on vacation ownership is amortised over a period of ten years.

(f) Trademarks :

The expenditure incurred is amortised over the estimated period of benefit, not exceeding ten years.

(g) Non-Compete Fees :

Non-Compete payments are amortised equally over the estimated period of benefit, not exceeding ten years.

(D) Impairment of Assets :

The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

(E) Investments :

Long term investments, other than in Associates, are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary, in the value of investments. Current investments are valued at the lower of cost and fair value, determined by category of investment. Investments in Associates are accounted using the equity method.

(F) Inventories :

Inventories are stated at cost or net realisable value, whichever is lower. Cost is arrived at on a weighted average method and includes, where appropriate, manufacturing overheads and excise duty. Cost of the inventory, includes interest, where appropriate, for long term projects.

(G) Foreign Exchange Transactions :

Transactions in foreign currencies (other than firm commitments and highly probable forecast transactions) are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the year-end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year (other than those relating to long term foreign currency monetary items) is recognised as income or expense, as the case may be.

Exchange differences relating to long term foreign currency monetary items, to the extent they are used for financing the acquisition of depreciable assets are added to or subtracted from the cost of such depreciable assets and the balance accumulated in 'Foreign Currency Monetary Item Translation Difference Account', under Reserves and Surplus, and amortised over the balance term of the long term monetary item.

Any premium or discount arising at the inception of a forward exchange contract is recognised as income or expense over the life of the contract, except in the case where the contract is designated as a cash flow hedge.

(H) Derivative Instruments and Hedge Accounting :

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. The Company has applied to such contracts the hedge accounting principles set out in Accounting Standard 30 'Financial Instruments : Recognition and Measurement' (AS 30) by marking them to market at each reporting date.

Changes in the fair value of the contracts that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve Account and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

(I) Revenue Recognition :

(a) Sale of products and services including export benefits thereon are recognised when the products are shipped or services rendered. Excise duty recovered on sales is included in "Revenue from Operations".

(b) Long Term Contracts and Property Development Activity :

Income from real estate sales is recognised on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on proportionate basis as the acts are performed, i.e. on the percentage of completion basis.

In accordance with the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India, in case of projects commencing on or after 1st April, 2012 or in case of projects which have already commenced but where revenue is being recognised for the first time on or after 1st April, 2012, revenues will be recognised from these real estate projects only when;

- i. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost) and
- ii. when at least 10% of the sales consideration is realised and
- iii. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

Income from long term contracting assignments is also recognised on the percentage of completion basis. As the long term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known. Any expected loss on a project is recognised in the year in which costs incurred together with the balance costs to completion are likely to be in excess of the estimated revenues from project. Unbilled costs are carried as construction work-in-progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project/activity and the foreseeable losses to completion.

Project Management Fees receivable on fixed period contracts is accounted over the tenure of the contract/agreement. Where the management fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis.

(c) Lease and Rental Income :

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 rental, income from operation and maintenance charges and water charges are recognised on an accrual basis as per terms of the agreement with the lessees.

(d) Income from Loan :

Interest Income from loan transactions is accounted for by applying the interest rate implicit in such contracts. Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract. Subvention received from dealers/manufacturers on retail cases is booked over the period of the contract.

(e) Income from Assignment :

Receivables under the assignment transactions are de-recognized in the Balance Sheet when they are sold subject to the portion of loan assets which is required under the Minimum Retention Criteria and reflected as Loans and Advances. The amount of profit in cash on such transactions is held under an accounting head styled as "Cash profit on loan transfer transactions pending recognition" maintained on an individual transaction basis. The amortisation of cash profit arising out of loan assignment transaction is done at the end of every financial year based on the prescribed formula.

(f) Vacation Ownership Business :

The activity of selling vacation ownership and providing holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full up front, or on a deferred payment basis. Admission fee, which is non-refundable, is recognised as income on admission of a member. Entitlement fee (disclosed under Deferred Income – Entitlement fee), which entitles the vacation ownership member for the vacation ownership facilities is recognised as income equally over the period of membership commencing from the year of admission of each member. Requests for cancellation of membership is accounted for when it is accepted. In respect of instalments considered doubtful of recovery by the management, the same is treated as a cancellation and related revenues are de-recognised.

Revenue from timeshare weeks is recognised when the Company has transferred the property in goods to the buyer for a consideration, which coincides with transfer of significant risks and rewards of ownership.

Income from Villas apartments is recognised by using the percentage of completion method. Under the percentage of completion method, contract revenue is recognised as revenue in the Statement of Profit and Loss in the accounting periods in which the work is performed. Contract costs are usually recognised as an expense in the Statement of Profit and Loss in the accounting periods in which the work to which they relate is performed. However, any expected excess of total contract costs over total contract revenue for the contract is recognised as an expense immediately.

(g) Dividends from investments are recognised in the Statement of Profit and Loss when the right to receive payment is established.**(J) Government Grants :**

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

(K) Employee Benefits :

In respect of Defined Contribution Plan/Defined Benefit Plan/Long Term Compensated Absences.

Group's contributions paid/payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

Contributions to Provident Fund are made to Trusts administered by Group Companies or Regional Provident Fund Commissioners and are charged to Statement of Profit and Loss as incurred. The group companies are 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 Trusts administered by the group companies.

The Group's liability towards gratuity, long term compensated absences, 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 on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

In respect of Employee Stock Option Scheme :

The compensation cost of stock options granted to employees is measured by the Intrinsic Value Method. The intrinsic value, which is the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option, is recognised and amortised on straight line basis over the vesting period.

(L) Borrowing Costs :

All borrowing costs are charged to the Statement of Profit and Loss except :

- (i) Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- (ii) Expenses incurred on raising long term borrowings are amortised over the period of borrowings. On early buyback, conversion or repayment of borrowings, any unamortised expenditure is fully written off in that year.

(M) Product Warranty :

In respect of warranties given by the Company on sale of certain products, the estimated costs of these warranties are accrued at the time of sale. The estimates for accounting of warranties are reviewed and revisions are made as required.

(N) Leases :

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godowns, computer hardware etc.). The leasing arrangements, which are not non-cancellable, range between eleven months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent.

(O) Taxes on Income :

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

(P) Segment Reporting :

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segments are identified having regard to the dominant source and nature of risks and returns and internal organisation and management structure.

Revenues and expenses have been identified to the segments based on their relationship to the business activity of the segment.

Income/Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income/expenses. Inter-segment transfers are at prices which are generally market led.

3. **Certain changes in Group Structure** : During the year ended 31st March, 2016, the following changes in Group structure have taken place and the same have been appropriately dealt with in the Consolidated Financial Statements.

- (i) **Holiday Club Resorts Oy, Finland (HCR) & HCR Management Oy (HCRM)** : From September 2, 2015, Holiday Club Resorts Oy, Finland (HCR) and HCR Management Oy (HCRM) and its subsidiaries and associates became the subsidiaries and associates of the MHRIL and in turn of the Company.
- (ii) **Mitsubishi Mahindra Agricultural Machinery Co., Ltd** : During the year the Company has acquired JPY 750 million Common Stock (which represents 33.33% of the Common stock), and also acquired 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, resulting in Joint venture of the Company.
- (iii) **Swaraj Automotives Limited** : During the year, the Company has sold its entire stake in Swaraj Automotive Limited on February 2, 2016, consequently ceased to be subsidiary of the company.
- (iv) **Mahindra Water Utilities Limited** : During the year, Mahindra Infrastructure Developers Limited (MIDL) a subsidiary of the Company has acquired further stake in Mahindra Water Utilities Limited resulting in increase in voting power from 50.00% to 99.00%.

The current year's figures are to that extent not strictly comparable to those of the previous year.

4. Share Capital :

Rupees crores

| | 2016 | 2015 |
|---|---------------|--------|
| Authorised : | | |
| 1,20,00,00,000 Ordinary (Equity) Shares of Rs. 5 each..... | 600.00 | 600.00 |
| 25,00,000 Unclassified Shares of Rs. 100 each | 25.00 | 25.00 |
| | 625.00 | 625.00 |
| Issued and Subscribed : | | |
| 62,10,92,384 (2015 : 62,10,92,384) Ordinary (Equity) Shares of Rs. 5 each fully paid up | 310.55 | 310.55 |
| Less : | | |
| 2,84,58,577 (2015 : 2,97,00,106) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not allotted to employees | 14.23 | 14.85 |
| Adjusted : Issued and Subscribed Share Capital..... | 296.32 | 295.70 |

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

| | 2016 | | 2015 | |
|---|---------------------|---------------|---------------|---------------|
| | No. of shares | Rupees crores | No. of shares | Rupees crores |
| Issued and Subscribed : | | | | |
| Balance as at the beginning of the year | 62,10,92,384 | 310.55 | 61,58,92,384 | 307.95 |
| Add : | | | | |
| Shares issued to ESOP Trust | — | — | 52,00,000 | 2.60 |
| Balance as at the end of the year | 62,10,92,384 | 310.55 | 62,10,92,384 | 310.55 |
| Less : | | | | |
| Shares issued to ESOP Trust but not allotted to Employees [Note 5(O)] | 2,84,58,577 | 14.23 | 2,97,00,106 | 14.85 |
| Adjusted : Issued and Subscribed Share Capital..... | 59,26,33,807 | 296.32 | 59,13,92,278 | 295.70 |

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

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

| | 2016 | | 2015 | |
|--|--------------------|----------------|---------------|----------------|
| Name of the Shareholder | No. of shares | % shareholding | No. of shares | % shareholding |
| (i) Life Insurance Corporation of India..... | 7,72,50,271 | 12.44 | 7,82,03,359 | 12.59 |
| (ii) Prudential Management and Services Pvt. Ltd. | 7,07,60,970 | 11.39 | 7,07,60,970 | 11.39 |
| (iii) M&M Benefit Trust | 5,18,35,214 | 8.35 | 5,18,35,214 | 8.35 |
| (iv) The Bank of New York Mellon (for GDR holders) ... | 3,45,30,583 | 5.56 | 3,34,13,833 | 5.38 |

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

5. Reserves and Surplus :

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| (A) Capital Reserve : | | |
| Balance as at the beginning of the year..... | 23.52 | 23.54 |
| Less : | | |
| Consequent to change in Group's Interest | — | 0.02 |
| Balance as at the end of the year..... | 23.52 | 23.52 |
| (B) Capital Reserve on Consolidation : | | |
| Balance as at the beginning of the year..... | 1,204.15 | 1,204.15 |
| Add : | | |
| Consequent to change in Group's Interest | 23.05 | — |
| On acquisition during the year | 334.50 | — |
| Balance as at the end of the year..... | 1,561.70 | 1,204.15 |
| (C) Securities Premium Account : | | |
| Balance as at the beginning of the year..... | 2,579.70 | 2,533.93 |
| Add : | | |
| On account of exercise of employee stock options | 52.09 | 45.77 |
| Consequent to change in Group's Interest | — | 0.07 |
| | 2,631.79 | 2,579.77 |
| Less : | | |
| Writing-off of debenture issue expenses [Net of Tax of Rs. 0.02 crores (2015 : Rs. 0.03 crores)] | 0.03 | 0.07 |
| | 2,631.76 | 2,579.70 |
| Less : | | |
| Premium on shares issued to ESOP Trust but not allotted to employees [Note 5(O)] | 256.78 | 258.30 |
| Balance as at the end of the year..... | 2,374.98 | 2,321.40 |
| (D) Revaluation Reserve : | | |
| Balance as at the beginning of the year..... | 13.67 | 13.67 |
| Balance as at the end of the year..... | 13.67 | 13.67 |
| (E) General Reserve : | | |
| Balance as at the beginning of the year..... | 2,938.94 | 2,875.28 |
| Add : | | |
| Transfer from Surplus in Statement of Profit and Loss | 44.54 | 72.27 |
| On account of employee stock options* | — | 24.00 |
| On account of employee stock options lapsed | 0.23 | 0.08 |
| | 2,983.71 | 2,971.63 |
| Less : | | |
| Consequent to change in Group's Interest | 0.22 | 32.69 |
| Consequent to sale/disposal of subsidiary | 1.42 | — |
| | 2,982.07 | 2,938.94 |
| Add : | | |
| Bonus shares issued to ESOP Trust but not allotted to employees [Note 5(O)] | 0.50 | 0.81 |
| Balance as at the end of the year..... | 2,982.57 | 2,939.75 |

*relating to shares other than those allotted by the Company to the ESOP Trust.

5. Reserves and Surplus : (contd.)

Rupees crores

| | 2016 | 2015 |
|---|----------|---------|
| (F) Debenture Redemption Reserve : | | |
| Balance as at the beginning of the year..... | 277.45 | 263.61 |
| Add : | | |
| Transfer from Surplus in Statement of Profit and Loss | 42.84 | 81.35 |
| | 320.29 | 344.96 |
| Less : | | |
| Transfer to Surplus in Statement of Profit and Loss..... | 167.50 | 67.51 |
| Balance as at the end of the year..... | 152.79 | 277.45 |
| (G) Investment Fluctuation Reserve : | | |
| Balance as at the beginning of the year..... | 56.29 | 122.44 |
| Add : | | |
| Transfer from Surplus in Statement of Profit and Loss | 61.48 | — |
| Provision no longer required written back..... | — | 267.47 |
| | 117.77 | 389.91 |
| Less : | | |
| Utilisation during the year [Note 36] | 82.37 | 184.52 |
| Transfer to Surplus in Statement of Profit and Loss..... | 35.40 | 149.10 |
| Balance as at the end of the year..... | — | 56.29 |
| (H) Capital Redemption Reserve : | | |
| Balance as at the beginning of the year | 73.69 | 90.32 |
| Add : | | |
| Transfer from Surplus in Statement of Profit and Loss | 29.41 | — |
| | 103.10 | 90.32 |
| Less : | | |
| Consequent to change in Group's Interest | 0.04 | 16.63 |
| Balance as at the end of the year..... | 103.06 | 73.69 |
| (I) Statutory Reserve (under regulatory compliances) : | | |
| Balance as at the beginning of the year..... | 584.64 | 491.33 |
| Add : | | |
| Transfer from Surplus in Statement of Profit and Loss | 80.25 | 93.69 |
| | 664.89 | 585.02 |
| Less : | | |
| Consequent to change in Group's Interest | 0.40 | 0.38 |
| Balance as at the end of the year..... | 664.49 | 584.64 |
| (J) Hedging Reserve Account : | | |
| Balance as at the beginning of the year | (15.13) | (71.86) |
| Net movement, on hedging instruments, designated and effective as hedges and transfers to Statement of Profit and Loss on occurrence of forecasted hedge transactions (Net of Tax)..... | 70.55 | 56.73 |
| Balance as at the end of the year..... | 55.42 | (15.13) |
| (K) Foreign Currency Translation Reserve : | | |
| Balance as at the beginning of the year..... | 997.27 | 936.64 |
| Add : | | |
| On currency translation during the year (Net)..... | 23.90 | 60.63 |
| Balance as at the end of the year..... | 1,021.17 | 997.27 |

5. Reserves and Surplus : (contd.)

Rupees crores

| | 2016 | 2015 |
|---|------------------|------------------|
| (L) Employee Stock Options Outstanding : | | |
| Balance as at the beginning of the year..... | 142.79 | 223.11 |
| Add : | | |
| On account of options granted during the year..... | 357.05 | — |
| | 499.84 | 223.11 |
| Less : | | |
| Transfer to Securities Premium Account on exercise of options during the year | 52.09 | 45.77 |
| Transfer to General Reserve on account of employee stock options* | — | 24.00 |
| For options lapsed/forfeited during the year | 3.76 | 10.55 |
| Balance as at the end of the year..... | 443.99 | 142.79 |
| Less : | | |
| Deferred Employee Compensation Expense | 296.07 | 36.20 |
| Balance as at the end of the year..... | 147.92 | 106.59 |
| * relating to shares other than those allotted by the Company to the ESOP Trust. | | |
| (M) Foreign Currency Monetary Items Translation Difference Account : | | |
| Balance as at the beginning of the year..... | (79.58) | (121.01) |
| Add : | | |
| Arising on revaluation of long term monetary assets and liabilities (Net) | (82.41) | (41.86) |
| | (161.99) | (162.87) |
| Less : | | |
| Amortisation during the year..... | 157.04 | 83.29 |
| Balance as at the end of the year..... | (4.95) | (79.58) |
| (N) Surplus in Statement of Profit and Loss : | | |
| Balance as at the beginning of the year..... | 17,056.97 | 14,769.49 |
| Add : | | |
| Profit for the year..... | 3,211.26 | 3,137.47 |
| Consequent to change in Group's Interest | — | 229.35 |
| Reversal of income tax on dividend paid for 2013-14..... | — | 2.80 |
| Transfer from Investment Fluctuation Reserve..... | 35.40 | 149.10 |
| Transfer from Debenture Redemption Reserve..... | 167.50 | 67.51 |
| | 20,471.13 | 18,355.72 |
| Less : | | |
| Transfer to Debenture Redemption Reserve | 42.84 | 81.35 |
| Transfer to General Reserve | 44.54 | 72.27 |
| Transfer to Statutory Reserve..... | 80.25 | 93.69 |
| Transfer to Capital Redemption Reserve | 29.41 | — |
| Transfer to Investment Fluctuation Reserve | 61.48 | — |
| Consequent to change in Group's Interest..... | 51.18 | 72.83 |
| Group's share of subsidiaries and associates' dividend tax | 92.71 | 72.56 |
| Proposed Dividend [Rs. 12.00 per share (2015 : Rs. 12.00 per share)] | 745.31 | 745.31 |
| Income-tax on Proposed Dividend..... | 96.37 | 101.58 |
| Income-tax on Dividend Paid for 2014-15..... | 0.06 | — |
| Depreciation on transitional provision specified in Schedule II to the Companies Act, 2013 [Net of Tax of Rs. Nil crores (2015 : Rs. 27.09 crores)]** | — | 52.10 |
| Deferred tax on Special Reserve | — | 7.06 |
| | 1,244.15 | 1,298.75 |
| Balance as at the end of the year..... | 19,226.98 | 17,056.97 |
| Total Reserves and Surplus * | 28,323.32 | 25,560.68 |

* [including Group Share of Joint Ventures Rs. 68.09 crores (2015 : Rs. 46.63 crores)]

** excluding share attributable to minority interest of Rs. Nil crores (2015 : Rs. 6.31 crores).

(O) The Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India requires that shares allotted to a Trust but not transferred to employees be reduced from Share Capital and Reserves and Surplus. Accordingly, the Company has reduced the Share Capital by **Rs. 13.73 crores** (2015 : Rs. 14.04 crores) and Securities Premium Account by **Rs. 256.78 crores** (2015 : Rs. 258.30 crores) for the **2,74,61,619** shares of Rs. 5 each (2015 : 2,80,82,384 shares of Rs. 5 each) held by the Trust pending transfer to the eligible employees.

The Share Capital of the Company has also been reduced and the General Reserve increased by **Rs. 0.50 crores** (2015 : Rs. 0.81 crores) for the **9,96,958** bonus shares of Rs. 5 each (2015 : 16,17,722 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the Trust but not yet transferred by the Trust to the employees.

The above monies which are treated as advance received from the Trust, is included under Other Current Liabilities and Other Long Term Liabilities.

6. Long Term Borrowings :

| | Rupees crores | |
|---|---------------|-----------|
| | 2016 | 2015 |
| (A) Secured : | | |
| (i) Debentures/Bonds..... | 8,418.90 | 4,595.40 |
| (ii) Term Loan from Banks..... | 8,799.96 | 8,419.98 |
| (iii) Term Loan from Other Parties..... | 559.66 | 461.72 |
| (iv) Other Loans..... | 74.73 | 121.25 |
| | 17,853.25 | 13,598.35 |
| Group Share of Joint Ventures..... | 1,289.51 | 820.13 |
| | 19,142.76 | 14,418.48 |
| (B) Unsecured : | | |
| (i) Debentures/Bonds..... | 1,744.10 | 1,509.10 |
| (ii) Term Loan from Banks..... | 63.91 | 1,873.86 |
| (iii) Fixed Deposits..... | 2,878.51 | 3,238.63 |
| (iv) Other Loans..... | 1,106.93 | 1,126.87 |
| | 5,793.45 | 7,748.46 |
| Group Share of Joint Ventures..... | 160.09 | 160.09 |
| | 5,953.54 | 7,908.55 |
| | 25,096.30 | 22,327.03 |

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

The borrowings carry varying rates of interest ranging from 0% to 12.30% and have maturities starting from 2016 and ending with 2063.

| | Rupees crores | |
|--|---------------|-----------|
| | 2016 | 2015 |
| Borrowings repayable schedule : | | |
| (a) Secured * : | | |
| (i) In the first year [Note 12]..... | 8,578.61 | 7,469.89 |
| (ii) In the second year..... | 6,274.67 | 6,312.52 |
| (iii) In the third to fifth year..... | 10,854.44 | 7,328.78 |
| (iv) Above five years..... | 2,013.65 | 777.18 |
| | 27,721.37 | 21,888.37 |
| (b) Unsecured * : | | |
| (i) In the first year [Note 12]..... | 2,604.60 | 1,301.22 |
| (ii) In the second year..... | 1,957.64 | 2,694.49 |
| (iii) In the third to fifth year..... | 1,950.86 | 3,012.30 |
| (iv) Above five years..... | 2,045.04 | 2,201.76 |
| | 8,558.14 | 9,209.77 |

* Above amount includes current maturities of long term debt in note 12 and Group Share of Joint Ventures.

7A. Deferred Tax Liabilities (Net) :

The components of Deferred Tax Liabilities and Assets are as under :

| | Rupees crores | |
|--|-----------------|-----------------|
| | 2016 | 2015 |
| Deferred Tax Liabilities : | | |
| (i) On fiscal allowances on fixed assets..... | 1,884.59 | 1,583.95 |
| (ii) Others..... | 43.28 | 91.59 |
| | 1,927.87 | 1,675.54 |
| Group Share of Joint Ventures | 3.69 | 3.55 |
| Total Deferred Tax Liabilities | 1,931.56 | 1,679.09 |
| Deferred Tax Assets : | | |
| (i) On provision for employee benefits..... | 197.59 | 209.52 |
| (ii) On provision for doubtful debts/advances..... | 45.30 | 33.22 |
| (iii) Others..... | 135.91 | 148.87 |
| | 378.80 | 391.61 |
| Group Share of Joint Ventures | 0.73 | 0.65 |
| Total Deferred Tax Assets | 379.53 | 392.26 |
| Net Deferred Tax Liabilities | 1,552.03 | 1,286.83 |

7B. Deferred Tax Assets (Net) :

The components of Deferred Tax Liabilities and Assets are as under :

| | Rupees crores | |
|--|---------------|---------------|
| | 2016 | 2015 |
| Deferred Tax Liabilities : | | |
| (i) On fiscal allowances on fixed assets..... | 13.01 | 1.80 |
| (ii) Others..... | 21.18 | 11.12 |
| Total Deferred Tax Liabilities | 34.19 | 12.92 |
| Deferred Tax Assets : | | |
| (i) On provision for employee benefits..... | 12.32 | 11.07 |
| (ii) On provision for doubtful debts/advances..... | 602.91 | 417.57 |
| (iii) Others..... | 111.32 | 46.48 |
| | 726.55 | 475.12 |
| Group Share of Joint Ventures | 16.78 | 5.57 |
| Total Deferred Tax Assets | 743.33 | 480.69 |
| Net Deferred Tax Assets | 709.14 | 467.77 |

8. Other Long Term Liabilities :

Rupees crores

| | 2016 | 2015 |
|--|----------|----------|
| (i) Trade Payables | 83.03 | 48.83 |
| (ii) Deferred Income – Entitlement Fee | 1,689.32 | 1,508.66 |
| (iii) Interest accrued but not due on borrowings | 314.69 | 197.92 |
| (iv) Others..... | 798.32 | 751.05 |
| | 2,885.36 | 2,506.46 |
| Group Share of Joint Ventures | 95.08 | 2.30 |
| | 2,980.44 | 2,508.76 |

Others include dealer deposits, advance from customers, payable for investments, gratuity payable and monies adjusted from share capital and reserves & surplus on account of shares held by ESOP Trust pending transfer to the eligible employees.

9. Long Term Provisions :

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| (i) Provision for Employee Benefits | 2,597.19 | 2,363.74 |
| (ii) Provision for Warranty [Note 31] | 748.62 | 663.99 |
| (iii) Provision for Standard assets [Note 31] | 84.13 | 75.05 |
| (iv) Provision others..... | 67.59 | 135.43 |
| | 3,497.53 | 3,238.21 |
| Group Share of Joint Ventures : Includes Provision for Warranty Rs. 0.14 crores (2015 : Rs. 0.13 crores)..... | 92.80 | 1.74 |
| | 3,590.33 | 3,239.95 |

10. Short Term Borrowings :

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| (A) Secured : | | |
| (i) Loans repayable on demand from banks and cash credit accounts from banks..... | 1,745.60 | 1,250.78 |
| (ii) Term Loan from Bank | 781.58 | 977.35 |
| (ii) Debentures and Bonds | 50.00 | — |
| (iv) Other loans and advances..... | 704.56 | 583.26 |
| | 3,281.74 | 2,811.39 |
| Group Share of Joint Ventures..... | 553.69 | 362.90 |
| | 3,835.43 | 3,174.29 |
| (B) Unsecured : | | |
| (i) Loans repayable on demand from banks..... | 683.45 | 268.49 |
| (ii) Term Loan from Bank | 466.64 | 158.25 |
| (iii) Fixed Deposits..... | 161.55 | 69.43 |
| (iv) Commercial Papers | 2,979.55 | 3,475.00 |
| (v) Other loans and advances..... | 2.24 | 31.90 |
| | 4,293.43 | 4,003.07 |
| Group Share of Joint Ventures..... | 121.83 | 0.08 |
| | 4,415.26 | 4,003.15 |
| | 8,250.69 | 7,177.44 |

Loans and Advances from Banks are secured by a first charge on certain current assets namely inventories, certain book debts, outstanding monies, receivables, claims, etc. both present and future.

11. Trade Payables :

Rupees crores

| | 2016 | 2015 |
|-------------------------------------|-----------|-----------|
| (i) Acceptances | 1,916.00 | 2,629.33 |
| (ii) Other Trade Payables | 10,986.44 | 8,768.64 |
| | 12,902.44 | 11,397.97 |
| Group Share of Joint Ventures | 725.18 | 23.30 |
| | 13,627.62 | 11,421.27 |

12. Other Current Liabilities :

Rupees crores

| | 2016 | 2015 |
|---|-----------|-----------|
| (i) Current maturities of long term debt | 10,622.74 | 8,406.99 |
| (ii) Interest accrued but not due on borrowings | 655.01 | 481.04 |
| (iii) Interest accrued and due on borrowings | 7.18 | 6.95 |
| (iv) Deferred Income – Entitlement Fee | 191.41 | 166.91 |
| (v) Dividend Payable | 15.48 | 14.59 |
| (vi) Unclaimed matured deposits and interest accrued thereon | 0.97 | 0.84 |
| (vii) Other payables | 3,681.30 | 3,223.96 |
| | 15,174.09 | 12,301.28 |
| Group Share of Joint Ventures: Includes Current maturity of long term debt Rs. 560.47 crores (2015 : Rs. 364.12 crores) | 694.14 | 470.59 |
| | 15,868.23 | 12,771.87 |

Other payables mainly include advance from customers, capital creditors, government dues and taxes payable, gratuity payable and salary deductions payable.

13. Short Term Provisions :

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| (i) Provision for Employee Benefits | 309.85 | 351.27 |
| (ii) Proposed Dividend | 745.31 | 745.31 |
| (iii) Provision for Tax on Proposed Dividend | 96.37 | 101.58 |
| (iv) Provision for Warranty [Note 31] | 582.53 | 563.36 |
| (v) Provision for Estimated Loss/Expenses on Assignment | — | 67.57 |
| (vi) Provision for Standard assets [Note 31] | 68.37 | 59.69 |
| (vii) Provision for Taxation | 225.92 | 269.83 |
| (viii) Others | 256.84 | 201.88 |
| | 2,285.19 | 2,360.49 |
| Group Share of Joint Ventures : Includes Provision for Warranty Rs. 16.43 crores (2015 : Rs. 0.26 crores) | 25.39 | 1.73 |
| | 2,310.58 | 2,362.22 |

14. Fixed Assets :

| Description of Assets | Rupees crores | | | | | | | | | | | |
|--|---|---------------------------------|--|--|---|--|-------------------------------|--|--|--|---|---|
| | Cost/ Professional valuation as at 31 st March, 2015 | Additions during the year | Other Adjustments during the year | Deductions and Adjustments during the year | Cost/ Professional valuation as at 31 st March, 2016 | Depreciation upto 31 st March, 2015 | Depreciation for 2015-2016 | Deductions and Adjustments of Depreciation | Depreciation upto 31 st March, 2016 | Net Balance before Impairment as at 31 st March, 2016 | Impairment as at 31 st March, 2016 | Net Balance after Impairment as at 31 st March, 2016 |
| A : Tangible Assets | | | | | | | | | | | | |
| Land – Freehold..... | 3,120.10 | 49.36 | 80.67 | 4.61 | 3,245.52 | — | — | — | — | 3,245.52 | — | 3,245.52 |
| | 2,907.19 | 213.84 | 24.57 | 25.50 | 3,120.10 | — | — | — | — | 3,120.10 | — | 3,120.10 |
| Land – Leasehold | 573.26 | 61.77 | 10.97 | 12.83 | 633.17 | 50.61 | 29.20 | (0.61) | 80.42 | 552.75 | — | 552.75 |
| | 513.70 | 71.07 | 3.13 | 14.64 | 573.26 | 37.87 | 13.02 | 0.28 | 50.61 | 522.65 | — | 522.65 |
| Buildings – Freehold | 7,595.50 | 606.42 | 121.65 | 14.41 | 8,309.16 | 2,180.12 | 226.54 | (53.69) | 2,460.35 | 5,848.81 | 1,077.15 | 4,771.66 |
| | 7,121.44 | 740.05 | 43.55 | 309.54 | 7,595.50 | 1,885.78 | 333.97 | 39.63 | 2,180.12 | 5,415.38 | 1,048.35 | 4,367.03 |
| Buildings – Leasehold | 70.63 | 69.74 | 0.30 | 11.16 | 129.51 | 39.51 | 51.03 | 7.55 | 82.99 | 46.52 | 2.13 | 44.39 |
| | 70.83 | 6.90 | 0.04 | 7.14 | 70.63 | 31.98 | 11.11 | 3.58 | 39.51 | 31.12 | 1.00 | 30.12 |
| Plant and Equipment – Freehold | 25,264.99 | 2,964.57 | 502.05 | 396.00 | 28,335.61 | 15,528.19 | 1,699.70 | (25.92) | 17,253.81 | 11,081.80 | 1,536.57 | 9,545.23 |
| | 22,887.48 | 3,048.89 | 141.46 | 812.84 | 25,264.99 | 14,055.95 | 2,343.47 | 871.23 | 15,528.19 | 9,736.80 | 1,483.79 | 8,253.01 |
| Plant and Equipment – Leasehold | 20.39 | 0.28 | 0.63 | 5.20 | 16.10 | 4.13 | 2.17 | 2.13 | 4.17 | 11.93 | — | 11.93 |
| | 138.96 | 14.00 | (1.70) | 130.87 | 20.39 | 87.25 | 2.14 | 85.26 | 4.13 | 16.26 | — | 16.26 |
| Office Equipment..... | 268.19 | 77.62 | 1.23 | 19.62 | 327.42 | 165.62 | 47.00 | (1.06) | 213.68 | 113.74 | 0.61 | 113.13 |
| | 229.48 | 51.13 | 0.25 | 12.67 | 268.19 | 97.03 | 59.13 | (9.46) | 165.62 | 102.57 | 0.30 | 102.27 |
| Furniture and Fixtures | 909.22 | 115.25 | 13.04 | 63.58 | 973.93 | 508.54 | 99.60 | 44.99 | 563.15 | 410.78 | 26.07 | 384.71 |
| | 1,109.38 | 78.14 | 3.77 | 282.07 | 909.22 | 650.54 | 97.90 | 239.90 | 508.54 | 400.68 | 28.42 | 372.26 |
| Aircraft | 103.46 | — | — | — | 103.46 | 17.01 | 4.81 | — | 21.82 | 81.64 | — | 81.64 |
| | 103.46 | — | — | — | 103.46 | 12.20 | 4.81 | — | 17.01 | 86.45 | — | 86.45 |
| Vehicles..... | 511.17 | 146.93 | 2.20 | 71.99 | 588.31 | 255.65 | 89.02 | 54.37 | 290.30 | 298.01 | 6.14 | 291.87 |
| | 469.34 | 88.53 | 0.22 | 46.92 | 511.17 | 204.07 | 81.24 | 29.66 | 255.65 | 255.52 | 7.65 | 247.87 |
| Batteries | 6.68 | 10.62 | — | — | 17.30 | 0.56 | 1.69 | — | 2.25 | 15.05 | — | 15.05 |
| | 0.49 | 6.19 | — | — | 6.68 | 0.22 | 0.34 | — | 0.56 | 6.12 | — | 6.12 |
| Sub Total | 38,443.59 | 4,102.56 | 732.74 | 599.40 | 42,679.49 | 18,749.94 | 2,250.76 | 27.76 | 20,972.94 | 21,706.55 | 2,648.67 | 19,057.88 |
| | 35,551.75 | 4,318.74 | 215.29 | 1,642.19 | 38,443.59 | 17,062.89 | 2,947.13 | 1,260.08 | 18,749.94 | 19,693.65 | 2,569.51 | 17,124.14 |
| Group Share of Joint Ventures ... | 150.11 | 1,286.33 | 0.01 | 55.11 | 1,381.34 | 27.16 | 875.67 | 42.03 | 860.80 | 520.54 | — | 520.54 |
| | 136.06 | 14.31 | — | 0.26 | 150.11 | 17.96 | 9.11 | (0.09) | 27.16 | 122.95 | — | 122.95 |
| Sub Total A | 38,593.70 | 5,388.89 | 732.75 | 654.51 | 44,060.83 | 18,777.10 | 3,126.43 | 69.79 | 21,833.74 | 22,227.09 | 2,648.67 | 19,578.42 |
| | 35,687.81 | 4,333.05 | 215.29 | 1,642.45 | 38,593.70 | 17,080.85 | 2,956.24 | 1,259.99 | 18,777.10 | 19,816.60 | 2,569.51 | 17,247.09 |

14. Fixed Assets : (contd.)

Rupees crores

| Description of Assets | Cost/ Professional valuation as at 31 st March, 2015 | Additions during the year | Other Adjustments during the year | Deductions and Adjustments during the year | Cost/ Professional valuation as at 31 st March, 2016 | Depreciation/ Amortisation upto 31 st March, 2015 | Depreciation/ Amortisation for 2015-2016 | Deductions and Adjustments of Depreciation/ Amortisation | Depreciation/ Amortisation upto 31 st March, 2016 | Net Balance before Impairment as at 31 st March, 2016 | Impairment as at 31 st March, 2016 | Net Balance after Impairment as at 31 st March, 2016 |
|---|---|---------------------------------|--|--|---|---|--|---|---|--|---|---|
| B : Intangible Assets | | | | | | | | | | | | |
| Technical Knowhow..... | 101.51 104.80 | — — | — — | — 3.29 | 101.51 101.51 | 94.92 79.00 | 6.13 18.99 | — 3.07 | 101.05 94.92 | 0.46 6.59 | — — | 0.46 6.59 |
| Development Expenditure..... | 1,626.99 1,351.87 | 1,478.07 587.67 | 24.71 (8.05) | 246.61 304.50 | 2,883.16 1,626.99 | 737.48 585.02 | 358.61 215.93 | 239.40 63.47 | 856.69 737.48 | 2,026.47 889.51 | 4.20 — | 2,022.27 889.51 |
| Computer Software..... | 430.28 417.17 | 99.84 64.10 | 4.72 0.13 | 22.04 51.12 | 512.80 430.28 | 314.39 282.98 | 102.93 86.43 | 17.90 55.02 | 399.42 314.39 | 113.38 115.89 | — — | 113.38 115.89 |
| Websites..... | 4.34 4.11 | 0.42 0.23 | — — | — — | 4.76 4.34 | 4.14 4.06 | 0.07 0.06 | — (0.02) | 4.21 4.14 | 0.55 0.20 | — — | 0.55 0.20 |
| Non-Compete Fees..... | 0.55 2.23 | 0.43 0.32 | — — | — 2.00 | 0.98 0.55 | — 2.00 | 0.06 — | — 2.00 | 0.06 — | 0.92 0.55 | — — | 0.92 0.55 |
| Trademarks..... | 24.57 29.94 | 5.18 5.24 | 0.55 0.47 | — 11.08 | 30.30 24.57 | 11.59 17.91 | 3.64 2.88 | (0.32) 9.20 | 15.55 11.59 | 14.75 12.98 | 0.29 0.29 | 14.46 12.69 |
| Other Intangibles..... | 16.35 65.01 | 3.20 2.80 | 0.42 (0.05) | — 51.41 | 19.97 16.35 | 2.83 21.87 | 1.11 0.62 | (0.08) 19.66 | 4.02 2.83 | 15.95 13.52 | 4.01 3.76 | 11.94 9.76 |
| Sub Total..... | 2,204.59 1,975.13 | 1,587.14 660.36 | 30.40 (7.50) | 268.65 423.40 | 3,553.48 2,204.59 | 1,165.35 992.84 | 472.55 324.91 | 256.90 152.40 | 1,381.00 1,165.35 | 2,172.48 1,039.24 | 8.50 4.05 | 2,163.98 1,035.19 |
| Group Share of Joint Ventures..... | 0.61 0.63 | 19.80 0.03 | — — | — 0.05 | 20.41 0.61 | 0.42 0.26 | 12.35 0.17 | (0.13) 0.01 | 12.90 0.42 | 7.51 0.19 | — — | 7.51 0.19 |
| Sub Total B..... | 2,205.20 1,975.76 | 1,606.94 660.39 | 30.40 (7.50) | 268.65 423.45 | 3,573.89 2,205.20 | 1,165.77 993.10 | 484.90 325.08 | 256.77 152.41 | 1,393.90 1,165.77 | 2,179.99 1,039.43 | 8.50 4.05 | 2,171.49 1,035.38 |
| Grand Total (A+B)..... | 40,798.90 37,663.57 | 6,995.83 4,993.44 | 763.15 207.79 | 923.16 2,065.90 | 47,634.72 40,798.90 | 19,942.87 18,073.95 | 3,611.33 3,281.32 | 326.56 1,412.40 | 23,227.64 19,942.87 | 24,407.08 20,856.03 | 2,657.17 2,573.56 | 21,749.91 18,282.47 |

14. Fixed Assets : (contd.)

The above includes following assets given on operating lease :

Rupees crores

| Particulars | As at 31 st March, 2016 | | | 2016 |
|-------------------------------------|------------------------------------|--------------------------|-------------------------|----------------------------------|
| | Gross Block | Accumulated Depreciation | Net Block | Depreciation charge for the year |
| Buildings – Freehold..... | 111.15 111.05 | 14.62 12.21 | 96.53 98.84 | 2.40 2.46 |
| Plant and Equipment – Freehold..... | 11.93 11.86 | 4.75 3.45 | 7.18 8.41 | 1.31 1.18 |
| Furniture and Fixtures..... | 13.91 13.91 | 10.48 8.98 | 3.43 4.93 | 1.49 1.65 |
| Batteries | 17.30 6.68 | 2.25 0.56 | 15.05 6.12 | 1.69 0.34 |
| Total | 154.29 143.50 | 32.10 25.20 | 122.19 118.30 | 6.89 5.63 |

Current year figures are in Bold.

- (a) Other Adjustments during the year includes translation difference of opening balance, difference in exchange and Interest capitalised.
- (b) Depreciation charge for the year excludes :
- An amount of **Rs. 0.13 crores** (2015 : 0.14 crores), representing depreciation on the assets used for development work transferred to Capital Work-in-Progress.
 - In accordance with the requirements of Companies Act, 2013, the parent company, its Indian subsidiaries and joint ventures has effective 1st April, 2014 reviewed and revised the estimated useful lives of its fixed assets generally in accordance with the provisions of Schedule II of the Companies Act, 2013. Consequently, in respect of assets, whose useful life is exhausted as at 1st April, 2014, the related carrying amount aggregating to **Rs. Nil crores** (2015 : Rs 85.50 crores) was adjusted against opening balance of Surplus in the Statement of Profit and Loss in the previous year.
- (c) Impairment charge for the year to Statement of Profit & Loss is given below :

Rupees crores

| Particulars | Charge for the year |
|-------------------------------------|---------------------|
| Building – Leasehold..... | 2.13 |
| Plant and Equipment – Freehold..... | 22.71 |
| Office Equipment | 0.61 |
| Furniture and Fixtures..... | 0.78 |
| Vehicles..... | 0.10 |
| Development Expenditure..... | 4.32 |
| Other Intangibles | 0.01 |
| Total | 30.66 |

- (d) Addition to tangible and intangible assets and depreciation/amortisation for the year include the following assets and accumulated depreciation/amortisation taken over on acquisition of subsidiaries and joint ventures :

Rupees crores

| Description of Assets | As at 31 st March, 2016 | | As at 31 st March, 2015 | |
|--------------------------------------|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| | Cost | Accumulated Depreciation/Amortisation | Cost | Accumulated Depreciation/Amortisation |
| Land – Freehold..... | 160.75 | — | 0.26 | — |
| Land – Leasehold..... | 49.05 | 21.70 | 10.99 | 5.21 |
| Buildings – Freehold..... | 421.53 | 154.20 | 167.44 | 165.46 |
| Buildings – Leasehold..... | 56.98 | 37.60 | — | — |
| Plant and Equipment – Freehold..... | 503.99 | 375.74 | 973.35 | 971.98 |
| Plant and Equipment – Leasehold..... | 140.63 | 67.56 | — | — |
| Furniture and Fixtures..... | 369.36 | 344.05 | 2.35 | 1.79 |
| Vehicles..... | 5.40 | 4.85 | 0.07 | 0.05 |
| Office Equipment | 0.09 | 0.08 | 10.43 | 10.27 |
| Trademarks..... | 0.47 | 0.06 | — | — |
| Computer Software..... | 50.19 | 23.64 | 0.64 | 0.39 |
| Other Intangibles | 0.21 | 0.08 | 2.28 | 2.19 |
| Total | 1,758.65 | 1,029.56 | 1,167.81 | 1,157.34 |

15. (A) Non Current Investments (At Cost, unless otherwise specified)

Rupees crores

| | 2016 | 2015 |
|--|-----------------|-----------------|
| | Long Term | Long Term |
| Investments in Equity Instruments : (Trade and fully paid-up) | | |
| Unquoted : | | |
| (i) In Associate Companies..... | 34.92 | 146.50 |
| (ii) In Other Companies..... | 9.38 | 9.38 |
| | 44.30 | 155.88 |
| Quoted : | | |
| (i) In Associate Companies..... | 6,177.71 | 5,377.59 |
| | 6,222.01 | 5,533.47 |
| Investments in Equity Instruments : (Non-trade and fully paid-up) | | |
| Unquoted : | | |
| (i) In Other Companies..... | 132.08 | 127.69 |
| Quoted : | | |
| (i) In Other Companies..... | 2.35 | 2.35 |
| Investment in Equity Instruments..... | 6,356.44 | 5,663.51 |
| Investment in Preference Shares : (Trade and fully paid-up) | | |
| Unquoted : | | |
| (i) In Associate Companies..... | 5.53 | 5.53 |
| (ii) In Other Companies..... | 11.82 | 11.82 |
| | 17.35 | 17.35 |
| Investment in Preference Shares : (Non-trade and fully paid-up) | | |
| Unquoted : | | |
| (i) In Other Companies..... | 35.36 | 36.00 |
| Investment in Preference Shares..... | 52.71 | 53.35 |
| Investment in Government/Trust Securities | | |
| Unquoted : | | |
| (i) Trust Securities | 1,574.10 | 1,574.10 |
| Quoted : | | |
| (i) Government Securities | 632.21 | 506.13 |
| Investment in Government/Trust Securities | 2,206.31 | 2,080.23 |
| Investment in Debentures/Bonds : (Trade and fully paid-up) | | |
| Unquoted : | | |
| (i) In Joint Venture Companies | 160.09 | 160.09 |
| Quoted : | | |
| (i) In Other Companies..... | 20.00 | 53.54 |
| Investment in Debentures/Bonds : (Trade and fully paid-up) | 180.09 | 213.63 |
| Other Investments : | | |
| Unquoted : | | |
| (i) In Other Companies..... | 4.80 | 3.21 |
| | 8,800.35 | 8,013.93 |
| Group Share of Joint Ventures | 58.74 | — |
| | 8,859.09 | 8,013.93 |
| Less : Provision for diminution in value of Long Term Investments..... | 114.92 | 114.94 |
| | 8,744.17 | 7,898.99 |
| Other Disclosures : | | |
| (i) Aggregate amount of quoted Investments (Gross)..... | 6,832.27 | 5,886.07 |
| Market Value of quoted Investments..... | 15,566.22 | 19,997.59 |
| (ii) Aggregate amount of unquoted Investments (Gross) | 2,026.82 | 2,127.86 |

15. (B) Current Investments (At Cost, unless otherwise specified)

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| | Current | Current |
| Investment in Equity Instruments (Unquoted) | — | 0.10 |
| Investment in Government Securities (Quoted) | 1.91 | 12.78 |
| Investment in Debentures/Bonds (Quoted) | 135.16 | 126.12 |
| Other Investments (Unquoted) : | | |
| (i) Units of Mutual Funds..... | 2,271.21 | 1,703.86 |
| (ii) Certificate of Deposits..... | 860.44 | 273.16 |
| (iii) Commercial Paper | 150.00 | 15.00 |
| | 3,418.72 | 2,131.02 |
| Group Share of Joint Ventures | 14.00 | 0.07 |
| | 3,432.72 | 2,131.09 |
| Less : Aggregate excess of cost over fair value, by category..... | 0.04 | 2.94 |
| | 3,432.68 | 2,128.15 |
| Other Disclosures : | | |
| (i) Aggregate amount of quoted Investments (Gross)..... | 137.07 | 138.90 |
| Market Value of quoted Investments..... | 137.46 | 136.84 |
| (ii) Aggregate amount of unquoted Investments (Gross) | 3,295.65 | 1,992.19 |

16. Long Term Loans and Advances :

Rupees crores

| | 2016 | 2015 |
|---|-----------|-----------|
| (A) Capital Advances : | | |
| Unsecured, considered good | 445.93 | 671.12 |
| Doubtful..... | 2.75 | 3.21 |
| | 448.68 | 674.33 |
| Less : Provision for doubtful Capital Advances | 2.75 | 3.21 |
| | 445.93 | 671.12 |
| (B) Security Deposits : | | |
| Unsecured, considered good | 270.77 | 265.00 |
| Doubtful..... | 1.81 | 1.71 |
| | 272.58 | 266.71 |
| Less : Provision for doubtful Security Deposits | 1.81 | 1.71 |
| | 270.77 | 265.00 |
| (C) Loans and Advances to Related Parties : | | |
| Unsecured, considered good | 12.81 | 8.04 |
| Doubtful..... | 10.00 | 10.00 |
| | 22.81 | 18.04 |
| Less : Provision for doubtful Loans and Advances to Related Parties.... | 10.00 | 10.00 |
| | 12.81 | 8.04 |
| (D) Loans and Advances against Assets : | | |
| Secured, considered good..... | 20,133.92 | 17,907.23 |
| Doubtful..... | 779.36 | 519.59 |
| | 20,913.28 | 18,426.82 |
| Less : Provision for doubtful Loans and Advances against Assets | 384.22 | 257.75 |
| | 20,529.06 | 18,169.07 |

16. Long Term Loans and Advances : (contd.)

Rupees crores

| | | 2016 | 2015 |
|--|----------|-----------|-----------|
| (E) Other Loans and Advances : | | | |
| Secured, considered good..... | 5.60 | | 6.85 |
| Unsecured, considered good | 3,341.40 | | 3,600.10 |
| Doubtful..... | 19.05 | | 7.89 |
| | | 3,366.05 | 3,614.84 |
| Less : Provision for doubtful Other Loans and Advances | | 19.05 | 7.89 |
| | | 3,347.00 | 3,606.95 |
| | | 24,605.57 | 22,720.18 |
| Group Share of Joint Ventures..... | | 1,998.49 | 1,346.29 |
| | | 26,604.06 | 24,066.47 |

Other Loans and Advances includes VAT receivable, payment towards income-tax & surtax, MAT Credit entitlement, other recoverable expenses and advances to employees.

17. Other Non-Current Assets :

Rupees crores

| | | 2016 | 2015 |
|--|--|--------|--------|
| (A) Long Term Trade Receivables: | | | |
| Unsecured, considered good..... | | 561.64 | 444.35 |
| Doubtful..... | | 6.67 | 0.49 |
| | | 568.31 | 444.84 |
| Less : Provision for doubtful Long Term Trade Receivables..... | | 6.67 | 0.49 |
| | | 561.64 | 444.35 |
| (B) Others: | | 92.04 | 121.86 |
| | | 653.68 | 566.21 |
| Group Share of Joint Ventures..... | | 1.45 | 15.55 |
| | | 655.13 | 581.76 |

18. Inventories :

Rupees crores

| | | 2016 | 2015 |
|---|--|-----------|----------|
| (i) Raw Materials and Bought-out Components [includes in transit Rs. 748.66 crores (2015 : Rs. 798.89 crores)] | | 3,477.89 | 3,159.83 |
| (ii) Contracts and Work-in-Progress..... | | 507.28 | 462.36 |
| (iii) Work-in-Progress – Property Development Activity and Long Term Contracts | | 2,583.77 | 1,735.99 |
| (iv) Manufactured Components..... | | 119.47 | 125.33 |
| (v) Finished Products produced | | 2,526.59 | 2,109.62 |
| (vi) Stock-in-Trade [includes in transit Rs. 66.66 crores (2015 : Rs. 40.11 crores)] | | 738.48 | 541.54 |
| (vii) Stores and Spares..... | | 133.25 | 122.30 |
| (viii) Loose Tools | | 46.79 | 47.77 |
| (ix) Food, Beverages, Smokes and Operating Supplies | | 11.32 | 5.84 |
| | | 10,144.84 | 8,310.58 |
| Group Share of Joint Ventures | | 484.15 | 142.81 |
| | | 10,628.99 | 8,453.39 |

19. Trade Receivables :

| | Rupees crores | |
|--|---------------|----------|
| | 2016 | 2015 |
| (A) Secured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 6.86 | 6.74 |
| Others..... | 389.76 | 194.07 |
| | 396.62 | 200.81 |
| (B) Unsecured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 645.05 | 647.75 |
| Others..... | 5,004.91 | 4,603.35 |
| | 5,649.96 | 5,251.10 |
| (C) Doubtful | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 167.04 | 122.44 |
| Others..... | 1.54 | 2.22 |
| | 168.58 | 124.66 |
| Less : Provision for doubtful Trade Receivables | 168.58 | 124.66 |
| | — | — |
| | 6,046.58 | 5,451.91 |
| Group Share of Joint Ventures..... | 372.46 | 24.25 |
| | 6,419.04 | 5,476.16 |

20. Cash and Bank Balances :

| | Rupees crores | |
|---|---------------|----------|
| | 2016 | 2015 |
| (A) Cash and Cash Equivalents : | | |
| Balances with Banks : | | |
| (i) On Current Accounts..... | 1,352.11 | 951.88 |
| (ii) Fixed Deposits with original maturity less than 3 months..... | 673.97 | 1,599.96 |
| | 2,026.08 | 2,551.84 |
| Cheques, drafts on hand..... | 399.00 | 398.36 |
| Cash on hand | 31.14 | 22.55 |
| Group Share of Joint Ventures..... | 335.61 | 26.84 |
| | 2,791.83 | 2,999.59 |
| (B) Other Bank Balances : | | |
| Earmarked Balances with Banks..... | 24.25 | 26.59 |
| Balances with Banks : | | |
| (i) On Margin Accounts | 126.27 | 244.66 |
| (ii) Fixed Deposits with original maturity greater than 3 months* ... | 1,960.65 | 1,635.96 |
| | 2,086.92 | 1,880.62 |
| Group Share of Joint Ventures..... | 3.48 | 5.03 |
| | 2,114.65 | 1,912.24 |
| | 4,906.48 | 4,911.83 |

* Includes deposits of **Rs. 18.32 crores** (2015 : Rs. 48.73 crores) with maturity greater than 12 months from Balance Sheet date.

21. Short Term Loans and Advances :

| | Rupees crores | |
|--|---------------|-----------|
| | 2016 | 2015 |
| (A) Loans and Advances to Related Parties : | | |
| Unsecured, considered good..... | 6.38 | 4.55 |
| Doubtful..... | 5.35 | 5.80 |
| | 11.73 | 10.35 |
| Less : Provision for doubtful Loans and Advances to Related Parties... | 5.35 | 5.80 |
| | 6.38 | 4.55 |
| (B) Loans and Advances against Assets : | | |
| Secured, considered good..... | 14,962.68 | 13,445.37 |
| Doubtful..... | 2,152.97 | 1,361.03 |
| | 17,115.65 | 14,806.40 |
| Less : Provision for doubtful Loans and Advances against Assets..... | 1,135.12 | 709.88 |
| | 15,980.53 | 14,096.52 |
| (C) Other Loans and Advances : | | |
| Secured, considered good..... | 10.64 | 60.69 |
| Unsecured, considered good..... | 3,297.04 | 3,101.57 |
| Doubtful..... | 75.21 | 66.90 |
| | 3,382.89 | 3,229.16 |
| Less : Provision for doubtful other Loans and Advances..... | 75.21 | 66.90 |
| | 3,307.68 | 3,162.26 |
| | 19,294.59 | 17,263.33 |
| Group Share of Joint Ventures..... | 723.70 | 548.47 |
| | 20,018.29 | 17,811.80 |

Other Loans and Advances includes balances with government authorities, MAT credit entitlement, advance to suppliers, other recoverable expenses, deposits and prepaid expenses.

22. Other Current Assets :

| | Rupees crores | |
|---|---------------|--------|
| | 2016 | 2015 |
| (i) Government Grant Receivable..... | 319.54 | 302.11 |
| (ii) Others..... | 751.05 | 644.22 |
| | 1,070.59 | 946.33 |
| Less : Provision for doubtful other current assets..... | 3.87 | 3.88 |
| | 1,066.72 | 942.45 |
| Group Share of Joint Ventures..... | 72.79 | 26.33 |
| | 1,139.51 | 968.78 |

23. Revenue from Operations :

Rupees crores

| | | 2016 | 2015 |
|--|----------|-----------|-----------|
| Sale of Products..... | | 70,318.11 | 64,552.74 |
| Sale of Services..... | | 3,275.63 | 2,251.59 |
| Group Share of Joint Ventures | | 842.31 | 98.86 |
| Gross Revenue from Sale of Products and Services..... | | 74,436.05 | 66,903.19 |
| Other Operating Revenues | | | |
| (i) Income from long term contracts..... | 643.15 | | 878.88 |
| (ii) Lease and rental income..... | 48.94 | | 141.83 |
| (iii) Scrap Sales | 168.59 | | 210.60 |
| (iv) Interest income of financial enterprises consolidated..... | 6,326.40 | | 5,840.21 |
| (v) Dividend Income of Investment enterprises consolidated | 0.19 | | 0.12 |
| (vi) Government Grant and Incentives..... | 363.95 | | 462.24 |
| (vii) Others..... | 567.70 | | 469.94 |
| Group Share of Joint Ventures | 110.71 | | 82.22 |
| | | 8,229.63 | 8,086.04 |
| | | 82,665.68 | 74,989.23 |
| Less: Excise Duty attributable to products sold..... | | 4,650.08 | 3,541.23 |
| | | 78,015.60 | 71,448.00 |

24. Other Income :

Rupees crores

| | | 2016 | 2015 |
|--|--------|--------|--------|
| (i) Interest Income : | | | |
| (a) Interest – Current Investments..... | 40.93 | | 17.98 |
| (b) Interest – others | 243.11 | | 284.29 |
| | | 284.04 | 302.27 |
| (ii) Dividend on long term Investments | | 0.15 | 0.17 |
| (iii) Dividend on current Investments..... | | 61.44 | 94.94 |
| (iv) Profit on sale of current Investments (Net) | | 59.80 | 21.31 |
| (v) Other non operating Income | | 117.86 | 105.05 |
| | | 523.29 | 523.74 |
| Group Share of Joint Ventures | | 17.71 | 1.29 |
| | | 541.00 | 525.03 |

25. Cost of Materials Consumed :

Rupees crores

| | | 2016 | 2015 |
|--|--|-----------|-----------|
| Opening Stock | | 3,159.83 | 2,988.12 |
| Add : Purchases | | 42,748.22 | 40,403.40 |
| | | 45,908.05 | 43,391.52 |
| Add : Stock on Acquisition/(Disposal)..... | | (2.55) | 65.58 |
| | | 45,905.50 | 43,457.10 |
| Less : Closing Stock..... | | 3,477.89 | 3,159.83 |
| | | 42,427.61 | 40,297.27 |
| Foreign currency translation | | 83.25 | 15.51 |
| Group Share of Joint Ventures | | 662.55 | 74.05 |
| | | 43,173.41 | 40,386.83 |

26. Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Manufactured Components :

Rupees crores

| | 2016 | 2015 |
|---|----------|----------|
| Opening Stock : | | |
| (i) Finished Products Produced..... | 2,109.62 | 2,256.48 |
| (ii) Contracts and Work-in-Progress..... | 462.36 | 544.21 |
| (iii) Stock-in-Trade | 541.54 | 572.93 |
| (iv) Manufactured Components..... | 125.33 | 144.43 |
| | 3,238.85 | 3,518.05 |
| Add : Stock on Acquisition/(Disposal) : | | |
| (i) Finished Products Produced..... | (0.79) | 100.49 |
| (ii) Contracts and Work-in-Progress..... | (1.32) | (103.37) |
| (iii) Manufactured Components..... | — | (2.18) |
| | (2.11) | (5.06) |
| Less : Closing Stock : | | |
| (i) Finished Products Produced..... | 2,526.59 | 2,109.62 |
| (ii) Contracts and Work-in-Progress..... | 507.28 | 462.36 |
| (iii) Stock-in-Trade | 738.48 | 541.54 |
| (iv) Manufactured Components..... | 119.47 | 125.33 |
| | 3,891.82 | 3,238.85 |
| | (655.08) | 274.14 |
| Excise Duty paid on changes in inventories of finished goods..... | 66.87 | 28.25 |
| Foreign currency translation | 32.59 | (26.54) |
| Group Share of Joint Ventures | 31.25 | (1.72) |
| (Increase)/decrease in Stock..... | (524.37) | 274.13 |

27. Employee Benefits Expense :

Rupees crores

| | 2016 | 2015 |
|--|----------|----------|
| (i) Salaries, Wages, Bonus, etc. | 6,350.15 | 5,551.01 |
| (ii) Contribution to Provident and other funds | 599.00 | 915.32 |
| (iii) Employee Stock Compensation Expense | 113.33 | 51.51 |
| (iv) Welfare..... | 782.01 | 668.51 |
| | 7,844.49 | 7,186.35 |
| Group Share of Joint Ventures | 147.75 | 16.14 |
| | 7,992.24 | 7,202.49 |

28. Finance Costs :

Rupees crores

| | 2016 | 2015 |
|-------------------------------------|----------|----------|
| (i) Interest Expense..... | 3,221.35 | 3,017.42 |
| (ii) Other Borrowing Costs..... | 104.36 | 107.15 |
| | 3,325.71 | 3,124.57 |
| Group Share of Joint Ventures | 47.23 | 32.12 |
| | 3,372.94 | 3,156.69 |

29. Other Expenses :

| | | Rupees crores | |
|---------|---|---------------|-----------|
| | | 2016 | 2015 |
| (i) | Stores consumed | 330.96 | 358.14 |
| (ii) | Tools consumed | 49.53 | 48.65 |
| (iii) | Power and Fuel..... | 780.73 | 786.96 |
| (iv) | Rent including lease rentals..... | 496.25 | 375.18 |
| (v) | Rates and Taxes | 115.62 | 116.58 |
| (vi) | Insurance | 115.94 | 89.06 |
| (vii) | Repairs and Maintenance : | | |
| | (a) Buildings | 108.87 | 79.07 |
| | (b) Machinery..... | 296.89 | 274.62 |
| | (c) Others | 241.58 | 220.40 |
| | | 647.34 | 574.09 |
| (viii) | Advertisement | 871.55 | 668.02 |
| (ix) | Commission on sales/contracts (Net)..... | 1,113.09 | 893.10 |
| (x) | Freight outward | 2,094.65 | 1,961.78 |
| (xi) | Sales Promotion Expenses | 1,264.61 | 957.18 |
| (xii) | Dealer and other sales incentives | 576.34 | 533.08 |
| (xiii) | Travelling and Conveyance Expenses..... | 464.79 | 396.64 |
| (xiv) | Cost of Projects, Property etc..... | 589.57 | 490.38 |
| (xv) | Subcontracting, Hire and Service Charges | 1,171.23 | 1,082.13 |
| (xvi) | Provision for doubtful trade and other receivables, loans and advances..... | 619.30 | 372.31 |
| (xvii) | Donations and contributions | 100.29 | 96.11 |
| (xviii) | Excess of carrying cost over fair value of current investments, reversed (Net)..... | (2.90) | (0.76) |
| (xix) | Miscellaneous expenses | 3,889.98 | 3,030.80 |
| | | 15,288.87 | 12,829.43 |
| | Group Share of Joint Ventures | 236.08 | 57.88 |
| | | 15,524.95 | 12,887.31 |

30. During the year, Mahindra & Mahindra Financial Services Limited (MMFSL) has without recourse securitised on "at par" basis vide PTC route loan receivables of **30,940 contracts** (2015: 27,907 contracts) amounting to **Rs. 855.87 crores** (2015 : Rs. 722.30 crores) for a consideration of **Rs. 855.87 crores** (2015: Rs. 722.30 crores) and de-recognised the assets from the books.

31. (a) Provision for warranty relates to warranty provision made in respect of sale of certain products, the estimated costs of which are accrued at the time of sale.
- (b) Provision on standard assets relates to those created under regulatory compliances of certain financial enterprises consolidated. The movement in above provisions is as follows :

| Rupees crores | | | | |
|---|-----------------|-----------------|-----------------|---------------|
| | Warranty | | Standard Assets | |
| | 2016 | 2015 | 2016 | 2015 |
| Balance as at 1 st April..... | 1,227.74 | 1,149.23 | 134.74 | 121.43 |
| Add : | | | | |
| Provision made during the year | 605.21 | 563.27 | 17.76 | 13.31 |
| Subsidiaries acquired during the year..... | 13.63 | 16.43 | — | — |
| | 1,846.58 | 1,728.93 | 152.50 | 134.74 |
| Less : | | | | |
| Utilisation during the year | 520.68 | 506.40 | — | — |
| | 1,325.90 | 1,222.53 | 152.50 | 134.74 |
| Add : | | | | |
| Adjustments due to Exchange Difference..... | 21.82 | 5.21 | — | — |
| Balance as at 31 st March | 1,347.72 | 1,227.74 | 152.50 | 134.74 |
| Out of the above,* | | | | |
| Classified as Current..... | 598.96 | 563.62 | 68.37 | 59.69 |
| Classified as Non-Current | 748.76 | 664.12 | 84.13 | 75.05 |
| Total | 1,347.72 | 1,227.74 | 152.50 | 134.74 |

* Includes Group Share of Joint Ventures

32. Employee Defined Benefits :

General description of defined benefit plans:

Gratuity

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

Ssangyong Motor Company provides certain severance benefit to employees on leaving service. The benefit is payable after one year of service and is one month'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 by the Company. The eligibility of the employee for the benefit as well as the amount of medical cover purchased is determined by the grade of the employee at the time of retirement.

Post Retirement housing allowance

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

Defined Benefit Plans – as per Actuarial valuation on 31st March, 2016

Rupees crores

| | Funded Plan | | Unfunded Plan | | | | | |
|---|-------------|----------|---------------|------------|----------------------------------|---------|-----------------------------------|---------|
| | Gratuity | | Gratuity | | Post Retirement Medical Benefits | | Post Retirement Housing Allowance | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| A. Expense recognised in the Statement of Profit and Loss for the year ended 31st March | | | | | | | | |
| 1. Current Service Cost..... | 74.42 | 54.98 | 259.91 | 214.71 | 1.17 | 0.98 | 2.64 | 2.04 |
| 2. Interest Cost..... | 58.23 | 55.34 | 41.06 | 45.33 | 1.74 | 1.54 | 3.54 | 3.05 |
| 3. Expected return on Plan Assets..... | (35.22) | (31.40) | — | — | — | — | — | — |
| 4. Actuarial (Gains)/Losses..... | (14.28) | 35.79 | (2.98) | 179.56 | 2.38 | 2.62 | (0.87) | 5.79 |
| 5. Past Service Cost..... | — | — | 0.13 | 166.71 | — | — | — | — |
| 6. Payments on account of employees transferred | 0.05 | (1.86) | 0.03 | — | — | — | — | — |
| 7. Effect of the limit in Para 59(b) of the Revised AS 15..... | — | (0.01) | — | — | — | — | — | — |
| 8. Total expense recognised in Employees Benefits Expense | 83.20 | 112.84 | 298.15 | 606.31 | 5.29 | 5.14 | 5.31 | 10.88 |
| B. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March | | | | | | | | |
| 1. Present Value of Defined Benefit Obligation as at 31 st March | 932.12 | 782.63 | 2,013.82 | 1,711.43 | 25.57 | 20.94 | 45.44 | 42.00 |
| 2. Fair value of Plan Assets as at 31 st March | 646.78 | 500.91 | — | — | — | — | — | — |
| 3. Trust Fund Receivable..... | — | — | 7.28 | 8.03 | — | — | — | — |
| 4. Net Asset/(Liability) as at 31 st March | (285.34) | (281.72) | (2,006.54) | (1,703.40) | (25.57) | (20.94) | (45.44) | (42.00) |
| 5. Current Portion of the above | (64.25) | (60.23) | (3.18) | (2.67) | (0.81) | (0.65) | (1.88) | (1.01) |
| 6. Non Current Portion of the above..... | (221.09) | (221.49) | (2,003.36) | (1,700.73) | (24.76) | (20.29) | (43.56) | (40.99) |
| C. Change in the obligations during the year ended 31st March | | | | | | | | |
| 1. Present Value of Defined Benefit Obligation at the beginning of the year..... | 782.63 | 636.96 | 1,711.43 | 1,162.75 | 20.94 | 16.37 | 42.00 | 32.13 |
| 2. Adjustment to the opening balance/ exchange rate variation..... | 7.81 | 0.40 | 56.89 | (1.32) | — | — | — | — |
| 3. Obligations arising on account of acquisitions/Change in group interest during the year..... | 98.38 | 58.34 | 86.91 | 0.22 | — | — | — | — |
| 4. Consequent to sale/disposal of the subsidiaries..... | (5.27) | (16.42) | — | (0.06) | — | — | — | — |
| 5. Current Service Cost..... | 74.42 | 54.98 | 259.91 | 214.71 | 1.17 | 0.98 | 2.64 | 2.04 |
| 6. Interest Cost..... | 58.23 | 55.34 | 41.06 | 45.33 | 1.74 | 1.54 | 3.54 | 3.05 |
| 7. Actuarial (Gains)/Losses..... | (10.20) | 43.74 | (2.98) | 179.56 | 2.38 | 2.62 | (0.87) | 5.79 |
| 8. Benefits paid..... | (73.88) | (50.71) | (139.53) | (56.47) | (0.66) | (0.57) | (1.87) | (1.01) |
| 9. Past Service Cost..... | — | — | 0.13 | 166.71 | — | — | — | — |
| 10. Present Value of Defined Benefit Obligation at the end of the year | 932.12 | 782.63 | 2,013.82 | 1,711.43 | 25.57 | 20.94 | 45.44 | 42.00 |

| | Funded Plan | | Unfunded Plan | | | | | |
|---|----------------|----------------|----------------|----------------|----------------------------------|---------------|-----------------------------------|--------|
| | Gratuity | | Gratuity | | Post Retirement Medical Benefits | | Post Retirement Housing Allowance | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| D. Change in the fair value of Plan Assets during the year ended 31st March | | | | | | | | |
| 1. Fair value of Plan Assets at the beginning of the year | 500.91 | 448.30 | — | — | — | — | — | — |
| 2. Adjustment to the opening balance/ exchange rate variation..... | 2.95 | 0.69 | — | — | — | — | — | — |
| 3. Fair value of Plan Assets arising on account of acquisitions during the year..... | 77.43 | 18.06 | — | — | — | — | — | — |
| 4. Fair value of Plan Assets transferred on disposal/sale of subsidiaries..... | (2.40) | (13.29) | — | — | — | — | — | — |
| 5. Expected return on Plan Assets..... | 35.22 | 31.40 | — | — | — | — | — | — |
| 6. Actuarial Gains/(Losses)..... | 4.08 | 7.95 | — | — | — | — | — | — |
| 7. Contributions by employer | 102.47 | 58.51 | — | — | 0.66 | 0.57 | 1.87 | 1.01 |
| 8. Actual Benefits paid..... | (73.88) | (50.71) | — | — | (0.66) | (0.57) | (1.87) | (1.01) |
| 9. Fair value of Plan Assets at the end of the year | 646.78 | 500.91 | — | — | — | — | — | — |
| 10. Actual return on Plan Assets | 39.30 | 38.94 | — | — | — | — | — | — |
| E. Major category of Plan Assets as a percentage of total plan | | | | | | | | |
| Insurer Managed Funds* | 100.00% | 100.00% | — | — | — | — | — | — |
| F. Actuarial Assumptions | | | | | | | | |
| 1. Discount Rate..... | 0.99% - 8.40% | 0.84% - 9.00% | 1.87% - 8.10% | 2.28% - 9.10% | 7.81% - 8.00% | 8.00% - 8.05% | 7.85% | 8.00% |
| 2. Expected rate of return on plan assets | 1.85% - 9.50% | 1.85% - 9.30% | — | — | — | — | — | — |
| 3. Attrition rate..... | 1.00% - 35.76% | 1.00% - 43.91% | 1.00% - 25.00% | 1.00% - 25.00% | 1.00% - 9.00% | 1.00% - 9.00% | — | — |
| 4. Medical premium inflation..... | — | — | — | — | 3.00% - 7.00% | 3.00% - 7.00% | — | — |

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

| | One percentage point increase in medical inflation rate | | One percentage point decrease in medical inflation rate | |
|--|---|------|---|--------|
| | 2016 | 2015 | 2016 | 2015 |
| G. Effect of one percentage point change in the assumed medical inflation rate | | | | |
| Effect on the aggregate service and interest cost of Post Employment Medical benefits..... | 0.60 | 0.48 | (0.52) | (0.39) |
| Effect on the accumulated Post Employment Medical benefit obligations | 3.60 | 2.99 | (3.12) | (2.50) |

Rupees crores

| H. Experience Adjustments | Period ended | | | | |
|---|--------------|------------|------------|----------|------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 |
| Gratuity (Funded) | | | | | |
| Defined Benefit Obligation..... | 932.12 | 782.63 | 636.96 | 569.32 | 500.99 |
| Fair value of plan assets | 646.78 | 500.91 | 448.30 | 425.19 | 384.51 |
| Surplus/(Deficit) | (285.34) | (281.72) | (188.70) | (144.14) | (116.48) |
| Experience adjustment on plan liabilities [(Gain)/Loss] | (14.88) | (7.61) | 74.10 | 7.86 | 20.90 |
| Experience adjustment on plan assets [Gain/(Loss)] | 5.47 | 9.01 | 6.50 | 10.89 | 8.97 |
| Gratuity (Unfunded) | | | | | |
| Defined Benefit Obligation..... | 2,006.54 | 1,703.40 | 1,154.54 | 857.05 | 1,024.92 |
| Surplus/(Deficit) | (2,006.54) | (1,703.40) | (1,154.54) | (857.05) | (1,024.92) |
| Experience adjustment on Plan Liabilities [(Gain)/Loss] | 39.54 | 0.08 | (1.20) | 21.38 | 4.10 |
| Post Retirement Medical Benefits (Unfunded) | | | | | |
| Defined Benefit Obligation..... | 25.57 | 20.94 | 16.37 | 15.53 | 13.87 |
| Surplus/(Deficit) | (25.57) | (20.94) | (16.37) | (15.53) | (13.87) |
| Experience adjustment on Plan Liabilities [(Gain)/Loss] | 1.91 | 0.09 | 1.07 | (0.67) | (0.16) |
| Post Retirement Housing Allowance (Unfunded) | | | | | |
| Defined Benefit Obligation..... | 45.44 | 42.00 | 32.13 | 31.46 | 24.95 |
| Surplus/(Deficit) | (45.44) | (42.00) | (32.13) | (31.46) | (24.95) |
| Experience adjustment on Plan Liabilities [(Gain)/Loss] | (1.55) | 1.56 | 0.75 | 2.55 | 6.28 |

33. Contingent Liability and Commitments :**(A) Contingent Liability**

(i) Claims against the Company not acknowledged as debts comprise :

- Excise Duty, Sales Tax and Service Tax claims disputed by the Company relating to issues of applicability and classification aggregating **Rs. 3,085.97 crores** before tax (2015 : Rs. 2,100.10 crores before tax).
- Other matters (excluding claims where amounts are not ascertainable) : **Rs. 332.31 crores** before tax (2015 : Rs. 410.96 crores before tax).
- Claims on capital account : **Rs. 2.50 crores** (2015 : Rs. 1.37 crores).
- Group Share of Joint Ventures : **Rs. 1.49 crores** before tax (2015 : Rs. 1.19 crores before tax).

(ii) Taxation matters :

- Demands not acknowledged as debts and not provided for, relating to issues of deductibility and taxability in respect of which the matters are in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
 - Income Tax matters : **Rs. 869.08 crores** (2015 : Rs. 922.28 crores).
 - Group Share of Joint Ventures : **Rs. 4.19 crores** (2015 : Rs. 1.48 crores).
- Items which have 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. 385.74 crores** (2015 : Rs. 353.94 crores).
 - Surtax matters : **Rs. 0.13 crores** (2015 : Rs. 0.13 crores).
 - Group Share of Joint Ventures : **Rs. 1.09 crores** (2015 : Rs. Nil crores).

(iii) Bills discounted not matured **Rs. 6.45 crores** (2015 : Rs. 19.78 crores).

- (iv) Corporate undertaking on assignment by Mahindra & Mahindra Financial Services Limited **Rs. 325.28 crores** (2015 : Rs. 396.46 crores).
- (v) The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) by its order dated 7th December, 2009 has rejected the Company's appeal against the order dated 30th March, 2005 passed by the Commissioner of Central Excise (Adjudication), Navi Mumbai confirming the demand made on the Company for payment of differential excise duty (including penalty) of Rs. 304.10 crores in connection with the classification of Company's Commander range of vehicles, during the years 1991 to 1996. Whilst the Company had classified the Commander range of vehicles as 10-seater attracting a lower rate of excise duty, the Commissioner of Central Excise (Adjudication), Navi Mumbai, has held that these vehicles could not be classified as 10-seater as they did not fulfil the requirement of 10-seater vehicles, as provided under the Motor Vehicles Act, 1988 (MVA) read with Maharashtra Motor Vehicles Rules, 1989 (MMVR) and as such attracted a higher rate of excise duty. The Company has challenged the CESTAT order in the Supreme Court.

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

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

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

The Company strongly believes, based on legal advice it has received, that it has a good case on merits so as to ultimately succeed in the matter.

In another case relating to Armada range of vehicles manufactured during the years 1992 to 1996, by the Company at its Nashik facility, the Commissioner of Central Excise, Nashik passed an order dated 20th March, 2006 confirming a demand of Rs. 24.75 crores, on the same grounds as adopted for Commander range of vehicles. The CESTAT has given an unconditional stay against this order. The final hearing in this matter has been adjourned till the disposal of the appeal by the Supreme Court in the matter relating to Commander range of vehicles.

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

- (vi) In respect (i) and (ii) of the above, It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any.

(B) Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2016 is **Rs. 1,008.89 crores** (2015 : Rs. 1,345.07 crores) and other commitment as at 31st March 2016 is **Rs. 8.50 crores** (2015: Rs. Nil crores).

Group Share of Joint Ventures : **Rs. 6.34 crores** (2015 : Rs. 2.01 crores).

34. Research and Development Expenditure debited to the Statement of Profit and Loss, including certain expenditure based on allocations made aggregate **Rs. 1,442.66 crores** (2015 : Rs. 1,419.16 crores).

Group Share of Joint Ventures : **Rs. 14.83 crores** (2015 : Rs. 0.37 crores).

35. The net difference in foreign exchange loss debited to the Statement of Profit and Loss is **Rs. 350.74 crores** (2015 : gain of Rs. 66.82 crores).

36. Investment fluctuation reserve utilised during the year comprises :

| | Rupees crores | |
|---|---------------|---------------|
| | 2016 | 2015 |
| (i) Provision for diminution in value of certain long term investments..... | — | 7.50 |
| (ii) Impairment of goodwill on consolidation..... | 82.37 | 177.02 |
| | 82.37 | 184.52 |

37. Exceptional items (net) of **Rs. 5.03 crores** (credit) [2015 : Rs. 274.90 crores (credit)], comprise :

| | Rupees crores | |
|--|---------------|--------|
| | 2016 | 2015 |
| Profit on change in ownership interest in subsidiaries / disposal of subsidiaries (Net)..... | 5.03 | 274.90 |
| | 5.03 | 274.90 |

38. **Earnings per Share :**

| | 2016 | 2015 |
|--|--------------|--------------|
| Profit for the year (Rupees crores)..... | 3,211.26 | 3,137.47 |
| Profit for the year for diluted earnings per share (Rupees crores)..... | 3,211.26 | 3,137.47 |
| Weighted average number of Ordinary (Equity) Shares used in computing basic earnings per share | 59,19,19,448 | 59,06,11,467 |
| Effect of potential Ordinary (Equity) Shares on conversion of bonds and employee stock options | 2,91,78,280 | 2,83,05,150 |
| Weighted average number of Ordinary (Equity) Shares used in computing diluted earnings per share | 62,10,97,728 | 61,89,16,617 |
| Basic Earnings per share (Rs.) (Face value of Rs. 5 per share) | 54.25 | 53.12 |
| Diluted Earnings per share (Rs.) | 51.70 | 50.69 |

39. **Related Party Disclosures :**

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

(i) **Associates :**

| Sl. No. | Name of Company | Sl. No. | Name of Company |
|---------|---------------------------------------|---------|---|
| 1. | Mahindra Construction Company Limited | 7. | Topical Builders Private Limited |
| 2. | Mahindra & Mahindra Contech Limited | 8. | CIE Automotive, S.A. |
| 3. | Swaraj Engines Limited | 9. | Mahindra Tsubaki Conveyor Systems Private Limited |
| 4. | Mahindra CIE Automotive Limited | 10. | PSL Media & Communications Limited |
| 5. | Tech Mahindra Limited | 11. | Kota Farm Services Limited |
| 6. | Kismat Developers Private Limited | | |

(ii) **Joint Ventures :**

| Sl. No. | Name of the Company |
|---------|---|
| 1. | Mahindra Sona Limited |
| 2. | Mitsubishi Mahindra Agricultural Machinery Co., Ltd |

(iii) **Joint Ventures of a Subsidiary :**

| Sl. No. | Name of Company | Sl. No. | Name of Company |
|---------|-------------------------------------|---------|---|
| 1. | Mahindra Solar One Private Limited | 4. | Mahindra Homes Private Limited |
| 2. | Mahindra Finance USA LLC | 5. | Jinan Qingqi Peugeot Motorcycles Company Limited |
| 3. | Arabian Dreams Hotel Apartments LLC | 6. | Mahindra Inframan Water Utilities Private Limited |

(iv) **Key Management Personnel (KMP) :**

| | | |
|----|--|-----------------------|
| 1. | Chairman and Managing Director..... | Mr. Anand G. Mahindra |
| 2. | Executive Director and Group President (Auto & Farm Sector)..... | Dr. Pawan Goenka |

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

| Sl. No. | Name of the Company |
|---------|--|
| 1. | Prudential Management & Services Private Limited |

(vi) **Welfare Funds :**

| Sl. No. | Name of the Funds |
|---------|--|
| 1. | M&M Benefit Trust |
| 2. | M&M Employees' Welfare Fund No. 1 (formerly known as M&M Employees' Welfare Fund) |
| 3. | M&M Employees' Welfare Fund No. 2 (formerly known as M&M Employees' Farm Equipment Sector Employees' Welfare Fund) |
| 4. | Mahindra World School Education Trust |
| 5. | M&M Employees' Welfare Fund No. 3 (formerly known as Mahindra Spicer Limited Employees' Welfare Fund) |

(b) The related party transactions are as under :

| Rupees crores | | | | | |
|---------------|---|-------------------------------|--|--|-------------------------|
| Sl. No. | Nature of Transactions | Associate Companies | Joint Ventures/Joint Ventures of Subsidiaries ** | KMP/KMP Exercising Significant Influence | Welfare Funds |
| 1. | Purchases : | | | | |
| | Goods..... | 1,410.90 (1,459.50) | 719.80 (176.54) | — (—) | — (—) |
| | Fixed Assets..... | 3.22 (23.74) | — (—) | — (—) | — (—) |
| | Services..... | 135.90 (157.93) | 21.15 (8.75) | — (0.29) | — (—) |
| 2. | Sales : | | | | |
| | Goods..... | 148.49 (326.69) | 38.54 (9.50) | — (—) | — (—) |
| | Fixed Assets..... | 0.43 (0.42) | — (—) | — (—) | — (—) |
| | Services..... | 31.12 (39.81) | 0.71 (3.81) | — (—) | — (*) |
| 3. | Investments : | | | | |
| | Purchases/Subscribed/Conversion..... | — (890.96) | — (—) | — (—) | — (—) |
| | Sales/Redemption/Conversion | — (322.98) | — (—) | — (—) | — (—) |
| 4. | Deputation of Personnel : | | | | |
| | From Parties | 1.11 (1.00) | — (—) | — (—) | — (—) |
| | To Parties..... | 5.68 (7.80) | — (—) | — (—) | — (—) |
| 5. | Managerial Remuneration..... | — (—) | — (—) | 12.97 (11.96) | — (—) |
| 6. | Stock Options..... | — (—) | — (—) | # (#) | — (—) |
| 7. | Finance : | | | | |
| | Inter Corporate Deposits given..... | — (0.30) | — (3.11) | — (—) | — (—) |
| | Inter Corporate Deposits Refunded by parties..... | 0.55 (41.83) | — (0.28) | — (—) | — (—) |
| | Loan given..... | — (—) | — (—) | 9.00 (—) | — (—) |
| | Refund of loan given | — (—) | — (—) | 4.50 (—) | — (—) |
| | Interest Income..... | 0.28 (2.10) | 58.11 (58.02) | 0.19 (0.03) | — (—) |
| | Dividend received..... | 192.15 (155.89) | 3.55 (3.54) | — (—) | — (—) |
| | Dividend distributed | — (—) | — (—) | 86.17 (100.89) | 64.64 (75.29) |

Previous year's figures are in brackets

* Denotes amounts loss than Rs. 50,000.

** Transactions with Joint Ventures/Joint Ventures of Subsidiaries has been reported at full value.

Refer Clause VI of Annexure VII to the Board's Report.

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

| Rupees crores | | | | | |
|---------------|---|---------------------|--|--|------------------|
| Sl. No. | Nature of Transactions | Associate Companies | Joint Ventures/Joint Ventures of Subsidiaries ** | KMP/KMP Exercising Significant Influence | Welfare Funds |
| 8. | Other Transactions : | | | | |
| | Other Income | 0.85 (1.79) | 0.59 (1.46) | — (—) | 62.19 (72.57) |
| | Other Expenses..... | 0.24 (0.17) | 0.01 (*) | — (—) | — (—) |
| | Reimbursements received from parties | 7.71 (49.62) | 0.21 (0.06) | — (—) | 0.75 (—) |
| | Reimbursements made to parties..... | 4.82 (7.24) | — (—) | — (—) | 0.08 (0.07) |
| 9. | Outstandings : | | | | |
| | Payable | 148.18 (140.21) | 98.72 (36.84) | 3.19 (2.86) | — (—) |
| | Receivable | 32.33 (76.32) | 64.33 (106.77) | 5.80 (1.09) | 17.00 (17.00) |
| | Debenture/Bonds issued by parties | — (—) | 320.17 (320.17) | — (—) | — (—) |
| | Inter Corporate Deposits Given | 7.80 (8.35) | 14.36 (12.79) | — (—) | — (—) |
| 10. | Provision for Doubtful debts/advances | 11.24 (11.70) | — (—) | — (—) | 10.00 (10.00) |
| 11. | Security Deposit paid | 0.05 (0.02) | — (—) | — (—) | — (—) |
| 12. | Advances given | 1.73 (—) | — (—) | 0.02 (—) | — (—) |
| 13. | Advances Refunded..... | 0.16 (—) | — (—) | — (—) | — (—) |
| 14. | Security Deposit received | 0.01 (—) | — (—) | — (—) | — (—) |

Previous year's figures are in brackets

* Denotes amounts loss than Rs. 50,000.

** Transactions with Joint Ventures/Joint Ventures of Subsidiaries has been reported at full value.

The Significant related party transaction are as under :

Rupees crores

| Sl. No. | Nature of Transactions | Associate Companies | Amount | Joint Ventures/Joint Ventures of Subsidiaries ** | Amount |
|---------|---|---|---------------------------|---|---------------------------|
| 1. | Purchases – Goods | Swaraj Engines Limited | 622.50 (626.14) | Mitsubishi Mahindra Agricultural Machinery Co., Ltd | 372.31 (—) |
| | | Mahindra CIE Automotive Limited | 788.40 (827.35) | Mahindra Sona Limited | 199.08 (176.54) |
| | | | | Jinan Qingqi Peugeot Motocycles Company Limited | 148.41 (—) |
| 2. | Purchases – Fixed Assets | Tech Mahindra Limited | 1.19 (13.76) | | |
| | | Mahindra Tsubaki Conveyor Systems Private Limited | 0.44 (3.16) | | |
| | | Mahindra CIE Automotive Limited | 1.60 (6.82) | | |
| 3. | Purchases – Services | Tech Mahindra Limited | 131.26 (152.56) | Mahindra Homes Private Limited | 11.71 (3.62) |
| | | | | Arabian Dreams Hotel Apartments LLC | 9.44 (5.14) |
| 4. | Sales – Goods | Mahindra CIE Automotive Limited | 126.49 (316.49) | Mahindra Solar One Private Limited | — (9.50) |
| | | | | Mitsubishi Mahindra Agricultural Machinery Co., Ltd | 36.01 (—) |
| 5. | Sales – Fixed Assets | Mahindra CIE Automotive Limited | 0.43 (0.39) | | |
| 6. | Sales – Services | Tech Mahindra Limited | 18.08 (28.49) | Mahindra Solar One Private Limited | 0.62 (3.10) |
| | | Mahindra CIE Automotive Limited | 12.28 (10.47) | Mahindra Sona Limited | 0.09 (0.70) |
| 7. | Purchases/Subscribed/Conversion – Investments | Tech Mahindra Limited | — (364.66) | | |
| | | Mahindra CIE Automotive Limited | — (526.30) | | |
| 8. | Sales/Redemption/Conversion – Investments | Tech Mahindra Limited | — (64.15) | | |
| | | Mahindra CIE Automotive Limited | — (258.83) | | |
| 9. | Deputation of Personnel from related parties | Mahindra & Mahindra Contech Limited | 0.32 (0.33) | | |
| | | Swaraj Engines Limited | 0.79 (0.67) | | |

The Significant related party transaction are as under : (contd.)

| | | | | | Rupees crores |
|---------|--|----------------------------------|--------------------|--|------------------|
| Sl. No. | Nature of Transactions | Associate Companies | Amount | Joint Ventures/Joint Ventures of Subsidiaries ** | Amount |
| 10. | Deputation of Personnel to related parties | Swaraj Engines Limited | 4.53 (4.53) | | |
| | | Mahindra CIE Automotive Limited | — (1.71) | | |
| | | Tech Mahindra Limited | 1.10 (1.52) | | |
| 11. | Inter Corporate Deposits Given | Topical Builders Private Limited | — (0.30) | Arabian Dreams Hotel Apartments LLC | — (3.09) |
| 12. | Inter Corporate Deposits refunded by parties | Mahindra CIE Automotive Limited | — (41.83) | Mahindra Water Utilities Limited | — (0.30) |
| | | Topical Builders Private Limited | 0.55 (—) | | |
| 13. | Interest Income | Mahindra CIE Automotive Limited | — (1.78) | Mahindra Homes Private Limited | 56.51 (56.51) |
| | | Topical Builders Private Limited | 0.28 (0.32) | | |
| 14. | Dividend Received | Tech Mahindra Limited | 153.87 (121.35) | Mahindra Sona Limited | 3.55 (3.54) |
| | | CIE Automotive, S.A. | 24.45 (19.11) | | |
| 15. | Other Income | Tech Mahindra Limited | 0.75 (0.52) | Mahindra Solar One Private Limited | 0.59 (1.46) |
| | | Mahindra CIE Automotive Limited | 0.10 (1.27) | | |
| 16. | Other Expenses | Mahindra CIE Automotive Limited | 0.06 (0.06) | Mahindra Sona Limited | 0.01 (*) |
| | | Swaraj Engines Limited | 0.17 (0.12) | | |
| 17. | Reimbursement received from parties | Mahindra CIE Automotive Limited | 4.84 (12.29) | Mahindra Sona Limited | 0.04 (0.04) |
| | | Tech Mahindra Limited | 2.54 (37.20) | Mahindra Water Utilities Limited | — (0.02) |
| | | | | Mahindra Homes Private Limited | 0.17 (—) |
| 18. | Reimbursement made to parties | Mahindra CIE Automotive Limited | 1.27 (2.33) | | |
| | | Tech Mahindra Limited | 3.55 (4.90) | | |

Previous year's figures are in brackets

* denotes amounts less than Rs. 50,000.

** Transactions with Joint Ventures/Joint Ventures of Subsidiaries has been reported at full value

The Significant related party transactions with Key Management Personnel are as under :

| | | | Rupees crores |
|---------|-------------------------|-----------------------|----------------|
| Sl. No. | Nature of Transaction | Name of KMP | Amount |
| 1. | Managerial Remuneration | Mr. Anand G. Mahindra | 6.59 (5.98) |
| | | Dr. Pawan Goenka | 6.38 (5.98) |

Previous year's figures are in brackets

40. Investment in Associates :

| | Rupees crores | | | | | |
|---|---------------------------------|-----------------|--|---------------------------------|---|-----------------------------|
| | No. of Equity shares held | % of Holding | Cost of Investments (Equity Shares) | Goodwill/ Capital Reserve | Share in accumulated Profit/(Loss)/ Reserves | Carrying Cost |
| Unquoted : | | | | | | |
| Mahindra Construction Company Limited..... | 9,00,000 | 37.49% | 0.97 | — | (0.97) | — |
| | 9,00,000 | 37.49% | 0.97 | — | (0.97) | — |
| Officemartindia.com Limited | 7,49,997 | 50.00% | 0.22 | — | (0.22) | — |
| | 7,49,997 | 50.00% | 0.22 | — | (0.22) | — |
| Rathna Bhoomi Enterprises Private Limited..... | 500 | 25.40% | * | — | * | — |
| | 500 | 25.41% | * | — | * | — |
| Kota Farm Services Limited | 2,73,420 | 45.00% | 0.27 | — | (0.27) | — |
| | 2,73,420 | 45.00% | 0.27 | — | (0.27) | — |
| Mega One Stop Farm Services Limited | — | — | — | — | — | — |
| | 3,51,000 | 45.00% | 0.35 | 0.03 | (0.35) | — |
| Mahindra & Mahindra Contech Limited | 70,000 | 46.66% | 1.73 | — | 2.64 | 4.37 |
| | 70,000 | 46.66% | 1.73 | — | 2.31 | 4.04 |
| PSL Media & Communications Limited | 39,498 | 36.11% | 0.01 | — | (0.01) | — |
| | 39,498 | 36.11% | 0.01 | — | (0.01) | — |
| Kismat Developers Private Limited..... | 15 | 42.86% | * | — | * | — |
| | 15 | 42.86% | * | — | * | — |
| Topical Builders Private Limited..... | 175 | 50.00% | * | — | * | — |
| | 175 | 50.00% | * | — | * | — |
| Mahindra Tsubaki Conveyor Systems Private Limited..... | 1,53,76,025 | 49.00% | 18.31 | — | 11.02 | 29.33 |
| | 1,53,76,025 | 49.00% | 18.31 | — | 10.63 | 28.94 |
| Holiday Club Resorts Oy | — | — | — | — | — | — |
| | 7,07,777 | 22.34% | 114.28 | 28.10 | (0.76) | 113.52 |
| Kiinteistö Oy Seniori-Saimaa..... | 9,50,000 | 26.67% | 7.12 | — | (5.90) | 1.22 |
| | — | — | — | — | — | — |
| Koy Sallan Kylpylä | 49 | 41.95% | 3.23 | — | (3.23) | — |
| | — | — | — | — | — | — |
| Holiday Club Adventures Oy..... | 30 | 25.68% | 0.01 | — | (0.01) | — |
| | — | — | — | — | — | — |
| Total - Unquoted | | | | | | 34.92 146.50 |
| Quoted: | | | | | | |
| Swaraj Engines Limited..... | 41,26,417 | 33.22% | 1.63 | (10.33) | 60.75 | 62.38 |
| | 41,26,417 | 33.22% | 1.63 | (10.33) | 60.13 | 61.76 |
| Tech Mahindra Limited | 25,66,93,512 | 26.51% | 2,691.53 | 496.31 | 1,954.07 | 4,645.60 |
| | 25,66,93,512 | 26.71% | 2,691.53 | 496.31 | 1,261.20 | 3,952.73 |
| Mahindra CIE Automotive Limited..... | 6,52,71,407 | 20.18% | 531.48 | 131.58 | 21.15 | 552.63 |
| | 6,52,71,407 | 20.21% | 531.48 | 131.58 | (18.65) | 512.83 |
| CIE Automotive, S.A. (Quoted on a stock exchange outside India)..... | 1,60,40,706 | 12.44% | 870.26 | 294.23 | 46.84 | 917.10 |
| | 1,60,40,706 | 12.44% | 821.60 | 312.30 | 28.67 | 850.27 |
| Total - Quoted | | | | | | 6,177.71 5,377.59 |
| Total | | | | | | 6,212.63 5,524.09 |

Current Years Figures are in Bold

* denotes amount less than Rs. 50,000

Share of Profit/(Loss) for Associates for the year **Rs. 975.93 crores** (2015 : Rs. 788.70 crores) includes Group Share of Joint Ventures (**Rs. 0.79 crores**) (2015 : Rs. Nil crores)

41. Segment Information (Contd.) :**Secondary Segment Disclosure - Geographical Segment**

| | Rupees crores | | |
|---------------------------------------|---------------|-----------|-----------|
| | Domestic | Overseas | Total |
| Revenue From External Customers | 54,042.74 | 28,622.94 | 82,665.68 |
| | 50,418.86 | 24,570.37 | 74,989.23 |
| Segment Assets..... | 70,623.37 | 20,970.05 | 91,593.42 |
| | 63,190.12 | 17,520.12 | 80,710.24 |
| Capital Expenditure | 3,095.79 | 1,179.99 | 4,275.78 |
| | 2,980.73 | 1,734.82 | 4,715.55 |

Notes :**1. Business Segments :**

The Group has considered business segments as the primary segment for disclosure.

The segments have been identified taking into account the organisational structure as well as the differing risks and returns of these segments.

Automotive Segment comprises of sale of automobiles, spare parts and related services.

Farm Equipment Segment comprises of sale of tractors, spare parts and related services.

IT Services comprise of Business Consulting, Software Implementation and related support activities.

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

Steel Trading and Processing comprises of trading and processing of steel.

Infrastructure comprise of operating of commercial complexes, project management and development.

Hospitality comprises of sale of Timeshare.

Systech comprises of automotive components and other related products and services.

Two wheelers comprises of sale of two wheelers, spare parts and related services.

Others comprise of Logistics, After-market, Investments etc.

2. Secondary Segments :

The geographical segments are considered for disclosure as secondary segment.

Domestic Segment includes sales to customers located in India and service income accrued in India.

Overseas Segment includes sales and services rendered to customers located outside India.

Segment Revenue comprises of :

| | Rupees crores | |
|---|------------------|------------------|
| | 2016 | 2015 |
| Sale of Products..... | 71,078.84 | 64,648.01 |
| Sale of Services..... | 3,357.20 | 2,255.18 |
| Income from long term contracts | 643.15 | 887.12 |
| Lease and rental income | 48.94 | 141.83 |
| Interest income of Financial Enterprises Consolidated | 6,426.89 | 5,906.23 |
| Other allocable income* | 1,110.66 | 1,150.86 |
| Total | 82,665.68 | 74,989.23 |

| | Rupees crores | |
|--|-----------------|-----------------|
| | 2016 | 2015 |
| * Other allocable income includes : | | |
| Scrap Sales..... | 169.27 | 211.44 |
| Commission | 8.94 | 10.28 |
| Dividend Income of Investment Enterprises Consolidated | 0.19 | 0.12 |
| Others | 932.26 | 929.02 |
| Total | 1,110.66 | 1,150.86 |

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

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures

Rupees crores

| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
|--|--|-----------|-------------------------------------|----------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| PARENT | | | | |
| Mahindra and Mahindra Limited | 75.85% | 21,707.19 | 98.64% | 3,167.48 |
| SUBSIDIARIES | | | | |
| Mahindra Automobile Distributor Private Limited | 0.03% | 9.01 | 0.44% | 14.23 |
| Mahindra Heavy Engines Limited | 0.76% | 217.06 | -0.67% | (21.47) |
| Mahindra Vehicle Manufacturers Limited | 13.63% | 3,899.67 | 8.67% | 278.52 |
| Mahindra Reva Electric Vehicles Limited | 0.53% | 151.76 | -2.85% | (91.55) |
| NBS International Limited | -0.01% | (2.40) | -0.08% | (2.42) |
| Mahindra Trucks and Buses Limited | 0.10% | 28.87 | 0.29% | 9.32 |
| Mahindra Gujarat Tractor Limited | 0.01% | 4.27 | 0.02% | 0.74 |
| Swaraj Automotive Limited (upto 1st February 2016) | 0.00% | – | 0.05% | 1.62 |
| Mahindra Agri Solutions Limited | 0.09% | 25.70 | 0.14% | 4.42 |
| EPC Industrie Limited | 0.43% | 124.02 | 0.29% | 9.18 |
| Mahindra UNIVeG Private Limited | 0.03% | 8.54 | -0.06% | (1.89) |
| Mahindra HZPC Private Limited | 0.05% | 15.57 | 0.00% | 0.02 |
| Auto Digitech Private Limited | 0.00% | (0.01) | 0.00% | * |
| Mahindra & Mahindra Financial Services Limited | 21.27% | 6,088.11 | 20.95% | 672.60 |
| Mahindra Rural Housing Finance Limited | 0.96% | 275.77 | 1.95% | 62.68 |
| Mahindra Insurance Brokers Limited | 0.75% | 215.73 | 1.51% | 48.49 |
| Mahindra Asset Management Company Private Limited | 0.20% | 56.04 | -0.14% | (4.45) |
| Mahindra Trustee Company Private Limited | 0.00% | 0.08 | 0.00% | (0.05) |
| Mahindra Lifespace Developers Limited | 4.90% | 1,400.94 | 3.25% | 104.49 |
| Mahindra World City (Jaipur) Limited | 0.92% | 262.74 | 0.40% | 12.86 |
| Mahindra Water Utilities Limited | 0.18% | 50.18 | 0.18% | 5.66 |
| Mahindra World City Developers Limited | 0.42% | 119.74 | 0.09% | 2.81 |
| Mahindra Residential Developers Limited | 0.32% | 92.66 | 0.14% | 4.52 |
| Mahindra Consulting Engineers Limited | 0.04% | 12.55 | 0.07% | 2.22 |
| Mahindra Bebanco Developers Limited | 0.03% | 8.35 | 0.06% | 1.92 |
| Anthurium Developers Limited | 0.00% | 0.10 | 0.00% | 0.05 |
| Industrial Township (Maharashtra) Limited | 0.02% | 4.86 | 0.00% | * |
| Knowledge Township Limited | 0.07% | 20.55 | 0.00% | (0.01) |
| Industrial Cluster Private Limited | 0.00% | 0.03 | 0.00% | * |
| Mahindra Infrastructure Developers Limited | 0.01% | 1.83 | 0.00% | (0.10) |
| Mahindra Industrial Park Chennai Limited | 0.62% | 177.66 | -0.04% | (1.33) |
| Mahindra Integrated Township Limited | 0.28% | 78.75 | 0.16% | 4.99 |
| Mahindra World City (Maharashtra) Limited | 0.00% | 0.03 | 0.00% | * |
| Raigad Industrial & Business Park Limited | 0.00% | – | 0.00% | – |
| Bristlecone India Limited | 0.21% | 61.53 | 0.67% | 21.37 |
| Mahindra Susten Private Limited | 0.78% | 221.93 | 0.66% | 21.06 |
| Mahindra Renewables Private Limited | 0.39% | 112.28 | 0.11% | 3.67 |
| Marvel Solren Private Limited | 0.00% | (0.01) | 0.00% | (0.02) |
| Neo Solren Private Limited | 0.04% | 12.25 | -0.02% | (0.49) |

42. Additional information as required by Schedule III to the Companies Act, 2013 (Contd.)

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures

Rupees crores

| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
|--|--|----------|-------------------------------------|----------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Astra Solren Private Limited | 0.00% | – | 0.00% | (0.01) |
| Brightsolar Renewable Energy Private Limited | 0.07% | 20.74 | 0.02% | 0.55 |
| Cleansolar Renewable Energy Private Limited | 0.21% | 60.01 | -0.02% | (0.55) |
| Divine Solren Private Limited | 0.05% | 14.46 | -0.02% | (0.72) |
| Mahindra Engineering and Chemical Products Limited | 1.83% | 522.52 | -4.25% | (136.53) |
| Mahindra Retail Private Limited | 0.05% | 13.19 | -2.90% | (93.07) |
| Retail Initiative Holdings Limited | -0.48% | (136.95) | -4.86% | (156.06) |
| Mahindra Internet Commerce Private Limited | 0.00% | 1.10 | -0.89% | (28.69) |
| Mahindra Logistics Limited | 1.06% | 303.75 | 1.16% | 37.30 |
| 2 x 2 Logistics Private Limited | 0.01% | 4.04 | 0.00% | (0.07) |
| Lords Freight (India) Private Limited | 0.01% | 2.79 | -0.04% | (1.37) |
| Mahindra Two Wheelers Limited | 0.95% | 272.22 | -19.16% | (615.17) |
| Mahindra Defence Systems Limited | 0.35% | 99.04 | -0.08% | (2.41) |
| Defence Land Systems India Limited | 0.31% | 89.01 | -0.29% | (9.31) |
| Mahindra Defence Naval Systems Private Limited | 0.05% | 14.88 | -0.05% | (1.66) |
| Mahindra Telephonics Integrated Systems Limited | 0.12% | 35.27 | -0.15% | (4.75) |
| Mahindra Telecommunications Investment Private Limited | 0.02% | 6.74 | 0.02% | 0.50 |
| Mahindra First Choice Services Limited | 0.03% | 8.60 | -2.09% | (67.15) |
| Mahindra First Choice Wheels Limited | 0.25% | 72.52 | -0.33% | (10.58) |
| Mahindra eMarket Limited | 0.00% | (0.04) | 0.00% | (0.04) |
| Mahindra Namaste Private Limited | 0.00% | 0.06 | -0.07% | (2.26) |
| Mahindra Holdings Limited | 0.70% | 201.40 | -0.04% | (1.17) |
| Mahindra Integrated Business Solutions Private Limited | 0.02% | 5.86 | 0.01% | 0.44 |
| Mahindra 'Electoral Trust' Company | 0.00% | 0.04 | 0.00% | – |
| Gateway Housing Company Limited | 0.01% | 1.89 | 0.00% | 0.09 |
| MachinePulse Tech Private Limited | 0.00% | – | 0.00% | – |
| Orizonte Business Solutions Limited | 0.01% | 2.68 | -0.06% | (1.77) |
| Mahindra Intertrade Limited | 1.52% | 436.09 | 1.94% | 62.38 |
| Mahindra Electrical Steel Private Limited | -0.01% | (1.89) | 0.01% | 0.43 |
| Mahindra Steel Service Centre Limited | 0.34% | 97.43 | 0.17% | 5.49 |
| Mahindra Auto Steel Private Limited | 0.26% | 74.83 | 0.20% | 6.54 |
| Mahindra Aerospace Private Limited | 1.03% | 294.80 | -4.36% | (140.08) |
| Mahindra Aerostructures Private Limited | 0.11% | 30.52 | -1.63% | (52.27) |
| Mahindra Sanyo Special Steel Private Limited | 0.61% | 174.52 | -1.62% | (52.09) |
| Mahindra Holidays & Resorts India Limited | 2.42% | 691.86 | 3.65% | 117.35 |
| Gables Promoters Private Limited | 0.17% | 49.14 | -0.02% | (0.49) |
| Mahindra Hotels and Residences India Limited | 0.00% | (0.09) | 0.00% | (0.01) |
| Foreign | | | | |
| Ssangyong Motor Company ≈ | 14.23% | 4,073.51 | -5.06% | (162.44) |
| Ssangyong European Parts Center B.V. € | -0.07% | (20.89) | 0.02% | 0.61 |
| Ssangyong Motor (Shanghai) Company Limited > | 0.06% | 17.84 | -0.42% | (13.61) |
| SY Auto Capital Co., Ltd. ≈ | 0.41% | 116.74 | 0.01% | 0.34 |

42. Additional information as required by Schedule III to the Companies Act, 2013 (Contd.)

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures

Rupees crores

| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
|---|--|---------|-------------------------------------|----------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Mahindra Automotive Australia Pty. Limited ^ | 0.05% | 15.43 | 0.20% | 6.36 |
| Mahindra Europe S.r.l. € | 0.05% | 14.91 | 0.13% | 4.16 |
| Mahindra Graphic Research Design S.r.l. € | 0.02% | 6.41 | 0.00% | 0.07 |
| Mahindra International UK Ltd. £ | 0.04% | 10.86 | -0.11% | (3.42) |
| Mahindra and Mahindra South Africa (Proprietary) Limited » | 0.26% | 74.67 | 0.41% | 13.18 |
| Mahindra North American Technical Center, Inc. \$ | 0.05% | 13.50 | 0.08% | 2.69 |
| Mahindra Tractor Assembly Inc. \$ | 0.01% | 2.03 | -2.99% | (96.12) |
| Mahindra USA Inc. \$ | 0.38% | 109.78 | 1.10% | 35.43 |
| Mahindra Yueda (Yancheng) Tractor Company Limited > | 0.85% | 242.14 | -4.24% | (136.13) |
| Bristlecone Limited \$ | 0.15% | 43.56 | 0.32% | 10.24 |
| Bristlecone GmbH € | 0.07% | 20.96 | 0.27% | 8.60 |
| Bristlecone Inc. \$ | 0.41% | 118.35 | 1.56% | 50.10 |
| Bristlecone Consulting Limited @ | 0.01% | 3.62 | 0.00% | (0.03) |
| Bristlecone (Malaysia) Sdn.Bhd. ** | 0.02% | 5.54 | 0.09% | 2.78 |
| Bristlecone (Singapore) Pte. Limited ++ | 0.00% | 0.10 | 0.00% | (0.14) |
| Bristlecone (UK) Limited £ | 0.01% | 2.99 | -0.04% | (1.16) |
| Bristlecone International AG < | 0.02% | 6.26 | 0.13% | 4.03 |
| Mahindra-BT Investment Company (Mauritius) Limited \$ | 0.56% | 160.58 | 0.01% | 0.40 |
| Mahindra Two Wheelers Europe Holdings S.a.r.l. € | 0.39% | 111.35 | -0.01% | (0.35) |
| Peugeot Motocycles S.A.S. € | -0.33% | (94.96) | -5.82% | (186.82) |
| Peugeot Motocycles Italia S.p.A € | 0.01% | 1.93 | 0.00% | 0.13 |
| Peugeot Motocycles Deutschland GmbH € | 0.01% | 1.80 | 0.02% | 0.75 |
| Mahindra Emirates Vehicle Armouring FZ-LLC • | 0.06% | 17.41 | 0.23% | 7.36 |
| Mahindra Overseas Investment Company (Mauritius) Limited \$ | 1.91% | 545.42 | -0.15% | (4.92) |
| Mahindra Racing S.p.A. € | 0.02% | 5.41 | 0.00% | 0.01 |
| Mahindra Racing UK Limited £ | 0.00% | (0.04) | 0.00% | (0.15) |
| Mahindra MiddleEast Electrical Steel Service Centre (FZC) • | 0.11% | 31.47 | 0.01% | 0.37 |
| Aerostaff Australia Pty. Limited ^ | -0.01% | (2.86) | -0.03% | (1.06) |
| Airvan Flight Services Pty. Limited ^ | 0.00% | (0.02) | 0.00% | (0.02) |
| Airvan10 Pty. Limited ^ | 0.00% | (0.02) | 0.00% | (0.02) |
| Gipp Aero Investments Pty. Limited ^ | 0.33% | 94.91 | -3.01% | (96.78) |
| GA8 Airvan Pty. Limited ^ | 0.00% | (0.02) | 0.00% | (0.02) |
| GA200 Pty. Limited ^ | 0.00% | (0.02) | 0.00% | (0.02) |
| Gippsaero Pty. Limited ^ | -0.13% | (38.58) | -2.17% | (69.59) |
| Mahindra Aerospace Australia Pty. Limited ^ | 0.33% | 93.90 | -4.20% | (134.73) |
| Nomad TC Pty. Limited ^ | 0.00% | (0.03) | 0.00% | (0.03) |
| Convington S.a.r.l. € | 0.58% | 167.29 | -0.18% | (5.76) |
| HCR Management Oy € | 0.01% | 4.21 | -0.01% | (0.18) |
| Infinity Hospitality Group Company Limited # | 0.03% | 7.92 | 0.00% | 0.09 |
| MH Boutique Hospitality Limited # | 0.00% | 0.17 | -0.02% | (0.51) |
| Heritage Bird (M) Sdn. Bhd. ** | 0.00% | (0.79) | 0.00% | (0.14) |
| MHR Holdings (Mauritius) Limited € | -0.03% | (8.10) | -0.25% | (7.99) |
| Holiday Club Resorts Oy € | 1.44% | 411.40 | -0.87% | (27.80) |

42. Additional information as required by Schedule III to the Companies Act, 2013 (Contd.)

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures

Rupees crores

| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
|---|--|--------|-------------------------------------|--------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Holiday Club Sweden Ab Åre << | 0.40% | 113.25 | -0.21% | (6.77) |
| Kiinteistö Oy Himos Gardens € | 0.03% | 7.96 | 0.00% | 0.10 |
| Holiday Club Rus LLC >> | -0.03% | (7.73) | -0.08% | (2.46) |
| Suomen Vapaa-aikakiinteistöt Oy LKV << | 0.00% | 0.15 | 0.00% | (0.01) |
| Kiinteistö Himoksen Tähti 2 Oy € | 0.02% | 5.02 | 0.00% | (0.06) |
| Kiinteistö Oy Vanha Ykköstii € | 0.00% | 0.39 | 0.00% | (0.01) |
| Kiinteistö Oy Katinnurkka € | 0.01% | 2.32 | 0.00% | (0.01) |
| Kiinteistö Oy Tenetinlahti € | 0.00% | 0.82 | 0.00% | (0.01) |
| Kiinteistö Oy Mällönsiemä € | 0.01% | 2.25 | -0.13% | (4.06) |
| Kiinteistö Oy Rauhan Ranta 1 € | 0.00% | 0.94 | 0.00% | (0.03) |
| Kiinteistö Oy Rauhan Ranta 2 € | 0.01% | 1.55 | 0.00% | (0.05) |
| Kiinteistö Oy Tiurunniemi € | 0.01% | 2.73 | -0.14% | (4.38) |
| Kiinteistö Oy Rauhan Liikekiinteistöt 1 € | 0.05% | 14.65 | -0.05% | (1.65) |
| Supermarket Capri Oy € | 0.00% | 0.88 | -0.02% | (0.59) |
| Kiinteistö Oy Kylpylätorni 1 € | 0.01% | 1.89 | 0.00% | 0.01 |
| Kiinteistö Oy Spa Lofts 2 € | 0.00% | 1.09 | 0.00% | (0.02) |
| Kiinteistö Oy Spa Lofts 3 € | 0.00% | 1.07 | 0.00% | (0.03) |
| Kiinteistö Oy Kuusamon Pulkajärvi 1 € | 0.01% | 2.05 | 0.00% | 0.05 |
| Saimaa Gardens Arena Oy € | 0.00% | 0.02 | 0.00% | * |
| Ownership Services Ab << | 0.01% | 1.69 | 0.00% | (0.04) |
| Holiday Club Canarias Investments S.L. € | 0.00% | – | 0.00% | (0.01) |
| Holiday Club Sport and Spa AB << | 0.04% | 12.06 | 0.04% | 1.43 |
| Holiday Club Canarias Sales & Marketing S.L. € | 0.10% | 28.89 | -0.04% | (1.37) |
| Holiday Club Canarias Resort Management S.L. € | 0.07% | 20.64 | 0.06% | 2.05 |
| Kiinteistö Oy Tunturinrivi € | 0.00% | 0.86 | 0.00% | (0.04) |
| Caribia Service Oy € | 0.00% | 0.03 | 0.00% | (0.01) |
| Are Semesterby A << | 0.00% | 0.07 | 0.00% | * |
| Are Semesterby B << | 0.00% | 0.07 | 0.00% | * |
| Are Semesterby C << | 0.00% | 0.07 | 0.00% | * |
| Are Semesterby D << | 0.00% | 0.07 | 0.00% | * |
| Are Villas 1 Ab << | 0.01% | 1.46 | 0.03% | 0.95 |
| Are Villas 2 Ab << | 0.00% | 1.21 | 0.03% | 0.95 |
| Associates (Investment as per the equity method) | | | | |
| Indian | | | | |
| Mahindra Construction Company Limited | 0.00% | – | 0.00% | – |
| Officemartindia.com Limited | 0.00% | – | 0.00% | – |
| Rathna Bhoomi Enterprises Private Limited | 0.00% | – | 0.00% | – |
| Kota Farm Services Limited | 0.00% | – | 0.00% | – |
| Mega One Stop Farm Services Limited (Up to 24 th November, 2015) | 0.00% | – | 0.00% | – |
| Swaraj Engines Limited | 0.22% | 62.38 | 0.53% | 17.01 |
| Mahindra & Mahindra Contech Limited | 0.02% | 4.37 | 0.01% | 0.34 |
| PSL Media & Communications Limited | 0.00% | – | 0.00% | – |

42. Additional information as required by Schedule III to the Companies Act, 2013 (Contd.)

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures

Rupees crores

| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
|--|--|------------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Tech Mahindra Limited | 16.23% | 4,645.60 | 25.74% | 826.65 |
| Kismat Developers Private Limited | 0.00% | – | 0.00% | – |
| Topical Builders Private Limited | 0.00% | – | 0.00% | – |
| Mahindra Tsubaki Conveyor Systems Private Limited | 0.10% | 29.33 | 0.03% | 0.85 |
| Mahindra CIE Automotive Limited | 1.93% | 552.63 | 0.88% | 28.40 |
| Foreign | | | | |
| CIE Automotive, S.A. € | 3.20% | 917.10 | 3.57% | 114.66 |
| Holiday Club Resort Oy € (up to 1 st September, 2015) | 0.00% | – | -0.35% | (11.19) |
| Koy Sallan Kylpyla € | 0.00% | – | 0.00% | – |
| Kiinteistö Oy Seniori-Saimaa € | 0.01% | 2.87 | 0.00% | – |
| Holiday Club Adventures Oy € | 0.00% | 0.01 | 0.00% | – |
| Joint Ventures (as per proportionate consolidation) | | | | |
| Indian | | | | |
| Mahindra Sona Limited | 0.16% | 46.40 | 0.27% | 8.71 |
| Mahindra Water Utilities Limited (up to 26 th July, 2015) | 0.00% | – | 0.00% | – |
| Mahindra Inframan Water Utilities Private Limited | 0.00% | 0.04 | 0.00% | (0.01) |
| Mahindra Solar One Private Limited | 0.10% | 28.36 | 0.02% | 0.60 |
| Mahindra Homes Private Limited | -0.01% | (3.18) | 0.10% | 3.31 |
| Foreign | | | | |
| Mahindra Finance USA LLC \$ | 0.80% | 229.64 | 0.57% | 18.39 |
| Arabian Dreams Hotel Apartments LLC • | -0.01% | (3.72) | 0.00% | (0.07) |
| Jinan Qingqi Peugeot Motorcycles Co. Limited > | 0.16% | 46.48 | 0.15% | 4.72 |
| Mitsubishi Mahindra Agricultural Machinery Co., Ltd § | 1.83% | 523.15 | -0.55% | (17.63) |
| Minority Interest | -22.11% | (6,327.03) | -4.36% | (139.86) |
| Inter Company Adjustments | -61.73% | (17,668.21) | -0.29% | (9.24) |
| Total | 100.00% | 28,619.64 | 100.00% | 3,211.26 |

* denotes amounts less than Rs. 50,000.

Converted into Indian Rupees at the exchange rate, 1THB = Rs. 1.89 as on 31st March, 2016

\$ Converted into Indian Rupees at the exchange rate, 1USD = Rs. 66.35 as on 31st March, 2016

• Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 18.03 as on 31st March, 2016

** Converted into Indian Rupees at the exchange rate, 1MYR = Rs. 17.09 as on 31st March, 2016

@ Converted into Indian Rupees at the exchange rate, 1CAD = Rs. 50.96 as on 31st March, 2016

^ Converted into Indian Rupees at the exchange rate, 1AUD = Rs. 49.10 as on 31st March, 2016

£ Converted into Indian Rupees at the exchange rate, 1GBP = Rs. 95.21 as on 31st March, 2016

€ Converted into Indian Rupees at the exchange rate, 1EUR = Rs. 74.97 as on 31st March, 2016

++ Converted into Indian Rupees at the exchange rate, 1SGD = Rs. 49.10 as on 31st March, 2016

< Converted into Indian Rupees at the exchange rate, 1CHF = Rs. 68.67 as on 31st March, 2016

> Converted into Indian Rupees at the exchange rate, 1CNY = Rs. 10.27 as on 31st March, 2016

» Converted into Indian Rupees at the exchange rate, 1ZAR = Rs. 4.44 as on 31st March, 2016

≈ Converted into Indian Rupees at the exchange rate, 1KRW = Rs. 0.0582 as on 31st March, 2016

§ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.5904 as on 31st March, 2016

>> Converted into Indian Rupees at the exchange rate, 1 RUB = Rs. 0.98 as on 31st March, 2016

<< Converted into Indian Rupees at the exchange rate, 1 SEK = Rs. 8.17 as on 31st March, 2016

43. Previous years figures have been regrouped/restated where ever necessary.