

Consolidated Accounts



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

Report on the Audit of Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Mahindra & Mahindra Limited** (hereinafter referred to as "the Company" or "M&M") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

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

Auditor's Responsibility

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.

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.

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 judgment, 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 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 Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group and its associates and joint ventures to cease to continue as a going concern.

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 sub-paragraph 2 (a) of the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, 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 joint ventures as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other matters

1. The comparative financial information of the Group, its associates and joint ventures for the year ended 31 March 2017 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated 30 May 2018 expressed an unmodified opinion.
2. (a) We did not audit the financial statements of 157 subsidiaries, whose financial statements reflect total assets of Rs. 39,384 crores as at 31 March 2018, total revenues of Rs. 38,009 crores and net cash inflows amounting to Rs. 825 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. 357 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of 34 associates and 19 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Company's 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, associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associates and joint ventures is based solely on the reports of the other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries/associates/joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries/associates/ joint ventures located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on financial

statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'Other matters' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31 March 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in the "Annexure".
- 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 and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matters' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 40 to the consolidated financial statements.

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2018.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016

to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated financial statements for the period ended 31 March 2017 have been disclosed.

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

Jamil Khatri
Partner
(Membership No. 102527)

Mumbai, 29 May, 2018

Annexure to the Independent Auditors' Report of even date on the Consolidated Ind AS financial statements of Mahindra & Mahindra Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of **Mahindra & Mahindra Limited** ("the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial statements of Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal controls 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 consolidated Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of the other auditors as mentioned in the Other Matters paragraph,

the Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates

to eighty five subsidiary companies, eight associate companies and sixteen joint ventures which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Jamil Khatri
Partner
(Membership No. 102527)

Mumbai, 29 May, 2018

Consolidated Balance Sheet as at 31st March, 2018

Rupees crores

	Note	2018	2017
I. ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment.....	4	20,820.49	18,306.97
Capital Work-in-Progress.....		1,814.57	1,887.86
Goodwill.....	5	2,159.67	558.61
Other Intangible Assets.....	6	3,201.74	2,123.43
Intangible Assets Under Development.....		2,454.90	2,391.08
Investments accounted using Equity method.....	7	9,421.45	8,795.54
Financial Assets			
(i) Investments.....	7	1,246.09	1,166.23
(ii) Trade Receivables.....	8	513.84	576.59
(iii) Loans.....	9	31,414.43	25,193.54
(iv) Other Financial Assets.....	10	512.43	443.91
Deferred Tax Assets (net).....	11	841.60	906.67
Income Tax Assets (net).....		1,251.02	987.02
Other Non-Current Assets.....	12	2,482.66	2,616.94
		78,134.89	65,954.39
CURRENT ASSETS			
Inventories.....	13	9,335.57	8,886.01
Financial Assets			
(i) Investments.....	7	5,350.07	4,700.67
(ii) Trade Receivables.....	8	8,489.82	7,199.26
(iii) Cash and Cash Equivalents.....	14	4,466.63	2,945.79
(iv) Bank Balances other than Cash and Cash Equivalents.....	14	2,080.97	1,708.24
(v) Loans.....	9	24,725.46	20,698.48
(vi) Other Financial Assets.....	10	1,255.78	1,095.94
Other Current Assets.....	12	3,308.11	1,553.37
Assets held for sale.....	44	63.61	—
		59,076.02	48,787.76
TOTAL ASSETS		1,37,210.91	1,14,742.15
II. EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital.....	15	543.13	270.89
Other Equity.....	16	36,232.06	29,467.10
Equity attributable to owners of the Company.....		36,775.19	29,737.99
Non-controlling Interests.....		8,250.47	6,356.90
		45,025.66	36,094.89
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings.....	17	33,809.18	30,124.51
(ii) Trade Payables.....	18	4.88	4.38
(iii) Other Financial Liabilities.....	19	1,689.46	1,392.78
Provisions.....	20	3,785.68	3,507.04
Deferred Tax Liabilities (Net).....	11	1,587.42	1,787.45
Other Non-Current Liabilities.....	21	2,159.09	1,998.63
		43,035.71	38,814.79
CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings.....	17	11,325.54	10,121.65
(ii) Trade Payables.....	18	18,287.34	14,796.87
(iii) Other Financial Liabilities.....	19	14,208.43	11,775.94
Other Current Liabilities.....	21	3,528.86	1,579.76
Provisions.....	20	1,395.26	1,215.91
Current Tax Liabilities (Net).....		404.11	342.34
		49,149.54	39,832.47
TOTAL EQUITY AND LIABILITIES		1,37,210.91	1,14,742.15

The accompanying notes 1 to 45 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 29th May, 2018

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

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 29th May, 2018

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

Rupees crores

	Note	2018	2017
INCOME			
Revenue from Operations	22	93,264.77	88,983.03
Other Income	23	631.03	730.10
Total Income		93,895.80	89,713.13
EXPENSES			
Cost of Materials Consumed	24	48,439.86	45,805.38
Purchases of Stock-in-Trade		5,017.43	4,849.82
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	25	83.33	(13.83)
Excise Duty		1,170.82	5,209.98
Employee Benefits Expense	26	10,004.62	8,910.63
Finance Costs	27	3,987.09	3,648.46
Depreciation and Amortisation Expense	4,6	3,279.90	2,812.72
Other Expenses	28	16,820.50	15,019.32
		88,803.55	86,242.48
Less : Cost of manufactured/purchased products capitalised		1,497.89	1,533.10
Total Expenses		87,305.66	84,709.38
Profit Before Exceptional Items and Tax		6,590.14	5,003.75
Exceptional Items	29	2,628.12	447.11
Share of Profit/(Loss) of Associates and Joint Ventures		1,107.26	899.40
Profit Before Tax		10,325.52	6,350.26
Tax Expense	11		
Current Tax		2,563.61	2,059.33
Deferred Tax		(195.88)	240.40
Profit for the year		7,957.79	4,050.53
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		123.80	226.75
(b) Equity instruments through other comprehensive income		(6.92)	(5.38)
(c) Share of other comprehensive income of equity accounted investees		(3.37)	(2.42)
(ii) Income tax relating to items that will not be reclassified to profit or loss		3.46	4.19
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		298.19	(40.38)
(b) Debt instruments through other comprehensive income		(0.98)	(1.20)
(c) Effective portion of gains/(losses) on designated portion of hedging instruments in cash flow hedge		(61.30)	41.52
(d) Share of other comprehensive income/(loss) of equity accounted investees		37.87	(30.64)
(ii) Income tax relating to items that will be reclassified to profit or loss		7.60	(3.00)
Total Other Comprehensive Income		398.35	189.44
Total Comprehensive Income for the year		8,356.14	4,239.97
Profit for the year attributable to:			
Owners of the Company		7,510.39	3,698.04
Non-controlling interests		447.40	352.49
		7,957.79	4,050.53
Other Comprehensive Income for the year attributable to:			
Owners of the Company		319.45	127.60
Non-controlling interests		78.90	61.84
		398.35	189.44
Total Comprehensive Income for the year attributable to:			
Owners of the Company		7,829.84	3,825.64
Non-controlling interests		526.30	414.33
		8,356.14	4,239.97
Earnings per equity share :	30		
(Face Value Rs. 5/- per share) (Rupees)			
Basic		69.20	34.16
Diluted		68.86	33.98

The accompanying notes 1 to 45 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 29th May, 2018

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

Directors

Anand G. Mahindra

Dr. Pawan Goenka

V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 29th May, 2018

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018

A) Equity Share Capital		Rupees crores	
	2018	2017	
Issued, Subscribed and Paid-up:			
Balance as at the beginning of the year.....	270.89	270.40	
Add : Allotment of shares by ESOP Trust to Employees.....	0.55	0.49	
Add : Issue of Bonus Shares (net of shares issued to M&M ESOP Trust & M&M Benefit Trust)	271.44	—	
Add : Shares issued under Scheme of Arrangement.....	0.25	—	
Balance as at the end of the year.....	543.13	270.89	
B) Other Equity			
Rupees crores			
Attributable to owners of the Company			
	Reserves and Surplus		
	Items of Other Comprehensive Income		
	Capital Reserve on consolidation	Securities Premium Account	Employee Stock Options Outstanding Account
		Other Reserves	Retained Earnings
			Debt instrument through Other Comprehensive Income
			Equity instrument through Other Comprehensive Income
			Effective portion of Cash Flow Hedges (Note 33)
			Foreign Currency Translation Reserve
			Total Other Equity
			Non-controlling interests
			Total
As at 1 st April, 2016	1,510.59	2,334.02	137.50
Profit for the year.....	—	—	—
Other Comprehensive Income / (Loss).....	—	—	—
Total Comprehensive Income for the year	—	—	—
Dividend paid on Equity Shares (including tax thereon)	—	—	—
Transfers to Retained Earnings	—	—	—
Transfers from Retained Earnings.....	—	—	—
On business combinations during the year	7.54	—	—
Exercise of employee stock options.....	—	48.37	(48.37)
Allotment of shares by M&M ESOP Trust to employees	—	1.20	—
On account of employee stock options lapsed/forfeited	—	—	(0.27)
Share-based payment expense.....	—	—	127.97
Consequent to change in Group's Interest..	—	—	—
As at 31 st March, 2017	1,518.13	2,383.59	216.83

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018 (contd.)

B) Other Equity (contd.)

Rupees crores

	Attributable to owners of the Company										Total Other Equity	Non- controlling interests	Total
	Reserves and Surplus			Items of Other Comprehensive Income				Foreign Currency Translation Reserve					
	Capital Reserve on consolidation	Securities Premium Account	Employee Stock Options outstanding Account	Other Reserves	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income		Effective portion of Cash Flow Hedges (Note 33)				
As at 1st April, 2017	1,518.13	2,383.59	216.83	3,982.56	21,339.75	(0.15)	(8.31)	95.40	(60.70)	29,467.10	6,356.90	35,824.00	
Profit for the year.....	—	—	—	—	7,510.39	—	—	—	—	7,510.39	447.40	7,957.79	
Other Comprehensive Income / (Loss).....	—	—	—	—	99.23	(0.64)	(12.48)	(181.55)	414.89	319.45	78.90	398.35	
Total Comprehensive Income for the year..	—	—	—	—	7,609.62	(0.64)	(12.48)	(181.55)	414.89	7,829.84	526.30	8,356.14	
Dividend paid on Equity Shares (including tax thereon).....	—	—	—	—	(847.97)	—	—	—	—	(847.97)	(117.63)	(965.60)	
Issue of bonus shares during the year	—	(310.80)	—	—	—	—	—	—	—	(310.80)	—	(310.80)	
Allotment of bonus shares to M&M ESOP trust and M&M Benefit Trust.....	—	39.35	—	—	—	—	—	—	—	39.35	—	39.35	
Transfers from Retained earnings	—	—	—	245.03	(245.03)	—	—	—	—	—	—	—	
On business combinations during the year	—	—	—	—	—	—	—	—	—	—	179.70	179.70	
Exercise of employee stock options.....	—	73.80	(73.80)	—	—	—	—	—	—	—	1.39	1.39	
Allotment of bonus shares by M&M ESOP Trust to Employees.....	—	(0.12)	—	(0.21)	—	—	—	—	—	(0.33)	—	(0.33)	
Allotment of shares by M&M ESOP Trust to Employees	—	1.04	—	—	—	—	—	—	—	1.04	—	1.04	
On account of employee stock options lapsed	—	—	(0.28)	0.28	—	—	—	—	—	—	—	—	
Share-based payment expense.....	—	—	86.58	—	—	—	—	—	—	86.58	—	86.58	
Transactions with non-controlling interest and changes in Group's Interest	—	—	—	—	(32.75)	—	—	—	—	(32.75)	1,303.81	1,271.06	
As at 31st March, 2018	1,518.13	2,186.86	229.33	4,227.66	27,823.62	(0.79)	(20.79)	(86.15)	354.19	36,232.06	8,250.47	44,482.53	

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018 (contd.)

C) Other Reserves

Rupees crores

Particulars	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	General Reserve	Statutory Reserve	Total
As at 1st April, 2016	73.69	23.52	150.56	2,981.70	664.12	3,893.59
Transfer from Retained Earnings	—	—	71.98	30.82	56.39	159.19
Transfer to Retained Earnings	—	—	(70.24)	—	—	(70.24)
Allotment of shares by M&M ESOP Trust to employees	—	—	—	(0.25)	—	(0.25)
On account of employee stock options lapsed	—	—	—	0.27	—	0.27
As at 31st March, 2017	73.69	23.52	152.30	3,012.54	720.51	3,982.56
As at 1st April, 2017	73.69	23.52	152.30	3,012.54	720.51	3,982.56
Transfer from Retained Earnings	—	—	84.35	45.90	114.78	245.03
Allotment of bonus shares by M&M ESOP Trust to Employees	—	—	—	(0.21)	—	(0.21)
On account of employee stock options lapsed	—	—	—	0.28	—	0.28
As at 31st March, 2018	73.69	23.52	236.65	3,058.51	835.29	4,227.66

Notes:

- The Company has reduced the Share Capital by **Rs. 13.27 crores** (2017 : Rs. 13.49 crores) and Securities Premium Account by **Rs. 254.54 crores** (2017 : Rs. 255.58 crores) for **2,65,47,211** shares of Rs. 5 each (2017 : 2,69,73,260 shares of Rs. 5 each) held by M&M ESOP Trust pending transfer to the eligible employees.
- The Share Capital of the Company has also been reduced and the General Reserve increased by **Rs. 0.04 crores** (2017 : Rs. 0.25 crores) for **82,548** bonus shares of Rs. 5 each (2017 : 5,08,597 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to M&M ESOP Trust.
- The Company has also reduced the Share Capital by **Rs. 25.92 crores** (2017 : Rs. 25.92 crores) and Retained Earnings by **Rs. 1,433.85 crores** (2017 : Rs. 1,433.85 crores) for **5,18,35,214** shares of Rs. 5 each (2017 : 5,18,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.
- The Share Capital of the Company has also been reduced and the Securities Premium Account increased by **Rs. 39.23 crores** (2017 : Rs. Nil) for **2,66,29,759** bonus shares of Rs. 5 each (2017 : Nil) issued by the Company in December, 2017 to M&M ESOP Trust and for 5,18,35,214 bonus shares of Rs. 5 each (2017 : Nil) issued by the Company in December, 2017 to M&M Benefit Trust.

The accompanying notes 1 to 45 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 29th May, 2018

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

Directors

Anand G. Mahindra
Dr. Pawan Goenka
V. S. Parthasarathy
Narayan Shankar

Executive Chairman
Managing Director
Group Chief Financial Officer & Group CIO
Company Secretary
Mumbai, 29th May, 2018

Consolidated Cash Flow Statement for the year ended 31st March, 2018

Rupees crores

	2018	2017
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax	6,590.14	5,003.75
Adjustments for :		
Depreciation, amortisation and impairment expenses	3,279.90	2,941.51
Loss/(Gain) on foreign exchange fluctuation (net).....	91.76	(55.35)
Dividend and interest income [excluding Rs. 8,353.21 crores (2017 : Rs. 7,319.66 crores) in respect of financial services business].....	(402.99)	(422.81)
Interest, commitment and finance charges [excluding Rs. 3,409.89 crores (2017 : Rs. 3,186.45 crores) in respect of financial services business].....	577.20	462.01
Share-based payment expenses.....	112.00	170.70
Net Gain on financial instruments.....	(99.43)	(242.26)
Loss on property, plant and equipment sold/scrapped/written off (net)	10.45	53.90
	3,568.89	2,907.70
Operating Profit before Working Capital changes.....	10,159.03	7,911.45
Changes in :		
Trade and other receivables.....	(2,065.91)	(2,175.10)
Financial Services receivable	(9,852.00)	(6,434.37)
Inventories.....	(256.32)	240.97
Trade and other payables.....	5,360.93	2,644.95
	(6,813.30)	(5,723.55)
Cash generated from operations.....	3,345.73	2,187.90
Income Taxes paid (Net of refunds)	(2,663.87)	(2,004.81)
Net Cash flow from Operating Activities	681.86	183.09
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant & equipment and other intangible assets.....	(5,905.78)	(5,026.15)
Proceeds from sale of property, plant & equipment and other intangible assets	114.72	62.63
Payment to acquire investments.....	(1,55,158.64)	(1,32,172.74)
Proceeds from sale of investments	1,54,630.80	1,30,940.06
Interest received	253.62	345.88
Dividends received from Joint ventures and Associates	301.52	391.21
Dividends received from others	14.76	17.71
Bank Deposits placed	(2,180.56)	(2,505.34)
Bank Deposits matured.....	1,932.95	2,722.86
Increase in Earmarked and Margin account	(43.10)	(8.17)
Purchase of Investment in Joint ventures and Associates.....	(703.98)	(647.36)
Purchase consideration paid on acquisition of Subsidiaries net of cash acquired.....	(400.77)	(83.47)
Consideration received on disposal of Joint ventures and Associates	1,676.53	87.50
Net cash used in Investing Activities.....	(5,467.93)	(5,875.38)

Consolidated Cash Flow Statement for the year ended 31st March, 2018 (contd.)

Rupees crores

	2018	2017
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Shares to Employees by ESOP Trust.....	4.41	12.19
Proceeds from borrowings.....	66,819.38	72,180.59
Repayments of borrowings.....	(60,213.53)	(66,024.07)
Net increase in Loans repayable on demand and cash credit.....	(144.52)	1,101.60
Dividends paid (including dividend distribution tax paid thereon)	(845.73)	(771.66)
Dividend paid to non-controlling interests (including dividend distribution tax paid thereon)	(117.63)	(164.28)
Proceeds from issue of shares to non-controlling interest (net).....	1,333.05	244.65
Interest, Commitment and Finance charges paid	(520.93)	(471.05)
Net cash from financing activities.....	6,314.50	6,107.97
Net increase/(decrease) in cash and cash equivalents	1,528.43	415.68
Cash and cash equivalents at the beginning of the year	2,937.49	2,521.72
Unrealised gain/(loss) on foreign currency cash and cash equivalents	0.71	0.09
Cash and cash equivalents at the end of the year	4,466.63	2,937.49
Supplementary information :		
Non-Cash transactions		
a) Investment in equity accounted associates.....	—	354.60
b) Issue of equity shares as consideration to non-controlling interest in the Scheme of Arrangement (Refer Note 42)	0.25	—

Notes to the Consolidated Cash Flow Statements for the year ended 31st March, 2018

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

The accompanying notes 1 to 45 are an integral part of the Consolidated Financial Statements.

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 29th May, 2018

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

Directors

Anand G. Mahindra Executive Chairman
Dr. Pawan Goenka Managing Director
V. S. Parthasarathy Group Chief Financial Officer & Group CIO
Narayan Shankar Company Secretary
Mumbai, 29th May, 2018

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

1. General information

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

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

2. Significant Accounting Policies

a) Statement of compliance and basis of preparation and presentation

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

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 29th May, 2018.

b) Basis of measurement

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

c) Basis of consolidation

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

Subsidiaries

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

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

Associates

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

Joint Arrangements

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

d) Measurement of fair values

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

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

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

e) Critical Accounting Estimates and Judgments

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

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

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

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

Useful lives of property, plant and equipment and other intangible assets

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

Provision for product warranties

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

Fair value of financial assets and liabilities and investments

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

Impairment of goodwill

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

f) Property, plant and equipment

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

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

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

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

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

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

g) Goodwill and Intangible Assets

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

Intangible assets are initially recognised at cost except those acquired in a business combination on or after the transition date in which case it is recognised at their acquisition date fair value.

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

Intangible assets under development

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

Intangible assets acquired under business combination

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

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

Other intangible assets*Technical Knowhow*

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

Development Expenditure

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

Brand license fee

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

Software Expenditure

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

Others

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

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

h) Impairment of Assets

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

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

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

i) Inventories

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

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

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

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

j) Foreign exchange transactions and translation

The functional currency of the Company and its Indian subsidiaries is Indian Rupees whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

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

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

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

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

k) Financial Instruments

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

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

Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

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

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

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

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

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Compound instruments

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

Derecognition of financial assets

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

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

Offsetting

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

Financial guarantee contracts and loan commitments

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

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

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

Derivative financial instruments and hedge accounting

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

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

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

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

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

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

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

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

Impairment of financial assets

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

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

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

l) Revenue Recognition

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

Sale of goods

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

- a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably

Sale of services

Sale of services are recognised on rendering of such services.

Dividend and interest income

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

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

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

Income from financing business

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

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

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

Long term construction 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.

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

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

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

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

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

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

Revenue from sale of land and other rights are considered upon transfer of all significant risks and rewards of ownership of such real estate/property as per the terms of the contract entered into with the buyers, which generally with the firmity of the sale contracts/agreements.

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

Vacation Ownership

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

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

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

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

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

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

m) Government Grants

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

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

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

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

Provident Fund

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

Long term Compensated Absences

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

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

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

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

Remeasurement gains/losses

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

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

Share based payments

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

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

o) Borrowing Costs

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

p) Income taxes***Current tax***

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

Deferred tax

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

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

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

Current and deferred tax for the year

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

q) Provisions

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

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

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

r) Leasing

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

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

The Group as lessor

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

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

The Group as lessee

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

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

s) Business combinations

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

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

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

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

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

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

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

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

t) Acquisition of interest in associate and joint ventures

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

3. Recent accounting pronouncements

Standards issued but not yet effective:

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 – 'Revenue from Contracts with Customers' and consequential amendments to various Ind AS standards. The amended Rules also notified amendments to Ind AS 12 – 'Income Taxes', Ind AS 21 – 'The Effect of Changes in Foreign Exchange Rates', Ind AS 28 – 'Investments in Associates and Joint Ventures' and Ind AS 40 – 'Investment Property'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB). The amendments are effective from accounting periods beginning from 1st April, 2018.

Ind AS 115 – 'Revenue from Contracts with Customers':

This standard establishes a single comprehensive model for accounting of revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition guidance under Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company is currently assessing the impact of application of Ind AS 115 on the Company's consolidated financial statements.

Amendments to Ind AS 12 – 'Income Taxes':

The amendments clarify the requirement for recognising deferred tax assets on unrealised losses on debt instruments that are measured at fair value. The amendments also clarify certain other aspects of accounting for deferred tax assets. The changes will not have any material impact on the consolidated financial statements of the Company.

Amendments to Ind AS 21 – 'The Effect of Changes in Foreign Exchange Rates':

The amendments clarify translation of advance payments denominated in foreign currency into functional currency at the spot rate on the day of payment. The guidance aims to reduce diversity in practice. The changes will not have any material impact on the consolidated financial statements of the Company.

Amendments to Ind AS 28 – 'Investments in Associates and Joint Ventures':

The amendments clarify accounting options in consolidated financial statements of a venture capital or similar entity and investment entity. These amendments are not applicable to the Company's consolidated financial statements.

Amendments to Ind AS 40 – 'Investment Property':

The amendments clarify transfers of investment property to or from the portfolio in the case of a change of use. These amendments are not applicable to the Company's consolidated financial statements.

Amendments to Ind AS 112 – 'Disclosure of Interests in Other Entities':

The amendments clarify that disclosure requirements for interest in other entities also apply to interests that are classified (or included in a disposal group that is classified) as held for sale or as discontinued operations in accordance with Ind AS 105, Non-current Assets held for Sale and Discontinued Operations. The changes will not have any material impact on the consolidated financial statements of the Company.

4. Property, Plant and Equipment :

Particulars	Rupees crores											
	Land - Freehold	Land - Leasehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Plant and Equipment - Leasehold	Furniture and Fixtures	Vehicles	Aircraft	Office Equipments	Batteries	Total
Cost												
Balance as at 1 st April, 2016.....	3,574.80	359.03	7,900.60	57.11	27,210.64	121.97	944.24	548.98	103.46	317.27	17.30	41,155.40
Additions.....	95.61	0.79	136.85	1.56	1,655.87	30.23	61.94	123.50	—	34.30	2.57	2,143.22
Acquisitions through business combinations	29.73	—	67.26	—	31.02	35.45	2.43	0.96	—	0.16	—	167.01
Foreign exchange translation differences..	(18.04)	—	(44.84)	(0.08)	(141.21)	(2.40)	(2.32)	(1.20)	—	(0.93)	—	(211.02)
Disposals.....	(14.84)	—	(24.17)	(10.74)	(623.36)	(1.95)	(31.90)	(72.43)	—	—	—	(779.39)
Balance as at 31st March, 2017	3,667.26	359.82	8,035.70	47.85	28,132.96	183.30	974.39	599.81	103.46	350.80	19.87	42,475.22
Balance as at 1st April, 2017	3,667.26	359.82	8,035.70	47.85	28,132.96	183.30	974.39	599.81	103.46	350.80	19.87	42,475.22
Additions.....	30.22	0.13	469.68	16.46	3,379.47	60.67	94.59	131.88	—	29.48	0.02	4,212.60
Acquisitions through business combinations	84.70	—	40.57	0.73	330.00	8.54	13.04	36.43	—	5.58	—	519.59
Foreign exchange translation differences..	154.13	—	241.24	0.03	830.27	6.02	20.68	3.45	—	1.79	—	1,257.61
Disposals.....	(11.55)	—	(7.85)	(2.88)	(194.58)	(23.91)	(43.21)	(87.17)	—	(15.20)	(0.02)	(386.37)
Balance as at 31st March, 2018	3,924.76	359.95	8,779.34	62.19	32,478.12	234.62	1,059.49	684.40	103.46	372.45	19.87	48,078.65
Accumulated depreciation and impairment												
Balance as at 1 st April, 2016.....	—	25.60	3,431.96	40.60	18,211.27	19.92	569.08	286.08	21.81	208.64	2.25	22,817.21
Depreciation expense for the year	—	3.61	208.44	6.20	1,645.71	42.78	99.82	91.70	4.81	40.00	2.75	2,145.82
Foreign exchange translation differences..	—	—	(26.10)	(0.09)	(129.84)	(3.06)	(1.99)	(1.12)	—	—	—	(162.20)
Disposals.....	—	—	(21.40)	(8.88)	(609.71)	—	(25.21)	(51.70)	—	(0.25)	—	(717.15)
Impairment losses recognised in profit or loss	—	—	—	—	83.73	—	0.04	0.77	—	0.03	—	84.57
Balance as at 31st March, 2017	—	29.21	3,592.90	37.83	19,201.16	59.64	641.74	325.73	26.62	248.42	5.00	24,168.25
Balance as at 1st April, 2017	—	29.21	3,592.90	37.83	19,201.16	59.64	641.74	325.73	26.62	248.42	5.00	24,168.25
Depreciation expense for the year	—	3.64	214.89	3.49	1,885.05	43.90	99.43	99.11	4.81	39.42	2.92	2,396.66
Foreign exchange translation differences..	—	—	240.97	0.04	709.28	5.57	16.68	2.60	—	—	—	975.14
Disposals.....	—	—	(1.35)	(2.73)	(149.60)	(15.96)	(36.07)	(64.06)	—	(12.12)	—	(281.89)
Balance as at 31st March, 2018	—	32.85	4,047.41	38.63	21,645.89	93.15	721.78	363.38	31.43	275.72	7.92	27,258.16
Net Carrying Amount												
Net carrying amount as at 31 st March, 2017	3,667.26	330.61	4,442.80	10.02	8,931.80	123.66	332.65	274.08	76.84	102.38	14.87	18,306.97
Net carrying amount as at 31st March, 2018	3,924.76	327.10	4,731.93	23.56	10,832.23	141.47	337.71	321.02	72.03	96.73	11.95	20,820.49

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

Rupees crores					
Description of Assets	Land - Freehold	Buildings - Freehold	Batteries	Vehicles	Total
As at 31st March, 2018					
Cost	—	21.99	19.87	0.77	42.63
Accumulated depreciation and impairment.....	—	(6.33)	(7.92)	(0.01)	(14.26)
Net carrying amount.....	—	15.66	11.95	0.76	28.37
As at 31st March, 2017					
Cost	0.44	22.24	19.87	—	42.55
Accumulated depreciation and impairment.....	—	(5.32)	(5.00)	—	(10.32)
Net carrying amount.....	0.44	16.92	14.87	—	32.23

5. Goodwill :

Rupees crores		
	2018	2017
Balance at the beginning of the year	558.61	542.17
Additions during the year	1,593.96	23.76
Exchange differences	7.10	(7.32)
Balance at the end of the year	2,159.67	558.61

Segmentwise allocation of Goodwill

Goodwill is monitored by the management at the level of operating segments as described in Note 37. The carrying amount of goodwill has been allocated to segments as below.

Rupees crores		
	2018	2017
Automotive	54.79	77.43
Farm Equipment	167.67	128.92
Financial Services	1.34	1.34
Real Estate.....	103.59	103.59
Hospitality	110.87	81.20
Two-Wheelers	107.85	103.94
Others	1,613.56	62.19
Total	2,159.67	558.61

'Others' segment include goodwill of Rs. 1,526.78 crores recognised during the year on gain of control in Mahindra Logistics Limited (Refer note 34).

6. Other Intangible assets :

Rupees crores

	Development Expenditure	Computer Software	Brand License & Trademarks	Others	Total
COST					
Balance as at 1st April, 2016	2,723.87	490.47	31.61	138.34	3,384.29
Additions	525.01	83.37	132.83	4.10	745.31
Acquisitions through business combinations	4.72	14.93	—	42.62	62.27
Foreign exchange translation differences	(3.60)	(2.82)	(1.05)	(3.55)	(11.02)
Deductions	(57.33)	(23.81)	—	(5.07)	(86.21)
Balance as at 31st March, 2017	3,192.67	562.14	163.39	176.44	4,094.64
Balance as at 1st April, 2017	3,192.67	562.14	163.39	176.44	4,094.64
Additions	1,643.47	82.54	2.51	59.28	1,787.80
Acquisitions through business combinations	12.33	2.93	—	183.96	199.22
Foreign exchange translation differences	48.23	12.54	3.01	4.73	68.51
Deductions	(9.19)	(9.34)	—	(3.62)	(22.15)
Other Adjustments	—	—	—	(27.08)	(27.08)
Balance as at 31st March, 2018	4,887.51	650.81	168.91	393.71	6,100.94
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
Balance as at 1st April, 2016	852.08	370.33	9.20	114.90	1,346.51
Amortisation expense for the year	563.74	86.17	8.29	8.70	666.90
Foreign exchange translation differences	(2.66)	(1.96)	(0.16)	(0.43)	(5.21)
Deductions	(57.33)	(22.93)	—	(4.56)	(84.82)
Impairment losses recognised in profit or loss	47.83	—	—	—	47.83
Balance as at 31st March, 2017	1,403.66	431.61	17.33	118.61	1,971.21
Balance as at 1st April, 2017	1,403.66	431.61	17.33	118.61	1,971.21
Amortisation expense for the year	778.80	76.13	9.26	19.05	883.24
Foreign exchange translation differences	35.90	25.21	1.11	0.73	62.95
Deductions	(8.86)	(9.32)	—	(0.02)	(18.20)
Balance as at 31st March, 2018	2,209.50	523.63	27.70	138.37	2,899.20
NET CARRYING AMOUNT					
Net carrying amount as at 31 st March, 2017	1,789.01	130.53	146.06	57.83	2,123.43
Net carrying amount as at 31st March, 2018	2,678.01	127.18	141.21	255.34	3,201.74

7. Investments

A. Non-Current Investments

Rupees crores

Particulars	2018	2017
a) Measured as per equity accounting method		
Quoted		
Investments in Equity Instruments		
– of Associates *	6,878.46	6,496.26
Total.....	6,878.46	6,496.26
Unquoted		
Investments in Equity Instruments.....		
– of Associates *	1,403.89	1,163.13
– of Joint ventures *	1,139.10	1,136.15
Total.....	2,542.99	2,299.28
Investments measured as per equity accounting method (a)	9,421.45	8,795.54
b) Measured at Amortised Cost		
Quoted		
Investments in Non-Convertible debentures or bonds	62.00	89.75
Investments in Government Securities	709.45	708.90
Total.....	771.45	798.65
Unquoted		
Investments in Preference Shares		
– of Associates*	2.61	0.68
– of Joint ventures*	8.08	5.00
– of Other entities	10.15	10.13
Investments in Non Convertible Debentures/Bonds		
– of Joint ventures*	367.82	282.86
– of Other entities	0.04	0.41
Total.....	388.70	299.08
Total Investments measured at Amortised Cost (b)	1,160.15	1,097.73
c) Measured at FVTOCI		
Quoted		
Investments in Equity Instruments.....	6.89	5.38
Total	6.89	5.38
Unquoted		
Investments in Equity Instruments.....	63.10	48.62
Total	63.10	48.62
Total Investments measured at FVTOCI (c)	69.99	54.00
d) Measured at FVTPL		
Quoted		
Investments in Mutual Funds	5.01	4.00
Total	5.01	4.00
Unquoted		
Investments in Alternate Investment Fund.....	2.31	2.21
Investments in Others :		
Investments in Equity Instruments.....	8.63	8.29
Total	10.94	10.50
Total Investments measured at FVTPL (d).....	15.95	14.50
Total Investments measured at Fair Value (c+d)	85.94	68.50
Total carrying amount of investments (a)+(b)+(c)+(d).....	10,667.54	9,961.77
The above Non-Current investments have been presented in the Balance Sheet as below:		
Investments accounted using Equity method.....	9,421.45	8,795.54
Financial Assets – Investments.....	1,246.09	1,166.23
Other disclosures :		
(i) Aggregate amount of quoted investments (Gross).....	7,661.81	7,304.29
Market Value of quoted investment	21,635.36	16,612.84
(ii) Aggregate amount of unquoted investments (Gross)	3,005.73	2,657.48

* Refer Note 36

B. Current Investments :

		Rupees crores	
Particulars	2018	2017	
(a) Measured at Amortised Cost			
Quoted			
Investments in Non Convertible Debentures or Bonds	102.75	77.75	
Total	102.75	77.75	
Unquoted			
Investments in Certificate of Deposits	0.32	1.20	
Investments in Corporate Fixed Deposits	400.00	200.00	
Investments in Commercial paper	300.51	208.58	
Total	700.83	409.78	
Total Investments measured at Amortised Cost (a)	803.58	487.53	
(b) Measured at FVTOCI			
Quoted			
Investments in Equity Instruments	0.01	0.01	
Investments in Debentures / Bonds	147.13	20.25	
Investments in Government Securities	—	1.93	
Total	147.14	22.19	
Unquoted			
Investments in Equity Instruments	0.09	—	
Investments in Debentures / Bonds	—	210.83	
Investments in Certificate of Deposits	641.24	698.21	
Investments in Commercial paper	93.99	199.74	
Total	735.32	1,108.78	
Total Investments measured at FVTOCI (b)	882.46	1,130.97	
(c) Measured at FVTPL			
Quoted			
Investments in debentures or bonds	105.67	—	
Investments in Mutual Funds	3,558.36	3,082.17	
Total Investments measured at FVTPL (c)	3,664.03	3,082.17	
Total Investments measured at Fair Value (b+c)	4,546.49	4,213.14	
Total carrying amount of investments (a)+(b)+(c)	5,350.07	4,700.67	
Other disclosures :			
Aggregate amount of quoted investments	3,913.92	3,182.11	
Market value of quoted investments	3,913.92	3,182.11	
Aggregate amount of unquoted investments	1,436.15	1,518.56	

8. Trade Receivables :

</

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

9. Loans

Rupees crores

Particulars	Non-Current		Current	
	2018	2017	2018	2017
a) Security Deposits				
– Unsecured, considered good	275.55	219.05	110.73	131.98
– Doubtful.....	0.53	0.54	0.26	0.04
	276.08	219.59	110.99	132.02
Less: Allowance for doubtful Security Deposits.....	0.53	0.54	0.26	0.04
Total (a).....	275.55	219.05	110.73	131.98
b) Loans to related parties				
Unsecured, considered good.....	46.32	32.96	76.44	16.25
Doubtful.....	10.00	10.00	—	—
	56.32	42.96	76.44	16.25
Less: Allowance for doubtful loans	10.00	10.00	—	—
Total (b)	46.32	32.96	76.44	16.25
c) Other Loans				
Secured, considered good.....	1.98	—	21.36	16.35
Unsecured, considered good	197.58	179.10	455.56	193.96
Doubtful.....	7.54	6.16	15.14	19.63
	207.10	185.26	492.06	229.94
Less: Allowance for doubtful loans	7.54	6.16	15.14	19.63
Total (c)	199.56	179.10	476.92	210.31
d) Financial Services receivable #				
Secured, considered good.....	31,190.56	25,360.32	20,618.12	17,534.33
Unsecured, considered good	28.64	0.16	1,748.04	1,286.32
Doubtful.....	1,412.97	1,030.53	3,278.75	2,958.67
	32,632.17	26,391.01	25,644.91	21,779.32
Less: Allowance for doubtful loans	1,739.17	1,628.58	1,583.54	1,439.38
Total (d)	30,893.00	24,762.43	24,061.37	20,339.94
Total (a)+(b)+(c)+(d)	31,414.43	25,193.54	24,725.46	20,698.48

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

10. Other Financial Assets

Rupees crores

Particulars	Non-Current		Current	
	2018	2017	2018	2017
Financial assets at amortised cost :				
Bank Deposit.....	86.04	168.06	—	—
Security Deposit.....	35.29	39.19	26.73	—
Interest accrued on investment, other loans	—	—	245.49	218.43
Government grant receivable	153.57	102.38	587.29	515.55
Others	—	—	383.90	297.59
Financial Assets at Fair value:				
Derivative financial assets	237.53	134.28	12.37	64.37
Total	512.43	443.91	1,255.78	1,095.94

11. Current Tax and Deferred Tax :**a) Income Tax recognised in profit or loss**

	Rupees crores	
Particulars	2018	2017
Current Tax		
In respect of current year.....	2,576.38	2,080.79
In respect of prior years	(12.77)	(21.46)
Total Current Tax.....	2,563.61	2,059.33
Deferred Tax		
In respect of current year origination and reversal of temporary differences.....	784.92	271.08
Unrecognised tax loss used to reduce deferred tax expense	(980.80)	(30.68)
Total Deferred Tax	(195.88)	240.40
Total Income Tax Expense.....	2,367.73	2,299.73

b) Income Tax recognised in Other Comprehensive Income

	Rupees crores	
Particulars	2018	2017
Current Tax		
Remeasurement of defined benefit plans.....	—	0.04
Deferred Tax related to items recognised in other comprehensive income during the year:		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.....	7.26	(3.42)
Net change in fair value of investments in debt instruments at FVTOCI.....	0.34	0.42
Net change in fair value of investments in equity shares at FVTOCI	0.73	(0.37)
Remeasurement of defined benefit plans.....	2.73	4.52
Total	11.06	1.19
Classification of income tax recognised in Other Comprehensive Income		
Income taxes related to items that will not be reclassified to profit or loss.....	3.46	4.19
Income taxes related to items that will be reclassified to profit or loss	7.60	(3.00)
Total	11.06	1.19

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

	Rupees crores	
Particulars	2018	2017
Profit Before Tax	10,325.52	6,350.26
Applicable Income Tax rate.....	34.61%	34.61%
Expected Income Tax expense.....	3,573.46	2,197.70
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of different tax rates in local and foreign tax jurisdictions	(49.82)	34.67
Effect of change in tax rates	13.88	4.38
Effect of income exempt from tax.....	(713.71)	(38.58)
Effect of expenses/provisions that is non-deductible in determining taxable profit.....	198.15	163.22
Effect of concessions (R&D and other allowances).....	(74.23)	(277.02)
Effect of unused tax losses & tax offsets for which no deferred tax asset has been recognised	444.40	341.86
Recognition of deferred tax asset on previous year tax losses	(980.80)	(30.68)
Write down of Deferred tax assets.....	(5.71)	(16.79)
Others (includes current tax pertaining to prior years)	(37.89)	(79.03)
Income tax expense recognised In profit or loss.....	2,367.73	2,299.73

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

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

	Rupees crores	
Particulars	2018	2017
Deductible Temporary differences (no expiry date)	485.95	798.86
Unused Tax losses (revenue in nature)	11,110.60	12,177.72
Unused Tax losses (capital in nature)	739.72	730.20
Unused tax credits	145.54	134.85
Total	12,481.81	13,841.63

e) Unused Tax losses - Revenue in nature

	Rupees crores	
Particulars	2018	2017
Expiry period		
Upto Five Years	7,407.01	7,627.28
More than Five Years	2,274.44	3,627.43
No Expiry Date	1,429.15	923.00
Total	11,110.60	12,177.71

f) Unused Tax losses - Capital in nature

	Rupees crores	
Particulars	2018	2017
Expiry period		
Upto Five Years	729.17	719.06
No Expiry Date	10.55	11.14
Total	739.72	730.20

g) Unused tax credits

	Rupees crores	
Particulars	2018	2017
Expiry period		
Upto Five Years	115.19	108.19
More than Five Years	30.35	26.66
Total	145.54	134.85

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

	Rupees crores	
Particulars	2018	2017
Undistributed earnings	5,009.37	6,137.84

(i) Movement in deferred tax balances

Rupees crores

Year ended 31st March, 2018

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Foreign exchange translation	Acquired in Business Combination	Closing Balance
<i>Tax effect of items resulting in taxable temporary differences</i>						
Fiscal allowances on property, plant and equipment and intangible assets.....	2,023.73	265.65	—	1.37	52.33	2,343.08
Undistributed profit of subsidiaries, associates and joint ventures	982.84	141.25	—	—	—	1,124.09
Others	35.24	130.50	—	(0.83)	36.49	201.40
	3,041.81	537.40	—	0.54	88.82	3,668.57
<i>Tax effect of items resulting in deductible temporary differences</i>						
Provision for Employee Benefits.....	244.06	21.80	2.73	0.58	6.28	275.45
Allowances for Expected Credit Loss	882.40	96.30	—	—	5.11	983.81
Carried forward Tax Losses	105.14	75.89	—	0.48	2.80	184.31
MAT Credit	750.97	594.27	—	—	0.34	1,345.58
Unrealised gain on Inter-company transactions (net).....	164.92	(16.44)	—	—	—	148.48
Others	13.54	(38.54)	8.33	1.29	0.50	(14.88)
	2,161.03	733.28	11.06	2.35	15.03	2,922.75
Net Deferred Tax Asset / (Liabilities)	(880.78)	195.88	11.06	1.81	(73.79)	(745.82)

Rupees crores

For the Year ended 31st March, 2017

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Foreign exchange translation	Acquired in Business Combination	Closing Balance
<i>Tax effect of items resulting in taxable temporary differences</i>						
Fiscal allowances on property, plant and equipment and intangible assets.....	1,770.64	249.56	—	—	3.53	2,023.73
Undistributed profit of subsidiaries, associates and joint ventures	827.27	155.57	—	—	—	982.84
Others	7.79	23.79	(0.05)	1.81	1.90	35.24
	2,605.70	428.92	(0.05)	1.81	5.43	3,041.81
<i>Tax effect of items resulting in deductible temporary differences</i>						
Provision for Employee Benefits.....	244.96	(8.42)	4.52	—	3.00	244.06
Allowances for Expected Credit Loss	744.85	136.28	—	—	1.27	882.40
Carried forward Tax Losses	53.74	51.40	—	—	—	105.14
MAT Credit	725.84	25.13	—	—	—	750.97
Unrealised gain on Inter-company transactions	117.72	47.20	—	—	—	164.92
Others	65.65	(63.07)	(3.42)	—	14.38	13.54
	1,952.76	188.52	1.10	—	18.65	2,161.03
Net Deferred Tax Asset / (Liabilities)	(652.94)	(240.40)	1.15	(1.81)	13.22	(880.78)

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

Rupees crores

	2018	2017
Deferred Tax Assets (net)	841.60	906.67
Deferred Tax Liabilities (net).....	1,587.42	1,787.45
Net Deferred Tax Asset/(Liabilities).....	(745.82)	(880.78)

12. Other Assets (Non-Financial)

Rupees crores

Particulars	Non-Current		Current	
	2018	2017	2018	2017
Capital Advances	695.60	594.47	—	—
Balances with government authorities (other than income taxes)	1,177.66	1,523.96	2,038.51	422.46
Others	609.40	498.51	1,269.60	1,130.91
Total	2,482.66	2,616.94	3,308.11	1,553.37

Others include advances to suppliers, prepaid expenses.

13. Inventories

Rupees crores

Particulars	2018	2017
Raw materials and bought-out components [includes in-transit Rs. 839.73 crores (2017 : Rs. 671.69 crores)]	3,432.83	3,003.85
Work-in-progress	569.92	372.39
Work-in-progress-Property development activity and long term contracts	1,331.52	1,407.23
Finished products produced	2,627.75	2,782.07
Stock-in-trade [includes in transit Rs. 93.37 crores (2017 : Rs. 60.68 crores)]	1,014.62	1,025.33
Manufactured components	159.15	107.84
Stores and Spares	130.75	125.51
Loose Tools	55.43	50.12
Food, beverages, smokes and operating supplies	13.60	11.67
Total	9,335.57	8,886.01

- (a) The cost of inventories recognised as an expense during the year was **Rs. 75,734.18 crores** (2017 : Rs. 72,411.02 crores)
- (b) The cost of inventories recognised as an expense include **Rs. 86.46 crores** (2017 : Rs. 129.70 crores) in respect of write-down of inventory to net realisable value, and has been reduced by **Rs. 22.17 crores** (2017 : Rs. 32.13 crores) in respect of the reversal of such write downs.
- (c) Certain companies in the Group have availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, which are secured by hypothecation of inventories.
- (d) Mode of valuation of inventories is stated in Note 2 (i)

14. Cash and Cash Equivalents and Bank Balance

a) Cash and Cash Equivalents

Rupees crores

Particulars	2018	2017
Balances with banks		
– On current accounts	3,473.79	2,243.35
– On saving accounts	0.08	0.06
– Fixed deposits with original maturity less than 3 months	763.32	320.65
Cheques, drafts on hand	200.81	354.50
Cash on hand	28.63	27.23
Total	4,466.63	2,945.79

b) Bank balances other than Cash and Cash Equivalents

Rupees crores

Particulars	2018	2017
Earmarked balances with banks	43.67	23.70
Balances with banks on margin accounts	55.89	32.76
Fixed deposits	1,981.41	1,651.78
Total Other bank balances	2,080.97	1,708.24

Reconciliation of Cash and Cash Equivalents

Rupees crores

Particulars	2018	2017
Total Cash and Cash Equivalents as per Balance Sheet	4,466.63	2,945.79
Less: Bank overdraft	—	8.30
Total Cash and Cash Equivalents as per Statement of Cashflow	4,466.63	2,937.49

15. Equity Share Capital

Rupees crores

Particulars	2018	2017
Authorised :		
8,10,00,00,000 (2017 : 1,20,00,00,000) Ordinary (Equity) Shares of Rs. 5 each	4,050.00	600.00
25,00,000 Unclassified Shares of Rs. 100 each	25.00	25.00
	4,075.00	625.00
Issued,Subscribed and Paid-up :		
1,24,31,92,544 (2017 : 62,10,92,384) Ordinary (Equity) Shares of Rs. 5 each fully paid up.....	621.60	310.55
Less:		
5,32,59,518 (2017 : 2,74,81,857) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees	26.63	13.74
Less:-		
10,36,70,428 (2017 : 5,18,35,214) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M Benefit Trust	51.84	25.92
Adjusted Issued, Subscribed and Paid-up Share Capital	543.13	270.89

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

Particulars	2018		2017	
	No. of Shares	Rupees crores	No. of Shares	Rupees crores
Issued, Subscribed and Paid-up :				
Balance as at the beginning of the year	62,10,92,384	310.55	62,10,92,384	310.55
Add :				
Shares issued under Schemes of Arrangement.....	5,03,888	0.25	—	—
Issue of Bonus Shares.....	62,15,96,272	310.80	—	—
Balance as at the end of the year	1,24,31,92,544	621.60	62,10,92,384	310.55
Less:				
Shares issued to M&M ESOP Trust but not allotted to Employees	5,32,59,518	26.63	2,84,58,577	13.74
Shares issued to M&M Benefit Trust.....	10,36,70,428	51.84	5,18,35,214	25.92
Adjusted Issued and Subscribed Share Capital.....	1,08,62,62,598	543.13	54,07,98,593	270.89

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

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

Name of the Shareholder	2018		2017	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management and Services Pvt. Ltd.....	14,15,21,940	11.38	7,07,60,970	11.39
Life Insurance Corporation of India	10,83,68,931	8.72	6,80,51,139	10.96
M&M Benefit Trust.....	10,36,70,428	8.34	5,18,35,214	8.35
J. P. Morgan Chase Bank, N.A. (for GDR holders)	7,21,86,492	5.81	3,28,79,851	5.29

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

- Aggregate of 5,03,888 (2017 : 5,917) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Schemes of Arrangement without payment having been received in cash.
- Aggregate of 62,15,96,272 (2017 : Nil) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up by way of bonus shares.

16. Other Equity

a) Description of the nature and purpose of Reserves

Capital Reserve

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

Capital Reserve on Consolidation

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

Securities Premium Account

The Securities Premium is created on issue of shares

General reserve

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

Debenture Redemption Reserve

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

Employee Stock Options Outstanding Account

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

Statutory reserve

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

b) Details of Dividends proposed

Particulars	2018	2017
Authorised :		
Proposed Dividend per equity share (Rs.).....	7.50	13.00

The proposed dividend is subject to applicable Dividend Distribution Tax as per Income Tax Act, 1961.

17. Borrowings

A) Long Term Borrowings

a) Non-Current Borrowings

	Rupees crores	
Particulars	2018	2017
Secured (Carried at Amortised Cost) :		
Debentures & Bonds	12,667.14	12,880.93
Term Loan		
(i) From Banks	13,620.34	9,168.76
(ii) From other parties.....	73.67	129.49
Other Loans.....	80.13	66.82
	26,441.28	22,246.00
Unsecured (Carried at Amortised Cost) :		
Debentures & Bonds	4,426.56	3,216.98
Term Loan		
(i) From Banks	419.32	1,477.76
(ii) From other parties.....	81.68	78.83
Deposits	1,600.86	2,173.67
Other Loans.....	839.48	931.27
	7,367.90	7,878.51
	33,809.18	30,124.51

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

The borrowings carry varying rate of interest ranging from 0% to 11.75% p.a. and have maturities starting from 2018 and ending with 2063.

b) Current maturities of Long Term borrowing – Refer Note 19.

B) Short Term Borrowings

Rupees crores		
Particulars	2018	2017
Secured (Carried at Amortised Cost) :		
Other loans	1,151.67	1,339.57
Loans repayable on demand		
(i) From Banks and Cash credit account.....	2,310.55	2,379.95
(ii) From other parties.....	—	5.00
Term Loan from Banks.....	899.13	27.77
	4,361.35	3,752.29
Unsecured (Carried at Amortised Cost) :		
Deposits.....	261.73	250.54
Other loans	433.85	279.81
Loans repayable on demand		
(i) From Banks and Cash credit account.....	786.74	505.33
(ii) From other parties.....	—	33.10
Loan from related parties	132.97	442.76
Commercial Papers.....	4,573.09	4,270.75
Term Loan from Banks.....	775.81	587.07
	6,964.19	6,369.36
Total	11,325.54	10,121.65

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 inventories, movable machinery, machinery spares, tools and accessories, both present and future, subject to certain exclusions.

18. Trade Payables

Rupees crores				
Particulars	Non-Current		Current	
	2018	2017	2018	2017
Acceptances.....	—	—	3,998.12	3,361.87
Trade payable - Micro and small enterprises	—	—	313.50	221.21
Trade payable - Other than micro and small enterprises	4.88	4.38	13,975.72	11,213.79
Total	4.88	4.38	18,287.34	14,796.87

19. Other Financial Liabilities

Rupees crores				
Particulars	Non-Current		Current	
	2018	2017	2018	2017
Carried at Amortised Cost				
Current maturities of long-term debt.....	—	—	10,763.20	8,515.75
Unclaimed dividends.....	—	—	19.72	17.48
Unclaimed matured deposits and interest accrued thereon.....	—	—	0.50	0.84
Interest accrued	380.05	337.35	1,315.81	1,041.01
Others	419.69	411.14	2,042.73	2,123.60
Carried at Fair value				
Derivative financial liabilities and gross obligation to acquire non-controlling interest	889.72	644.29	66.47	77.26
Total	1,689.46	1,392.78	14,208.43	11,775.94

20. Provisions

Rupees crores

Particulars	Non-Current		Current	
	2018	2017	2018	2017
Provision for employee benefits.....	2,864.42	2,697.21	491.11	434.15
Provision for warranty	876.55	781.17	672.71	594.02
Provision for service coupon.....	39.49	21.57	151.22	113.16
Provision for others.....	5.22	7.09	80.22	74.58
Total	3,785.68	3,507.04	1,395.26	1,215.91

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

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

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

Rupees crores

Particulars	Provision for warranty		Provision for service coupon	
	2018	2017	2018	2017
Opening Balance	1,375.19	1,304.11	134.73	133.46
Additional provisions recognised	649.29	590.62	150.61	91.52
Adjustment due to acquisition/disposal of subsidiaries	18.14	0.75	—	—
Amounts utilised	(579.30)	(537.59)	(98.80)	(93.80)
Unwinding of discount	23.42	22.19	4.17	3.55
Foreign exchange translation differences	62.52	(4.89)	—	—
Closing Balance	1,549.26	1,375.19	190.71	134.73
– Non-Current	876.55	781.17	39.49	21.57
– Current.....	672.71	594.02	151.22	113.16

21. Other Non-Financial Liabilities

Rupees crores

Particulars	Non-Current		Current	
	2018	2017	2018	2017
Advances received from customers.....	51.44	71.50	844.22	515.48
Deferred Income.....	2,092.67	1,924.98	295.82	250.19
Statutory dues (other than income taxes)	—	—	2,143.62	607.59
Others	14.98	2.15	245.20	206.50
Total	2,159.09	1,998.63	3,528.86	1,579.76

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

22. Revenue from Operations

Rupees crores

Particulars	2018	2017
Sale of products	78,005.02	75,347.51
Sale of services.....	5,047.88	3,862.24
Interest income of financial services business	8,353.21	7,319.66
Income from long term contracts	535.09	749.43
Lease and rental income	0.30	0.51
Gross Revenue from sale of products and services	91,941.50	87,279.35
Other operating revenue		
– Government grant and incentives.....	348.15	622.39
– Scrap sales	211.03	171.94
– Others	764.09	909.35
Total	93,264.77	88,983.03

The Government of India introduced the Goods and Services Tax (GST) with effect from 1st July 2017. GST is collected on behalf of the Government and no economic benefit flows to the entity and hence Revenue from Operations under GST regime is presented excluding GST as per Ind AS 18 'Revenue'. However, Revenue from Operations under pre-GST regime included Excise Duty which is now subsumed in GST. Consequently, the figures for the year ended 31st March 2018 are not comparable with the previous year presented in the above table.

23. Other Income

	Rupees crores	
Particulars	2018	2017
Interest Income		
— On financial assets carried at amortised cost.....	282.20	298.33
— On financial assets carried at FVTOCI	50.20	44.91
Dividend Income		
— On financial instruments classified as equity	—	0.90
— Mutual funds.....	70.59	78.67
Net gains on financial instruments	99.43	242.26
Profit on sale of property, plant and equipment and intangible assets.....	11.84	3.52
Other non-operating income (net of directly attributable expenses).....	116.77	61.51
Total	631.03	730.10

24. Cost of materials consumed

	Rupees crores	
Particulars	2018	2017
Opening inventory	3,003.85	3,174.21
Add: Purchases.....	48,735.83	45,644.53
	51,739.68	48,818.74
Add: Inventory on acquisition	104.10	26.55
	51,843.78	48,845.29
Less: Closing Inventory	3,432.83	3,003.85
Foreign currency translation difference	28.91	(36.06)
Total	48,439.86	45,805.38

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

	Rupees crores	
Particulars	2018	2017
Inventories at the beginning of the year:		
Finished goods produced	2,782.07	2,590.83
Work-in-progress	372.39	407.28
Stock-in-trade.....	1,025.33	1,145.97
Manufactured Components	107.84	118.75
	4,287.63	4,262.83
Add: Stock on Acquisition / (disposal)		
Finished goods produced	17.85	18.50
Work-in-progress.....	53.59	11.70
Stock-in-trade.....	—	5.35
	71.44	35.55
Less: Inventories at the end of the year:		
Finished goods produced	2,627.75	2,782.07
Work-in-progress	569.92	372.39
Stock-in-trade.....	1,014.62	1,025.33
Manufactured Components	159.15	107.84
	4,371.44	4,287.63
Foreign currency translation difference	95.70	(24.58)
Net (increase) / decrease in inventory	83.33	(13.83)

26. Employee Benefits Expense

Rupees crores

Particulars	2018	2017
Salaries and wages, including bonus.....	8,229.92	7,175.61
Contribution to provident and other funds.....	681.99	680.65
Share based payment expenses.....	112.00	170.70
Staff welfare expenses.....	980.71	883.67
Total	10,004.62	8,910.63

27. Finance Cost

Rupees crores

Particulars	2018	2017
Interest expense on Financial liabilities at amortised cost.....	3,879.04	3,555.26
Other borrowing cost	108.05	93.20
Total	3,987.09	3,648.46

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

28. Other Expenses

Rupees crores

Particulars	2018	2017
Stores consumed.....	308.39	288.80
Tools consumed	57.09	49.69
Power & fuel	733.90	657.06
Rent including lease rentals.....	672.72	593.51
Insurance	144.55	126.54
Repairs and maintenance	792.67	724.93
Advertisement	905.06	723.40
Commission on sales / contracts (net).....	1,783.87	1,614.89
Freight outward.....	2,252.22	1,510.36
Sales promotion expenses.....	1,249.02	1,162.06
Travelling and conveyance expenses.....	583.71	522.88
Cost of projects	648.08	876.81
Subcontracting, hire and service charges	1,784.03	1,315.07
Provision for expected credit losses including write offs.....	899.16	1,236.90
Donations and contributions	128.32	137.91
Miscellaneous Expenses.....	3,877.71	3,478.51
Total	16,820.50	15,019.32

29. Exceptional Items

Exceptional items of **Rs. 2,628.12 crores** (2017 : Rs. 447.11 crores) comprise of:

- Profit on sale of franchise business - Nil (2017 : Rs. 198.83 crores)
- Profit on disposal of associates and joint venture **Rs. 1,113.45 crores** (2017 : Rs. 36.95 crores)
- Profit on change in ownership interest/relationships of subsidiaries, associates & joint venture **Rs. 1,514.67 crores** (2017 : Rs. 211.33 crores)

30. Earning Per Share (EPS)

Particulars	2018	2017
Profit for the year for basic and diluted EPS (Rupees crores)	7,510.39	3,698.04
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS.....	1,08,52,46,206	1,08,24,14,159
Effect of dilutive potential Ordinary (Equity) Shares	53,70,700	59,83,232
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	1,09,06,16,906	1,08,83,97,391
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	69.20	34.16
Diluted Earnings per share (Rs.).....	68.86	33.98

On 26th December, 2017, the Company allotted 62,15,96,272 Ordinary (Equity) Shares of Rs. 5 each as fully paid-up Bonus (Equity) Shares in the ratio of 1:1 [i.e. 1 (One) fully paid-up Bonus Ordinary (Equity) Share of Rs. 5 each for every 1 (One) fully paid-up Ordinary (Equity) Share of Rs. 5 each held] to all registered shareholders as on the record date. Consequently, in accordance with Ind AS 33 "Earnings per Share", the basic and diluted earnings per share for all the periods presented above have been adjusted to give effect to the aforesaid issue of Bonus Shares.

31. Employee Benefits**General description of defined benefit plans:****Gratuity**

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

A Group company provides certain severance benefit to employees on leaving service. The benefit is payable after one year of service and is one months salary for every completed year of service. Additionally based on number of years of service an additional benefit is provided on normal retirement.

Post retirement medical

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

Post retirement housing allowance

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

Risk exposure

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

Asset volatility

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

Changes in bond yields

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

Inflation risk

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

Life expectancy

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

Defined benefit plans - Actuarial valuation as on 31st March, 2018

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2018	2017	2018	2017	2018	2017	2018	2017
1 Amounts recognised in profit or loss								
Current service cost.....	84.82	84.92	238.40	269.27	2.22	1.47	2.50	2.22
Past service cost.....	—	—	—	—	4.49	—	—	—
Effect of the limit in Para 64 (b) of the Ind AS 19	(3.84)	(1.57)	—	—	—	—	—	—
Net interest expense.....	18.26	15.99	52.04	52.14	2.40	1.97	3.83	3.49
Total amount included in employee benefits expense .	99.24	99.34	290.44	321.41	9.11	3.44	6.33	5.71

Defined benefit plans - Actuarial valuation as on 31st March, 2018 (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2018	2017	2018	2017	2018	2017	2018	2017
2 Amounts recognised in other comprehensive income								
Remeasurement (gains) / losses:								
a) Actuarial (gains) / losses arising from changes in —								
— demographic assumptions.....	2.37	(0.95)	1.06	1.12	—	—	—	—
— financial assumptions.....	(16.00)	21.63	(46.73)	(200.74)	(1.20)	0.97	(1.23)	1.18
— experience adjustments.....	17.54	(11.16)	(79.21)	(34.76)	4.84	3.35	1.01	0.86
b) Return on plan assets, excluding amount included in net interest expense / (income).....	(6.25)	(8.24)	—	—	—	—	—	—
Total amount recognised in other comprehensive income	(2.34)	1.28	(124.88)	(234.38)	3.64	4.32	(0.22)	2.04
3 Changes in the defined benefit obligation								
Opening defined benefit obligation	995.86	949.97	1,836.31	1,894.76	32.35	25.45	51.32	45.44
Add / (less) on account of business combination / transfer	21.76	(0.43)	18.36	13.46	—	—	—	—
Current service cost.....	84.82	84.92	238.40	269.27	2.22	1.47	2.50	2.22
Past service cost.....	—	—	—	—	4.49	—	—	—
Interest expense.....	56.69	55.27	52.04	52.14	2.40	1.97	3.83	3.49
Remeasurements (gains) / losses.....	3.91	9.52	(124.88)	(234.38)	3.64	4.32	(0.22)	2.04
Benefits paid.....	(95.32)	(84.53)	(142.27)	(129.79)	(1.22)	(0.72)	(1.87)	(1.87)
Foreign exchange translation difference	5.58	(18.86)	99.42	(29.15)	0.22	(0.14)	—	—
Closing defined benefit obligation	1,073.30	995.86	1,977.38	1,836.31	44.10	32.35	55.56	51.32
4 Changes in fair value of plan assets								
Opening fair value of plan assets	686.37	669.94	—	—	—	—	—	—
Add / (less) on account of business combination / transfer	18.65	0.14	—	—	—	—	—	—
Interest income.....	38.43	39.28	—	—	—	—	—	—
Return on plan assets excluding interest income	6.25	8.24	—	—	—	—	—	—
Contributions by employer	136.03	55.42	—	—	1.22	0.72	1.87	1.87
Benefits paid.....	(95.32)	(84.53)	—	—	(1.22)	(0.72)	(1.87)	(1.87)
Foreign exchange translation difference	4.01	(2.12)	—	—	—	—	—	—
Closing fair value of plan assets.....	794.42	686.37	—	—	—	—	—	—
5 Net defined benefit obligation								
Defined benefit obligation	1,073.30	995.86	1,977.38	1,836.31	44.10	32.35	55.56	51.32
Fair value of plan assets	794.42	686.37	—	—	—	—	—	—
Surplus / (Deficit).....	(278.88)	(309.49)	(1,977.38)	(1,836.31)	(44.10)	(32.35)	(55.56)	(51.32)
Current portion of the above.....	(132.36)	(122.24)	(9.94)	(3.25)	(1.51)	(1.03)	(1.87)	(1.87)
Non current portion of the above.....	(146.52)	(187.25)	(1,967.44)	(1,833.06)	(42.59)	(31.32)	(53.69)	(49.45)

6 Actuarial Assumptions and sensitivity:
a Actuarial assumptions

Rupees crores

Assumptions	2018	2017
Discount rate (%)	0.43 - 8.10	0.52 - 8.00
Attrition rate (%)	1.00 - 48.91	1.00 - 48.91
Costs Inflation (%)	3.00 - 10.00	3.00 - 10.00

The estimate of future costs including medical considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors.

Defined benefit plans - Actuarial valuation as on 31st March, 2018 (contd.)**b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:**

	Rupees crores	
Assumptions	2018	2017
One percentage point increase in discount rate	(315.81)	(297.93)
One percentage point decrease in discount rate	350.22	335.18
One percentage point increase in salary growth rate.....	313.35	296.54
One percentage point decrease in salary growth rate.....	(278.69)	(262.24)
One percentage point increase in attrition rate	(49.78)	(26.06)
One percentage point decrease in attrition rate	46.98	15.81
One percentage point increase in medical inflation rate	5.91	4.45
One percentage point decrease in medical inflation rate	(4.98)	(3.75)

7 Maturity profile of defined benefit obligation :

	Rupees crores	
Time periods	2018	2017
Within 1 year	201.42	161.73
2 - 5 years.....	749.07	622.99
Between 6 and 9 years	990.37	842.40
10 years and above	3,209.54	3,068.06

Trust-managed Provident fund

	Rupees crores	
	2018	2017
I Net defined benefit obligation		
Defined benefit obligation.....	2,220.30	2,024.80
Fair value of plan assets.....	2,220.30	2,024.80
Surplus/(Deficit)	—	—
II Actuarial assumptions		
Discount rate	7.85%	7.60%
Average remaining tenure of investment portfolio (years)	5.95	6.12
Guaranteed rate of return.....	8.55%	8.65%

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating **Rs. 292.31 crores** (2017 : Rs. 260.25 crores) has been recognised in the Profit or Loss under the head 'Employee Benefits Expense'.

32. Capital Management:

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

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

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

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

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

	Rupees crores	
	2018	2017
Total Equity	36,237.85	28,895.52
Net Debt		
Short term debt.....	5,099.73	4,036.22
Long term debt (including current portion of long term debt)	6,262.34	6,192.61
Gross Debt	11,362.07	10,228.83
Less :		
Current investments	4,937.51	4,123.31
Cash and Bank Balances.....	6,069.71	4,057.64
Net Debt	354.85	2,047.88
Total Capital deployed	36,592.70	30,943.40

33. Financial instruments

Financial Risk Management Framework

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

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

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

1. Market Risk Management

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

(a) Currency Risk

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

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

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

	Rupees crores				
	US Dollar	Euro	JPY	Others	Total
As at 31st March, 2018					
Financial Assets	1,579.66	366.33	5.59	615.01	2,566.59
Financial Liabilities	2,676.83	787.77	504.25	374.32	4,343.17
As at 31st March, 2017					
Financial Assets.....	1,310.97	444.99	15.90	240.17	2,012.03
Financial Liabilities	2,192.32	879.53	636.91	135.62	3,844.38

Hedge Accounting - Forwards

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

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

						Rupees crores
Outstanding Contracts	Average exchange rate	Notional value (#)	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)	Change in the fair value of hedging instrument during the year - gain / (loss)	Change in the value of hedged item used to determine hedge effectiveness - (gain) / loss
31st March, 2018						
Cash Flow Hedges						
<i>Buy currency</i>						
Maturing less than 1 year						
— USD / EUR.....	1.19	21.14	1:1	(0.01)	(0.01)	0.01
Maturing in 1 + years						
— EUR / INR.....	75.49	404.08	1:1	3.87	35.61	(35.61)
<i>Sell currency</i>						
Maturing less than 1 year						
— USD / INR.....	64.55	408.39	1:1	2.00	2.00	(2.00)
— EUR / KRW.....	1,346.58	0.13	1:1	63.62	62.51	(62.51)
— ZAR / INR.....	5.02	215.57	1:1	(12.21)	(12.21)	12.21
— EUR / INR.....	75.49	37.23	1:1	(0.59)	(0.59)	0.59
— AUD / INR.....	49.95	39.60	1:1	1.15	1.15	(1.15)
— GBP / KRW.....	1,511.52	0.07	1:1	15.97	24.45	(24.45)
31st March, 2017						
Cash Flow Hedges						
<i>Buy currency</i>						
Maturing less than 1 year						
— USD / INR.....	68.64	268.50	1:1	(12.88)	(12.88)	12.88
— USD / EUR.....	1.07	10.39	1:1	0.07	0.07	(0.07)
— CNY / EUR.....	7.51	10.04	1:1	(0.20)	(0.20)	0.20
Maturing in 1 + years						
— EUR / INR.....	100.82	346.48	1:1	(31.74)	(31.74)	31.74
<i>Sell currency</i>						
Maturing less than 1 year						
— USD / KRW.....	1,190.67	0.37	1:1	27.51	27.98	(27.98)
— USD / INR.....	69.71	368.53	1:1	18.79	18.79	(18.79)
— EUR / KRW.....	1,287.21	0.08	1:1	7.45	7.06	(7.06)
— ZAR / INR.....	4.87	86.95	1:1	1.13	1.13	(1.13)
— GBP / KRW.....	1,480.80	0.09	1:1	7.26	7.20	(7.20)

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

Details of hedge ineffectiveness

			Rupees crores
	Ineffectiveness Recognised in Profit or Loss	Effective portion Recognised in OCI	
Year Ended 31st March, 2018			
Cash Flow Hedges	—	18.45	
Year Ended 31st March, 2017			
Cash Flow Hedges	(0.01)	82.67	

(b) Interest Rate Risk

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

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

Hedge Accounting : Interest Rate Swaps

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

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

Rupees crores						
Outstanding Contracts	Average interest rate	Notional value	Hedge ratio	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)	Change in the fair value of hedging instrument for the year - gain/ (loss)	Change in the value of hedged item used to determine hedge effectiveness
31st March, 2018						
Cash Flow Hedges						
<i>Floating to fixed Interest Rate Swaps</i>						
EUR						
Maturing in 1 + years.....	0.74%	404.08	1:1	3.58	(0.04)	0.04
Total				3.58	(0.04)	0.04
31st March, 2017						
Cash Flow Hedges						
<i>Floating to fixed Interest Rate Swaps</i>						
EUR						
Maturing in 1 + years.....	0.74%	346.48	1:1	3.54	3.54	(3.54)
Total				3.54	3.54	(3.54)

Details of hedge ineffectiveness

Rupees crores		
	Ineffectiveness Recognised in Profit or Loss	Effective portion Recognised in OCI
Year Ended 31st March, 2018		
Cash Flow Hedges	—	0.04
Year Ended 31st March, 2017		
Cash Flow Hedges	—	3.54

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

Rupees crores						
	2018			2017		
	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance at the beginning of the year.....	93.10	2.30	95.40	(6.71)	(2.42)	(9.13)
(Gains) / Losses transferred to Profit or Loss on occurrence of the forecast transaction	(79.82)	—	(79.82)	(45.71)	3.68	(42.03)

Rupees crores

	2018			2017		
	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
(Gains) / Losses transferred to Profit or Loss due to cash flows no longer expected to occur.....	0.03	—	0.03	(2.66)	—	(2.66)
Change in Fair Value of Effective Portion of cash flow hedges.....	18.45	0.04	18.49	82.67	3.54	86.21
Deferred Tax on the above	7.29	(0.03)	7.26	(0.92)	(2.50)	(3.42)
Balance at the end of the year.....	39.05	2.31	41.36	26.67	2.30	28.97
Add / (Less) : Non Controlling interest.....	11.27	—	11.27	(9.47)	—	(9.47)
Add: Share of Associate / Joint Venture.....	(138.78)	—	(138.78)	75.90	—	75.90
Total	(88.46)	2.31	(86.15)	93.10	2.30	95.40
Of the above :						
Balance relating to continuing hedges.....	(88.46)	2.31	(86.15)	93.10	2.30	95.40
Balance relating to hedges for which hedge accounting is no longer applied.....	—	—	—	—	—	—
	(88.46)	2.31	(86.15)	93.10	2.30	95.40

2. Credit Risk Management

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

(a) Financial Guarantees

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

Particulars	Rupees crores	
	2018	2017
Financial Guarantee Liabilities.....	39.25	43.79

The Group's maximum exposure to credit risk in respect of Financial Guarantee contracts is Rs. 847.96 crores and Rs. 792.70 crores as at 31st March, 2018 and 2017 respectively.

(b) Trade Receivables

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

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

Other than related to hospitality segment

Particulars	Rupees crores			
	Not due	Less than 6 months past due	More than 6 months past due	Total
As at 31st March, 2018				
Gross carrying amount.....	3,499.25	3,687.84	420.60	7,607.69
Loss allowance provision	—	(8.36)	(141.86)	(150.22)
Net	3,499.25	3,679.48	278.74	7,457.47

				Rupees crores
Particulars	Not due	Less than 6 months past due	More than 6 months past due	Total
As at 31 st March, 2017				
Gross carrying amount.....	2,352.86	3,627.77	398.92	6,379.55
Loss allowance provision	—	(2.41)	(124.46)	(126.87)
Net	2,352.86	3,625.36	274.46	6,252.68

Related to hospitality segment

Rupees crores			
Particulars	2018	2017	
Gross carrying amount.....	1,579.39	1,601.35	
Loss allowance provision	(33.20)	(78.18)	
Net	1,546.19	1,523.17	

Reconciliation of loss allowance for Trade Receivables:

Other than related to hospitality segment

Rupees crores			
Particulars	2018	2017	
Balance as at beginning of the year	126.87	123.44	
Additions during the year	59.79	35.14	
Amounts written off during the year.....	(9.30)	(8.44)	
Amount recovered during the year	(7.53)	(2.65)	
Impairment losses reversed / written back.....	(23.06)	(19.02)	
Foreign exchange translation difference.....	3.45	(1.60)	
Balance at end of the year	150.22	126.87	

Related to hospitality segment

Rupees crores			
Particulars	2018	2017	
Balance as at beginning of the year	78.18	147.58	
Additions during the year	1.21	21.18	
Amounts written off during the year	(46.19)	—	
Impairment losses reversed / written back.....	—	(90.58)	
Balance at end of the year	33.20	78.18	

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

(c) Credit risk related to financial services business:

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

	Rupees crores	
Particulars	2018	2017
Gross carrying value of loan assets		
Neither Past due nor impaired	40,205.27	30,996.60
Past due but not impaired		
1 month past due	5,587.67	5,494.94
2-3 months past due	7,015.92	5,159.23
Impaired (above 3 months)	5,468.22	6,519.56
Total Gross carrying value as at reporting date.....	58,277.08	48,170.33

Credit Quality of Financial Loans

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

Inputs considered in the ECL model

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

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

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

Assumptions considered in the ECL model

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

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

Estimation Technique

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

- Probability of default for Stage 1 loan assets is calculated as average of 5 years of movement of cases from Stage 1 to Stage 3 in next 12 months. Probability of default of Stage 2 is calculated based on lifetime ageing of 4 years completed portfolio moving to stage 3. In case of housing loan probability of default of Stage 2 is calculated based on outstanding loan portfolio till March 2017 moving to stage 3.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

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

Forward Looking Information

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

Assessment of significant increase in credit risk

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

Definition of default

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

Policy for write off of Loan Assets

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

Impairment loss

The expected credit loss allowance provision is determined as follows:

	Rupees crores			
	Performing Loans - 12 month ECL	Under performing loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 st March, 2018.....	45,792.94	7,015.92	5,468.22	58,277.08
Expected credit loss rate	1.22%	11.94%	35.35%	—
Carrying amount as at 31 st March, 2018 (net of impairment provision)	45,232.41	6,178.29	3,543.67	54,954.37
Gross Balance as at 31 st March, 2017	36,491.54	5,159.23	6,519.56	48,170.33
Expected credit loss rate	1.18%	6.61%	35.33%	—
Carrying amount as at 31 st March, 2017 (net of impairment provision)	36,060.74	4,817.96	4,223.67	45,102.37

Level of Assessment - Aggregation Criteria

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

Reconciliation of loss allowance provision for loans

	Rupees crores			
Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1 st April, 2017	430.80	341.27	2,295.89	3,067.96
- Transferred to / from 12 months ECL.....	271.17	(70.48)	(200.69)	—
- Transferred to / from lifetime ECL not credit impaired.....	(41.58)	275.60	(234.02)	—
- Transferred to / from lifetime ECL credit impaired.....	(16.36)	(60.48)	76.84	—
- Loans that have been derecognised during the year.....	(46.29)	(42.83)	(532.43)	(621.55)
New loans originated during the year.....	333.09	136.44	93.05	562.58
Write-offs.....	(0.03)	(0.49)	(270.45)	(270.97)
Net remeasurement of loss allowance.....	(370.27)	258.60	696.36	584.69
Balance as at 31 st March, 2018	560.53	837.63	1,924.55	3,322.71
Balance as at 1 st April, 2016	298.60	269.53	1,658.15	2,226.28
- Transferred to / from 12 months ECL.....	174.95	(49.47)	(125.48)	—
- Transferred to / from lifetime ECL not credit impaired.....	(35.86)	108.55	(72.69)	—
- Transferred to / from lifetime ECL credit impaired.....	(21.26)	(100.57)	121.83	—
- Loans that have been derecognised during the year.....	(30.94)	(34.19)	(330.99)	(396.12)
New loans originated during the year.....	262.61	79.02	98.73	440.36
Write-offs.....	(0.02)	(0.39)	(143.38)	(143.79)
Net remeasurement of loss allowance.....	(217.28)	68.79	1,089.72	941.23
Balance as at 31 st March, 2017	430.80	341.27	2,295.89	3,067.96

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

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

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

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

Concentration of Credit Risk

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

		Rupees crores	
Particulars	2018	2017	
Carrying Value.....	58,277.08	48,170.33	
Concentration by Geographical region in India:			
North.....	19,414.20	12,400.58	
East.....	6,923.92	5,244.54	
West.....	19,813.90	19,940.68	
South.....	12,125.06	10,584.53	
Total Loans as at reporting period.....	58,277.08	48,170.33	

Maximum Exposure to credit Risk

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

Narrative Description of Collateral

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

Quantitative Information of Collateral - Credit Impaired assets

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

		Rupees crores	
Loan To Value (LTV) range	Gross Value of loans in stage 3		
	2018	2017	
Upto 50% coverage.....	2,776.13	1,022.12	
51 - 70% coverage.....	1,405.01	1,146.12	
71 - 100% coverage.....	856.71	1,620.86	
Above 100% coverage.....	430.37	2,730.46	
Net.....	5,468.22	6,519.56	

Quantitative Information of Collateral - Repossessed Assets

		Rupees crores	
Particulars	2018	2017	
Carrying Value of repossessed collateral.....	379.65	380.00	

3. Liquidity risk management

(a) Maturity profile of financial liabilities

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

Rupees crores				
Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2018				
Short term borrowings - Principal.....	11,325.54	—	—	—
Short term borrowings - Interest	165.44	—	—	—
Long term borrowings (including Current maturities of long term debt) – Principal.....	10,763.20	22,525.88	5,006.67	6,342.65
Long term borrowings (including Current maturities of long term debt) – Interest	3,291.23	4,381.59	1,599.00	3,974.37
Trade payables	18,287.34	4.88	—	—
Financial Guarantee	847.96	—	—	—
Other Financial Liabilities	2,062.95	246.49	7.28	133.11
Total	46,743.66	27,158.84	6,612.95	10,450.13
As at 31st March, 2017				
Short term borrowings - Principal.....	10,270.56	—	—	—
Short term borrowings - Interest	61.62	—	—	—
Long term borrowings (including Current maturities of long term debt) – Principal.....	8,515.75	20,113.73	4,583.50	5,552.65
Long term borrowings (including Current maturities of long term debt) – Interest	3,324.29	3,885.31	1,239.30	4,158.03
Trade payables	14,796.87	4.38	—	—
Financial Guarantee	792.70	—	—	—
Other Financial Liabilities	2,087.69	310.55	—	64.69
Total	39,849.48	24,313.97	5,822.80	9,775.37

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

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

(b) Derivative financial instruments - Receivable / (Payables), net

Rupees crores			
Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2018			
Net settled			
Interest rate swaps	(24.50)	(12.35)	(2.16)
Commodity futures.....	—	—	—
Foreign exchange forward contracts.....	0.02	(6.15)	3.87
Gross settled			
Foreign exchange forward contracts / Options.....	(10.08)	—	—
Total	(34.56)	(18.50)	1.71

Rupees crores			
Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2017			
Net settled			
Interest rate swaps	2.33	(29.38)	(5.66)
Commodity futures.....	1.62	—	—
Foreign exchange forward contracts.....	(22.32)	—	—
Gross settled			
Foreign exchange forward contracts / Options.....	40.10	—	(31.74)
Total	21.73	(29.38)	(37.40)

4. Sensitivity Analysis

(a) Foreign Currency Sensitivity

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

Rupees crores				
Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31st March, 2018.....	KRW / USD	+10%	13.38	—
	KRW / JPY	+10%	(49.44)	—
	INR / EUR	+10%	(2.94)	—
Year ended 31st March, 2017	KRW / USD	+10%	26.22	—
	KRW / JPY	+10%	(62.27)	—
	INR / EUR	+10%	47.28	—

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

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

(b) Interest Rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rupees crores				
Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31st March, 2018.....	INR	+50 bps	(56.66)	—
	EUR	+25 bps	(2.47)	3.56
Year ended 31st March, 2017	INR	+50 bps	(50.82)	—
	EUR	+25 bps	(0.63)	3.91

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

5. Offsetting of balances:

The Company has not offset financial assets and financial liabilities.

6. Fair Value Disclosures

a) Financial Instruments regularly measured using Fair Value – recurring items

Financial assets/ financial liabilities	Financial assets/ liabilities	Category	Fair Value		Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity	Rupees crores
			2018	2017						
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL/FVTOCI	(33.93)	(22.60)	Level 2	Discounted Cash Flow	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.			
2) Currency options	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL	(21.95)	(6.18)	Level 2	Black Scholes valuation model	Strike rate, spot rate, time to maturity, volatility and risk free interest rate			
3) Derivatives on interest over Subsidiaries, associates and joint ventures	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL	175.86	185.22	Level 3	Comparable Companies Method / Discounted Cash-flow / Price of recent transactions / Comparable Companies quoted multiples	For Comparable Companies Method / - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, profit & loss account along with underlying assumptions.	Interest rates to discount future cashflows, financial projections	Any change (increase / decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of derivatives on interest in subsidiaries and associates.	
4) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	3,565.68	3,088.38	Level 1	Quoted market price for Mutual Funds				
5) Investment in equity instruments - Quoted	Financial Assets	Financial instrument designated at FVTOCI	6.90	5.39	Level 1	Quoted bid price in active market				
6) Investment in equity instruments- Unquoted	Financial Assets	Financial instrument designated at FVTOCI	63.19	48.62	Level 3	Discounted Cash Flow / Market Multiple approach	For Discounted Cash Flow approach - The discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, long term pre tax operating profit margin, WACC, Discount for lack of market for respective equity instrument. For Market Multiple approach - In this approach fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue Multiple etc.	Terminal growth rate, weighted average cost of capital. Market multiples used for benchmarking.	Increase or decrease in multiple will result in increase or decrease in valuation	
7) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTOCI	—	1.93	Level 1	Quoted market price				
8) Investment in debt instruments - Debentures/ Bonds, etc	Financial Assets	Financial instrument measured at FVTOCI	147.13	231.08	Level 1	Quoted market price				
	Financial Assets	Financial instrument measured at FVTPL	105.67	—	Level 1	Quoted market price				
9) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	735.23	897.95	Level 1	Quoted market price				

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

Rupees crores			
Particulars	Unquoted Equity investment	Derivatives on interest over Subsidiaries, associates and joint ventures (Net)	Total
Year Ended 31st March, 2018			
Opening balance	56.91	185.22	242.13
Total gains or losses recognised:			
a) in profit / (loss)	0.03	(8.53)	(8.50)
b) in other comprehensive income	(6.84)	—	(6.84)
Acquisitions during the year	30.28	(0.83)	29.45
Transfers out of Level 3	(8.56)	—	(8.56)
Closing balance.....	71.82	175.86	247.68
Year Ended 31st March, 2017			
Opening balance	43.10	36.73	79.83
Total gains or losses recognised:			
a) in profit / (loss)	2.98	171.50	174.48
b) in other comprehensive income	(5.55)	—	(5.55)
Acquisitions during the year	16.42	(23.01)	(6.59)
Sale made during the year	(0.04)	—	(0.04)
Closing balance	56.91	185.22	242.13

Equity Investments designated at FVTOCI

Rupees crores		
Particulars	2018	2017
Investment in quoted and unquoted equity instruments:		
Fair Value of Investments	70.09	54.01
Dividend income on investments held	—	—

There were no disposal of investment during the year ended 31st March, 2018 and 2017 respectively.

b) Financial Instruments measured at amortised cost

Rupees crores					
Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31 st March, 2018					
Financial assets					
a) Investments	1,963.73	2,025.80	910.64	1,112.53	2.63
b) Trade Receivables.....	9,003.66	9,003.66	—	9,003.66	—
c) Financial Services Receivables.....	54,954.37	55,338.12	—	—	55,338.12
d) Security Deposits.....	448.30	448.30	—	448.30	—
e) Other Loans.....	2,169.49	2,152.46	—	2,004.61	147.85
f) Fixed Deposits	86.04	86.04	—	86.04	—
Total	68,625.59	69,054.38	910.64	12,655.14	55,488.60

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
Financial liabilities					
a) Non-current Borrowings	33,809.18	34,505.72	15,320.55	19,185.17	—
b) Trade Payables.....	18,292.22	18,292.22	—	18,292.22	—
c) Short Term Borrowings	11,325.54	11,325.54	—	11,325.54	—
d) Other Financial Liabilities	14,941.70	14,927.53	5,029.07	9,833.12	65.34
Total	78,368.64	79,051.01	20,349.62	58,636.05	65.34
As at 31st March, 2017					
Financial assets					
a) Investments	1,585.26	1,634.68	907.40	727.28	—
b) Trade Receivables.....	7,775.85	7,775.85	—	7,775.85	—
c) Financial Services Receivables.....	45,102.37	44,413.20	—	167.50	44,245.70
d) Security Deposits.....	390.22	390.22	—	390.22	—
e) Other Loans.....	1,572.57	1,657.23	—	1,462.30	194.93
f) Fixed Deposits	168.06	168.97	—	168.97	—
Total	56,594.33	56,040.15	907.40	10,692.12	44,440.63
Financial liabilities					
a) Non-current Borrowings	30,124.51	31,049.62	14,919.75	16,129.87	—
b) Trade Payables.....	14,801.25	14,801.25	—	14,801.25	—
c) Short Term Borrowings	10,121.65	10,121.65	—	10,121.65	—
d) Other Financial Liabilities	12,447.17	12,447.17	2,433.80	9,881.50	131.87
Total	67,494.58	68,419.69	17,353.55	50,934.27	131.87

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

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

34. Significant acquisitions and changes in ownership:

a) Acquisition of Subsidiaries

Mahindra Logistics Limited

On 10th November, 2017, Mahindra & Mahindra Limited sold 13.59% stake in Mahindra Logistics Limited through Initial Public Offer (IPO) in which the other private equity shareholder also sold an equivalent stake. Consequent to the IPO, due to changes in the rights of the private equity shareholder, the status of Mahindra Logistics Limited has changed from joint venture to subsidiary. Further, in accordance with IndAS 110 - 'Consolidated Financial Statements', the retained interest has been re-measured at fair value. The gain on sale of stake and the re-measurement gain on retained interest have been recognised as exceptional items in the Consolidated Statement of Profit & Loss.

Consequent to gaining of control, the results of Mahindra Logistics operations have been consolidated by the Group from 10th November, 2017 on a line-by-line basis.

Rupees crores

Fair value of retained interest.....	1,793.75
Non-controlling interest.....	187.30
Less: Fair value of net asset and liabilities acquired	(454.27)
Goodwill on acquisition.....	1,526.78

The Non-controlling interest on acquisition date has been measured at proportionate share of identifiable assets and liabilities acquired. The resultant goodwill has been allocated to 'Others' segment.

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

	Rupees crores
Property, Plant and Equipment	70.37
Intangible Assets - acquired on acquisition	107.70
Intangible Assets - others.....	1.18
Cash and cash equivalents	50.78
Other current and non-current assets / (liabilities), net.....	283.17
Borrowings.....	(36.06)
Deferred tax assets / (liabilities), net.....	(22.87)
Fair value of net asset / (liabilities) acquired	454.27

Erkunt Traktor Sanayii A.S. and Erkunt Sanayi A.S.

On 1st December, 2017, the Group acquired 100.00% share capital of Erkunt Traktor Sanayi A.S. and 98.69%, share capital of Erkunt Sanayi A.S., Turkey. Erkunt Traktor Sanayii A.S. ('Erkunt Traktor') is the fourth largest player in the Turkish tractor industry with wide product portfolio for diverse farming needs catering to local and export market. The acquisition would provide the Group access to Turkish agricultural machinery market which is the fourth largest tractor market globally. Erkunt Sanayi A.S. ('Erkunt Foundry') is one of the leading producer and suppliers of iron castings and machined parts for farm equipment, automotive, construction equipment industry segments in the Turkish and global markets.

The results of Erkunt Traktor and Erkunt Foundry operations have been consolidated by the Group from the consummation date of 1st December, 2017 on a line-by-line basis. The purchase consideration for this acquisition amounted to Rs. 278.79 crores for Erkunt Traktor and Rs. 197.29 crores for Erkunt Foundry, entire amount comprising of initial cash consideration.

	Rupees crores
Purchase consideration paid	476.08
Non-controlling interest	5.32
Less: Fair value of net asset and liabilities acquired	(445.34)
Goodwill on acquisition.....	36.06

On acquisition date, the non-controlling interest has been measured at its proportionate share of identifiable assets and liabilities acquired. The goodwill has been allocated to 'Farm Equipment' segment.

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

	Rupees crores
Property, Plant and Equipment	460.00
Intangible Assets - acquired on acquisition	7.15
Intangible Assets - others.....	71.25
Investments.....	7.85
Cash and cash equivalents	26.01
Other current and non-current assets (net).....	230.50
Borrowings.....	(294.15)
Deferred tax assets/(liabilities), net	(63.27)
Fair value of net asset/(liabilities) acquired	445.34

Impact of acquisitions on the results of the Group

Revenue and Profit for the year ended 31st March, 2018 includes Rs. 1,179.65 crores and profit of Rs. 26.44 crores respectively pertaining to acquisitions made during the year. If the acquisitions had happened at the beginning of the year, management estimates that the reported Revenue for the year ended 31st March, 2018 would have been higher by Rs. 2,946.17 crores and Profit for the year higher by Rs. 39.00 crores.

b) Acquisition of Associates and Joint ventures

Zoomcar India Private Limited

On 16th February, 2018, the Group subscribed to 3,63,752 Series P1 Preference Shares of Zoomcar India Private Limited ('Zoomcar India') for a consideration of Rs. 129.13 crores. The arrangement provides that subject to regulatory approvals, Series P1 Preference Shares of Zoomcar India would be exchanged for Series C Preferred Stock of Zoomcar Inc. at a future date. Based on the investment made in Series P1 Preference Shares of Zoomcar India, the arrangement provides Mahindra & Mahindra Limited with voting rights amounting to 11.76% of the voting power on an if-converted basis and right to appoint a Preferred Director on the board of Zoomcar Inc.

c) Disposal of investments in subsidiaries, associates and joint ventures

CIE Automotive S.A.

In December 2017, Mahindra Overseas Investment Company (Mauritius) Limited, a wholly owned subsidiary of Mahindra & Mahindra Limited, sold 64,50,000 shares representing 5.0% of share capital of CIE Automotive S.A., Spain for an aggregate consideration amounting to Rs. 1,160.60 crores (Euro 151.58 million). Following the sale, the Group's shareholding in CIE Automotive S.A. has reduced to 7.435% of its Share Capital.

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		2018	2017	2018	2017
Mahindra Vehicle Manufacturers Limited.....	India	100.00%	100.00%		
Mahindra Heavy Engines Limited.....	India	100.00%	100.00%		
Mahindra Electric Mobility Limited.....	India	99.13%	98.87%		
Mahindra Trucks and Buses Limited.....	India	100.00%	100.00%		
Mahindra Automobile Distributor Private Limited.....	India	100.00%	95.00%		
NBS International Limited.....	India	100.00%	100.00%		
Mahindra Automotive Australia Pty. Limited.....	Australia	100.00%	100.00%		
Ssangyong Motor Company.....	South Korea	72.46%	72.46%		
Ssangyong Motor (Shanghai) Company Limited.....	China	72.46%	72.46%	100.00%	100.00%
Ssangyong European Parts Center B.V.....	Netherlands	72.46%	72.46%	100.00%	100.00%
Mahindra Europe S.r.l.....	Italy	100.00%	100.00%		
Mahindra and Mahindra South Africa (Proprietary) Limited.....	South Africa	100.00%	100.00%		
Mahindra Graphic Research Design S.r.l.....	Italy	100.00%	100.00%		
Mahindra West Africa Limited.....	Nigeria	100.00%	100.00%		
Mahindra International UK Limited.....	U.K.	100.00%	100.00%		
Gromax Agri Equipment Limited (formerly known as Mahindra Gujarat Tractor Limited).....	India	60.00%	60.00%		
Auto Digitech Private Limited.....	India	100.00%	100.00%		
Kota Farm Services Limited.....	India	47.81%	47.81%	51.02%	51.02%
Trringo.com Limited.....	India	100.00%	100.00%		
Mahindra USA Inc.	U.S.A.	100.00%	100.00%		
Mitsubishi Mahindra Agricultural Machinery Co., Ltd **.....	Japan	66.67%	66.67%	33.33%	33.33%
Mitsubishi Noki Hanbai co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Factory co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Engineering co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Daiya Computer Services co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Daiya Kikou co., Ltd. (Liquidated w.e.f. 27 th October, 2017).....	Japan		66.67%		100.00%
Ryono Asset Management co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Mahindra Mexico S. de. R. L.....	Mexico	100.00%	99.00%		
Mahindra do Brasil Industrial Ltda.....	Brazil	100.00%	100.00%		
Hisarlar Makina Sanayi ve Ticaret Anonim Sirketi.....	Turkey	77.18%	75.07%		
Hisarlar İthalat İhracat Pazarlama Anonim Sirketi.....	Turkey	77.18%	75.07%	100.00%	100.00%
Mahindra & Mahindra Financial Services Limited.....	India	51.46%	51.54%		
Mahindra Insurance Brokers Limited.....	India	41.17%	43.81%	80.00%	85.00%
Mahindra Rural Housing Finance Limited.....	India	45.80%	45.10%	89.00%	87.50%
Mahindra Asset Management Company Private Limited.....	India	51.46%	51.54%	100.00%	100.00%
Mahindra Trustee Company Private Limited.....	India	51.46%	51.54%	100.00%	100.00%
Mahindra Lifespace Developers Limited.....	India	51.51%	50.78%		
Mahindra Infrastructure Developers Limited.....	India	51.51%	50.78%	100.00%	100.00%
Mahindra World City (Maharashtra) Limited.....	India	51.51%	50.78%	100.00%	100.00%
Mahindra Integrated Township Limited.....	India	37.79%	37.25%	73.36%	73.36%
Knowledge Township Limited.....	India	51.51%	50.78%	100.00%	100.00%
Mahindra Residential Developers Limited.....	India	37.79%	37.25%	100.00%	100.00%
Industrial Township (Maharashtra) Limited.....	India	51.51%	50.78%	100.00%	100.00%
Raigad Industrial & Business Park Limited #.....	India	—	50.78%	—	100.00%
Anthurium Developers Limited.....	India	51.51%	50.78%	100.00%	100.00%
Industrial Cluster Private Limited (Upto 17 th September, 2017).....	India	—	50.78%	—	100.00%
Mahindra Water Utilities Limited.....	India	51.00%	50.27%	99.00%	99.00%
Kismat Developers Private Limited #.....	India	—	50.72%	—	99.90%
Topical Builders Private Limited #.....	India	—	50.75%	—	99.95%

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		2018	2017	2018	2017
Rathna Bhoomi Enterprises Private Limited.....	India	51.51%	50.76%	99.97%	99.97%
Deep Mangal Developers Private Limited.....	India	51.51%	50.78%	100.00%	100.00%
Moonshine Construction Private Limited.....	India	51.51%	50.62%	99.69%	99.69%
Mahindra Consulting Engineers Limited	India	84.78%	84.93%		
Mahindra Holidays & Resorts India Limited.....	India	67.71%	67.93%		
Mahindra Hotels and Residences India Limited.....	India	67.71%	67.93%	100.00%	100.00%
Gables Promoters Private Limited	India	67.71%	67.93%	100.00%	100.00%
Heritage Bird (M) Sdn. Bhd.	Malaysia	67.71%	67.93%	100.00%	100.00%
Infinity Hospitality Group Company Limited	Thailand	50.09%	50.25%	100.00%	100.00%
MH Boutique Hospitality Limited @.....	Thailand	33.18%	33.28%	49.00%	49.00%
MHR Holdings (Mauritius) Limited.....	Mauritius	67.71%	67.93%	100.00%	100.00%
Covington S.a.r.l.	Luxembourg	67.71%	67.93%	100.00%	100.00%
HCR Management Oy	Finland	67.71%	67.93%	100.00%	100.00%
Holiday Club Resort Oy	Finland	64.43%	62.45%	95.16%	91.93%
Kiinteistö Oy Himos Gardens.....	Finland	64.43%	62.45%	100.00%	100.00%
Suomen Vapaa-aikakiinteistöt Oy LKV.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Himoksen Tähti 2.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Vanha Ykköstii	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Katinnurkka.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Tenetinlahti	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Mällönsniemi	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 1.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 2.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Tiurunniemi	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Rauhan Liikekiinteistöt 1	Finland	64.43%	62.45%	100.00%	100.00%
Supermarket Capri Oy	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Kylpylöntorni 1.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 2.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 3.....	Finland	64.43%	62.45%	100.00%	100.00%
Kiinteistö Oy Kuusamon Pulkajärvi 1.....	Finland	64.43%	62.45%	100.00%	100.00%
Ownership Services Sweden Ab	Sweden	64.43%	62.45%	100.00%	100.00%
Are Villas 1 AB	Sweden	64.43%	62.45%	100.00%	100.00%
Are Villas 2 AB.....	Sweden	64.43%	62.45%	100.00%	100.00%
Are Villas 3 AB (w.e.f. 26 th January, 2018).....	Sweden	64.43%		100.00%	
Holiday Club Sweden Ab Åre	Sweden	64.43%	62.45%	100.00%	100.00%
Holiday Club Sport and Spahotels AB	Sweden	32.86%	31.85%	51.00%	51.00%
Holiday Club Resourts Rus LLC	Russia	64.43%	62.45%	100.00%	100.00%
Holiday Club Canarias Investments S.L.U.	Spain	64.43%	62.45%	100.00%	100.00%
Holiday Club Canarias Sales & Marketing S.L.U.	Spain	64.43%	62.45%	100.00%	100.00%
Holiday Club Canarias Resort Management S.L.U.	Spain	64.43%	62.45%	100.00%	100.00%
Arabian Dreams Hotel Apartments LLC @	U.A.E	33.18%	33.28%	49.00%	49.00%
Mahindra Two Wheelers Limited	India	92.25%	92.25%		
Mahindra Two Wheelers Europe Holdings S.a.r.l.....	Luxembourg	100.00%	100.00%		
Peugeot Motocycles S.A.S.....	France	51.00%	51.00%		
Peugeot Motocycles Deutschland GmbH	Germany	51.00%	51.00%	100.00%	100.00%
Peugeot Motocycles Italia S.p.A.....	Italy	51.00%	51.00%	100.00%	100.00%
Mahindra Tractor Assembly Inc.	U.S.A.	100.00%	100.00%		
Mahindra Agri Solutions Limited	India	98.40%	98.40%		
EPC Industrie Limited.....	India	54.65%	54.73%		
Mahindra HZPC Private Limited.....	India	58.99%	59.95%		
Mahindra Greenyard Private Limited.....	India	59.04%	59.04%	60.00%	60.00%
OFD Holding B.V.	Netherlands	83.09%	60.00%		

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		2018	2017	2018	2017
Origin Direct Asia Ltd.	Hong Kong	83.09%	60.00%	100.00%	100.00%
Origin Fruit Direct B.V.	Netherlands	83.09%	60.00%	100.00%	100.00%
Origin Fruit Services South America SpA	Chile	83.09%	60.00%	100.00%	100.00%
Origin Direct Asia (Shanghai) Trading Co. Limited	China	83.09%	60.00%	100.00%	100.00%
Bristlecone Limited.....	Cayman Islands	75.29%	75.35%		
Bristlecone Consulting Limited.....	Canada	75.29%	75.35%	100.00%	100.00%
Bristlecone (Malaysia) Sdn. Bhd.	Malaysia	75.29%	75.35%	100.00%	100.00%
Bristlecone International AG.....	Switzerland	75.29%	75.35%	100.00%	100.00%
Bristlecone UK Limited	U.K.	75.29%	75.35%	100.00%	100.00%
Bristlecone Inc.	U.S.A.	75.29%	75.35%	100.00%	100.00%
Bristlecone Middle East DMCC	U.A.E.	75.29%	75.35%	100.00%	100.00%
Bristlecone India Limited.....	India	75.29%	75.35%	100.00%	100.00%
Bristlecone GmbH.....	Germany	75.29%	75.35%	100.00%	100.00%
Bristlecone (Singapore) Pte. Limited	Singapore	75.29%	75.35%	100.00%	100.00%
Mahindra Intertrade Limited.....	India	100.00%	100.00%		
Mahindra Steel Service Centre Limited	India	61.00%	61.00%		
Mahindra Electrical Steel Private Limited.....	India	100.00%	100.00%		
Mahindra Auto Steel Private Limited.....	India	51.00%	51.00%		
Mahindra MiddleEast Electrical Steel Service Centre (FZC)	U.A.E.	90.00%	90.00%		
Mahindra Holdings Limited	India	100.00%	100.00%		
Mahindra Overseas Investment Company (Mauritius) Limited.....	Mauritius	100.00%	100.00%		
Mahindra Racing S.p.A.	Italy	100.00%	100.00%		
Mahindra Racing UK Limited.....	U.K.	100.00%	100.00%		
Mahindra Susten Private Limited	India	100.00%	100.00%		
Mahindra Renewables Private Limited	India	100.00%	100.00%		
Cleansolar Renewable Energy Private Limited	India	100.00%	100.00%		
MachinePulse Tech Private Limited.....	India	100.00%	100.00%		
Divine Solren Private Limited.....	India	100.00%	100.00%		
Neo Solren Private Limited	India	100.00%	100.00%		
Marvel Solren Private Limited	India	100.00%	100.00%		
Astra Solren Private Limited	India	100.00%	100.00%		
Mega Suryaurja Private Limited (formerly known as Mahindra Suryaurja Private Limited).....	India	100.00%	100.00%		
Mahindra Engineering and Chemical Products Limited.....	India	100.00%	100.00%		
Retail Initiative Holdings Limited.....	India	100.00%	100.00%		
Mahindra Retail Limited.....	India	100.00%	100.00%		
Defence Land Systems India Limited #.....	India	—	100.00%		
Mahindra Defence Naval Systems Limited (formerly known as Mahindra Defence Naval Systems Private Limited).....	India	100.00%	100.00%		
Mahindra Defence Systems Limited	India	100.00%	100.00%		
Mahindra First Choice Wheels Limited @.....	India	51.06%	48.68%		
Mahindra First Choice Services Limited	India	100.00%	100.00%		
Mahindra Namaste Limited	India	84.78%	84.93%	100.00%	100.00%
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%		
Mahindra Telecommunications Investment Private Limited ###.....	India	—	100.00%		
Mahindra 'Electoral Trust' Company.....	India	100.00%	100.00%		
Mahindra eMarket Limited.....	India	83.47%	83.47%	100.00%	100.00%
Gateway Housing Company Limited ###.....	India	—	100.00%		
Orizonte Business Solutions Limited.....	India	92.25%	98.14%	98.66%	
Mahindra Construction Company Limited	India	65.40%	64.99%	91.66%	91.66%
Officemartindia.com Limited.....	India	50.00%	50.00%		
Mahindra & Mahindra Contech Limited @.....	India	46.66%	46.66%		

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		2018	2017	2018	2017
Mumbai Mantra Media Limited	India	100.00%	100.00%		
Mahindra Airways Limited	India	100.00%	100.00%		
Mahindra Marine Private Limited	India	81.58%	81.58%		
Mahindra MSTC Recycling Private Limited	India	50.00%	50.00%		
Classic Legends Private Limited (upto 30 th June, 2017)	India	—	60.00%		
BSA Company Limited (Upto 30 th June, 2017)	India	—	60.00%		100.00%
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	51.46%	51.54%	100.00%	100.00%
Mahindra Holidays & Resorts India Limited ESOP Trust	India	67.71%	67.93%	100.00%	100.00%
M&M Benefit Trust	India	100.00%	100.00%		
Mahindra & Mahindra ESOP Trust.....	India	100.00%	100.00%		
ST-42-Jupiter Trust A Jan 13-Axis/ITSL (Upto 26 th May, 2017)	India	—	51.54%		
ST-43-MM TRUST MAR 13 I-IDBI/ITSL (Upto 29 th May, 2017)	India	—	51.54%		
ST-44-MM TRUST MAR 13 II-Citi/ITSL (Upto 29 th May, 2017)	India	—	51.54%		
ST-46-MM TRUST MAR 13 IV-HDFC/ITSL (Upto 29 th May, 2017)	India	—	51.54%		
ST-47-MM TRUST MARCH 14 I-IDBI/ITSL (Upto 29 th May, 2017)	India	—	51.54%		
ST-48-MM TRUST MARCH 14 II-YES/ITSL (Upto 26 th May, 2017)	India	—	51.54%		
ST-49-MM TRUST MARCH 14 III-HDFC/ITSL (Upto 29 th May, 2017)	India	—	51.54%		
ST-51-MM TRUST SEPTEMBER 14 -YES/ITSL	India	51.46%	51.54%		
ST-52-MM TRUST NOVEMBER 14 I-ICICI/ITSL	India	51.46%	51.54%		
ST-53-MM TRUST Feb 15-ICICI/ITSL	India	51.46%	51.54%		
ST-54-MM TRUST Mar 15 I-ICICI/ITSL	India	51.46%	51.54%		
ST-55-MM TRUST Mar 15 II-HDFC/ITSL	India	51.46%	51.54%		
Sunrise Initiatives Trust.....	India	100.00%	100.00%		
Mahindra First Choice Wheels Limited ESOP Trust	India	51.06%	48.68%	100.00%	100.00%
Mahindra Consulting Engineers Limited ESOP Trust	India	84.78%	84.93%	100.00%	100.00%
Mahindra Waste To Energy Solutions Limited (w.e.f. 25 th June, 2017)	India	100.00%			
Mahindra Telecom Energy Management Services Limited (w.e.f. 25 th June, 2017).....	India	100.00%			
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V. (w.e.f. 17 th November, 2017)	Netherlands	98.40%		100.00%	
Mahindra Automotive North America Inc. (w.e.f. 25 th April, 2017)	USA	100.00%			
Mahindra Vehicle Sales and Service Inc. (w.e.f. 6 th June, 2017).....	USA	100.00%			
Mahindra North American Technical Center, Inc.	USA	100.00%	100.00%		
Erkunt Traktor Sanayii A.S. (w.e.f. 1 st December, 2017)	Turkey	100.00%			
Erkunt Sanayi A.S. (w.e.f. 1 st December, 2017)	Turkey	98.69%			
Mahindra Logistics Limited (w.e.f. 10 th November, 2017)	India	58.77%			
Lords Freight (India) Private Limited (w.e.f.10 th November, 2017)	India	35.26%		60.00%	
2 x 2 Logistics Private Limited (w.e.f. 10 th November, 2017)	India	32.33%		55.00%	
Mahindra Emirates Vehicle Armouring FZ-LLC (w.e.f. 15 th October, 2017)	U.A.E.	88.00%			

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

represents companies which ceased to be subsidiaries during the year as per the scheme of arrangement. The appointed date and effective date is 1st April, 2016 and 28th December, 2017.

represents companies which ceased to be subsidiaries during the year as per the scheme of arrangement. The appointed date and effective date is 1st January, 2017 and 18th October, 2017.

represents companies which ceased to be subsidiaries during the year as per the scheme of arrangement. The appointed date and effective date is 1st April, 2016 and 27th February, 2018.

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

** In addition to JPY750million Common Stock (which represents 33.33% of the Common stock),the Company owns the entire JPY2250million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

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

Rupees crores

Sr. No.	Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and voting rights held by Non- controlling interests		Profit / (Loss) allocated to Non-controlling interest		Accumulated Non-controlling interest	
			2018	2017	2018	2017	2018	2017
1	Mahindra & Mahindra Financial Services Limited	India	48.54%	48.46%	526.35	236.66	4,681.61	3,211.16
2	Ssangyong Motor Company.....	South Korea	27.54%	27.54%	(144.93)	62.61	1,243.23	1,307.74
3	Individually Immaterial Non Controlling interest.....				65.99	53.22	2,325.63	1,838.00
	Total				447.40	352.49	8,250.47	6,356.90

Mahindra & Mahindra Financial Services Limited's Principal Activity - Financing of Automotive vehicles.

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

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

Rupees crores

Particulars	Mahindra & Mahindra Financial Services Limited		Ssangyong Motor Company	
	2018	2017	2018	2017
Current Assets.....	23,902.08	20,700.62	3,704.02	3,759.43
Non Current Assets	28,941.40	23,576.82	9,664.30	8,626.64
Current Liabilities	18,238.24	15,243.85	6,004.40	5,306.74
Non Current Liabilities.....	24,960.39	22,407.16	2,849.65	2,330.85
Equity Interest attributable to the owners.....	4,963.24	3,415.26	3,271.03	3,440.76
Non-controlling interest.....	4,681.61	3,211.16	1,243.23	1,307.74
Revenue	7,177.96	6,644.67	20,410.44	21,153.12
Expenses	6,157.92	6,143.59	20,908.87	20,919.94
Profit / (Loss) for the year	1,020.04	501.08	(498.43)	233.18
Profit / (Loss) attributable to the owners of the company	493.70	264.42	(353.50)	170.57
Profit / (Loss) attributable to the Non-controlling interest	526.35	236.66	(144.93)	62.61
Dividends paid to Non-controlling interest.....	65.73	132.38	—	—
Opening Cash & Cash Equivalents.....	411.45	218.77	1,057.41	266.26
Closing Cash & Cash Equivalents.....	271.9	411.45	1,134.69	1,057.41
Net Cash inflow / (outflow)	(139.55)	192.68	77.28	791.15

36. Investment in Joint Arrangements and Associates :

Interests in Joint Ventures :

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

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		2018	2017
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%
Mahindra Bebanco Developers Limited #	India	70.00%	70.00%
Mahindra World City Developers Limited #	India	89.00%	89.00%
Mahindra Homes Private Limited #	India	74.98%	74.98%
Mahindra Inframan Water Utilities Private Limited	India	50.00%	50.00%
Mahindra Sanyo Special Steel Private Limited #	India	51.00%	51.00%
Mahindra Aerospace Private Limited #	India	86.27%	66.67%
Mahindra Solar One Private Ltd. (upto 26 th February, 2018)	India	—	26.00%
Mahindra Tsubaki Conveyor Systems Private Limited	India	49.00%	49.00%
Mahindra Telephonics Integrated Systems Limited #	India	51.00%	51.00%
Mahindra Logistics Limited (Upto 9 th Nov, 2018)	India	—	74.12%
Brightsolar Renewable Energy Private Limited #	India	51.00%	51.00%
Mahindra Yueda (Yancheng) Tractor Company Limited (upto 24 th August, 2018)	China	—	51.00%
Jinan Qingqi Peugeot Motocycles Co Ltd.	China	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%
SY Auto Capital Co., LTD #	South Korea	51.00%	51.00%
Mahindra Emirates Vehicle Armouring FZ-LLC # (upto 14 th October, 2017)	UAE	—	51.00%
Industrial Cluster Private Limited (w.e.f. 18 th September, 2018)*	India	100.00%	
Classic Legend Private Limited (w.e.f. 1 st July, 2018) #	India	60.00%	
Mahindra Happinest Developers Limited (w.e.f. 6 th September, 2018) #	India	51.00%	
M.I.T.R.A Agro Equipments Private Limited (w.e.f. 15 th February, 2018)	India	27.06%	
Resfeber Labs Private Limited (w.e.f. 28 th March, 2018)	India	23.47%	
Tropiikin Rantasauna Oy	Finland	47.58%	45.97%
Zoomcar India Private Limited (w.e.f. 16 th February, 2018)**	India	—	

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

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

** Refer Note 34(b).

Interests in Associates :

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

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		2018	2017
Swaraj Engines Limited	India	33.31%	33.22%
Tech Mahindra Limited	India	26.19%	26.33%
Mahindra Finance USA LLC	USA	49.00%	49.00%
Mahindra CIE Automotive Limited #.....	India	17.25%	17.26%
CIE Automotive S.A. #.....	Spain	7.44%	12.44%
PSL Media & Communications Limited	India	40.00%	40.00%

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		2018	2017
The East India Company Spirits Pte. Ltd. Singapore	Singapore	20.00%	20.00%
The East India Company Group Ltd #	UK	18.62%	18.62%
Kiinteistö Oy Sallan Kylpylä.....	Finland	46.63%	49.00%
Kiinteistö Oy Seniori-Saimaa.....	Finland	29.50%	31.15%
Shiga Mitsubishi Co, Ltd.	Japan	22.40%	22.40%
Kagawa Mitsubishi Co, Ltd.	Japan	33.33%	33.33%
Okanetsu Kogyo Co, Ltd.....	Japan	33.77%	33.77%
Kita-Iwate Ryono Co, Ltd.	Japan	25.00%	25.00%
Aizu Ryono Co, Ltd.....	Japan	21.25%	21.25%
Jyoban Ryono Co, Ltd.	Japan	20.00%	20.00%
Fukuryo Kiki Hanbai Co, Ltd.	Japan	20.00%	20.00%
Ibaraki Ryono Co, Ltd.	Japan	21.64%	21.64%
Kotobuki Noki Co, Ltd.	Japan	33.33%	33.33%
Honda Seisakusho Co, Ltd.	Japan	25.00%	25.00%
Yamaichi Honten KK Co, Ltd.	Japan	42.90%	42.86%
Hokkaido Mitsubishi Noki Partnership	Japan	27.90%	27.90%
Tohoku Mitsubishi Noki Partnership	Japan	28.28%	28.28%
Tobu Mitsubishi Noki Partnership	Japan	41.15%	40.90%
Chubu Mitsubishi Noki Partnership.....	Japan	55.59%	49.88%
Seibu Mitsubishi Noki Partnership	Japan	37.47%	36.11%
Kyushu Mitsubishi Noki Partnership	Japan	24.84%	24.84%
P.F. holding B.V.	Netherland	40.00%	40.00%
Merakisan Private Limited.....	India	33.17%	33.17%
Sampo Rosenlew Oy.....	Finland	35.00%	35.00%
Brainbees Solutions Private Limited.....	India	26.76%	26.76%
Medwell Ventures Private Limited #	India	0.06%	0.06%
HDG-Asia Ltd	Netherland	50.00%	50.00%
Scoot Networks Inc.	USA	49.14%	12.96%
Carnot Technologies Private Limited (w.e.f. 9 th March, 2018)*.....	India	23.66%	—

* including participating preference shares.

The financial statements of the Associates are drawn upto 31st March, 2018, other than for CIE Automotive, S.A, Mahindra CIE Automotive Limited and The East India Company Group Ltd where it is upto 31st December, 2017.

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

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

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

Particulars	Rupees crores	
	Tech Mahindra Limited - Consolidated	
	2018	2017
Current assets		
Cash and cash equivalents.....	1,966.06	2,001.27
Other assets.....	16,140.94	14,325.27
Total current assets.....	18,107.00	16,326.54
Total Non-current assets	12,330.24	9,740.00
Current liabilities		
Financial liabilities	4,868.54	3,568.87
Other Liabilities.....	4,278.53	4,054.44
Total current liabilities.....	9,147.06	7,623.31
Total Non-current liabilities	1,938.25	1,541.92
Non-controlling interest.....	509.05	464.12
Revenue from Operations	30,772.93	29,140.84
Interest Income.....	145.50	124.84
Depreciation and amortisation.....	1,084.98	978.06
Interest Cost.....	162.38	128.59
Income tax expense	1,092.64	1,002.13
Profit / (Loss) for the year	3,786.22	2,850.87
Other Comprehensive Income for the year.....	(218.99)	83.34
Total Other Comprehensive Income for the year.....	3,567.24	2,934.21

Tech Mahindra Limited's Principal Activity - Information Technology (IT) and IT Enabled Services

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

Particulars	Rupees crores	
	Tech Mahindra Limited - Consolidated	
	2018	2017
Closing Net assets.....	18,842.82	16,437.19
Group share in %	26.19%	26.33%
Group share	4,934.93	4,327.91
Goodwill & other Adjustments.....	496.31	496.31
Carrying amount	5,431.24	4,779.92
Market Value	16,356.35	11,786.47

37. Segment information :**Operating Segments**

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

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

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

Financial Services: This segment comprises of offering financial products ranging from vehicle financing, public deposits, mutual funds, SME financing, housing finance, and life and non-life insurance broking services.

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

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

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

Others: This segment mainly comprises of IT Services, After-market, Defence, Steel trading and processing, Logistics, Susten, Powerol, Agri business, etc.

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

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

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

Rupees crores										
	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Two Wheelers	Others	Total	Eliminations	Consolidated Total
Revenue										
External Revenue	52,425.15	21,633.90	8,599.23	570.67	2,316.63	1,068.68	6,650.51	93,264.77	-	93,264.77
	53,535.42	18,739.69	7,492.85	762.97	2,283.90	1,166.77	5,001.43	88,983.03	-	88,983.03
Inter Segment Revenue	316.71	354.49	21.43	18.38	0.27	0.06	1,518.59	2,229.93	(2,229.93)	-
	236.62	303.79	15.22	20.18	0.39	0.74	519.23	1,096.17	(1,096.17)	-
Total Revenue	52,741.86	21,988.39	8,620.66	589.05	2,316.90	1,068.74	8,169.10	95,494.70	(2,229.93)	93,264.77
	53,772.04	19,043.48	7,508.07	783.15	2,284.29	1,167.51	5,520.66	90,079.20	(1,096.17)	88,983.03
Segment Result	2,068.68	3,051.10	1,850.58	65.07	222.10	(359.95)	381.18	7,278.76	(91.61)	7,187.15
	2,138.49	2,609.04	963.56	72.11	219.99	(692.41)	81.90	5,392.68	(133.11)	5,259.57
Share of Profit / (Loss) of equity accounted investees (net)										1,107.26
										899.40
Reconciliation to Profit / (Loss) before tax										(352.21)
1. Unallocable corporate expenses, net of income										(137.05)
2. Interest expenses not allocable to segments										(577.20)
3. Interest income not allocable to segments										(462.01)
4. Exceptional Items										332.40
										343.24
Profit before tax										2,628.12
										447.11
Other information:										10,325.52
Depreciation and Amortisation expense										6,350.26
Additions to non-current assets										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-

Notes:

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

Segment Assets and Liabilities

	Rupees crores									
	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Two Wheelers	Others	Total	Eliminations	Consolidated Total
Segment Assets	32,200.96 28,978.19	11,505.78 8,860.39	57,335.64 47,386.95	1,846.79 1,940.84	3,898.02 3,712.11	1,222.52 1,114.45	10,147.01 6,250.57	1,18,156.72 98,243.51	- -	118,156.72 98,243.51
Segment Liabilities	17,551.61 14,046.98	5,690.75 4,361.41	47,838.50 41,485.31	280.55 263.31	2,883.62 2,568.64	462.79 483.66	2,567.84 1,671.66	77,275.66 64,880.97	- -	77,275.66 64,880.97
Reconciliation of segment assets to total assets:										
Segment Assets										1,18,156.72 98,243.51
Unallocable Assets										19,054.19 16,498.64
Total Assets										1,37,210.91 1,14,742.15
Unallocable Assets primarily comprise of equity accounted investment in associates and joint ventures, other investments, income tax assets, deferred tax assets.										
Reconciliation of segment liabilities to total liabilities:										
Segment Liabilities										77,275.66 64,880.97
Unallocable Liabilities										14,909.59 13,766.29
Total Liabilities										92,185.25 78,647.26
Unallocable Liabilities primarily comprise of borrowings (excluding related to Financial Services Segment) and deferred tax liability.										

Revenue from type of products and services

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

Geographical information

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

Particulars	Rupees crores		
	2018	2017	2017
	Revenue from external customers		Non-Current assets
India	59,920.82	55,763.14	22,364.35
Overseas	33,343.95	33,219.89	11,806.90
	93,264.77	88,983.03	34,171.25
			28,871.91

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

Information about major customers

During the year ended 31st March, 2018 and 2017 respectively, revenues from transactions with a single external customer did not amount to 10 per cent or more of the Group's revenues from external customers.

38. Related Party Disclosures :**(a) Names of related parties where transactions have taken place during the year:****(i) Direct & Indirect Associates :**

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1	Mahindra CIE Automotive Limited	11	Brainbees Solutions Private Limited
2	Tech Mahindra Limited	12	The East India Company Group Ltd.
3	CIE Automotive, S.A.	13	HDG-Asia Ltd
4	Swaraj Engines Limited	14	Mahindra Gears Transmission Private Limited (upto 31 st December, 2017)
5	Mahindra Finance USA, LLC	15	PSL Media & Communications Limited
6	Pininfarina S.p.A.	16	Kumsan Dokum Mazelmeri A.S.
7	PF Holdings B.V.	17	Sampo-Rosenlew Oy, Finland
8	Satyam Venture Engineering Services Private Limited	18	Scoot Networks Inc.
9	Tech Mahindra (Shanghai) Co. Limited		
10	Merakisan Private Limited		

(ii) Joint Ventures :

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1	Mahindra Solar One Private Limited (upto 26 th February, 2018)	15	Mahindra Aerospace Private Limited
2	Mahindra Tsubaki Conveyor Systems Private Limited	16	Mahindra-BT Investment Company (Mauritius) Limited
3	Mahindra Logistics Limited (upto 9 th November, 2018)	17	Jinan Qingqi Peugeot Motorcycles Co. Ltd.
4	Mahindra Homes Private Limited	18	2 x 2 Logistics Private Limited (Upto 9 th November, 2017)
5	Mahindra Bebanco Developers Limited	19	Gipps Aero Pty Limited
6	Mahindra Telephonics Integrated Systems Limited	20	Lords Freight (India) Private Limited (Upto 9 th November, 2017)
7	Mahindra Industrial Park Chennai Limited	21	Mahindra Suryaprakash Private Limited
8	Brightsolar Renewable Energy Private Limited	22	Mahindra Emirates Vehicle Armouring FZ - LLC
9	Mahindra Yueda (Yancheng) Tractor Company Limited (upto 24 th August, 2017)	23	Mahindra Happinest Developers Limited (w.e.f. 24 th October, 2017)
10	Mahindra Aerostructures Private Limited	24	Classic Legends Private Limited (w.e.f. 01 st July, 2017)
11	Mahindra World City (Jaipur) Limited	25	M.I.T.R.A Agro Equipments Private Limited (w.e.f. 15 th February, 2018)
12	Mahindra World City Developers Limited	26	Mahindra Inframan Water Utilities Pvt Ltd
13	Mahindra Sona Limited (upto 16 th December, 2016)	27	SY Auto Capital Co., LTD
14	Mahindra Sanyo Special Steel Private Limited		

(iii) Key Management Personnel (KMP) :

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

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

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

(v) Welfare Funds :

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

(b) The related party transactions are as under :

						Rupees crores
Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates / Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures / Joint Ventures of Subsidiaries	KMP / KMP Exercising Significant Influence / close member of KMP	Welfare Funds
1	Purchases :					
	Goods.....	2018	2,332.75	131.78	–	–
		2017	1,883.85	384.49	–	–
	Property, Plant and Equipment	2018	13.61	0.04	–	–
		2017	6.36	0.46	–	–
	Services	2018	202.23	1,002.54	0.18	–
		2017	189.16	1,397.25	–	–
2	Sales :					
	Goods.....	2018	127.27	55.50	–	–
		2017	164.94	7.42	4.25	–
	Property, Plant and Equipment.....	2018	0.23	–	–	–
		2017	–	–	–	–
	Services	2018	46.78	45.26	0.42	0.05
		2017	8.22	24.64	–	–
	Lease	2018	–	–	–	–
		2017	–	1.52	–	–
3	Investments :					
	Purchases / Subscribed / Conversion	2018	173.40	501.06	–	–
		2017	253.40	213.46	–	–
	Sales / Redemption / Conversion	2018	20.93	32.08	0.01	–
		2017	–	–	0.02	–
4	Management contracts including Deputation of personnel :					
	From Parties	2018	0.59	–	–	–
		2017	0.04	0.04	–	–
	To Parties.....	2018	3.83	2.09	–	–
		2017	3.93	0.98	–	–
5	Managerial Remuneration	2018	–	–	16.73	–
		2017	–	–	15.06	–
6	Stock Options given by the Company	2018	–	–	3.51	–
		2017	–	–	–	–
7	Commission and other benefits to Non-executive / independent directors (including nominee directors).....	2018	–	–	3.73	–
		2017	–	–	2.76	–
8	Write back of provision for doubtful debts / advances	2018	–	–	–	–
		2017	–	1.80	–	–
9	Finance :					
	Inter Corporate deposits given.....	2018	28.79	178.65	–	–
		2017	8.02	20.94	–	–
	Inter Corporate Deposits Refunded by parties....	2018	–	130.65	–	–
		2017	–	14.29	–	–
	Loan given.....	2018	–	–	4.50	–
		2017	–	–	–	–

Rupees crores						
Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates / Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures / Joint Ventures of Subsidiaries	KMP / KMP Exercising Significant Influence / close member of KMP	Welfare Funds
10	Inter Corporate deposits taken	2018	180.00	7.71	—	—
		2017	417.00	—	—	—
	Inter Corporate deposits refunded	2018	505.00	—	—	—
		2017	—	—	4.50	—
	Interest Income	2018	—	59.27	0.44	—
		2017	—	50.57	0.26	—
	Interest Expense	2018	8.62	1.39	—	—
		2017	2.09	2.47	—	—
	Dividend received	2018	294.86	6.66	—	—
		2017	364.34	32.54	—	—
	Dividend distributed	2018	—	—	94.62	2.64
		2017	—	—	87.29	2.44
	Other Transactions :					
	Other Income	2018	5.22	3.24	—	—
		2017	2.34	3.49	0.35	—
	Other Expenses	2018	193.33	81.54	—	2.00
		2017	160.57	99.21	0.95	—
	Reimbursements received from parties	2018	6.29	18.98	—	1.50
		2017	12.30	13.83	—	0.80
	Reimbursements made to parties	2018	4.26	2.19	—	—
		2017	4.19	2.14	—	0.08
	Guarantee given	2018	—	—	—	—
		2017	792.70	—	—	—
11	Outstandings :					
	Payable	2018	358.62	6.38	4.12	—
		2017	267.95	105.26	3.81	—
	Receivable	2018	91.70	182.98	12.51	17.00
		2017	113.08	176.52	5.91	17.00
	Debenture / Bonds issued by parties	2018	—	394.87	—	—
		2017	—	320.17	—	—
	Inter Corporate Deposits given	2018	29.14	77.11	—	—
		2017	—	27.65	—	—
	Inter Corporate Deposits taken	2018	125.00	7.71	—	—
		2017	417.00	25.00	—	—
12	Provision for Doubtful debts / advances	2018	—	—	1.90	10.00
		2017	—	1.74	—	10.00
13	Security Deposit paid	2018	0.02	0.32	—	—
		2017	0.02	1.04	—	—
14	Advances given	2018	—	—	—	—
		2017	26.68	—	0.02	—
15	Advances refunded	2018	—	—	—	—
		2017	24.24	0.44	—	—
16	Guarantees given outstanding	2018	847.96	—	—	—
		2017	792.70	—	—	—

39. Employees Stock Option Plan :

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

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

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

- i) 5 equal instalments on the expiry of 12 Months, 24 Months, 36 Months, 48 Months and 60 Months from the date of grant, OR
- ii) 4 instalments bifurcated as 20% on the expiry of 18 months, 20% on the expiry of 30 months, 30% on the expiry of 42 months and 30% on the expiry of 54 months

The options may be exercised on any day over a period of 5 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

Summary of stock options

Nature of Transactions	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2017 (including 52,76,838 options outstanding from 4 years vesting grants)*	77,48,104	14.57
Options granted during the year (including 112,996 options with 4 years vesting grant)*	4,15,454	2.50
Options forfeited/lapsed during the year (including 143,840 options forfeited from 4 years vesting grants) pre bonus*	4,47,084	80.75
Options forfeited/lapsed during the year (including 39,312 options forfeited from 4 years vesting grants) post bonus.....	49,588	2.50
Options exercised during the year (including 490,998 options exercised from 4 years vesting grants) pre bonus*...	12,28,102	34.08
Options exercised during the year (including 342,866 options exercised from 4 years vesting grants) post bonus...	4,76,094	4.71
Options outstanding on 31 st March, 2018 (including 43,72,818 options outstanding from 4 years vesting grants)....	59,62,690	5.63
Options vested but not exercised on 31 st March, 2018 (including 851,613 options vested from 4 years vesting grants)	16,06,472	28.24

* The above mentioned no of shares and weighted average price have been adjusted for bonus declared by the Company on 21st December, 2017.

Average share price on the date of exercise of the options are as under (adjusted for bonus shares)

Date of exercise	Weighted average share price (Rs.)
24 th April, 2017 to 23 rd March, 2018.....	704.16

Information in respect of options outstanding as at 31st March, 2018 (adjusted for bonus shares)

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50	58,74,938	5.98 years
Rs. 181.00	67,752	0.59 Years
Rs. 331.00	20,000	2.98 Years

The fair values of options granted during the year are as follows (adjusted for bonus shares) :

Grant Date	No of years vesting	Fair value per options
29 th May, 2017	5 years	Rs. 633.89
9 th November, 2017	5 years	Rs. 646.99
9 th November, 2017	4 years	Rs. 645.81

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

	Grant dated		
	9 th November, 2017 (5 years vesting)	9 th November, 2017 (4 years vesting)	29 th May, 2017 (5 years vesting)
Risk free interest rate	6.82%	6.85%	6.86%
Expected life	5.51 years	5.70 years	5.51 years
Expected volatility	26.38%	26.47%	27.27%
Expected dividend yield	0.95%	0.95%	0.97%
Exercise Price (Rs.) (adjusted for bonus shares)	2.50	2.50	2.50
Stock Price (Rs.) (adjusted for bonus shares)	683.50	683.50	670.43

40. Contingent Liability & Commitments :

A. Contingent Liability

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

- (i) Excise Duty, Sales Tax and Service Tax claims disputed by the Group relating to issues of applicability and classification aggregating **Rs. 2,420.33 crores** before tax (2017 : Rs. 3,700.07 crores before tax).
- (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 151.13 crores** before tax (2017 : Rs. 277.37 crores before tax)

(b) Taxation matters :

- (i) Demands against the Group not acknowledged as debts and not provided for, relating to issues of deductibility and taxability in respect of which the Group is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
 - Income-tax : **Rs. 1,467.03 crores** (2017 : Rs. 1069.96 crores)
- (ii) Items in respect of which the Group has succeeded in appeal, but the Income-tax Department is pursuing / likely to pursue in appeal / reference and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
 - Income-tax matters : **Rs. 335.58 crores** (2017 : Rs. 382.18 crores)

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

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

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

Both these orders of the Tribunals were heard and disposed off by the Honorable Supreme Court, in August 2014. Since contrary views were expressed by the Tribunals in two parallel proceedings, the Honorable Supreme Court directed that a larger bench of the Tribunal be constituted to hear the appeals without expressing any opinion on the issues.

The Larger Bench of the CESTAT heard the matter in February, 2015 and by an order dated 27th February, 2015, remanded the matter to the Commissioner of Central Excise for consideration of the case afresh keeping all issues open. The matter is presently pending before the Honorable Commissioner. The company strongly believes, based on legal advice it has received, that it has a good case on merits and would eventually succeed in the matter. As regards Commander case the matter is still pending adjudication before the Commissioner. However, pending the final outcome, basis the earlier adjudication order, the Company has reflected the above amount aggregating Rs. 304.10 crores (including penalty) and the interest of Rs. 390.72 crores accrued on the same upto 31st March, 2018, under Note (a)(i) above.

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. This matter was heard by the Honorable Tribunal at Mumbai, which was pleased to allow the Company's appeal.

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

B. Commitments :

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2018 is **Rs. 1,032.41 crores** (2017 : Rs.1,151.48 crores) and other commitment as at 31st March, 2018 is **Rs. 2,028.73 crores** (2017 : Rs. 714.88 crores)

41. Research and Development expenditure :

Research and Development expenditure debited to the Statement of Profit and Loss, including certain expenditure based on allocations made by the Group, aggregate **Rs. 1,426.20 crores** (2017 : Rs. 1,352.67 crores)

42. The Scheme of Arrangement ('The Scheme') for merger of Two Wheeler business of the Company's subsidiary, Mahindra Two Wheelers Limited (MTWL), with the Company has been approved by the Mumbai Bench of National Company Law Tribunal and on completion of the required formalities on 25th October, 2017, the Scheme has become effective from appointed date i.e., 1st October, 2016. As per the terms of the Scheme, 5,03,888 Ordinary (Equity) shares (pre-bonus) of Rs. 5 each of the Company have been issued and allotted to the minority shareholders of MTWL as fully paid up in the ratio of 1 (One) Ordinary (Equity) Share for every 461 (Four Hundred and Sixty One) fully paid-up Equity Shares held in MTWL.

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

Statement of Net Assets and profit and loss and other comprehensive income attributable to Owners and Non-controlling Interest

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
PARENT								
Mahindra and Mahindra Limited	82.38%	30,294.04	54.74%	4,356.01	-2.55%	(10.17)	52.01%	4,345.84
SUBSIDIARIES								
Indian								
Mahindra Vehicle Manufacturers Limited	11.60%	4,264.62	4.38%	348.73	0.31%	1.25	4.19%	349.98
Mahindra Heavy Engines Limited	0.93%	343.25	0.16%	13.02	0.02%	0.07	0.16%	13.09
Mahindra Electric Mobility Limited	0.64%	235.93	-1.62%	(129.01)	0.25%	1.00	-1.53%	(128.01)
Mahindra Trucks and Buses Limited	0.33%	121.93	0.26%	21.07	1.93%	7.68	0.34%	28.75

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Mahindra Automobile Distributor Private Limited	0.06%	20.23	0.14%	11.20	0.00%	–	0.13%	11.20
NBS International Limited	0.00%	(0.10)	–0.09%	(7.54)	0.00%	(0.01)	–0.09%	(7.55)
Gromax Agri equipment Ltd	0.07%	24.61	–0.02%	(1.59)	0.00%	(0.00)	–0.02%	(1.59)
Auto Digitech Private Limited	0.00%	0.43	–0.07%	(5.52)	0.00%	0.02	–0.07%	(5.50)
Kota Farm Services Limited	0.00%	(0.30)	0.00%	–	0.00%	–	0.00%	–
Trringo.com Limited	0.01%	3.21	–0.14%	(11.15)	0.00%	–	–0.13%	(11.15)
Mahindra & Mahindra Financial Services Limited	26.23%	9,644.86	13.63%	1,085.02	–3.09%	(12.29)	12.84%	1,072.73
Mahindra Insurance Brokers Limited	0.86%	315.51	0.67%	53.59	–0.36%	(1.42)	0.62%	52.17
Mahindra Rural Housing Finance Limited	1.95%	717.70	1.71%	135.80	–0.02%	(0.08)	1.62%	135.72
Mahindra Asset Management Company Private Limited	0.16%	57.28	–0.47%	(37.43)	–0.02%	(0.08)	–0.45%	(37.51)
Mahindra Trustee Company Private Limited	0.00%	0.23	0.00%	0.01	0.00%	–	0.00%	0.01
MMFSL Securitisation Trust SPV	0.00%	–	0.00%	–	0.00%	–	0.00%	–
Mahindra Lifespace Developers Limited	4.91%	1,805.64	0.67%	53.12	–0.22%	(0.86)	0.63%	52.26
Mahindra Infrastructure Developers Limited	0.00%	1.82	0.00%	0.04	0.00%	–	0.00%	0.04
Mahindra World City (Maharashtra) Limited	–0.02%	(7.72)	–0.01%	(0.82)	0.00%	–	–0.01%	(0.82)
Mahindra Integrated Township Limited	0.25%	91.88	0.06%	4.86	0.00%	–	0.06%	4.86
Knowledge Township Limited	0.06%	23.49	0.00%	0.17	0.00%	–	0.00%	0.17
Mahindra Residential Developers Limited	0.25%	93.62	0.04%	3.52	0.00%	–	0.04%	3.52
Industrial Township (Maharashtra) Limited	0.01%	4.83	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Anthurium Developers Limited	0.00%	0.20	0.00%	0.05	0.00%	–	0.00%	0.05
Mahindra Water Utilities Limited	0.17%	61.68	0.10%	8.20	0.00%	–	0.10%	8.20
Rathna Bhoomi Enterprises Private Limited	0.00%	(0.03)	0.00%	–	0.00%	–	0.00%	–
Deepmangal Developers Private Limited	0.00%	(0.16)	0.00%	(0.04)	0.00%	–	0.00%	(0.04)
Moonshine Construction Private Limited	0.00%	(0.30)	0.00%	(0.00)	0.00%	–	0.00%	(0.00)
Mahindra Consulting Engineers Limited	0.04%	16.13	0.01%	0.59	0.00%	–	0.01%	0.59
Mahindra Holidays & Resorts India Limited	2.08%	764.45	1.69%	134.36	–0.18%	(0.72)	1.60%	133.64
Mahindra Hotels and Residences India Limited	0.00%	(0.11)	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Gables Promoters Private Limited	0.17%	61.45	–0.03%	(2.72)	0.00%	–	–0.03%	(2.72)
Mahindra Two Wheelers Limited	0.02%	6.91	0.03%	2.16	0.62%	2.48	0.06%	4.64
Mahindra Agri Solutions Limited	0.24%	89.71	–0.80%	(63.31)	–0.06%	(0.23)	–0.76%	(63.54)
EPC Industrie Limited	0.38%	139.92	0.06%	4.94	0.00%	–	0.06%	4.94
Mahindra HZPC Private Limited	0.01%	2.01	–0.23%	(18.60)	0.00%	0.01	–0.22%	(18.59)
Mahindra Greenyard Private Limited	0.01%	4.03	–0.07%	(5.74)	0.00%	0.02	–0.07%	(5.72)
Bristlecone India Limited	0.28%	103.83	0.36%	28.31	0.00%	–	0.34%	28.31
Mahindra Intertrade Limited	1.46%	535.24	0.78%	62.33	0.03%	0.10	0.75%	62.43
Mahindra Steel Service Centre Limited	0.29%	105.49	0.10%	8.14	0.00%	–	0.10%	8.14
Mahindra Electrical Steel Private Limited	0.00%	(1.57)	–0.01%	(0.86)	0.00%	–	–0.01%	(0.86)
Mahindra Auto Steel Private Limited	0.24%	89.86	0.16%	12.75	0.00%	–	0.15%	12.75
Mahindra Holdings Limited	3.24%	1,190.68	0.04%	3.18	0.00%	–	0.04%	3.18
Mahindra Susten Private Limited	1.63%	598.16	0.59%	46.97	0.00%	–	0.56%	46.97
Mahindra Renewables Private Limited	0.78%	285.34	–0.01%	(0.65)	0.00%	–	–0.01%	(0.65)
Cleansolar Renewable Energy Private Limited	0.17%	62.73	0.02%	1.44	0.00%	–	0.02%	1.44

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

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
MachinePulse Tech Private Limited	0.00%	0.01	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Divine Solren Private Limited	0.21%	77.52	0.05%	3.78	0.00%	–	0.05%	3.78
Neo Solren Private Limited	0.19%	69.50	0.07%	5.51	0.00%	–	0.07%	5.51
Marvel Solren Private Limited	0.00%	(0.05)	0.00%	(0.04)	0.00%	–	0.00%	(0.04)
Astra Solren Private Limited	0.17%	62.37	0.01%	0.56	0.00%	–	0.01%	0.56
Mega Suryaurja Private Limited	0.00%	0.02	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Mahindra Engineering and Chemical Products Limited	2.11%	774.83	0.04%	3.03	0.00%	–	0.04%	3.03
Retail Initiative Holdings Limited	–0.37%	(137.11)	0.00%	(0.06)	0.00%	–	0.00%	(0.06)
Mahindra Retail Private Limited	0.83%	303.97	–0.50%	(39.49)	0.05%	0.21	–0.47%	(39.28)
Mahindra Defence Naval Systems Private Limited	0.00%	1.05	–0.06%	(5.00)	0.03%	0.11	–0.06%	(4.89)
Mahindra Defence Systems Limited	0.62%	229.38	0.19%	15.04	0.09%	0.35	0.18%	15.39
Mahindra First Choice Wheels Limited	0.33%	121.66	–0.40%	(31.91)	–0.24%	(0.95)	–0.39%	(32.86)
Mahindra First Choice Services Limited	–0.14%	(52.36)	–0.51%	(40.39)	0.04%	0.15	–0.48%	(40.24)
Mahindra Namaste Limited	0.00%	0.19	0.00%	0.07	0.00%	–	0.00%	0.07
Mahindra Integrated Business Solutions Private Limited	0.02%	7.93	0.01%	0.91	–0.04%	(0.14)	0.01%	0.77
Mahindra 'Electoral Trust' Company	0.00%	0.04	0.00%	(0.00)	0.00%	–	0.00%	(0.00)
Mahindra eMarket Limited	0.00%	(0.09)	0.00%	(0.05)	0.00%	–	0.00%	(0.05)
Orizonte Business Solutions Limited	0.03%	10.20	–0.28%	(22.64)	0.00%	–	–0.27%	(22.64)
Mahindra Construction Company Limited	–0.06%	(22.43)	0.00%	(0.16)	0.00%	–	0.00%	(0.16)
Officemartindia.com Limited	0.00%	(0.24)	0.00%	–	0.00%	–	0.00%	–
Mahindra & Mahindra Contech Limited	0.03%	11.90	0.01%	0.95	0.01%	0.03	0.01%	0.98
Sunrise Initiatives Trust	0.33%	122.30	0.00%	(0.12)	0.00%	–	0.00%	(0.12)
Mumbai Mantra Media Limited	0.00%	0.37	–0.03%	(2.10)	0.00%	0.00	–0.03%	(2.10)
Mahindra Marine Private Limited	0.03%	10.06	–0.02%	(1.50)	0.01%	0.04	–0.02%	(1.46)
Mahindra MSTC Recycling Private Limited	0.05%	17.60	–0.03%	(2.61)	–0.01%	(0.04)	–0.03%	(2.65)
Mahindra Airways Limited	0.00%	0.76	0.00%	(0.07)	0.00%	–	0.00%	(0.07)
Mahindra & Mahindra Financial Services Limited ESOP Trust	0.09%	32.26	0.03%	2.16	0.00%	–	0.03%	2.16
Mahindra Holidays & Resorts India Limited ESOP Trust	0.02%	8.06	0.02%	1.57	0.00%	–	0.02%	1.57
M&M Benefit Trust	3.97%	1,459.78	0.78%	62.20	0.00%	–	0.74%	62.20
Mahindra & Mahindra ESOP Trust	1.30%	476.45	0.52%	41.39	0.05%	0.18	0.50%	41.57
Mahindra First Choice Wheels Ltd ESOP Trust	0.00%	(0.01)	0.00%	–	0.00%	–	0.00%	–
Mahindra Consulting Engineers Limited ESOP Trust	0.01%	3.26	0.00%	0.04	0.00%	–	0.00%	0.04
Mahindra Waste To Energy Solutions Limited	0.01%	2.38	0.00%	(0.13)	–0.12%	(0.47)	–0.01%	(0.60)
Mahindra Telecom Energy Management Services Limited	0.00%	–	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Mahindra Logistics Limited	1.14%	418.90	0.40%	32.19	–0.19%	(0.77)	0.38%	31.42
Lords Freight (India) Private Limited	0.02%	7.25	0.03%	2.37	0.01%	0.05	0.03%	2.42
2 x 2 Logistics Private Limited	0.02%	9.05	0.01%	0.73	0.00%	–	0.01%	0.73

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

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Foreign								
Mahindra Automotive Australia Pty. Limited ^	0.02%	8.51	-0.09%	(7.37)	0.00%	—	-0.09%	(7.37)
Ssangyong Motor Company »	12.29%	4,521.36	-6.89%	(548.37)	73.31%	292.03	-3.07%	(256.35)
Ssangyong Motor (Shanghai) Company Limited >	0.01%	5.25	-0.10%	(7.78)	0.00%	—	-0.09%	(7.78)
Ssangyong European Parts Center B.V. €	-0.06%	(21.47)	0.01%	0.92	0.00%	—	0.01%	0.92
Mahindra Europe S.r.l. €	0.04%	13.57	-0.04%	(3.06)	0.00%	—	-0.04%	(3.06)
Mahindra and Mahindra South Africa (Proprietary) Limited Ž	0.25%	90.73	-0.02%	(1.68)	3.20%	12.76	0.13%	11.08
Mahindra Graphic Research Design S.r.l. €	0.01%	4.67	-0.01%	(1.14)	0.00%	—	-0.01%	(1.14)
Mahindra West Africa Limited Ø	0.00%	1.06	0.00%	(0.04)	0.00%	—	0.00%	(0.04)
Mahindra International UK Limited £	0.00%	0.22	-0.05%	(3.62)	0.00%	—	-0.04%	(3.62)
Mahindra USA Inc. \$	0.42%	155.45	0.28%	22.42	0.00%	—	0.27%	22.42
Mitsubishi Mahindra Agricultural Machinery Co., Ltd (Consolidated) ¥	1.92%	705.55	-0.65%	(51.74)	13.67%	54.44	0.03%	2.70
Mahindra Mexico S. de. R. L ©	0.00%	1.06	-0.05%	(4.13)	-0.47%	(1.89)	-0.07%	(6.02)
Mahindra do Brasil Industrial Ltda ß	0.06%	22.94	-0.16%	(12.84)	-0.57%	(2.26)	-0.18%	(15.10)
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Consolidated) ₺	0.05%	19.27	-1.56%	(124.21)	-0.15%	(0.60)	-1.49%	(124.81)
Heritage Bird (M) Sdn. Bhd. **	0.00%	(0.86)	0.01%	0.45	0.00%	—	0.01%	0.45
Infinity Hospitality Group Company Limited #	0.03%	9.34	0.02%	1.57	0.00%	—	0.02%	1.57
MH Boutique Hospitality Limited #	0.00%	(0.95)	-0.01%	(0.57)	0.00%	—	-0.01%	(0.57)
MHR Holdings (Mauritius) Limited €	-0.06%	(21.78)	-0.09%	(7.18)	0.00%	—	-0.09%	(7.18)
Convington S.a.r.l. €	0.50%	182.11	0.05%	4.08	0.00%	—	0.05%	4.08
HCR Management Oy €	0.05%	17.25	0.01%	0.40	0.00%	—	0.00%	0.40
Holiday Club Resort Oy €	1.25%	458.73	0.38%	30.04	0.00%	—	0.36%	30.04
Kiinteistö Oy Himos Gardens €	0.02%	8.67	0.00%	0.06	0.00%	—	0.00%	0.06
Suomen Vapaa-aikakiinteistöt Oy LKV ≥	0.00%	0.15	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Himoksen Tähti 2 €	0.03%	10.97	0.07%	5.46	0.00%	—	0.07%	5.46
Kiinteistö Oy Vanha Ykköstii €	0.00%	0.44	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Katinnurkka €	0.01%	2.49	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Tenetinlahti €	0.00%	0.89	0.00%	(0.00)	0.00%	—	0.00%	(0.00)
Kiinteistö Oy Mällösnieni €	0.01%	2.42	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Rauhan Ranta 1 €	0.00%	1.02	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Kiinteistö Oy Rauhan Ranta 2 €	0.00%	1.67	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Kiinteistö Oy Tiurunniemi €	0.01%	2.92	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Kiinteistö Oy Rauhan Liikekiinteistöt 1 €	0.04%	13.95	0.00%	0.38	0.00%	—	0.00%	0.38
Supermarket Capri Oy €	0.00%	1.14	0.00%	0.20	0.00%	—	0.00%	0.20
Kiinteistö Oy Kylpylätorni 1 €	0.01%	2.03	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Spa Lofts 2 €	0.00%	1.16	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Spa Lofts 3 €	0.00%	1.14	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Kiinteistö Oy Kuusamon Pulkajärvi 1 €	0.01%	2.24	0.00%	0.02	0.00%	—	0.00%	0.02

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

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Ownership Services Ab ≥	0.00%	1.59	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Are Villas 1 AB ≥	0.00%	0.04	0.00%	–	0.00%	–	0.00%	–
Are Villas 2 AB ≥	0.00%	0.04	0.00%	–	0.00%	–	0.00%	–
Holiday Club Sweden AB Åre ≥	0.00%	0.11	0.00%	(0.00)	0.00%	–	0.00%	(0.00)
Holiday Club Sport and Hotelspa AB ≥	0.01%	2.94	–0.03%	(2.59)	0.00%	–	–0.03%	(2.59)
Holiday Club Resorts Rus LLC R	0.00%	0.00	0.00%	0.01	0.00%	–	0.00%	0.01
Holiday Club Canarias Investments S.L.U. €	0.00%	0.02	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Holiday Club Canarias Sales & Marketing S.L.U. €	0.02%	6.34	–0.09%	(7.07)	0.00%	–	–0.08%	(7.07)
Holiday Club Canarias Resort Management S.L.U. €	0.07%	26.67	0.02%	1.88	0.00%	–	0.02%	1.88
Are Villas 3 AB ≥	0.03%	11.26	0.14%	11.22	0.00%	–	0.13%	11.22
Arabian Dreams Hotel Apartments LLC •	–0.01%	(3.96)	0.03%	2.71	0.00%	–	0.03%	2.71
Mahindra Two Wheelers Europe Holdings S.a.r.l. €	0.57%	210.09	0.00%	(0.28)	0.00%	–	0.00%	(0.28)
Peugeot Motocycles S.A.S. (Consolidated) €	–1.01%	(372.66)	–1.96%	(155.99)	–6.96%	(27.73)	–2.20%	(183.72)
Mahindra Tractor Assembly Inc. \$	0.03%	9.68	–1.69%	(134.45)	0.00%	–	–1.61%	(134.45)
OFD Holding B.V. (Consolidated) €	0.14%	51.81	0.13%	10.37	3.83%	15.26	0.31%	25.63
Bristlecone Consulting Limited @	0.01%	3.59	0.00%	0.01	0.00%	–	0.00%	0.01
Bristlecone Limited \$	0.30%	110.86	1.11%	88.59	0.00%	–	1.06%	88.59
Bristlecone (Malaysia) Sdn.Bhd **	0.01%	2.76	–0.02%	(1.62)	0.00%	–	–0.02%	(1.62)
Bristlecone International AG <	0.03%	11.92	0.01%	0.95	0.00%	–	0.01%	0.95
Bristlecone (UK) Limited £	0.01%	3.91	0.02%	1.70	0.00%	–	0.02%	1.70
Bristlecone Inc. \$	0.10%	37.47	0.06%	4.49	0.00%	–	0.05%	4.49
Bristlecone Middle East DMCC •	0.00%	0.11	–0.02%	(1.31)	0.00%	–	–0.02%	(1.31)
Bristlecone GmbH €	0.09%	33.56	0.04%	3.29	0.00%	–	0.04%	3.29
Bristlecone (Singapore) Pte. Limited ≤	0.00%	0.63	0.01%	0.49	0.00%	–	0.01%	0.49
Mahindra MiddleEast Electrical Steel Service Centre (FZC) •	0.08%	30.40	0.00%	0.02	0.00%	–	0.00%	0.02
Mahindra Overseas Investment Company (Mauritius) Limited. \$	3.74%	1,376.73	7.40%	589.21	0.00%	–	7.05%	589.21
Mahindra Racing S.p.A. €	0.04%	15.57	0.02%	1.66	0.00%	–	0.02%	1.66
Mahindra Racing UK Limited £	0.04%	16.49	0.21%	16.56	0.00%	–	0.20%	16.56
Mahindra Fresh Fruits Distribution Holding Company €	0.00%	0.08	0.00%	(0.08)	0.00%	–	0.00%	(0.08)
Mahindra Automotive North America Inc. (Consolidated) \$	0.15%	56.08	–1.44%	(114.65)	8.19%	32.64	–0.98%	(82.01)
Erkunt Traktor Sanayii A.S ₺	0.34%	124.62	–0.17%	(13.51)	0.00%	–	–0.16%	(13.51)
Erkunt Sanayi A.S ₺	1.12%	412.14	0.08%	6.76	0.00%	–	0.08%	6.76
Mahindra Emirates Vehicle Armouring FZ-LLC •	0.07%	23.95	0.08%	6.00	0.00%	–	0.07%	6.00
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.21%	76.11	0.34%	26.68	–0.02%	(0.07)	0.32%	26.61
Tech Mahindra Limited	13.42%	4,934.30	12.50%	995.05	–16.30%	(64.93)	11.13%	930.12
Mahindra CIE Automotive Limited	1.74%	640.97	0.78%	61.83	–0.80%	(3.17)	0.70%	58.66

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

Name of the Enterprise	Rupees crores							
	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
PSL Media & Communications Limited	0.00%	0.88	0.00%	0.03	0.00%	–	0.00%	0.03
Merakisan Private Limited	0.00%	(0.34)	–0.01%	(0.66)	0.10%	0.42	0.00%	(0.24)
Brainbees Solutions Private Limited	0.60%	222.23	–0.19%	(15.05)	0.00%	–	–0.18%	(15.05)
Medwell Ventures Private Limited	0.00%	0.07	0.00%	(0.02)	0.00%	–	0.00%	(0.02)
Foreign								
Mahindra Finance USA LLC \$	0.89%	327.97	0.38%	30.27	0.13%	0.50	0.37%	30.77
CIE Automotive S.A. €	1.33%	488.44	1.62%	129.18	15.24%	60.70	2.27%	189.88
The East India Company Group Ltd £	0.00%	1.82	–0.10%	(8.11)	2.61%	10.39	0.03%	2.28
P.F. holding B.V. €	0.60%	220.52	–0.08%	(6.39)	7.53%	29.99	0.28%	23.60
Scoot Networks Inc. \$	0.09%	34.63	–0.36%	(28.80)	0.00%	–	–0.34%	(28.80)
Sampo Rosenlew Oy €	0.20%	73.45	–0.18%	(14.65)	3.32%	13.22	–0.02%	(1.43)
Koy Sallan Kypyla €	0.02%	5.61	–0.01%	(0.41)	0.00%	–	0.00%	(0.41)
Kiinteistö Oy Seniori-Saimaa €	0.00%	1.83	0.00%	(0.12)	0.00%	–	0.00%	(0.12)
HDG-Asia Ltd >	0.00%	(0.55)	0.00%	(0.01)	0.00%	–	0.00%	–
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra World City (Jaipur) Limited	0.58%	211.91	0.34%	27.45	0.00%	–	0.33%	27.45
Mahindra Bebanco Developers Limited	0.00%	0.76	–0.13%	(9.97)	0.00%	–	–0.12%	(9.97)
Mahindra World City Developers Limited	0.33%	120.36	0.15%	11.55	0.00%	–	0.14%	11.55
Mahindra Homes Private Limited	0.05%	20.15	0.16%	13.05	0.00%	–	0.16%	13.05
Mahindra Inframan Water Utilities Limited	0.00%	0.01	0.00%	(0.01)	0.00%	–	0.00%	(0.01)
Mahindra Sanyo Special Steel Private Limited	0.21%	77.17	–0.18%	(14.25)	0.05%	0.21	–0.17%	(14.04)
Mahindra Aerospace Private Limited	0.44%	161.91	–1.91%	(151.78)	0.55%	2.21	–1.79%	(149.57)
Mahindra Solar One Private Limited	0.00%	–	0.00%	–	0.00%	–	0.00%	–
Mahindra Tsubaki Conveyor Systems Private Limited	0.08%	30.49	0.02%	1.51	0.00%	–	0.02%	1.51
Mahindra Telephonics Integrated Systems Limited	0.04%	14.01	–0.02%	(1.81)	0.02%	0.06	–0.02%	(1.75)
Mahindra Logistics Limited (Upto 9th Nov, 2017)	0.00%	–	0.25%	20.15	0.01%	0.03	0.24%	20.18
Brightsolar Renewable Energy Private Limited	0.04%	14.00	0.00%	(0.21)	0.00%	–	0.00%	(0.21)
Industrial Cluster Private Limited	0.00%	(0.02)	0.00%	(0.04)	0.00%	–	0.00%	(0.04)
Mahindra Happinest Developers Limited	0.00%	(1.24)	–0.02%	(1.29)	0.00%	–	–0.02%	(1.29)
Classic Legend Private Limited	0.16%	58.91	–0.01%	(0.79)	–0.01%	(0.06)	–0.01%	(0.85)
Foreign								
Mahindra Yueda (Yancheng) Tractor Company Limited >	0.00%	–	–0.14%	(10.86)	–0.46%	(1.83)	–0.15%	(12.69)
Jinan Qingqi Peugeot Motorcycles Co Ltd. >	0.15%	54.18	0.07%	5.24	0.00%	–	0.06%	5.24
Mahindra-BT Investment Company (Mauritius) Limited \$	0.20%	73.40	0.01%	0.79	–0.02%	(0.06)	0.01%	0.73

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
SY Auto Capital Co., LTD »	0.24%	89.46	0.07%	5.19	1.19%	4.74	0.12%	9.93
Mahindra Emirates Vehicle Armouring FZ-LLC •	0.00%	–	–0.03%	(2.51)	–0.07%	(0.28)	–0.03%	(2.79)
Tropiikin Rantasauna Oy €	0.00%	0.46	0.00%	–	0.00%	–	0.00%	–
Non controlling Interest	–22.43%	(8,250.47)	–5.62%	(447.40)	–19.81%	(78.90)	–6.30%	(526.30)
Inter Company Adjustments	–74.94%	(27,557.72)	20.08%	1,597.72	18.32%	65.01	19.85%	1,662.74
Total	100.00%	36,775.19	100.00%	7,957.79	100.00%	398.35	100.00%	8,356.14

• Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 17.68 as on 31st March, 2018
^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs. 50.07 as on 31st March, 2018
β Converted into Indian Rupees at the exchange rate, 1 BRL = Rs. 19.50 as on 31st March, 2018
@ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs. 50.47 as on 31st March, 2018
< Converted into Indian Rupees at the exchange rate, 1 CHF = Rs. 68.61 as on 31st March, 2018
> Converted into Indian Rupees at the exchange rate, 1 CNY = Rs. 10.34 as on 31st March, 2018
€ Converted into Indian Rupees at the exchange rate, 1 EUR = Rs. 80.66 as on 31st March, 2018
£ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 92.02 as on 31st March, 2018
¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.6153 as on 31st March, 2018
» Converted into Indian Rupees at the exchange rate, 1 KRW = Rs. 0.0608 as on 31st March, 2018
© Converted into Indian Rupees at the exchange rate, 1 MXN = Rs. 3.53 as on 31st March, 2018
** Converted into Indian Rupees at the exchange rate, 1 MYR = Rs. 16.89 as on 31st March, 2018
◊ Converted into Indian Rupees at the exchange rate, 1 NGN = Rs. 0.1810 as on 31st March, 2018
R Converted into Indian Rupees at the exchange rate, 1 RUB = Rs. 1.15 as on 31st March, 2018
≥ Converted into Indian Rupees at the exchange rate, 1 SEK = Rs. 7.90 as on 31st March, 2018
≤ Converted into Indian Rupees at the exchange rate, 1 SGD = Rs. 49.66 as on 31st March, 2018
Converted into Indian Rupees at the exchange rate, 1 THB = Rs. 2.08 as on 31st March, 2018
₹ Converted into Indian Rupees at the exchange rate, 1 TRY = Rs. 16.26 as on 31st March, 2018
\$ Converted into Indian Rupees at the exchange rate, 1 USD = Rs. 64.92 as on 31st March, 2018
Ž Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 5.58 as on 31st March, 2018

44. The Company has on 9th February, 2018, entered into an agreement, subject to requisite approvals, to sell 26,36,401 Equity shares of Rs. 10 each held in Mahindra Sanyo Special Steel Private Limited (MSSSPL) aggregating to 22% of the paid-up Equity Share Capital of MSSSPL, to Sanyo Special Steel Co. Ltd. for a consideration of Rs. 146.32 crores. Consequently carrying value of of Rs. 63.61 crores pertaining to 26,36,401 shares have been classified as Assets Held for Sale.

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

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 29th May, 2018

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

Directors

Anand G. Mahindra
Dr. Pawan Goenka
V. S. Parthasarathy
Narayan Shankar

Executive Chairman
Managing Director
Group Chief Financial Officer & Group CIO
Company Secretary
Mumbai, 29th May, 2018

FORM AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement Containing salient features of the financial statements of subsidiaries/associate companies/joint ventures as included in the Consolidated Financial Statements

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

Rupees crores

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
1	Mahindra Vehicle Manufacturers Limited	25/05/2007	INR	1.00	4,057.72	206.90	8,027.82	3,763.20	1,649.17	10,031.15	594.39	245.66	348.73	108.30	100.00%	100.00%
2	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40	(291.15)	596.03	252.78	8.52	643.69	13.02	-	13.02	-	100.00%	100.00%
3	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	269.80	(33.87)	337.52	101.59	2.93	129.41	(129.01)	-	(129.01)	-	99.13%	99.13%
4	Mahindra Trucks and Buses Limited	01/10/2005	INR	1.00	93.35	28.58	163.06	41.13	46.28	148.65	28.24	7.18	21.07	9.53	100.00%	100.00%
5	Mahindra Automobile Distributor Private Limited	05/08/2005	INR	1.00	1.00	19.23	30.49	10.26	16.72	54.28	16.79	5.59	11.20	11.19	100.00%	100.00%
6	NBS International Limited	05/02/2001	INR	1.00	24.55	(24.65)	27.17	27.27	-	108.46	(7.54)	-	(7.54)	-	100.00%	100.00%
7	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	50.07	22.91	(14.40)	61.26	52.75	-	105.07	(7.37)	-	(7.37)	-	100.00%	100.00%
8	Ssangyong Motor Company #	09/02/2011	KRW	0.06	4,190.21	331.15	13,368.13	8,846.77	3.40	21,320.19	(548.37)	-	(548.37)	-	72.46%	72.46%
9	Ssangyong Motor (Shanghai) Company Limited #	09/02/2011	CNY	10.34	31.01	(25.76)	8.58	3.33	-	0.11	(7.78)	-	(7.78)	-	72.46%	100.00%
10	Ssangyong European Parts Center B.V. #	09/02/2011	EUR	80.66	5.65	(27.12)	77.45	98.93	-	112.08	1.15	0.23	0.92	-	72.46%	100.00%
11	SY Auto Capital Co., LTD #	28/10/2015	KRW	0.06	121.50	53.30	484.35	309.55	-	97.20	19.05	3.92	15.13	-	36.96%	51.00%
12	Mahindra Europe S.r.l.	31/05/2005	EUR	80.66	11.49	2.08	84.89	71.32	-	102.28	(3.42)	(0.36)	(3.06)	-	100.00%	100.00%
13	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	5.58	29.02	61.72	239.87	149.14	-	636.40	4.30	5.99	(1.68)	-	100.00%	100.00%
14	Mahindra Graphic Research Design S.r.l.	20/02/2008	EUR	80.66	7.74	(3.07)	12.97	8.30	-	21.86	(1.49)	(0.34)	(1.14)	-	100.00%	100.00%
15	Mahindra North American Technical Center, Inc.	18/12/2013	USD	64.92	157.59	(103.19)	213.44	159.03	-	45.40	(122.69)	(32.00)	(90.69)	-	100.00%	100.00%
16	Mahindra Automotive North America Inc.	25/04/2017	USD	64.92	171.39	1.01	192.32	19.92	0.00	3.17	1.63	0.62	1.01	-	100.00%	100.00%
17	Mahindra Vehicle Sales and Service Inc.	06/06/2017	USD	64.92	11.04	(25.76)	26.15	40.87	0.00	7.29	(36.47)	(10.71)	(25.76)	-	100.00%	100.00%
18	Mahindra West Africa Limited	20/05/2016	NGN	0.18	1.06	-	2.69	1.63	-	3.56	(0.01)	-	(0.01)	-	100.00%	100.00%
19	Mahindra International UK Limited	13/10/2015	GBP	92.02	24.32	(24.10)	0.27	0.05	-	2.80	(3.62)	-	(3.62)	-	100.00%	100.00%
20	Gromax Agri Equipment Limited	18/12/1999	INR	1.00	54.30	(29.69)	86.65	62.04	-	100.31	(1.59)	-	(1.59)	-	60.00%	60.00%
21	Auto Digitech Private Limited	09/10/2009	INR	1.00	0.01	0.42	4.26	3.83	-	0.12	(5.52)	-	(5.52)	-	100.00%	100.00%
22	Trringo.com Limited	23/05/2016	INR	1.00	20.60	(17.39)	6.45	3.24	-	0.86	(11.15)	-	(11.15)	-	100.00%	100.00%
23	Mahindra USA Inc.	08/06/1994	USD	64.92	90.88	64.56	1,662.85	1,507.40	-	3,737.55	39.12	16.70	22.42	5.45	100.00%	100.00%
24	Mahindra Mexico S. de. R. L	08/08/2016	MXN	3.53	6.55	(5.49)	69.69	68.64	-	28.81	(4.48)	(0.35)	(4.13)	-	100.00%	100.00%
25	Mahindra do Brasil Industrial Ltda.	14/10/2016	BRL	19.50	46.87	(23.93)	62.86	39.93	-	47.44	(12.84)	-	(12.84)	-	100.00%	100.00%
26	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi #	30/03/2017	TRY	16.26	153.77	(51.42)	455.85	353.50	-	148.28	(161.58)	-	(161.58)	-	77.18%	77.18%
27	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi # ^	30/03/2017	TRY	16.26	2.44	(9.54)	4.65	11.75	-	32.28	(17.80)	-	(17.80)	-	77.18%	100.00%

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

Part "A" : Subsidiaries [as per section 2(87) of the Companies Act, 2013] (contd.)														Rupees crores		
Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
28	Erkunt Traktor Sanayii A.S. #	01/12/2017	TRY	16.26	48.78	(3.67)	522.82	477.72	64.01	645.85	(75.98)	(2.75)	(73.22)	–	100.00%	
29	Erkunt Sanayi A.S. #	01/12/2017	TRY	16.26	13.10	169.78	326.06	143.18	7.66	431.04	6.79	1.69	5.09	–	98.69%	
30	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	122.90	9,180.19	54,367.81	45,064.72	1,174.78	7,206.12	1,372.75	480.86	891.88	293.78	51.46%	80.00%
31	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	2.58	312.93	396.76	81.25	72.75	245.13	83.17	29.58	53.59	5.59	41.17%	
32	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	108.13	625.90	6,357.96	5,623.93	–	1,000.02	224.59	79.13	145.46	22.16	45.80%	89.00%
33	Mahindra Asset Management Company Private Limited	20/06/2013	INR	1.00	120.00	(63.09)	68.04	11.13	6.31	23.37	(38.10)	–	(38.10)	–	51.46%	100.00%
34	Mahindra Trustee Company Private Limited	25/04/2013	INR	1.00	0.50	(0.27)	0.24	0.01	0.14	0.25	*	–	*	–	51.46%	100.00%
35	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	51.33	1,754.31	2,504.27	698.63	210.92	557.22	78.93	25.81	53.12	37.06	51.51%	
36	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	(16.18)	3.14	1.32	0.02	0.11	0.05	0.01	0.04	–	51.51%	100.00%
37	Mahindra World City (Maharashtra) Limited	21/09/2005	INR	1.00	1.17	(8.89)	12.11	19.83	0.12	–	(0.82)	–	(0.82)	–	51.51%	100.00%
38	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.44	41.44	190.97	99.09	–	49.99	6.07	1.20	4.86	–	37.79%	73.36%
39	Knowledge Township Limited	16/08/2007	INR	1.00	21.00	2.49	62.83	39.34	6.13	0.28	0.25	0.08	0.17	–	51.51%	100.00%
40	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	93.37	122.24	28.62	–	36.52	4.42	0.90	3.52	–	37.79%	100.00%
41	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(0.17)	5.37	0.54	–	–	(0.01)	–	(0.01)	–	51.51%	100.00%
42	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.15	2.35	2.15	–	0.08	0.07	0.02	0.05	–	51.51%	100.00%
43	Industrial Cluster Private Limited	29/03/2013	INR	1.00	0.05	(0.07)	133.70	133.72	14.98	0.49	(0.04)	–	(0.04)	–	51.51%	100.00%
44	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	61.58	65.36	3.68	0.03	23.72	11.36	3.15	8.20	–	51.00%	99.00%
45	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	115.24	538.14	402.90	–	113.13	12.05	(0.93)	12.98	–	45.85%	89.00%
46	Mahindra World City Jaipur Limited	26/08/2005	INR	1.00	150.00	136.36	670.55	384.19	5.01	129.33	42.63	5.54	37.09	27.12	38.12%	74.00%
47	Mahindra Bebanco Developers Limited	03/06/2008	INR	1.00	0.05	1.00	132.27	131.22	–	3.28	(20.37)	(6.12)	(14.24)	–	36.06%	70.00%
48	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	2.83	264.75	91.92	–	–	(4.60)	(1.86)	(2.74)	–	30.91%	60.00%
49	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.82	26.05	1,291.29	1,264.42	–	248.26	27.93	10.54	17.40	–	38.62%	74.98%
50	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.95	14.18	21.94	5.81	–	17.20	0.93	0.33	0.59	–	84.78%	
51	Mahindra Happinest Developers Limited	06/09/2017	INR	1.00	0.10	(2.53)	71.70	74.13	0.00	0.00	(2.53)	0.00	(2.53)	–	26.27%	51.00%
52	Deep Mangal Developers Private Limited	28/12/2017	INR	1.00	0.01	(0.17)	2.16	2.32	–	–	(0.04)	–	(0.04)	–	51.51%	100.00%
53	Moonshine Construction Private Limited	28/12/2017	INR	1.00	0.00	(0.30)	0.02	0.32	–	–	–	–	–	–	51.51%	99.69%
54	Mahindra Construction Company Limited	28/12/2017	INR	1.00	2.40	(24.83)	0.60	23.03	–	0.01	(0.16)	–	(0.16)	–	65.40%	91.66%

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
55	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	132.76	631.69	3,287.77	2,523.32	448.42	1,094.19	207.15	72.79	134.36	64.35	67.71%	
56	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.16)	0.03	0.14	-	-	(0.01)	-	(0.01)	-	67.71%	100.00%
57	Gables Promoters Private Limited	24/08/2012	INR	1.00	65.00	(3.55)	139.14	77.69	-	6.45	(2.72)	-	(2.72)	-	67.71%	100.00%
58	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	16.89	0.51	(1.37)	7.35	8.21	-	1.50	0.36	(0.09)	0.45	-	67.71%	100.00%
59	Infinity Hospitality Group Company Limited	05/11/2012	THB	2.08	31.22	(21.88)	42.09	32.76	-	9.38	1.57	-	1.57	-	50.09%	100.00%
60	MH Boutique Hospitality Limited	02/11/2012	THB	2.08	2.08	(3.03)	7.92	8.87	-	-	(0.57)	-	(0.57)	-	33.18%	49.00%
61	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	80.66	1.17	(22.95)	428.91	450.69	-	7.16	(7.18)	-	(7.18)	-	67.71%	100.00%
62	Covington S.a.r.l.	17/07/2014	EUR	80.66	0.10	182.01	504.87	322.77	-	10.28	4.08	-	4.08	-	67.71%	100.00%
63	HCR Management Oy	02/09/2015	EUR	80.66	0.02	17.23	17.25	-	16.90	0.40	0.40	-	0.40	-	67.71%	100.00%
64	Holiday Club Resort Oy	02/09/2015	EUR	80.66	96.46	362.27	981.34	522.61	38.79	1,089.09	37.72	(7.68)	30.04	15.91	64.43%	95.16%
65	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	80.66	0.02	8.65	8.68	-	-	0.09	0.07	(0.01)	0.06	-	64.43%	100.00%
66	Suomen Vapaa-aikakiinteistö Oy LKV	02/09/2015	EUR	80.66	0.02	0.13	0.16	0.01	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
67	Kiinteistö Oy Himoksen Tähti 2	02/09/2015	EUR	80.66	0.02	10.95	12.26	1.29	-	6.81	6.75	(1.29)	5.46	-	64.43%	100.00%
68	Kiinteistö Oy Vanha Ykköstii	02/09/2015	EUR	80.66	0.02	0.42	0.44	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
69	Kiinteistö Oy Katinnurkka	02/09/2015	EUR	80.66	0.02	2.47	2.49	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
70	Kiinteistö Oy Tenetilahti	02/09/2015	EUR	80.66	0.02	0.87	0.89	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
71	Kiinteistö Oy Mälönsieni	02/09/2015	EUR	80.66	0.07	2.35	2.45	0.03	-	0.15	(0.01)	-	(0.01)	-	64.43%	100.00%
72	Kiinteistö Oy Rauhan Ranta 1	02/09/2015	EUR	80.66	0.02	1.00	1.02	-	-	-	(0.02)	-	(0.02)	-	64.43%	100.00%
73	Kiinteistö Oy Rauhan Ranta 2	02/09/2015	EUR	80.66	0.02	1.65	1.67	-	-	-	(0.02)	-	(0.02)	-	64.43%	100.00%
74	Kiinteistö Oy Tiuruniemi	02/09/2015	EUR	80.66	0.02	2.90	2.93	-	-	-	(0.02)	-	(0.02)	-	64.43%	100.00%
75	Kiinteistö Oy Rauhan Liikekiinteistö 1	02/09/2015	EUR	80.66	0.02	13.93	79.51	65.56	-	7.68	0.38	-	0.38	-	64.43%	100.00%
76	Supermarket Capri Oy	02/09/2015	EUR	80.66	0.81	0.33	1.76	0.62	0.01	3.97	0.20	-	0.20	-	64.43%	100.00%
77	Kiinteistö Oy Kylpyläntorni 1	02/09/2015	EUR	80.66	0.02	2.01	2.04	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
78	Kiinteistö Oy Spa Lofts 2	02/09/2015	EUR	80.66	0.02	1.14	1.16	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
79	Kiinteistö Oy Spa Lofts 3	02/09/2015	EUR	80.66	0.02	1.12	1.14	-	-	-	(0.01)	-	(0.01)	-	64.43%	100.00%
80	Kiinteistö Oy Kuusamon Pulkajärvi 1	02/09/2015	EUR	80.66	0.02	2.22	2.87	0.63	-	0.09	0.03	(0.01)	0.02	-	64.43%	100.00%
81	Ownership Services AB	02/09/2015	SEK	7.90	0.08	1.51	8.84	7.25	-	-	(0.02)	-	(0.02)	-	64.43%	100.00%
82	Are Villas 1 AB	02/09/2015	SEK	7.90	0.04	-	0.17	0.13	-	-	-	-	-	-	64.43%	100.00%
83	Are Villas 2 AB	02/09/2015	SEK	7.90	0.04	-	0.05	0.01	-	-	-	-	-	-	64.43%	100.00%
84	Holiday Club Sweden AB Åre	01/12/2015	SEK	7.90	-	0.11	0.18	0.07	-	0.03	-	-	-	-	64.43%	100.00%
85	Holiday Club Sport and Spahotels AB	02/09/2015	SEK	7.90	0.79	2.15	50.07	47.13	-	107.88	(2.59)	-	(2.59)	-	32.86%	51.00%
86	Holiday Club Resort Rus LLC #	02/09/2015	RUB	1.13	-	-	-	-	-	0.01	0.01	-	0.01	-	64.43%	100.00%
87	Holiday Club Canarias Investments S.L.	02/09/2015	EUR	80.66	0.03	-	7.19	7.17	-	-	(0.02)	-	(0.02)	-	64.43%	100.00%
88	Holiday Club Canarias Sales & Marketing S.L.	02/09/2015	EUR	80.66	0.03	6.32	133.31	126.97	-	63.05	(7.60)	0.53	(7.07)	-	64.43%	100.00%
89	Holiday Club Canarias Resort Management S.L.	02/09/2015	EUR	80.66	0.03	26.65	75.25	48.58	-	42.35	2.22	(0.35)	1.88	-	64.43%	100.00%

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different	Rupees crores	
90	Are Villa 3 AB	26/01/2018	SEK	7.90	0.04	11.22	11.30	0.04	-	-	11.22	-	11.22	-	64.43%	100.00%		
91	Mahindra Two Wheelers Limited	29/09/2008	INR	1.00	6.00	0.91	16.40	9.49	-	36.94	0.40	(1.76)	2.16	-	92.25%			
92	Mahindra Two Wheelers Europe Holdings S.a.r.l.^	02/12/2014	EUR	80.66	120.18	89.91	210.43	0.33	-	-	(0.28)	-	(0.28)	-	100.00%			
93	Peugeot Motocycles S.A.S. #	19/01/2015	EUR	80.66	79.12	(384.99)	484.23	790.11	-	103.84	(180.54)	(8.21)	(172.33)	-	51.00%			
94	Peugeot Motocycles Deutschland GmbH #	19/01/2015	EUR	80.66	0.21	4.78	14.64	9.66	-	118.86	0.60	-	0.60	-	51.00%	100.00%		
95	Peugeot Motocycles Italia S.p.A. #	19/01/2015	EUR	80.66	2.13	0.18	3.89	1.58	-	55.33	0.84	0.65	0.19	-	51.00%	100.00%		
96	Mahindra Tractor Assembly Inc.	25/01/2013	USD	64.92	353.23	(343.55)	211.06	201.37	-	24.51	(134.45)	-	(134.45)	-	100.00%			
97	Classic Legends Private Limited	18/10/2016	INR	1.00	101.19	(2.68)	107.24	8.73	42.10	0.86	(1.20)	-	(1.20)	-	60.00%			
98	BSA Company Limited	21/10/2016	GBP	92.02	1.10	(1.00)	0.60	0.49	-	0.19	(0.25)	-	(0.25)	-	60.00%	100.00%		
99	Mahindra Agri Solutions Limited	16/08/2000	INR	1.00	69.27	20.44	395.05	305.34	-	438.71	(65.43)	(2.12)	(63.31)	-	98.40%			
100	EPC Industrie Limited	08/09/2011	INR	1.00	27.71	112.21	196.30	56.38	-	206.60	10.36	5.43	4.94	1.67	54.65%			
101	Mahindra HZPC Private Limited	25/04/2013	INR	1.00	20.89	(18.88)	42.28	40.27	-	11.93	(18.58)	0.02	(18.60)	-	58.99%			
102	Mahindra Greenyard Private Limited	09/07/2014	INR	1.00	10.43	(6.40)	7.11	3.08	3.13	20.94	(5.74)	-	(5.74)	-	59.04%	60.00%		
103	OFD Holding B.V. # ^	22/02/2017	EUR	80.66	0.25	(10.05)	0.77	10.57	-	7.54	7.23	1.78	5.44	-	83.09%			
104	Origin Direct Asia Ltd. #	22/02/2017	USD	64.92	0.01	0.24	5.34	5.10	-	42.01	1.56	0.11	1.45	-	83.09%	100.00%		
105	Origin Fruit Direct B.V. #	22/02/2017	EUR	80.66	0.11	37.50	104.40	66.79	-	383.92	9.83	2.38	7.45	-	83.09%	100.00%		
106	Origin Fruit Services South America SpA # ^	22/02/2017	CLP	0.11	0.01	0.25	0.65	0.40	-	1.81	(0.14)	-	(0.14)	-	83.09%	100.00%		
107	Origin Direct Asia (Shanghai) Trading Company Limited #	22/02/2017	CNY	10.34	0.96	(2.14)	4.25	5.43	-	46.86	1.56	-	1.56	-	83.09%	100.00%		
108	Merakisan Private Limited	25/05/2017	INR	1.00	1.51	(2.55)	1.06	2.10	0.00	2.81	(1.99)	0.00	(1.99)	-	19.27%			
109	Mahindra Fresh Fruits Distribution Holding Company***	17/11/2017	EUR	80.66	0.08	-	0.08	-	0.00	-	(0.08)	-	(0.08)	-	98.40%	100.00%		
110	Bristlecone Limited	17/05/2004	USD	64.92	0.16	110.70	193.42	82.55	-	100.72	96.41	7.82	88.59	-	75.29%			
111	Bristlecone India Limited	25/09/1995	INR	1.00	19.05	84.78	153.89	50.06	-	317.61	42.82	14.50	28.31	-	75.29%	100.00%		
112	Bristlecone Consulting Limited	01/06/2010	CAD	50.47	-	3.59	3.65	0.06	-	0.08	0.01	-	0.01	-	75.29%	100.00%		
113	Bristlecone (Malaysia) Sdn.Bhd	30/05/2007	MYR	16.89	0.84	1.91	5.76	3.00	-	8.60	(1.27)	0.35	(1.62)	-	75.29%	100.00%		
114	Bristlecone International AG	21/06/2011	CHF	68.61	0.69	11.23	14.82	2.91	-	25.91	1.10	0.14	0.95	-	75.29%	100.00%		
115	Bristlecone (UK) Limited	31/05/1999	GBP	92.02	21.62	(17.72)	3.91	-	-	2.59	1.71	-	1.70	-	75.29%	100.00%		
116	Bristlecone Inc.	17/05/2004	USD	64.92	44.47	(7.00)	171.64	134.17	-	338.44	21.38	16.89	4.49	-	75.29%	100.00%		
117	Bristlecone Middle East DMCC	18/07/2016	AED	17.68	0.09	0.02	5.90	5.79	-	4.88	(1.31)	-	(1.31)	-	75.29%	100.00%		
118	Bristlecone GmbH	09/12/2003	EUR	80.66	0.40	33.16	39.53	5.97	-	74.86	4.41	1.12	3.29	-	75.29%	100.00%		
119	Bristlecone (Singapore) Pte. Limited	21/02/2003	SGD	49.66	8.29	(7.66)	6.42	5.78	-	6.78	0.49	-	0.49	-	75.29%	100.00%		
120	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	64.92	77.12	51.67	128.83	0.05	0.58	1.71	1.39	-	1.39	-	57.00%			
121	Mahindra Holdings Limited	02/10/2007	INR	1.00	1,161.41	29.27	1,330.26	139.58	159.52	3.74	3.14	(0.04)	3.18	-	100.00%			
122	Mahindra Overseas Investment Company (Mauritius) Limited.	24/12/2004	USD	64.92	1,172.23	204.50	2,812.59	1,435.86	804.57	897.70	768.00	178.80	589.21	9.74	100.00%			
123	Mahindra Racing S.p.A.	23/01/2012	EUR	80.66	14.37	1.20	18.37	2.81	-	34.71	2.93	1.27	1.66	-	100.00%			

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different	Rupees crores
124	Mahindra Racing UK Limited	04/03/2011	GBP	92.02	0.18	16.31	38.55	22.05	-	138.54	20.93	4.37	16.56	-	100.00%		
125	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	518.64	723.53	188.29	30.04	1,120.23	95.10	32.77	62.33	24.25	100.00%		
126	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	88.95	235.51	130.02	-	278.41	13.27	5.12	8.14	3.19	61.00%		
127	Mahindra Electrical Steel Private Limited**	11/07/2009	INR	1.00	0.50	(2.07)	7.38	8.95	-	-	(1.17)	(0.31)	(0.86)	-	100.00%		
128	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	21.36	121.99	32.13	6.96	90.12	18.16	5.41	12.75	4.95	51.00%		
129	Mahindra MiddleEast Electrical Steel Service Centre (FZC)	08/08/2004	AED	17.68	3.57	26.83	62.29	31.89	-	69.70	0.02	-	0.02	-	90.00%		
130	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	21.20	(3.60)	19.34	1.74	-	0.57	(2.49)	0.12	(2.61)	-	50.00%		
131	Mahindra Logistics Limited	12/12/2007	INR	1.00	71.14	347.76	912.27	493.38	50.05	3,224.84	97.40	35.21	62.19	12.86	58.77%		
132	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	9.01	0.04	48.27	39.23	-	52.69	1.07	0.34	0.73	-	32.33%	55.00%	
133	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	4.89	38.34	31.09	-	177.78	3.65	1.28	2.37	-	35.26%	60.00%	
134	Mahindra Susten Private Limited	04/03/2011	INR	1.00	138.26	459.90	1,429.60	831.44	10.11	1,164.29	72.90	25.93	46.97	-	100.00%		
135	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	279.42	5.92	503.32	217.98	10.35	5.97	(0.99)	(0.35)	(0.65)	-	100.00%		
136	Cleansolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.62	53.11	248.82	186.09	-	39.23	3.30	1.86	1.44	-	100.00%		
137	MachinePulse Tech Private Limited	05/01/2016	INR	1.00	0.05	(0.04)	0.04	0.03	-	-	(0.02)	-	(0.02)	-	100.00%		
138	Divine Solren Private Limited	08/05/2015	INR	1.00	12.08	65.44	351.78	274.26	-	36.66	5.50	1.72	3.78	-	100.00%		
139	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	60.18	300.09	230.59	-	20.49	7.49	1.98	5.51	-	100.00%		
140	Marvel Solren Private Limited	10/10/2015	INR	1.00	0.01	(0.06)	71.53	71.58	-	0.03	(0.05)	(0.01)	(0.04)	-	100.00%		
141	Astra Solren Private Limited	14/10/2015	INR	1.00	8.49	53.88	525.21	462.84	-	50.99	(0.15)	(0.71)	0.56	-	100.00%		
142	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	10.38	81.15	61.25	-	12.28	0.43	0.51	(0.08)	-	51.00%		
143	Mega Suryaurja Private Limited	16/02/2017	INR	1.00	0.10	(0.08)	0.02	-	-	-	(0.02)	-	(0.02)	-	100.00%		
144	Mahindra Engineering and Chemical Products Limited	30/04/1964	INR	1.00	100.88	673.95	776.09	1.26	118.30	5.01	4.29	1.25	3.03	-	100.00%		
145	Retail Initiative Holdings Limited	01/07/2009	INR	1.00	20.55	(157.66)	357.39	494.50	-	-	(0.06)	-	(0.06)	-	100.00%		
146	Mahindra Retail Private Limited	01/07/2009	INR	1.00	842.46	(538.49)	428.64	124.67	355.48	136.50	(40.49)	(1.00)	(39.49)	-	100.00%		
147	Mahindra Defence Naval Systems Limited	18/05/2012	INR	1.00	15.03	(13.98)	26.16	25.11	-	11.34	(5.00)	-	(5.00)	-	100.00%		
148	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	15.91	213.47	407.02	177.64	-	245.23	15.04	-	15.04	-	100.00%		
149	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(23.31)	45.54	18.07	-	27.74	(3.55)	-	(3.55)	-	51.00%		
150	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	17.68	17.68	6.27	37.93	13.98	-	33.67	1.07	-	1.07	-	88.00%		
151	Mahindra First Choice Wheels Limited	24/03/2008	INR	1.00	78.88	42.78	205.77	84.12	2.13	142.57	(31.85)	0.05	(31.91)	-	51.06%		
152	Mahindra First Choice Services Limited	15/11/1999	INR	1.00	264.00	(316.36)	24.39	76.75	-	92.55	(40.39)	-	(40.39)	-	100.00%		

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in Subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different	Rupees crores
153	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(8.82)	0.34	0.15	-	0.85	0.07	-	0.07	-	84.78%	100.00%	
154	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	1.50	6.43	16.44	8.51	2.26	38.52	1.12	0.22	0.91	0.27	100.00%		
155	Mahindra 'Electoral Trust' Company	30/12/2013	INR	1.00	0.05	(0.01)	0.04	-	-	-	-	-	-	-	100.00%		
156	Mahindra eMarket Limited	11/08/2014	INR	1.00	0.80	(0.89)	0.82	0.91	-	0.65	(0.05)	-	(0.05)	-	83.47%	100.00%	
157	Orizonte Business Solutions Limited	25/11/2015	INR	1.00	26.49	(16.29)	16.00	5.80	-	10.30	(22.64)	-	(22.64)	-	92.25%	98.66%	
158	Mahindra Airways Limited	27/07/2016	INR	1.00	2.25	(1.49)	0.77	0.01	0.70	0.06	(0.07)	-	(0.07)	-	100.00%		
159	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	558.88	25.46	593.77	9.43	-	2.21	(133.10)	-	(133.10)	-	86.27%		
160	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	322.36	(234.34)	195.23	107.21	-	48.93	(52.39)	-	(52.39)	-	86.27%	100.00%	
161	Mahindra Aerospace Australia Pty Limited	13/04/2010	AUD	50.07	511.91	(216.13)	295.89	0.11	-	1.54	(83.70)	-	(83.70)	-	86.27%	100.00%	
162	Aerostaff Australia Pty Limited ^	10/05/2010	AUD	50.07	30.04	(30.04)	-	-	-	2.99	(2.45)	-	(2.45)	-	86.27%	100.00%	
163	Gipp Aero Investments Pty Limited ^	28/06/2010	AUD	50.07	473.40	(473.40)	-	-	-	-	(0.02)	-	(0.02)	-	86.27%	100.00%	
164	Gippsaero Pty Limited	28/06/2010	AUD	50.07	438.11	(338.65)	182.66	83.20	-	53.33	(100.80)	-	(100.80)	-	86.27%	100.00%	
165	Airvan Flight Services Pty Limited ^	28/06/2010	AUD	50.07	0.00	(0.04)	0.00	0.04	-	-	-	-	-	-	86.27%	100.00%	
166	GA8 Airvan Pty Limited ^	28/06/2010	AUD	50.07	-	(0.04)	-	0.04	-	-	-	-	-	-	86.27%	100.00%	
167	GA200 Pty Limited ^	28/06/2010	AUD	50.07	-	(0.04)	-	0.04	-	-	-	-	-	-	86.27%	100.00%	
168	Nomad TC Pty Limited ^	28/06/2010	AUD	50.07	0.06	(0.11)	-	0.04	-	-	-	-	-	-	86.27%	100.00%	
169	Airvan 10 Pty Limited ^	10/12/2015	AUD	50.07	0.00	-	-	0.04	-	-	-	-	-	-	86.27%	100.00%	
170	Mahindra Waste To Energy Solutions Limited**	25/06/2017	INR	1.00	2.51	(0.13)	2.39	0.01	-	-	(0.13)	-	(0.13)	-	100.00%		
171	Mahindra Telecom Energy Management Services Limited**	25/06/2017	INR	1.00	0.01	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100.00%		
172	Mahindra Sanyo Special Steel Private Limited	11/11/2011	INR	1.00	11.98	139.34	766.75	615.44	-	1102.32	(27.95)	-	(27.95)	-	51.00%		

Notes:

* Denotes amounts less than Rs. 50,000.

** Denotes companies yet to commence operations

*** Incorporated in November, 2017 and will prepare its first statutory accounts for the period ending 31st October, 2018.

^ The entity is not required to get its financial statements audited under laws of the country in which it is incorporated. Hence, the management certified accounts have been considered for consolidation.

Denotes companies where reporting period is different from 1st April, 2017 to 31st March, 2018. The financial year for all other subsidiaries is 1st April, 2017 to 31st March, 2018

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

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

(i) Mahindra Yueda (Yancheng) Tractor Company Limited

(ii) Defence Land Systems India Limited

(iii) Raigad Industrial & Business Park Limited

(iv) Gateway Housing Company Limited

(v) Mahindra Telecommunications Investment Private Limited

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

Rupees crores

Name of Associates / Joint Ventures	Audited Balance Sheet Date	Date of Acquisition	No. of Equity shares held ††	Proportion of ownership interest	Cost of Investments	Network attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
Swaraj Engines Limited	31/03/2018	11/08/2008	4,039,206	33.31%	1.60	76.11	26.68	53.42
Tech Mahindra Limited	31/03/2018	31/08/2012	256,450,608	26.19%	2,691.53	4,934.93	995.05	2,804.77
Mahindra & Mahindra Contech Limited	31/03/2018	01/04/2010	70,000	46.66%	1.73	5.55	0.44	0.51
Officemartindia.com Limited	31/03/2018	31/03/2002	749,997	50.00%	0.22	(0.12)	*	*
Kota Farm Services Limited	31/03/2018	15/04/2011	310,000	51.02%	0.27	(0.15)	*	*
P.F. holding BV	31/03/2018	27/05/2016	18,336,050	40.00%	137.82	220.52	(6.39)	(9.58)
Sampo Rosenlew Oy	30/09/2017	01/07/2016	1,050	35.00%	110.49	73.45	(14.65)	(27.22)
Carnot Technologies Private Limited	31/03/2018	9/03/2018	7,370	23.66%	6.07	1.14	—	—
Mitsubishi Mahindra Agricultural Machinery co., Ltd. §	31/03/2018	01/10/2015	4	33.33%	191.59	470.39	(34.50)	(17.24)
M.I.T.R.A Agro Equipments Private Limited	31/03/2018	15/02/2018	68,413	27.06%	8.90	3.04	—	—
Zoomcar Inc ♦		16/02/2018	—	—	—	—	—	—
Resfeber Labs Private Limited	31/03/2018	28/03/2018	246,280	23.47%	50.05	10.24	—	—

Notes :

No associates/ Joint ventures are yet to commence operations.

* denotes amount less than Rs. 50,000.

†† including participating preference shares.

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

♦ Significant influence is through right to participate in business decisions arising out of contractual agreement. Additionally, the Company holds 3,63,752 Compulsory Convertible Preference Shares of Zoomcar India Private Limited, a subsidiary of Zoomcar Inc., comprising of approx. 11.60% of the total equity share capital and compulsory convertible preference share capital.

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

Directors

Anand G. Mahindra

Executive Chairman

Dr. Pawan Goenka

Managing Director

V. S. Parthasarathy

Group Chief Financial Officer & Group CIO

Narayan Shankar

Company Secretary

Mumbai, 29th May, 2018

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Notes

[illegible]

Notes

[illegible]